

Decision No. 61091

**ORIGINAL**

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 Contra )  
 Costa County Water District of the )  
 water System of Applicant in Contra )  
 Costa County known as its Contra Costa )  
 District Water System, and (2) the )  
 discontinuance of service by Applicant )  
 in the territory in Contra Costa County )  
 now served by its Contra Costa District )  
 Water System. )

Application No. 42714

OPINION AND ORDER

By this application filed September 29, 1960, California Water Service Company<sup>1/</sup>, a corporation, seeks authority to sell and convey its Contra Costa District water system in Contra Costa County to Contra Costa County Water District<sup>2/</sup>, which joins in the application.

A copy of the proposed transfer agreement is attached to the application as Exhibit 2. The properties proposed to be transferred, described in an instrument entitled "Deed and Bill of Sale", attached to the application as Exhibit 3, include water system facilities, motor vehicles, materials and supplies, rights of ways, easements and certain parcels of land. Other parcels not required for operation of the water system and to be retained by Utility are described in Exhibit "C", attached to the transfer agreement (Exhibit 2).

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1/ Sometimes herein called Utility.

2/ Sometimes herein called District.

The consideration for the proposed transfer is to be \$13,138,496, to which is to be added the total cost of plant additions, less retirements, during the period from August 1, 1960, to the date of transfer, and one-half of the book cost of certain indicated materials and supplies to be transferred on the closing date. An amount equal to the sum of the unrefunded balances due under main extension contracts relating to the system as of the date of transfer is to be deducted from the purchase price. District is to assume all of Utility's obligations under such contracts. A list of main extension agreements, included as Exhibit D to the agreement of sale (Exhibit 2), shows total unrefunded balances, as of July 31, 1960, under such contracts to be \$1,138,495.76.

Utility is to retain all accounts receivable and cash. Customers' deposits to guarantee credit, refundable as of the date of transfer, are to be refunded by Utility.

The estimated undepreciated book cost of the properties comprising Contra Costa District water system, including certain real property which is being excluded from the sale as set forth in Exhibit "C", above referred to, is alleged in the application to have been \$12,438,656.42 as of July 31, 1960, and the estimated accrued depreciation thereon \$1,517,414.41, resulting in an estimated depreciated book cost of \$10,921,242.01.

District agrees to undertake distribution of water to all customers served by Utility's Contra Costa District water system as of the date of transfer and to assume all public utility obligations of Utility relating to water service furnished by said system.

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 has considered the above-entitled application and is of the opinion and so finds as a fact 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 California Water Service Company, a corporation, may, on or after the effective date hereof, and on or before May 31, 1961, sell and transfer the herein-described public utility properties to Contra Costa County Water District pursuant to the agreement attached to the application as Exhibit 2.

IT IS HEREBY FURTHER ORDERED that:

1. California Water Service Company shall file with this Commission, within thirty days after the date of actual transfer, certified copies of appropriate instruments showing the names and addresses of all persons or corporations in whose favor any advances for construction exist and the respective amounts thereof as of the date of actual transfer.

2. On or before the date of actual transfer, California Water Service Company shall refund all customers' deposits which customers are entitled to have refunded, and within thirty days thereafter shall notify this Commission in writing of the date of completion of such refunding.

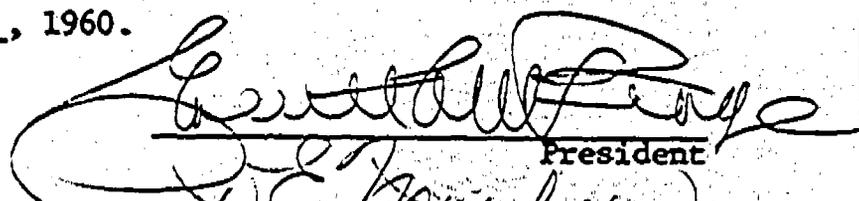
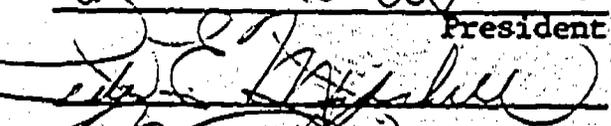
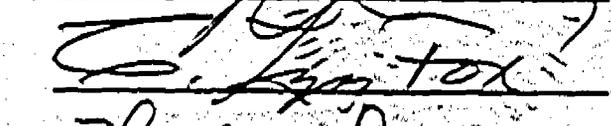
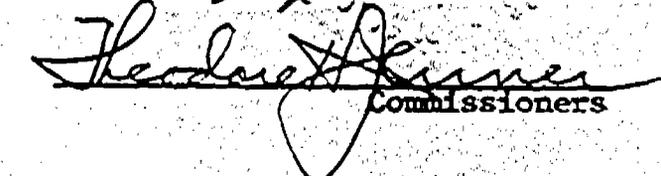
3. If the authority herein granted is exercised, California Water Service Company shall, within thirty days thereafter, notify this Commission in writing of the date of such completion of the property transfer herein authorized and of its compliance with the conditions thereof.

4. Upon due compliance with all of the conditions of this order, California Water Service Company shall stand relieved of all

public utility obligations and liabilities in connection with the operation of the public utility water system 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 22nd day of November, 1960.

  
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President  
  
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Commissioners