

ORIGINALDecision No. 59484

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
RIM OF THE WORLD WATER COMPANY for)	
Permission to Sell Physical Assets of)	Application No. 41652
the Rim of the World Water Company to)	
Running Springs County Water District.)	

OPINION AND ORDER

Rim of the World Water Company¹, a corporation, by application filed November 9, 1959, seeks authority to sell and transfer its public utility water system to Running Springs County Water District², which joins in the application.

The water system proposed to be transferred serves several tracts in unincorporated area near the community of Running Springs, and approximately five miles southeasterly of Lake Arrowhead, San Bernardino County. Commission records indicate that the utility served approximately 60 customers as of the end of year 1958.

The terms and conditions of the proposed transfer are set forth in an instrument entitled "Option", a copy of which is attached to the application as Exhibit "A". This instrument, dated May 8, 1959, provides that Seller is to transfer all of the assets and properties comprising its water supply and distribution system to District.

The consideration for the transfer is to be the sum of \$47,304.90 payable in cash within twenty days after the exercise of the option to purchase. District will exercise said option upon granting of authority sought in this application.

1 Sometimes hereinafter called "Seller".
2 Sometimes hereinafter called "District".

Seller is to continue to operate the system until the time of transfer. The system is to be transferred to District free and clear of any lien or encumbrance, subject only to 1959-60 taxes and reservations, restrictions, conditions, covenants, easements and rights-of-way of record.

The system was established pursuant to a certificate of public convenience and necessity granted to Seller by Decision No. 53984, dated October 30, 1956, in Applications Nos. 38130 and 38219. This decision required, among other things, that the utility deposit all authorized stock with an escrow holder, which requirement was thereafter complied with. Seller now also requests that it be allowed to terminate such escrow arrangement since it will not be operating a public utility water system after the granting of authority requested in the instant application.

Applicant's request for the termination of said escrow requirement will be granted by a forthcoming supplementary order of this Commission in Application No. 38219, the proceeding wherein the escrow arrangement was originally established.

The utility's annual report to the Commission for the year ended December 31, 1958, shows utility plant as of that date in the amount of \$46,955.32, and depreciation reserve in the amount of \$1,465.23 indicating net utility plant in the amount of \$45,490.09.

It is stated in the application that the proposed transfer will be to the best interest of the entire community and that District will be able to operate more economically and efficiently than the individually owned companies.

The action taken herein shall not be construed to be a finding of the value of the property 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. Rim of the World Water Company may, on or after the effective date hereof and on or before October 31, 1960, transfer its public utility water properties to Running Springs County Water District in accordance with the terms and conditions set forth in the instrument entitled "Option", a copy of which is attached to the application as Exhibit "A".

2. On or before the date of actual transfer, Rim of the World Water Company shall refund all customers' deposits and advances for construction which are subject to refund, if any, and within thirty days thereafter shall notify this Commission in writing of the date of completion of such refunding.

3. If the authority granted herein is exercised, Rim of the World Water 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 thereof.

4. Upon due compliance with the conditions of this order, Rim of the World Water Company shall stand relieved of all further public utility obligations and liabilities in connection with the operation of the public utility properties 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 12th day of January, 1960.

[Signature]
President

[Signature]

[Signature]

[Signature]

[Signature]
Commissioners