

at

Decision No. 55267

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
Harriett O. Webb, dba the Webb Water
Works, to sell and Bay Water Company,
a corporation, to buy the distribution
system of the Webb Water Works and to
apply the Bay Water Company rates to
the area.

Application No. 38967

Harriett O. Webb, for Webb Water Works.
Kenneth W. Persons, for Bay Water Company.
Clyde F. Norris, for the Commission staff.

O P I N I O N

The joint application of Harriett O. Webb and Bay Water Company requests authority for Mrs. Webb to sell and Bay Water Company to purchase the distribution system and operating rights of Webb Water Works, in Pittsburg, Contra Costa County, in accordance with the terms and conditions of an agreement annexed as Exhibit A to the application. Bay Water Company also requests authority to apply its filed tariffs to the consumers and area served by Mrs. Webb, and to enter upon its books the historical cost and recorded accrued depreciation of the facilities to be acquired.

A public hearing was held on May 28, 1957, at Pittsburg, before Examiner John M. Gregory, at the conclusion of which the matter was submitted for decision. Although Mrs. Webb's consumers were duly notified of the hearing, no opposition was manifested to the proposed transfer, or to the proposed application of Bay Water Company's rates to present consumers of Webb Water Works after the transfer.

Webb Water Works, owned by Mrs. Harriett O. Webb, serves about 110 consumers in the Poinsettia Land Company West Pittsburg Tract Unit No. 1 and adjacent land, located west of Pittsburg and

north of Willow Pass Road, Contra Costa County. The system, started in 1927, obtains water from one well and distributes it by means of a 1,000-gallon pressure tank and about 6,500 feet of steel mains ranging from 3/4-inch to 4-inch diameter in size. The system was certificated in 1947 (Decision No. 40947, Application No. 28505).

Bay Water Company, a corporation, serving about 1,700 customers in an unincorporated area of about three square miles located approximately three miles west of Pittsburg, desires to purchase the adjacent Webb distribution system, rights of way, hydrants, services and operating rights and to connect the Webb facilities with its existing system.

The well used by Mrs. Webb to supply water to her consumers will be retained by her for personal use. She also has another well, which will be dismantled. Bay Water Company obtains its supply of water from the Contra Costa County Water District. The water is treated and then distributed by means of three reservoirs having a total capacity of 1,180,000 gallons, and distribution lines ranging from 10-inch to 2-inch diameter.

The purchaser proposes to extend its present 8-inch main in Willow Pass Road 200 feet eastward to the Webb service area and to construct a 6-inch main to the center of the area and across to connect to all of the existing small-size mains. Fire hydrants will be installed on each street. These improvements, to be initiated immediately, are expected to cost approximately \$10,000 and should result in better service for present consumers of the Webb system.

Application of Bay Water Company rates to present Webb system consumers will result in increasing their present rates about 51 per cent.

The evidence shows that Bay Water Company has sufficient water supply and storage capacity to provide for its present consumers, for those acquired from the Webb system, and for future

growth up to an estimated maximum of 4,000 customers in its presently certificated area.

We find from the evidence that the proposed transfer, including application of Bay Water Company's rates, rules and regulations to present consumers of Webb Water Works following consummation of said transfer, as hereinafter provided, is not adverse to the public interest. We conclude, therefore, that the parties should be authorized to sell and purchase the properties subject to and in accordance with the terms and conditions of their agreement and the provisions of the order which follows.

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

Finding that the public interest will be served by authorizing the proposed transfer without unnecessary delay, the following order will be permitted to become effective five days after the date thereof.

O R D E R

Public hearing having been held in the above-entitled and numbered proceeding, evidence having been received and considered, the matter having been submitted for decision, the Commission now being fully advised and basing its order upon the findings and conclusions contained in the foregoing opinion,

IT IS HEREBY ORDERED that:

1. Harriett O. Webb, after the effective date of this order and on or before October 1, 1957, may sell and transfer to Bay Water Company, a corporation, the public utility operating rights and properties described in the agreement attached as Exhibit A to the application herein, subject to and in accordance with the terms and conditions of said agreement.

2. a. Bay Water Company is authorized and directed to charge and apply in the service area proposed to be acquired under the authorization herein granted, the rates and rules which it currently has on file with this Commission.

b. Bay Water Company, within thirty days after the date of actual transfer, shall revise its presently effective tariff schedules, 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 in the service area authorized to be acquired herein. Such revised tariff schedules shall become effective upon five days' notice to the Commission and the public after filing as herein above provided.

3. On or before the date of actual transfer, Harriett O. Webb shall refund all customers' deposits and advances for construction which she is obligated to refund. Any such unrefunded deposits and advances shall be transferred to and become the obligation for refund of Bay Water Company.

4. Bay Water Company shall record the acquisition of the properties as herein authorized, in accordance with the provisions contained in the Uniform System of Accounts prescribed by this Commission for water utilities, by charging the purchase price to Account 301 and disposing of such charge in accordance with the instructions contained therein.

5. On or before the date of actual transfer, Harriett O. Webb shall transfer and deliver to Bay Water Company and the latter shall receive and preserve all records, memoranda and papers pertaining to the construction and operation of the properties hereinabove authorized to be transferred.

6. If the authority herein granted is exercised, Bay Water Company, within thirty days thereafter, shall notify the Commission

in writing of the date of completion of the transaction, and shall file, as executed, a certified copy of the deed, bill of sale and other documents used in effectuating the transfer herein authorized.

7. Upon due compliance with all the provisions of this order, Harriett O. Webb shall stand relieved of all further public utility obligations with respect to the properties herein authorized to be transferred.

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

Dated at San Francisco, California, this 15th day of July, 1957.

 President
Paul J. ...

Monte ...

...

Commissioners

Commissioner Rex Hardy abstains from signing

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.