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ORIGINAL

Decision No. \_\_\_\_\_

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of GREGORY E. KOSHELL and PEARL B. KOSHELL, his wife, doing business as the Southland Water Company, a Privately owned California Public Utility for Authority to Sell a Water System in the City of Sacramento, County of Sacramento.

Application No. 45297  
(Filed April 1, 1963)  
(Amended May 24, 1963)

OPINION AND ORDER

Gregory E. Kosshell and Pearl B. Kosshell, doing business as Southland Water Company, seek an order of this Commission authorizing the sale and transfer of their public utility water system to the City of Sacramento, which has joined in this application.

The terms and conditions of the proposed sale and transfer are set forth in Resolution No. 275, adopted by the City Council of the City of Sacramento on September 13, 1962, a copy of which is attached to the application as Exhibit A.

The consideration for the proposed transfer is stated to be \$10,000. The utility's annual report to the Commission for the year 1961 shows that, as of December 31, 1961, the original cost of the system, less depreciation, was \$15,321.18. Further, that report shows no contributions in aid of construction nor outstanding advances for construction.

Applicants were granted a certificate of public convenience and necessity by Decision No. 43879, dated March 7, 1950, in Application No. 30626. Their water system is in an area formerly adjacent to the City of Sacramento. Prior to the date of filing of this application, the entire area served by applicants' water system was annexed to that city.

Applicants allege that it is the policy of the City of Sacramento to supply domestic water service to all the consumers within its city limits, and for this purpose the city desires to acquire the water system owned by applicants.

The Commission has considered the above-entitled application and finds that (1) the proposed transfer will not be adverse to the public interest and should be authorized, and (2) a public hearing is not necessary.

The Commission concludes, therefore, that the application should be granted as provided in the following order.

IT IS ORDERED that:

1. On or after the effective date hereof and on or before December 31, 1963, Gregory E. Koshell and Pearl B. Koshell, sellers, may sell and transfer their public utility water properties to the City of Sacramento, buyer, substantially in accordance with the terms and conditions set forth in the instrument attached to the application as Exhibit C.
2. The acceptance of the herein concerned properties by buyer shall constitute agreement by it to honor all legal claims for water service which might have been enforced against sellers.
3. On or before the date of actual transfer, sellers shall refund all customers' deposits and advances for construction, if any, which are subject to refund.
4. Within thirty days after the authority granted herein is exercised, sellers and buyer shall jointly notify this Commission in writing of the date of completion of the property transfer and of their agreement to, and compliance with, the conditions hereof.

5. Upon compliance with the conditions of this order, sellers 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 transferred, and may discontinue service concurrently with the commencement of service by buyer.

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

Dated at San Francisco, California, this 9<sup>th</sup> day of JULY, 1963.

William W. Bunnell  
President  
John E. [unclear]  
Robert [unclear]  
George G. Crover  
Fredrick B. Hallock  
Commissioners