

Decision No. 64009**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 Victorville No. 1)
 South under the provisions of)
 Section 851 of the Public Utilities)
 Code.)

Application No. 44415

O P I N I O N

Pacific Water Co., by an application filed May 7, 1962, requests authority pursuant to Section 851 of the Public Utilities Code to sell its Victorville No. 1 South water system, serving approximately 100 consumers, to Mariana Ranchos County Water District. The District has joined in the application and has agreed to supply water to all consumers now being served by Pacific and to any new consumers in the area.

Assets to be transferred and terms of the sale are set forth in a contract, dated December 4, 1961, attached as an exhibit to the application. The purchase price is stated to be \$39,650 cash for utility plant in service as of June 30, 1961, plus the installed cost of any required capital additions and improvements.

Consumers' advances for construction in Victorville No. 1 South, applicant alleges, totalled \$3,241.74 as of December 4, 1961. The agreement calls for Pacific to refund, by escrow, the unrefunded advances and to repay the refundable amounts of any customers' deposits upon completion of the sale.

Desert Water Company, predecessor of Pacific, was granted a certificate for the Victorville No. 1 South system in 1951 (Decision No. 45467, Application No. 31899). The system is not interconnected with any other system of Pacific or any other water system. Applicant alleges that the proposed purchase and sale are for the best interests

of the consumers and that the terms of sale are reasonable.

Upon consideration of the application, the Commission finds and concludes that the proposed sale of Victorville No. 1 South water system by Pacific Water Co. to Mariana Ranchos County Water District and the purchase of said system by said District, substantially in accordance with the terms and conditions of the contract of purchase, dated December 4, 1961, Exhibit "A" attached to the application herein, and subject to Paragraph 5 of the following order, are not adverse to the public interest; that the application should be granted to the extent provided in the following order; and that a public hearing is not necessary. The action taken herein, however, shall not be construed to be a finding of the value of the properties authorized to be transferred.

The authority herein granted should be made effective in five days, since Pacific has made arrangements to dispose of its water utility properties, subject to appropriate authorization, by July 31, 1962.

O R D E R

Application having been filed and the Commission having determined that the application should be granted,

IT IS ORDERED that:

1. Pacific Water Co., after the effective date of this order and on or before December 31, 1962, may sell and transfer to Mariana Ranchos County Water District, substantially in accordance with the terms and conditions of the contract of purchase between said parties, dated December 4, 1961, the water system properties comprising Victorville No. 1 South, located in San Bernardino County, California.
2. Pacific Water Co., prior to the date of actual transfer, shall cause to be refunded, in accordance with the terms of said contract of purchase, all unrefunded and unexpired consumers'

advances in aid of construction for Victorville No. 1 South, and shall also, prior to the date of actual transfer, repay directly to the appropriate customers of said water system the refundable amount of any customers' deposits.

3. Within thirty days after consummation of the transfer herein authorized, Pacific Water Co. shall file with the Commission two fully conformed copies of the instrument or instruments of transfer, as executed, and shall also, within said period, file with the Commission a statement, certified by one of its officers, to the effect that as of the date of actual transfer of the properties comprising Victorville No. 1 South there remain no unrefunded customers' deposits.

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

5. The foregoing authority is conditioned on a stipulation by Mariana Ranchos County Water District that, as to the rates, rules and service which it will apply in the service area of the system herein authorized to be transferred, it will not discriminate between service rendered within the District and service rendered outside the District, except insofar as it may adjust such outside rates to offset any reasonable tax burden sustained by water users within the District in subsidizing the operation of the District's water system. Said stipulation shall be filed with the Commission within ten days after the date of actual transfer herein authorized.

6. Upon compliance with the provisions of paragraphs 2, 3, 4 and 5 of this order, Pacific Water Co. shall be and stand relieved of any and all obligations as a public utility with respect to the properties comprising the Victorville No. 1 South water system.

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

Dated at San Francisco, California, this 24th day of July, 1962.

George H. Grover
President
John D. Hill
William J. ...
Frederick B. Holoboff
Commissioners

Commissioner Frederick B. Holoboff, being necessarily absent, did not participate in the disposition of this proceeding.