

ORIGINAL

Decision No. 49206

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
THE SAN JOAQUIN CANAL COMPANY, a)
corporation, and CENTRAL CALIFORNIA)
IRRIGATION DISTRICT, an irrigation)
district formed pursuant to the)
Irrigation District Law, for an)
order authorizing the transfer and)
sale of substantially all the assets)
of The San Joaquin Canal Company to)
the Central California Irrigation)
District.)

Application No. 34672

J. E. Woolley and Vincent J. McGovern, attorneys
for applicant San Joaquin Canal Company.
C. Roy Robinson, by James A. Cobey, attorney for
applicant Central California Irrigation District.
J. J. Deuel and Eldon N. Dye, for California Farm
Bureau Federation, interested party.
Frank B. Austin, for the Commission.

OPINION AND ORDER

By the above-entitled application, filed August 26, 1953.
San Joaquin Canal Company,^{1/} a California corporation, seeks
authority to sell its public utility water system and withdraw
from public service, and Central California Irrigation District^{2/}
seeks authority to purchase said system. Said system is located
in Stanislaus, Merced and Fresno Counties.

A public hearing in this proceeding was held before
Examiner Emerson on October 16, 1953, at Los Banos.

Under date of March 19, 1953 applicants entered into an
agreement of sale by which Seller would transfer to buyer, for the
sum of \$4,200,000, all of the assets of Seller except its cash,
receivables, investments in securities, accounting and legal records,
and all records and material relating exclusively to corporate as
opposed to business matters.

1/ Hereinafter sometimes referred to as Seller.

2/ Hereinafter sometimes referred to as Buyer.

Buyer was formed under the Irrigation District Law for the primary purpose of acquiring the system of Seller. The electorate of the district has authorized the sale of bonds by which Seller's system may be purchased. Buyer has bound itself to serve all present customers of Seller to the extent of present service and the utility service obligations of Seller.

No party is of record as being opposed to the transfer of properties.

An appropriate order will be made authorizing the transfer of property. The action taken herein, however, shall not be construed to be a finding of the value of the property authorized to be transferred.

Applicants have requested and have shown the need for early approval and expedition of this matter so as to accomplish ready sale of Buyer's bonds and consummation of transfer of control of the physical properties prior to the start of irrigation deliveries in the 1954 season. The California Farm Bureau Federation joined in urging early approval. The granting of such a request appears to be reasonable and the order herein will so provide.

It appearing that the granting of the authority requested will not be adverse to the public interest,

IT IS HEREBY ORDERED that San Joaquin Canal Company, may, on or after the effective date of this order and before June 1, 1954, sell and transfer the public utility irrigation and water system described in the application in this proceeding to Central California Irrigation District pursuant to the agreement of sale and purchase entered as Exhibit No. 4 in this proceeding, and upon consummation of the property transfer herein authorized San Joaquin Canal Company is relieved of its public utility obligation to furnish irrigation and water service in Stanislaus, Merced and Fresno Counties.

IT IS HEREBY FURTHER ORDERED that on or before the date of actual transfer, San Joaquin Canal Company shall refund all deposits which customers are entitled to have refunded and within thirty days after said date of actual transfer shall notify this Commission in writing of the date of completion of the property transfer herein authorized.

The effective date of this order shall be the date hereof.

Dated at Los Angeles, California, this 27th day of October, 1953.

[Signature]
President
Justus J. Caldwell
[Signature]
[Signature]
[Signature]
Commissioners