

ORIGINALDecision No. 68865

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of BARTH, INC., a corporation, for authority to sell to ANTELOPE VALLEY-EAST KERN WATER AGENCY, a public corporation, public utility real and personal property and for authority of Barth, Inc., to abandon public utility water service.)

Application No. 47374
Filed February 26, 1965

O P I N I O N

Barth, Inc., seeks authority to transfer its public utility water system to Antelope Valley-East Kern Water Agency, a public corporation.

A certificate authorizing operation of the system was granted by Decision No. 55444, dated August 20, 1957, in Application No. 38521 and covers 480 acres in an area about 15 miles east of Lancaster. It was last reviewed by the Commission in Case No. 7945 and Application No. 46185. The case was the subject of a hearing at Lancaster on July 21, 1964. The resulting Decision, No. 67720, was issued by the Commission on August 18, 1964.

So far as it concerns us here, Decision No. 67720 reveals that the Barth system was in need of betterment and that the owners had no available source of funds. The decision granted a large rate increase, which, however, was expected only to bring Barth to the break-even point or a little below that.

It is alleged in this application that the residents entered into negotiations with the agency. Subsequently the electors in the area voted 33 to 7 to set up an improvement district under the agency to make certain additions and betterments. The stockholders of Barth have agreed to accept \$6,000 for their system.

The Commission's opinion, Decision No. 67720 and particularly Findings 1, 2, 3 and 9 therein, indicate the desirability of granting the instant application.

The Commission finds that:

1. The proposed sale and transfer will not be adverse to the public interest.

2. Antelope Valley-East Kern Water Agency has the financial resources to acquire and operate the system of Barth, Inc.

The Commission concludes that the application should be granted as provided by the following order.

O R D E R

IT IS ORDERED that:

1. Within one year after the effective date of this order, Barth, Inc., a corporation (seller), may sell and transfer to Antelope Valley-East Kern Water Agency, a public corporation (purchaser), the water system referred to herein, substantially in accordance with the terms described in the application.

2. On or before the date of actual transfer, seller shall refund all customers' deposits and advances for construction, if any, which are due and payable as of the date of transfer. All unrefunded deposits and advances shall be transferred to purchaser, which shall be responsible for their refund when due.

3. Within five days after the date of actual transfer, seller and purchaser jointly shall file in this proceeding a written statement, showing:

- a. The date of transfer. A true copy of the instrument of transfer shall be attached to the statement.

b. The date of compliance with the foregoing paragraph 2.

4. Upon compliance with all of the conditions of this order, seller shall stand relieved of its public utility obligations in the area served by the transferred system and may discontinue service 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 13th day of APRIL, 1965.

Frederick B. Holcomb
President
John J. ...
George J. Hoover
Avigato
William A. ...
Commissioners