

Decision No. 53525**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 TORO CANYON COMPANY, INC. for)
 authority to discontinue utility)
 services, to sell assets belonging)
 to the corporation, and to wind up)
 and dissolve.)

Application No. 37999

O P I N I O N

The Toro Canyon Company, Inc., is a California corporation which conducted operations as a public utility water corporation from the date of its inception in 1935 until February 8, 1954. On this latter date the corporation entered into an agreement to sell certain rights of way, easements, and equipment to the United States Department of the Interior, Bureau of Reclamation, for \$8,000. A copy of this agreement is attached to the application as Exhibit A. On or about February 28, 1954, the Summerland County Water District, a municipal corporation of the State of California, contracted with the Bureau of Reclamation to operate all of the water distribution facilities which formerly had been operated by the applicant. The Summerland County Water District became a distributor of water from the Cachuma Dam water system of the Bureau of Reclamation, which system will supply virtually all of the water to the southeast coast area of Santa Barbara County.

On February 25, 1954, a contract was entered into by the Summerland County Water District and the applicant herein, whereby the water distribution which previously had been performed by applicant was taken over by the water district. This contract is attached to the application as Exhibit C. Since March 1, 1954, pursuant to this contract, the Summerland County Water District has supplied water to all of the customers formerly served by applicant. On July 16, 1956,

applicant filed an amendment to the within application which stated that Toro Canyon Company, Inc., had sold water, during the calendar year 1955, as a matter of courtesy to two persons for use on their ranches. It is averred that both of said persons waive any claim to have such water service continued and expressly consent to the discontinuance of water service to them at any time. Attached to the above-mentioned amendment is a consent to the discontinuance of water service, signed by each of the persons concerned.

The assets of the applicant company are set out in the application, and it is indicated that the only liability aside from its capital stock is a claim of the State of California arising out of the relocation of portions of the distribution system. This claim is secured by a writ of attachment and it is proposed to sell the real property of the company to pay off this obligation which will amount to "no less than \$5,000 and not more than \$13,714.97." After this transaction is completed it is proposed to dissolve the corporation and to transfer the remaining assets to the sole stockholder, Miss Emaline A. Swift.

A consideration of all of the allegations contained in the application and the exhibits attached thereto leads us to the conclusion, and we now find, that it is in the public interest to permit the applicant to discontinue utility services, to authorize it to sell the real property and other physical assets of said corporation and to wind up its affairs. The following order will so provide. A public hearing is not necessary.

O R D E R

Application as above entitled having been filed, the Commission being fully advised in the premises and hereby finding it to be not adverse to the public interest,

IT IS ORDERED:

(1) That Toro Canyon Company, Inc., is hereby authorized to discontinue services as a public utility water corporation.

(2) That Toro Canyon Company, Inc., is authorized to sell the real property it presently holds, which was described in the application, and to use the proceeds thereof to pay off the obligation owing to the State of California as hereinabove described. After all obligations of the corporation are paid, it is authorized to transfer the remaining assets, if any, to the sole stockholder and to wind up its affairs and dissolve.

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

Dated at San Francisco, California, this 3rd day of August, 1956.

[Signature]
President

[Signature]

[Signature]

[Signature]

[Signature]
Commissioners