

Decision No. 49318**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of CONSERVATIVE WATER COMPANY,)
 a corporation, to purchase; and R. W.)
 SPARLING, a married man, to sell; and)
 SUBURBAN MUTUAL WATER COMPANY, a common) Application No. 34687
 law business trust, to terminate its)
 lease and discontinue operations as a)
 public utility of the certain properties)
 to be bought and sold within Tract 5671,)
 Los Angeles County.)

OPINION AND ORDER

R. W. Sparling, by this application, filed August 26, 1953, requests authority to sell to Conservative Water Company the plant, real estate and water distribution facilities owned by him and used, under lease, by Suburban Mutual Water Company, a public utility (27CRC823), to supply water for domestic use within Tract 5671, also known as "Central Avenue Gardens", generally bounded by 92nd Street, Success Avenue, 98th Street and Parmaleo Avenue, in Los Angeles County. Conservative Water Company joins in the application. The sale is to be made substantially in accordance with the terms and conditions of an agreement, dated August 5, 1953, a bill of sale and a deed of conveyance, copies of which are annexed to the application, for an agreed price of \$2,500.

Conservative Water Company, a public utility operating, among other places, in areas contiguous to Tract 5671, since 1944 has supplied water to Suburban Mutual Water Company through a 2-inch master meter. If the transfer is authorized, Conservative proposes to remove the master meter and to install adequate sized connections to the existing distribution lines and facilities in Tract 5671 and to make improvements necessary to furnish water to consumers in the tract under the pressure available in its surrounding service area. Conservative proposes to charge for such service in accordance with

its existing rates on file with the Commission, which are generally lower than those of Suburban Mutual Water Company.

Upon consideration of the application we find that the sale of properties proposed therein will not be adverse to the public interest. We also find that any increases in rates or charges, resulting from the application of existing rates of Conservative Water Company to water service to be rendered within Tract 5671 following the transfer hereinafter authorized, are justified. The application, accordingly, will be granted. The action taken herein, however, shall not be construed to be a finding of the value of the properties herein authorized to be transferred. A public hearing is not necessary.

Therefore, good cause appearing,

IT IS HEREBY ORDERED that Suburban Mutual Water Company may, on or after the effective date hereof and on or before December 31, 1953, terminate its lease with R. W. Sparling of those certain properties owned by Sparling and located within and generally constituting the water production and distribution system serving residents and consumers in said Tract 5671, Los Angeles County, which properties are more particularly described in an agreement of purchase and sale, dated August 5, 1953, a bill of sale and a deed of conveyance, copies of which are annexed to the application herein; that said R. W. Sparling may, on or after the effective date hereof and on or before December 31, 1953, sell and transfer to Conservative Water Company, a corporation, substantially in accordance with said agreement of purchase and sale, bill of sale and deed of conveyance the properties described in said instruments.

IT IS HEREBY FURTHER ORDERED THAT:

1. Conservative Water Company shall, within 30 days from the date of transfer herein authorized, amend its presently filed

tariff schedules, in conformity with General Order No. 96, to provide for the application of said tariff schedules to water service to be furnished thereafter by Conservative Water Company in said Tract 5671.

2. On or before the actual date of transfer, Suburban Mutual Water Company shall refund all deposits which customers are entitled to have refunded, and any unrefunded deposits shall be transferred to and become the obligation for refund of the transferee, Conservative Water Company.

3. R. W. Sparling and Suburban Mutual Water Company, within 30 days after consummation of the transfer herein authorized, shall notify the Commission in writing of the date of completion thereof and of their compliance with the provisions of this order and said Suburban Mutual Water Company may thereafter discontinue public utility water service within said Tract 5671.

4. R. W. Sparling and Suburban Mutual Water Company shall, on the actual date of completion of the transfer or within 30 days thereafter, transfer and deliver to Conservative Water Company, and the latter shall receive and preserve, all records, memoranda and papers pertaining to the operations of said Suburban Mutual Water Company within said Tract 5671, as said records are more specifically described in the Commission's General Order No. 28.

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

Dated at San Francisco, California, this 10th day of November, 1953

[Signature]
President
[Signature]
[Signature]
[Signature]
Commissioner