

Decision No. 48802**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of HOME ACRES WATER CO. INC. of)
Pomona, California, to discontinue) Application No. 34303
its operation, as of 1954.)

Joseph Hansen, president, and John F. Loofborrow,
secretary-treasurer, for applicant.
James F. Wilson, for the Commission staff.

O P I N I O N

Home Acres Water Co., a corporation, by the above-entitled application filed April 29, 1953, seeks authority to discontinue its operations as of 1954.

A public hearing in this matter was held before Examiner Stewart C. Warner on June 10, 1953, at Pomona. Although notices of the hearing were sent to all customers and notice was published in a newspaper of general circulation throughout applicant's service area, no protests to the granting of the application were entered at the hearing.

General Information

Home Acres Water Co., a corporation, was granted a certificate of public convenience and necessity to supply water for irrigation purposes only by Decision No. 38854, dated April 16, 1946, in Application No. 27269. Applicant was declared to be a public utility and rates therefor were set by Decision No. 22272, dated April 1, 1930, in Case No. 2771.

By Decision No. 38854 applicant was also authorized to issue and deliver to Home Acres Water Co., an unincorporated association, or to its members, in payment for public utility water

system properties, 144 shares of stock of par value of \$7,200, such stock to be issued and delivered in the manner set forth in Application No. 27269.

In 1946 applicant's service area comprised about 300 acres, some of which were then subdivided in town lots and were no longer served with irrigation water. All of applicant's service area lay within the boundaries of the City of Pomona. At that time applicant sold water to 41 customers who were then irrigating about 60 acres of land.

During 1952, as shown in Exhibit No. 1 filed at the hearing, applicant furnished irrigation service to 37 consumers who were irrigating about 26 acres of land, all within the city limits of Pomona.

Financial Losses from Operations

The record shows that during 1952 revenues from the sale of water amounted to \$659.93, operating expenses, including depreciation of \$173.77, amounted to \$1,017.55, resulting in net operating loss amounting to \$357.62. Applicant's president draws a salary of \$33 per month, and no regular salary is paid the secretary-treasurer. From time to time an amount of \$10 was voted to this officer but none has been voted recently. Applicant's president has loaned applicant \$2,444.82 on a note payable on demand. The money obtained by applicant from this loan was used in 1952 to install a new motor for the pump in its well.

Proposed Liquidation of Assets

Applicant proposes to liquidate its assets by the sale of its well site and pumping equipment. The record shows that applicant's only debts are its current gas bill and the demand note hereinbefore referred to. There are no consumer deposits and no consumer advances in aid of construction to be refunded.

Request to Discontinue Service

Applicant requests the right to discontinue service after the current irrigation season ends and not later than January 1, 1954. If present consumers still desire irrigation service, such service can be obtained from the domestic water department of the City of Pomona. Inasmuch as the area is steadily being converted from agriculture to residences, the record shows that there is no prospect whatsoever of successful financial operations from the continued furnishing of irrigation water service in this area.

Conclusion

From a review of the record the Commission is of the opinion that the application should be granted and it will be by the order which follows.

O R D E R

Application as above-entitled having been filed, a public hearing having been held, the matter having been submitted, the Commission being fully advised in the premises,

IT IS HEREBY FOUND AS A FACT that public convenience and necessity do not require the continued operation of a public utility irrigation water system and the furnishing of irrigation water service by Home Acres Water Co., a corporation, in the area granted by Decision No. 38854, dated April 16, 1946, in Application No. 27269; therefore,

IT IS HEREBY ORDERED as follows:

1. Home Acres Water Co., a corporation, be and it is authorized to abandon and discontinue all irrigation water service in the area hereinabove described at the end of the current irrigation season which in no event shall be deemed to be later than January 1, 1954.

2. On or before the actual date of abandonment, Home Acres Water Co., a corporation, shall refund all consumer deposits, if any, to consumers entitled thereto, and within thirty days thereafter shall notify this Commission in writing of the completion of such refunding.
3. Home Acres Water Co., a corporation, shall notify this Commission in writing of the date of abandonment within thirty days after such abandonment.
4. Upon compliance with ordering paragraphs 2 and 3 above, said Home Acres Water Co., a corporation, shall stand relieved of all public utility obligations in connection with the operation of the irrigation water system referred to in this proceeding.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 7th day of July, 1953.

[Signature]
President

[Signature]
[Signature]

Commissioners

Justus F. Craomer
Commissioners ~~Kenneth Rotter~~, being necessarily absent, did not participate in the disposition of this proceeding.