

**ORIGINAL**Decision No. 58371

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the application of )  
 CALIFORNIA WATER SERVICE COMPANY, a )  
 corporation, for an order authoriz- )  
 ing (1) the sale and transfer to )  
 East Bay Municipal Utility District )  
 of public utility property in Contra )  
 Costa County, and (2) the discontin- )  
 uance of service by Applicant in )  
 certain territory in Contra Costa )  
 County. )

Application No. 41025

OPINION AND ORDER

California Water Service Company<sup>1/</sup>, by application filed April 13, 1959, seeks authority to sell and transfer those portions of its public utility water system properties in the unincorporated areas known as Sutherland Drive, Virginia Court and Hanson Lane in Contra Costa County, to East Bay Municipal Utility District<sup>2/</sup>, which joins in the application. Seller also requests authority to withdraw from public utility service within the area served by the subject water system properties.

A copy of the proposed transfer agreement is attached to the application as Exhibit A. The properties proposed to be transferred include mains, services and meters, and are described in the form of a deed and bill of sale attached to the application as Exhibit B.

The agreement provides that consideration for the transfer is to be \$10,393 which will be paid by District to Seller upon closing. The properties are to be transferred free and clear of all encumbrances. The application states that there are no outstanding customers' deposits and that Seller will retain the obligations to make refunds under an outstanding main extension agreement.

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<sup>1/</sup> Sometimes herein called Seller.

<sup>2/</sup> Sometimes herein called District.

The application states that the original book cost of the properties is \$11,019 and the depreciated book cost is \$10,762, thus indicating accrued depreciation of \$257.

Seller was previously authorized by Decision No. 57068, dated July 29, 1958, in Application No. 40076, to transfer to San Ramon Valley County Water District<sup>3/</sup>, the portion of its water system located within the boundaries of San Ramon. Such properties, in turn, are to be incorporated into the water system of District.

The properties herein sought to be transferred to District are located in areas outside of the boundaries of San Ramon. For Seller to continue to operate the latter properties in the outside areas would require it to maintain a long transmission line, which is stated to be not economically feasible.

District is presently in the process of annexing and acquiring the properties of San Ramon County Water District and it is contemplated that such transfer and annexation will be consummated early in May, 1959. The application avers that public interest and convenience require that said areas be served by District when it commences service within San Ramon Valley County Water District and requests that consideration of the application be expedited. For this reason the authority herein granted it will become effective ten days after the date hereof.

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. California Water Service Company, a corporation, may on or after the effective date hereof and on or before October 31, 1959, sell and transfer the herein described public utility water system

<sup>3/</sup> Sometimes herein called San Ramon.

properties to East Bay Municipal Utility District pursuant to the agreement attached to the application herein as Exhibit A.

2. On or before the date of actual transfer, California Water Service Company shall refund all customers' deposits outstanding in connection with the properties to be transferred, if any, which are subject to refund, and within thirty days thereafter shall notify this Commission in writing of the completion of such refunding.

3. California Water Service Company shall, within thirty days after the date of actual transfer, file with this Commission a verified statement showing all obligations to make refunds of advances for construction in connection with the properties transferred, the amounts thereof and whose favor such obligations exist as of the date of transfer.

4. If the authority herein granted is exercised, California Water Service Company 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. Upon due compliance with all the conditions of this order, California Water Service Company is authorized to withdraw from public utility service within the areas herein authorized to be transferred as of the actual date of delivery of its properties in such areas to East Bay Municipal Utility District.

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

Dated at San Francisco, California, this 5<sup>th</sup> day of May, 1959.

E. Lynn Fox  
 President

Walter B. ...  
Herbert ...  
 Commissioners