

Decision No. 62380

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 MOGLE WATER COMPANY and SOUTHERN )  
 CALIFORNIA WATER COMPANY for an )  
 order or orders (a) authorizing the )  
 sale of the public utility water )  
 system property of Mogle Water Com- )  
 pany to Southern California Water )  
 Company; (b) authorizing Southern )  
 California Water Company to render )  
 water service to the public in the )  
 territory served by Mogle Water )  
 Company and authorizing Mogle Water )  
 Company to discontinue rendering )  
 water service; and (c) authorizing )  
 Southern California Water Company )  
 to assume certain liabilities of )  
 Mogle Water Company. )

Application No. 43441

O P I N I O N

This application seeks authority for the Mogle Water Company to sell and transfer its public utility water system to Southern California Water Company.

The joint applicants herein are public utility water companies. Mogle Water Company conducts operations, pursuant to a certificate of public convenience and necessity granted by Decision No. 57440, in an unincorporated area of San Bernardino County near Chino. It has approximately 600 customers. Southern California Water Company is authorized to operate in various areas in Southern California. Its Claremont District is close to the Mogle system.

On April 28, 1961 the parties entered into an agreement whereby, subject to the approval of this Commission, (1) Mogle Water Company would sell all of its water system to Southern California Water Company for \$139,000, (2) specified adjustments with respect to additional costs, depreciation, and refunds of advances for

construction would be made for the period between December 31, 1960 and the actual date of transfer since the sale price was based on December 31st figures, (3) Southern California Water Company would assume Mogle's obligation to pay back advances for construction after the date of transfer. A copy of the agreement is attached to the application as Exhibit B.

The verified application avers that Mogle's undepreciated assets are valued at \$252,386.86. Its depreciation reserve amounts to \$50,762.55. Advances for construction total \$12,563.51. Its total operating revenues for 1960 amounted to \$50,272.99. Southern California's total undepreciated utility plant is valued at \$39,238,135. Its water operating revenues for 1960 amounted to \$6,783,629.

The application states that Mogle is faced with an immediate and critical need for operating personnel; that the Mogle system can be consolidated with Southern California's Claremont District; that the resulting operation will be more efficient and economical; that Southern California proposes to continue the same rates presently being charged by Mogle; and that Southern California is in a position to finance improvements and extensions to the system from money available through its normal sources of funds. Southern California presently has all necessary franchises enabling it to operate in the area.

The Commission finds that the proposed sale and transfer is not adverse to the public interest, that a public hearing is not necessary and that the application should be granted. The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

O R D E R

IT IS ORDERED that:

1. Within one hundred and twenty days after the effective date of this order Mogle Water Company may sell and transfer its public utility water system to the Southern California Water Company in accordance with the terms and conditions of the agreement between the parties dated April 28, 1961 and attached to the application as Exhibit B.

2. On or before the date of actual transfer, Mogle Water Company shall refund all customers' deposits, and any currently due payments for advances for construction which are subject to refund at this time, if any, and within thirty days thereafter, shall notify this Commission, in writing, of the date upon which such refunding is completed.

3. Within thirty days of the date of actual transfer, Mogle Water Company shall notify this Commission, in writing, of the date upon which the transfer was consummated and shall file with this Commission a copy of any or all documents executed to effectuate the transfer.

4. Upon completion of the sale and transfer herein authorized and all of the terms and conditions of this order, Mogle Water Company shall stand relieved of its public utility obligations and liabilities in connection with the utility water system herein authorized to be transferred.

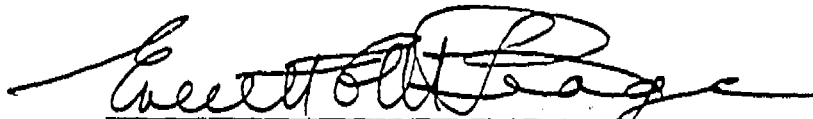
5.a. Southern California Water Company, on and after the date of actual transfer, is authorized and directed to charge in the territory acquired under the authorization herein granted the schedules of rates presently being charged by Mogle Water Company, and to apply in said territory its own rules which are now on file with the Commission.

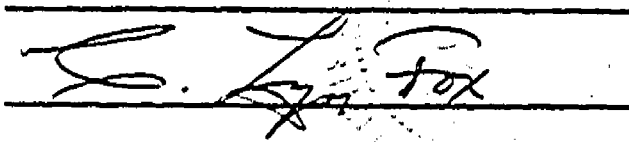
5.b. Southern California Water Company, if it acquires the properties hereinabove described, shall, within thirty days thereafter, file the rates authorized herein and revise its presently effective tariffs to provide for the application of its rules and said rates in the service area being acquired herein, together with a revised tariff service area map, all in accordance with the procedure prescribed by General Order No. 96. Such rates and revised tariff sheets shall become effective upon five days' notice to the Commission and to the public after filing as hereinabove provided.


6. If the sale and transfer provided for in paragraph 1 of this order is effectuated, the certificate of public convenience and necessity granted by this Commission in Decision No. 57440 shall be and it is hereby transferred to Southern California Water Company, and that Company shall have all the rights, privileges and obligations of said certificate.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 3rd day of August, 1961.

  
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President

  
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Commissioners