

ORIGINAL

Decision No. 73150

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
 GLEN D. CRUMAL and HILLTOP DEVELOPERS,  
 INC., dba LENETTA WATER CO., and  
 CALIFORNIA WATER SERVICE COMPANY, a  
 corporation, for an order authorizing  
 (1) the sale and transfer to California  
 Water Service Company of the water sys-  
 tem and certificate of public convenience  
 and necessity of the Lenetta Water Co.,  
 (2) the discontinuance of service by  
 Glen D. Crumal and Hilltop Developers,  
 Inc. in the territory now served by the  
 Lenetta Water Co., and (3) the commence-  
 ment of service in said territory by  
 California Water Service Company at the  
 rates then effective in the Visalia  
 District of said California Water  
 Service Company.

Application No. 49597  
 (Filed August 10, 1967)

O P I N I O N

The partners who presently own the system and the right to operate what is known as the Lenetta Water Company seek authorization to transfer their right and property to California Water Service Company. California Water Service Company joins in the application. It proposes to integrate the Lenetta System into its Visalia District. The agreed sale price is \$18,500, alleged to be the fair market value of the assets to be transferred. California Water will assume the liability of Lenetta on its one main extension agreement. The obligation of Lenetta at the time of the agreement attached to the application (August 8, 1967) amounted to \$4,693.

California Water intends to apply its Visalia District rates now on file to the present Lenetta customers. The metered rates are identical. The California Water flat rate structure is

more complicated than Lenetta's but in most cases there will be slight reductions.

There is no question that the customers of Lenetta will derive benefit from this transaction. California Water's Visalia District is a city-wide water system with several thousand services and a professional staff. Lenetta is a small company with approximately 92 customers. The application will be granted.

The Commission finds that:

1. The proposed sale and transfer will not be adverse to the public interest.
2. The California Water Service Company, a corporation, has the financial resources to acquire and operate the water system called the Lenetta Water Company.
3. A public hearing is not necessary.

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

The authorization herein granted shall not be construed as a finding of the value of the rights and properties herein authorized to be transferred.

O R D E R

IT IS ORDERED that:

1. Within one year after the effective date of this order, Glen D. Crumal, Inalee Crumal and Hilltop Developers, Inc., a corporation (sellers), may sell and transfer to California Water Service Company, a corporation (purchaser), the water system referred to herein, substantially in accordance with the terms described in the agreement attached to the application herein as Exhibit 4.

A. 49597 ds

2. On or before the date of actual transfer, sellers shall refund all customers' deposits and all amounts under advances for construction agreements representing refunds due and payable as of the date of transfer.

3. After the effective date of this order, and not more than thirty days after the date of actual transfer, purchaser shall file additional and revised tariff sheets, including tariff service area maps, clearly and accurately indicating the boundaries of the tariff area established by the transfer, to provide for the application of purchaser's present rates and rules to the service area acquired by the transfer. Such filing shall comply with General Order No. 96-A.

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

- a. The date of transfer. A true copy of the instrument or instruments of transfer shall be attached to the statement.
- b. The dates of compliance with the foregoing ordering paragraph 2.

5. Upon compliance with all of the conditions of this order, sellers shall stand relieved of their public utility obligations in the area served by the transferred system and may discontinue service concurrently with the commencement of service by purchaser.

6. On or before the end of the third month after the date of actual transfer purchaser shall cause to be filed with the Commission, in such form as it may prescribe, an annual report

A. 49597 ds

covering the operations of the sellers for the period commencing with the first day of the current year to and including the effective date of transfer.

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

Dated at Los Angeles, California, this 30th day of OCTOBER, 1967.

[Signature]  
President

[Signature]  
[Signature]  
[Signature]  
Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.