

Decision No. 53570**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 PACIFIC WATER CO., a California)
 corporation, to sell its water)
 system known as Victorville No. 2) Application No. 38048
 to Victorville County Water District,)
 under Section 841 of the Public)
 Utilities Code.)

OPINION AND ORDER

Pacific Water Co.,¹ a corporation, by the above-entitled application filed May 22, 1956, seeks authority to sell its water system known as Victorville No. 2, in San Bernardino County, to Victorville County Water District,² which joins in the application. The terms and conditions of the proposed transfer are set forth in the "Contract of Purchase", dated March 16, 1956, a copy of which is attached to the application as Exhibit B.

The Victorville No. 2 system was formerly operated as a public utility by Desert Water Co., under a certificate of public convenience and necessity granted by the Commission in its Decision No. 45467 issued March 20, 1951, in Application No. 31899. The area authorized to be served was subsequently extended by a certificate of public convenience and necessity granted by the Commission in Decision No. 46549 issued December 18, 1951, in Application No. 32746. Pacific acquired the Victorville No. 2 system from Desert Water Co., under authorization granted by Decision No. 48648, dated June 1, 1953, in Applications Nos. 34371 and 34372.

¹ Sometimes hereinafter called Pacific.

² Sometimes hereinafter called District.

The properties proposed to be transferred include five parcels of land, including buildings and wells located thereon, pumping equipment, pressure tanks and distribution facilities, all of which are described in more detail in Exhibit A of the agreement. The consideration for the transfer is to be \$200,000 to be paid in cash which is available from the proceeds of bonds sold by District.

Authority for the transfer is stated to be sought for the reason that District is prepared to parallel the water mains of Pacific and it appears to be to the best interests of the water users in the area that the sale be consummated under the terms of the agreement.

With reference to the continuation of service to Pacific's customers, the application states that, "... all of the pipelines and services of said system are embraced within the boundaries of Victorville County Water District. The District will, by virtue of this sale, take over and serve all of the water users of Pacific Water Co. in its Victorville No. 2 system."

It is noted in the above-mentioned "Contract of Purchase" that the terms thereof provide for a determination by the Commission in the event that disputes arise between Pacific and its customers. We refrain from passing on this provision of the agreement.

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

The Commission having considered the above-entitled application and being of the opinion that the proposed transfer will

not be adverse to the public interest, that a public hearing is not necessary, and that the application should be granted; therefore,

IT IS HEREBY ORDERED that:

1. Pacific Water Co., a corporation, may, on or after the effective date hereof and on or before December 31, 1956, sell and transfer the portion of its public utility properties known as Victorville No. 2 system to the Victorville County Water District substantially in accordance with the "Contract of Purchase" included in the application as Exhibit B, except the provision of numbered paragraph 10 relative to determination by the Commission in case of disputed bills, is specifically excluded from the authority herein granted.
2. On or before the date of actual transfer, Pacific Water Co. shall refund all customers' deposits which customers of its Victorville No. 2 system are entitled to have refunded, and within thirty days thereafter shall notify this Commission in writing of the completion of such refunding.
3. Pacific Water Co. shall, within thirty days after the date of actual transfer, file with this Commission a verified statement showing all obligations to make refunds of customers' advances for construction, if any, applicable to its Victorville No. 2 system, the amounts thereof, and the names of all persons or corporations in whose favor such obligations exist as of the date of transfer.
4. If the authority herein granted is exercised, Pacific Water Co. shall, within thirty days thereafter, notify this Commission in writing of the date of such completion of the property transfer herein authorized and of its compliance with the conditions hereof.
5. If the authority herein granted is exercised, Pacific Water Co. shall, within thirty days after the date of actual transfer, revise its presently effective filed tariff schedules for its Victorville system, including tariff service area map, in accordance with the procedure prescribed by General Order No. 96, to provide for the application of said tariff schedules to the area remaining after the transfer of properties authorized by this order. Such rates, rules and tariff service area map shall become effective on five days' notice to the Commission and the public after filing as hereinabove provided.

6. Upon due compliance with all the conditions of this order, Pacific Water Co. shall stand relieved of all further public utility obligations and liabilities in connection with the operation of Victorville No. 2 system herein authorized to be transferred.

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

Dated at San Francisco, California, this 7th day of August, 1956.

John E. Batsell
President

Justin J. Casella

Walter D. ...

R. ...

Commissioners