

ORIGINALDecision No. 50097

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of the SOLVANG WATER)
 WORKS and SOLVANG MUNICIPAL)
 IMPROVEMENT DISTRICT for permis-)
 sion to sell the water works to)
 the district.)

Application No. 35391

O P I N I O N

The Solvang Water Works, a copartnership which has supplied water as a public utility for domestic use in the community of Solvang, Santa Barbara County, by this application, filed April 29, 1954, seeks authority to sell its system to Solvang Municipal Improvement District, pursuant to the terms of a contract executed by the parties on August 23, 1952, a copy of which is annexed to the application as Exhibit "A." ⁽¹⁾ The agreed price for sale of the properties, as stated in the contract, is \$32,500, derived from the sale of Water Revenue Bonds of 1952 of the District. The district joins in the application.

The applicants, while conceding that the transaction requires authorization by this Commission, nevertheless observe that the property is passing into public ownership and will not thereafter require supervision by the Commission. They therefore ask that the authorization be conferred by ex parte action. No objections to the transfer have been manifested during the period prior to filing the application during which the district, presumably, has been operating the system.

We perceive no valid reason for withholding our permissive authority for the transfer, despite the somewhat unusual circumstances indicated by the delay in filing the application. The

(1) The contract recites that possession of the properties is to be delivered as of midnight, September 30, 1952. The application was verified September 15, 1952.

requested authority, 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. Nor is our action here to be taken as an indication that similar authority will be conferred in other cases where, through inadvertence or for other reasons, such authority is belatedly invoked.

A public hearing is not deemed necessary.

O R D E R

An application therefor having been filed and considered, the Commission being fully advised and finding that the transfer of properties proposed therein will not be adverse to the public interest,

IT IS ORDERED that:

(1) Hans Christian Hansen, Cecelia Faucerso, Mamie F. Burgren, Clara N. Potersen, as trustee under the will of Marcus Nielson, and Maggie Jensen, a copartnership doing business as Solvang Water Works, be and they are hereby authorized to transfer to Solvang Municipal Improvement District, a public corporation, in accordance with the terms and conditions of a certain contract between said parties dated August 23, 1952, the water system and appurtenances therein described.

(2) Said copartnership, or its representative, within thirty days after the effective date of this order, shall advise the Commission in writing of the date of actual transfer of said water system to said district and whether or not any refunds due to consumers from said copartnership, as of said date of actual transfer, yet remain unpaid.

(3) Provided that said transfer has been fully consummated, that the Commission shall have been advised of the date thereof and

that there remain unpaid no refunds to consumers from said copartner-
ship, the schedules of rates, rules and regulations filed by Solvang
Water Works shall be canceled, effective on the date of receipt by
the Commission of written advice from said copartnership, or its
representative, of the existence of the facts set forth in the
proviso in this paragraph hereinabove contained.

(4) Said copartnership, concurrently with the cancella-
tion of its schedules, as provided for in paragraph (3) next above,
shall thereafter stand relieved of any obligation as a public
utility water company with respect to the properties herein author-
ized to be transferred to said district.

(5) The authority granted herein shall expire unless
exercised on or before July 1, 1954.

Finding that the public interest so requires, IT IS FURTHER
ORDERED that the effective date of this order shall be the date
hereof.

Dated at San Francisco, California, this 1st
day of June, 1954.

John E. Mitchell
President
Justice J. Cassel
Kenneth Potter
Verne Higgins

Commissioners