

ORIGINALDecision No. 59842

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 authorizing)
 (1) the sale and transfer to East Bay)
 Municipal Utility District of public)
 utility property in Contra Costa)
 County, and (2) the discontinuance of)
 service by applicant in certain ter-)
 ritory in Contra Costa County.)

Application No. 41884
 (Amended)

OPINION AND ORDER

California Water Service Company^{1/}, a corporation, by application filed January 25, 1960, and amended February 15, 1960, seeks authority to sell and transfer its public utility water system properties in an unincorporated area in Contra Costa County^{2/}, known as El Verano Valley Tract No. 2079, to East Bay Municipal Utility District^{3/}. County and District join in the application. Utility also requests authority to withdraw from public utility water service within the boundaries of El Verano Valley Tract No. 2079, which boundaries are delineated and described in a report of the Boundary Commission of the County of Contra Costa, dated August 18, 1959, a copy of which is attached to the application as Exhibit B.

A copy of the proposed transfer agreement, entered into between Utility, County and District, is attached to the application as Exhibit A. The agreement contains a description of the properties proposed to be transferred, including mains, services and meters to serve 138 premises.

^{1/} Sometimes herein called Utility.
^{2/} Sometimes herein called County.
^{3/} Sometimes herein called District

The agreement provides that consideration for the transfer is to be \$45,250. The original cost of the properties is alleged to be \$41,600, the depreciated book cost as of January 1, 1960, \$38,000, and resulting accrued depreciation, \$3,600.

The agreement provides that acquisition of the properties by District is to be accomplished by means of special assessment proceedings under the Municipal Improvement Act of 1913 and the Improvement Act of 1911. Under said proceedings, bonds are to be sold by County and the proceeds thereof used to compensate Utility for the properties acquired. The agreement provides that the transfer is to be contingent upon the annexation of the El Verano area to District and the formation of a special assessment district in said area.

The application states that any outstanding customers' deposits will be refunded by the Utility prior to the date of transfer. Utility will retain the obligation to make refunds under outstanding main extension agreements.

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 September 1, 1960, sell and transfer the herein described public utility water system 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 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 in 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 the conditions of this order, California Water Service 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 29th day of March, 1960.

[Signature]
President

[Signature]

[Signature]

[Signature]
Commissioners