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**ORIGINAL**

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

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
 COUNTY WATER COMPANY, a corporation,  
 for approval of sale of a portion of  
 the system presently operated as a  
 Public Utility Water purveyor, to  
 the City of Norwalk.

Application No. 45720  
 (Filed August 27, 1963)

SUPPLEMENTAL OPINION AND ORDER

County Water Company (seller), a corporation, seeks authority to transfer a portion of its utility properties to the City of Norwalk (purchaser), and to discontinue service within that part of its present area which is served by the transferred portion of its system. Purchaser joins in the application.

Seller provides water service in portions of the Cities of Norwalk, Artesia, Bellflower and Dairy Valley and in unincorporated portions of Los Angeles County. A portion of seller's distribution system, shown on the map, Exhibit B to the application, serves an area which is also served by the City of Norwalk. The system has a depreciated book value of about \$27,000. Seller and purchaser have entered into a tentative agreement for the transfer of the facilities at a purchase price of \$30,000, which includes approximately \$3,000 as the city's estimate of the value of water rights. Upon transfer of the facilities, the customers served thereby, all of whom are now within the city limits of purchaser, will become customers of the municipal system.

By Decision No. 66098, dated October 1, 1963, this application was dismissed because seller's authority to acquire the system from its previous affiliated owner had expired on September 30, 1961, due to the parties' failure to comply with the requirements of Decision No. 61483, dated February 14, 1961, in Application No. 42210.

By petition filed October 10, 1963, seller requested (1) an extension of time within which to exercise the authorities granted by Decision No. 61483, and (2) a rehearing of Application No. 45720 in respect to Decision No. 66098. By Decision No. 66400, dated December 3, 1963, the requested extension of time was granted. The decision stated:

"The modification of Decision No. 61483 granted herein will enable petitioner to remove the present obstacle to the transfer to the City of Norwalk. The petition for rehearing in this proceeding will be denied, but this Commission will consider setting aside its order of dismissal and acting upon Application No. 45720 upon petitioner's timely compliance with the requirements of Decision No. 61483."

The aforementioned compliance has now been effected, as evidenced by a memorandum dated February 11, 1964, from the Commission's Hydraulic Engineer. The memorandum is hereby incorporated in the record herein as Exhibit No. 1.

The Commission finds that the proposed transfer now is not adverse to the public interest and concludes that it should be authorized and that a public hearing is not necessary. The action taken herein, however, is not a finding of the value of the properties to be transferred.

IT IS ORDERED that:

1. Decision No. 66098 is set aside and Application No. 45720 is reopened.

2. Within one year after the effective date hereof, County Water Company (seller) may transfer to the City of Norwalk (purchaser) the portion of the public utility water system described herein, substantially in accordance with the terms of tentative agreement discussed herein.

3. On or before the date of actual transfer, seller shall refund all advances for construction and all customers' deposits for the establishment of credit which are subject to refund, if any.

4. Within ten days after the date of actual transfer, seller shall file in this proceeding written notification of refunding of deposits and advances required herein, the date of actual transfer and the date upon which purchaser shall have assumed operation of the water system facilities authorized herein to be transferred. A true copy of the instrument or instruments of transfer shall be attached to the written notification.

5. Within thirty days after the date of actual transfer, seller shall file revised tariff sheets, including tariff service area maps clearly indicating the boundaries of the service area, to discontinue the application of its present tariff schedules to the area served by the transferred properties. Such filing shall comply with General Order No. 96-A, and the revised sheets shall become effective on the fourth day after the date of filing.

6. Upon compliance with all of the conditions of this order, seller shall stand relieved of its public utility obligations within the area served by the transferred property and may discontinue service therein concurrently with the commencement of service by purchaser.

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

Dated at San Francisco, California, this 24th day of March, 1964.

William A. Beundt  
President  
R. E. Mitchell  
George G. Trover  
Fredrick B. Halbluff

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Commissioners

Commissioner Everett C. McKeage, being necessarily absent, did not participate in the disposition of this proceeding.