

Decision No. 67373

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 NORTHGATE WATER COMPANY, a California )  
 corporation, for authority to sell all )  
 of its physical assets, comprising its )  
 water system to the CITY OF SACRAMENTO, )  
 a municipal corporation. )

Application No. 45835  
 Filed October 4, 1963

SUPPLEMENTAL OPINION AND ORDER

Decision No. 66237, dated October 30, 1963, authorized Northgate Water Company to transfer its public utility water system to the City of Sacramento. Purchaser was required to place in escrow \$91,000, the approximate amount of unrefunded advances, to be disbursed, in a manner approved by this Commission, to seller and to holders of refund obligations related to outstanding advances for construction.

Seller's attorney, by letter dated May 8, 1964, advises that \$91,000 has been deposited with a bank, and seller seeks authority to disburse this amount as follows:

- a. To Artz & Cook, a corporation, to terminate unrefunded obligation totaling \$53,052.70 per settlement agreement ..... \$20,932.67
- b. To Artz & Cook, a corporation, trustee, to be deposited with El Dorado Savings and Loan Association, for the purpose of paying refunds that may become due to:

	<u>Unrefunded Balance</u>
Del Paso Heights School District	\$ 9,788.18
Los Robles Corporation .....	10,644.22
Cowal Corporation .....	13,409.98
Total to Trust Account ...	<u>33,842.38</u>

- c. To Northgate Water Company (plus accrued interest on escrow amount, not included here) ..... 36,224.95
- Total in escrow excluding accrued interest ..... 91,000.00

The Commission finds that seller's plan for settlement of its refund obligation to Artz & Cook, a corporation, and the arrangements for paying refunds as they may become due to Del Paso Heights School District, Los Robles Corporation and Cowal Corporation are reasonable and concludes that Northgate Water Company should disburse the \$91,000 plus interest held in escrow by the Bank of America National Trust & Savings Association as set forth hereinabove.

IT IS HEREBY ORDERED that:

1. Northgate Water Company shall disburse the sum of \$91,000 principal amount presently in escrow with the Bank of America as set forth hereinabove.

2. Northgate Water Company is entitled to interest accrued upon the \$91,000 escrow amount with the Bank of America and will be entitled to the interest upon the amount deposited with the El Dorado Savings and Loan Association, Artz & Cook, a corporation, trustee.

3. Within ten days after the date funds are withdrawn from the Bank of America escrow account in accordance with ordering paragraph 1 above Northgate Water Company shall notify the Commission of the disposition of such funds.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 11th day of JUNE, 1964.

[Signature] President  
George L. Driver  
Fredrick B. Holbyff

Commissioners  
Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.  
-2- Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.