

ORIGINAL

Decision No. 69951

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of)
) ANTELOPE VALLEY WATER CO.)
))
for authorization (1) to acquire)
all of the stock of, and (2) to)
merge with its then wholly-owned)
subsidiary, and (3) to enter into)
and undertake the public utility)
operations conducted by North)
Edwards Water Co.,)
))
and the Application of)
))
NORTH EDWARDS WATER CO.)
))
to merge with Antelope Valley)
Water Co. and to be relieved of)
public utility obligations.)
_____)

Application No. 47982
Filed October 19, 1965

O P I N I O N

This is an application for an order of the Commission authorizing Antelope Valley Water Co. to acquire the capital stock of North Edwards Water Co., and thereafter to merge the latter into the former.

Antelope Valley Water Co. and North Edwards Water Co. are California corporations engaged in the public utility business of producing, distributing and supplying water in certain areas of the Counties of Kern and Los Angeles.

Dominguez Water Corporation is the present holder of all the stock of both companies, pursuant to authority granted by Decision No. 69516, dated August 10, 1965, in Application No. 47756.

In the present application, Antelope Valley Water Co. proposes to acquire all the issued and outstanding stock of North Edwards Water Co. as a capital contribution from Dominguez Water Corporation. Thereafter, North Edwards Water Co. will be merged into Antelope Valley Water Co., and the latter will undertake the public utility obligations of the former.

Applicants state that their respective service areas are complementary and the proposed merger would provide an opportunity for operational integration, planning and design coordination, in addition to eliminating duplicate accounting and record-keeping functions.

The Commission has considered this matter and finds that the proposed stock acquisition and merger would not be adverse to the public interest. On the basis of this finding we conclude that the application should be granted. A public hearing is not necessary.

The authorization herein granted is for the purpose of this proceeding only and is not to be construed as a finding of the value of the properties to be merged nor as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. Antelope Valley Water Co. may acquire all of the issued and outstanding stock of North Edwards Water Co. as a capital contribution from Dominguez Water Corporation.

2. North Edwards Water Co. may merge with and into Antelope Valley Water Co., the latter to be the surviving corporation.

3. Antelope Valley Water Co., as the surviving corporation, may assume all of the liabilities and shall undertake the public utility obligations of North Edwards Water Co.

4. Within five days after the effective date of the merger herein authorized, Antelope Valley Water Co. shall file with the Commission a notice of adoption of the presently filed tariff schedules of North Edwards Water Co.

5. The tariff schedules of North Edwards Water Co., now on file with this Commission, shall be refiled within thirty days after the effective date of the merger under the name of Antelope Valley Water Co., in accordance with the requirements of General Order No. 96-A, except that Antelope Valley Water Co. may withdraw such rules and standard forms of North Edwards Water Co. as are substantially identical with those of Antelope Valley Water Co. and the withdrawal of which will not result in increases in rates or more restrictive conditions than the presently filed tariffs of North Edwards Water Co.

6. Within sixty days after the consummation of such merger, Antelope Valley Water Co. shall file with the Commission a copy of each journal entry used to record the merger on its books of accounts.

7. On or before the end of the third month after the consummation of the merger as herein authorized, Antelope Valley Water Co. shall cause to be filed with the Commission, in such form as the Commission may prescribe, an annual report, or reports, related to the operations of North Edwards Water Co., for the period commencing with the first day of the current year to and including the effective date of the merger.

8. The effective date of this order is the date hereof. Any authority herein granted and not exercised will expire on June 30, 1966.

Dated at San Francisco, California,
this 16th day of November, 1965.

Friedrich P. Holtsch
President
George T. Grover
Augusta
H. Deane Binn

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.