ORIGINAL

Decision No. 55658

MW/nb

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of PACIFIC MATER CO., a California corporation, pursuant to the provisions of Section 818 of the Public Utilities Code to execute a conditional sales contract in which Margaret Glenna Corbett and Marianne Corbett Bierwagen are vendors and Pacific Water Co. is vendee and obligating Pacific Mater Co. to make payments over a period in excess of 12 months.

Application No. 39187

Moss, Lyon & Dunn, by <u>George C. Lyon</u>, for applicant. <u>Donald B. Steger</u> and <u>Theodore Stein</u>, for the staff of the Public Utilities Commission.

<u>O P I N I O N</u>

The Pacific Water Co., a California corporation, is engaged in the operation of public utility water systems in the counties of Los Angeles, Orange, Kern, and San Bernardino, California, under certificates of public convenience and necessity granted by this Commission. One of these systems is located in the Morongo Valley in San Bernardino County. Since 1954, one of the sources of water for the Morongo Valley water system has been a well located on Lots 30 and 31 of Tract No. 3112, Morongo Village. This well has been leased by applicant from Margaret Glenna Corbett and Marianne Corbett Bierwagen.

It is now proposed by applicant to purchase this property and well under a conditional sales contract. A. 39187 -

A public hearing was held on August 26, 1957, before Examiner Grant E. Syphers at which time evidence was adduced and the matter submitted.

Exhibit No. 1 is a copy of the lease agreement and it should be noted that this agreement contains an option to purchase the two lots, together with the well, the pump, pump house, and pumping equipment thereon, all for the sum of \$5,500, payable \$1,000 down and the balance at the rate of \$500 per year with interest at 6 per cent.

Exhibit No. 2 is a statement showing the cost of the well, the pump, pumping equipment, and the land, to have been \$7,110.

Exhibit No. 3 is a copy of the proposed conditional sales contract.

It was the opinion of the company witness that this purchase would be in the public interest and that the purchase price of \$5,500 was reasonable.

There was no opposition to this proposal.

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

IT IS ORDERED as follows:

1. Pacific Water Co. is hereby authorized to enter into a conditional sales contract in the same form as Exhibit No. 3 in this proceeding, it being the opinion of the Commission that the money, property or labor to be procured or paid for by the execution of said contract is reasonably required for the purpose

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specified in this application and that such purpose is not, in whole or in part, reasonably chargeable to operating expense or to income.

2. The authority herein granted will become effective when applicant has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.

3. Applicant shall file a report as required by General Order No. 24-A, which order, in so far as applicable, is made a part of this order.

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