

ORIGINALDecision No. 61377

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 and approving the execution of an agreement between Applicant and the State of California, Department of Water Resources, relating to certain properties of Applicant in the County of Butte presently devoted to public utility service.

Application No. 42836

OPINION AND ORDER

California Water Service Company^{1/}, a corporation, by application filed November 7, 1960, requests an order of the Commission authorizing and approving the execution and performance of an agreement, dated August 1, 1960, between Utility and the State of California^{2/} acting by and through the Department of Water Resources. This agreement provides for the relocation, alteration and modification of certain portions of Utility's Powers Canal.

The application states that over 90% of the water required to serve Utility's customers in the City of Oroville and vicinity is purchased from Pacific Gas and Electric Company at the tailrace of Coal Canyon Powerhouse and then transported through Utility's Powers Canal a distance of approximately 9 miles to Utility's Cherokee Reservoir, located one-half mile north of Oroville. Utility also uses the canal to transport water for Thermalito Irrigation District and Table Mountain Irrigation District.

1/ Sometimes herein called Utility.

2/ Sometimes herein called State.

The proposed construction by State of a dam on the Feather River and the creation of a reservoir resulting therefrom will require the relocation of certain facilities of Western Pacific Railroad Company. Such relocation of Railroad's facilities will necessitate the relocation, alteration and modification of Utility's Powers Canal. In order to accomplish said necessary work on the canal, Utility and State have entered into an agreement, dated August 1, 1960, a copy of which is attached to the application as Exhibit A. This agreement is not to become effective until authorization and approval of the Commission have been granted.

Certain provisions of the agreement obligate State to accomplish the necessary work upon the canal and describe the manner in which such work is to be performed in order to prevent interruptions in flow of or damage to the canal. Other provisions require that State's contractor indemnify Utility in connection with the performance of the work on the canal and obligate State with respect to certain deferred construction upon the canal.

The agreement further provides that upon completion of the work State will convey to Utility title to all improvements made thereto and such easements as are necessary to operate the relocated, altered or modified portions of the canal. In return, Utility will quitclaim to State all right, title and interest to the replaced portions of the canal.

The application states that except for various minor incidental expenses, the entire cost of the work to be performed on the canal will be borne by State.

The application further states that in Utility's judgment, the canal facilities resulting from the work performed hereunder will

be equal, if not superior, to the existing canal and that the agreement provides for the accomplishment of the work in an orderly manner without material interruption of service.

The authorization herein granted shall not be construed to be a finding of value of the utility plant to be transferred, relocated, altered or modified in accordance with the agreement herein authorized nor as indicative of amounts to be included in a future rate base for the determination of just and reasonable rates.

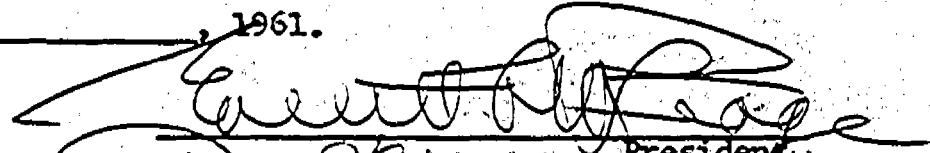
The Commission has considered the above-entitled application and is of the opinion and so finds that the agreement will not be adverse to the public interest, that the application should be granted, and that a public hearing is not necessary; therefore,

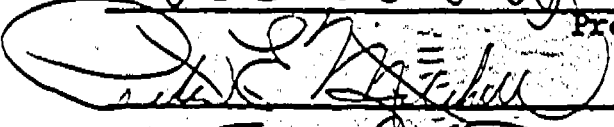
IT IS HEREBY ORDERED that California Water Service Company, a corporation, be and it hereby is authorized to carry out the terms and conditions of the agreement, dated August 1, 1960, with the State of California acting by and through the Department of Water Resources, a copy of which agreement is attached to the application as Exhibit A.

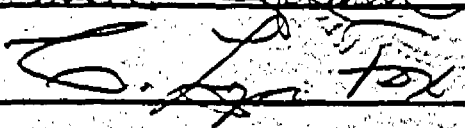
IT IS HEREBY FURTHER ORDERED that California Water Service Company shall file with this Commission a certified copy of each instrument of conveyance used to effect the required transfers of property, within thirty days after execution thereof.

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

Dated at San Francisco, California, this 24th day of JANUARY, 1961.



President




Commissioners