

Decision No. 62947**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 PACIFIC WATER CO., a California)
 Corporation, to sell its water system)
 known as the Heiner Tract to the City)
 of Anaheim under the provisions of)
 Section 841 of the Public Utilities)
 Code.)

Application No. 43847
 (Filed October 18, 1961)

OPINION AND ORDER

By this application,¹ Pacific Water Co. (Seller) requests that the Commission authorize it to sell its Heiner Tract water system to the City of Anaheim (City), which joins in the application.

Seller is the owner and operator of a public utility water system serving Heiner Tract, located north of Garden Grove and west of Anaheim. Heiner Tract consists of twenty acres of land described as the west half of the southwest quarter of the northeast quarter of Section 18, Township 4 South, Range 10 West, S.B.B.&M. It is bounded on the north by Broadway, on the west by Gilbert, on the south by Orange and on the east by a line approximately 640 feet east of Gilbert. The area was certificated to Seller's predecessors by Decision No. 42486, dated February 8, 1949, in Application No. 29718. The system is located several miles north of Seller's other Orange County water systems. It is a small water system, having only 30 active consumers at the end of 1960. It is not interconnected with any other water system, and it is served by only one well and one pump. According to the application, the Heiner Tract system will be interconnected and integrated with the City's system, which serves

¹ The heading of the application inadvertently refers to Section 841 of the Public Utilities Code. Paragraph VI of the application correctly mentions Section 851.

areas immediately adjoining the Heiner Tract. It will thus have available the stand-by water supplies of the City's system.

On August 1, 1961, Seller and the City entered into a contract for the purchase and sale of the utility plant in service in the Heiner Tract, subject to the authorization of this Commission. The assets to be transferred to the City are set forth in said contract, a copy of which is attached to the application as Exhibit A. The purchase price is specified therein as \$13,848.73 for the utility plant in service as of June 30, 1961. An additional amount will be paid for the cost of any subsequently installed capital additions and improvements which are required.

The application represents that the sale is in the best interests of the water consumers and that the agreed purchase price constitutes reasonable compensation therefor.

The City agrees to obligate itself to supply water to all consumers in Heiner Tract now being served by Seller and to any and all new consumers in said tract.

The application states that there are no outstanding customers' advances for construction in the Heiner Tract. Seller agrees to repay the amounts of any customers' deposits outstanding upon the completion of the proposed sale.

After consideration the Commission finds that the proposed sale would not be adverse to the public interest and that a public hearing is not necessary; therefore,

IT IS ORDERED that:

1. On or after the effective date hereof and on or before June 30, 1962, Pacific Water Co. may sell and transfer its public utility water properties serving the Heiner Tract in Orange County to the City of Anaheim in accordance with the terms and conditions set forth in the instrument entitled "Contract of Purchase", a copy

of which is attached to the application as Exhibit A. The foregoing authority is conditioned upon the requirements that:

- (a) The City of Anaheim shall file with this Commission, within thirty days after the date of actual transfer, a certified copy of a stipulation to the effect that said City has acquired the property conveyed pursuant to the aforementioned agreement, subject to all legal claims for water service which might have been enforced against Pacific Water Co., including such claims as may exist in territory outside the boundaries of said City.
- (b) On or before the date of actual transfer, Pacific Water Co. shall refund all customers' deposits and advances for construction, if any, which are subject to refund.

2. If the authority granted herein is exercised, Pacific Water Co. shall within thirty days thereafter notify this Commission in writing of the date of completion of the property transfer and of its compliance with the conditions hereof.

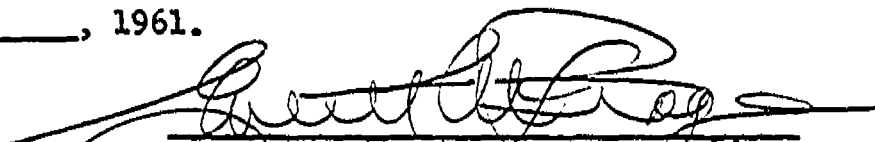
3. Pacific Water Co. shall file in quadruplicate with this Commission, within thirty days after the date of completion of the property transfer authorized herein, in conformity with General Order No. 96 and in a manner acceptable to this Commission, such revised tariff sheets, including tariff service area maps, as are necessary to discontinue the application of its present tariff schedules to the Heiner Tract area. Such revised tariff sheets shall become effective upon five days' notice to this Commission and to the public after filing as hereinabove provided.


4. Upon compliance with the conditions of this order, Pacific Water Co. 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 sold.


The authorization herein granted relates to the sale of properties only and shall not be construed as representing a finding of the value of the rights and properties.


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

Dated at San Francisco, California, this 19th day of DECEMBER, 1961.



President






Commissioners