

ORIGINALDecision No. 57530

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of EAST GARDENA WATER COMPANY,
 a corporation, for cancellation of its
 certificate for public convenience and
 necessity and withdrawal and cancellation
 of its rates covering delivery of water.

Application No. 40284

Difani and O'Neill, by E. Stephens Difani,
 for applicant.
C. O. Newman, for the Commission staff.

O P I N I O N

The East Gardena Water Company has served water for irrigation purposes for many years in an area of Los Angeles County.^{1/} This service area is bounded on the north by Compton Boulevard; east by Avalon Boulevard; south by an imaginary line approximately 600 feet south of 165th Street; west by Main Street. By this application it seeks to abandon the service.

A public hearing was held at Los Angeles before Examiner John Power on September 30, 1958, at the conclusion of which the matter was submitted.

In support of its request, applicant, through its application and the oral testimony of its secretary, presented the facts summarized below.

It appears that at one time the service area contained a number of agricultural units. The trend has recently, however, been to residence and industry, especially the latter. These two types of consumers are served by Southern California Water Company which enjoys the right to serve domestic water in applicant's service area.

^{1/} It was declared a public utility by Decision No. 4445 (Ladd v E. Gardena Water Co. 13 CRC 472).

Population growth in the area has not only adversely affected applicant's income but its ability to serve. Until 1952, water was obtained from two wells, respectively 210 and 240 feet deep. Increases in residence and industry had the effect of depressing the water table. The 210-foot well went out of service several years ago. By 1957, the 240-foot well, though still producing water, was giving unsatisfactory service to consumers. Since June 1957, no service has been rendered to any consumer at all. The largest of the former consumers has been obtaining water from Southern California Water Company.

It is clear that a substantial investment in plant would be required in order for applicant to continue operation. It is equally clear that very little, perhaps none, of such invested funds would ever be recovered. Under the circumstances it would be unreasonable to require applicant to continue its operations.

The Commission finds and concludes that public convenience and necessity no longer require the services of applicant. The cancellation sought by the application will be granted.

O R D E R

A public hearing having been held and the Commission basing its decision upon the findings and conclusions set forth in the foregoing opinion,

IT IS ORDERED that:

1. On the effective date of this order the operating authority and the duty to serve of the East Gardena Water Company, as determined by Decision No. 4445, dated July 10, 1917, in Case No. 1036, (13 CRC 472), be, and it is, revoked.
2. On the effective date of this order, all maps, rates, rules and regulations on file with the Commission and covering the

services referred to in the application be, and they are, cancelled and annulled.

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

Dated at San Francisco, California, this 28th day of October, 1958.

E. L. Fox
President
W. E. Mitchell
Robert F. Terrence
Walter J. ...
Theodore J. ...
Commissioners