

**ORIGINAL**Decision No. 65937

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of ARVIN WATER COMPANY,	)	
a private corporation, and the	)	
NORTHRIDGE PARK COUNTY WATER	)	
DISTRICT for permission to sell a	)	Application No. 40416
portion of the physical assets of	)	(Petition filed July 19, 1963)
the ARVIN WATER COMPANY to the	)	
NORTHRIDGE PARK COUNTY WATER	)	
DISTRICT.	)	

SUPPLEMENTAL OPINION AND ORDER

On July 19, 1963, Arvin Water Company, a public utility water corporation, filed a petition seeking modification of Decision No. 57531, issued October 28, 1958 in this matter, so as to be relieved from a requirement of said decision that it maintain a trust deposit for the payment of refunds, due from time to time, on a main extension advance payment originally made by Vanguard Construction Co., Inc., on August 2, 1957.

Decision No. 57531, among other things, authorized the transfer of a major portion of applicant's water system to Northridge Park County Water District. At that time applicant served about 195 customers. Under the terms of the transfer agreement, Arvin became obligated to retain the liability for the construction advance and to deposit in trust a sum sufficient to cover the refunding thereof. Because of the fact that the revenue-producing properties paid for by the advance were being sold and in view of the dependence of future refunds on the fortunes of the remainder of applicant's operations, applicant was required to and did set up a trust fund in the amount of \$20,939.96 for the purpose

of insuring its ability to make refunds when due. As of July 19, 1963, \$18,485.15 of the advance remain unpaid, with future refunds being presently estimated as \$729.96 annually for the next fifteen years.

Applicant presently serves more than 1,500 customers and is in such a financial condition that there is now no question of its ability to meet promptly the annual refunds for which the trust fund was established. Under such circumstances, the trust fund is no longer needed and the Commission finds that the public interest will not be adversely affected if requirement for such fund be now terminated.

Public hearing in this matter is not necessary.

IT IS ORDERED that the requirements of ordering paragraph 3 of Decision No. 57531, issued October 28, 1958, be and they are hereby terminated as of the effective date of this order.

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

Dated at San Francisco, California, this 3rd day of SEPTEMBER, 1963.

*William L. Bernard*  
President

*W. E. [unclear]*

*Wesley A. [unclear]*

*George T. [unclear]*

*Fredrick B. Hallock*  
Commissioners