Decision No. 50131

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of) NORTH FORK DITCH COMPANY, a corporation, for an order authorizing) Applicant to execute a contract with) the United States providing for the) transfer and exchange of utility) property.

Application No. 35419

OPINION AND ORDER

North Fork Ditch Company, a corporation, engaged in the business of furnishing water for irrigation use and for domestic use incidental thereto, in Sacramento and Placer Counties, asks the Commission for authority to execute a contract with the United States providing for the transfer and exchange of certain public utility property.

The Folsom Dam and Reservoir Project, which is being constructed by the United States Government on the American River, will inundate substantial portions of applicant's main canal, eliminate its Hinkle Reservoir, and render other facilities incapable of further use in connection with applicant's water system. An agreement between the parties, evidenced by the form of contract attached to the application as Exhibit B, provides, among other things, for the transfer to the United States of certain utility property and, in exchange, North Fork Ditch Company will be provided a new Hinkle reservoir and other substitute facilities enumerated in the agreement. Further, the United States agrees to deliver to the applicant herein a substitute quantity of water not to exceed 33,000 acre feet annually, at a rate not to exceed 75 cubic feet per second.

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According to the application, it is believed that capital retirements and additions resulting from the proposed transfer would not involve any substantial change in applicant's net worth, and that the present rates of the utility would not be affected as a result of the capital changes.

The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

It appearing that the proposed transfer of property and the relocation of the company's water transmission facilities will not adversely affect the company's operations and that they are in the public interest, and it further appearing that this is not a matter in which a public hearing is necessary and that the application should be granted, now, therefore,

IT IS HEREBY ORDERED as follows:

1. That North Fork Ditch Company, a corporation, may, on or after the effective date hereof and on or before June 1, 1955, execute and carry out the terms and conditions of a contract with the United States of America providing for the transfer of property and relocation of facilities, substantially in accordance with the terms and conditions set forth in the form of contract attached to the application herein as Exhibit B, said exhibit being hereby made a part of this order by reference.

2. That North Fork Ditch Company, a corporation, shall file with this Commission two certified copies of said contract as finally consummated, within thirty days thereafter.

3. That within thirty days after said contract is finally consummated, the proposed accounting entries showing the distribution to its accounts of the property transferred to and received from the United States of America shall be filed with this Commission by North Fork Ditch Company.

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4. That North Fork Ditch Company, a corporation, shall notify this Commission of the date said relocated facilities have been placed in satisfactory operation within thirty days thereafter.

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

Dated at San Francisco, California, this 12 day , 1954: of <u>|</u>

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Commissioners