

ORIGINAL

Decision No. 73554

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation on the Commission's own motion into the operations, service and practices of the HAPPY VALLEY WATER COMPANY, a corporation, and into the adequacy of its finances, water supply and service.))))))	Case No. 6679 (Filed July 29, 1960)
--	----------------------------	--

In the Matter of the Application of HAPPY VALLEY WATER COMPANY, a corporation, for authority to increase rates.)))	Application No. 43326 (Filed April 18, 1961; Amended April 24, 1961)
---	-------------	--

(Appearances at further hearing held November 28-29, 1967)

Marvin Handler, of Handler, Baker & Greene, for
Happy Valley Water Company.
Henry Saunders, of Leep & Saunders, for Clear
Creek Community Services District; Jack Halpin,
for Igo-Ono Community Services District; Frank
W. Shuman, for John H. Trisdale, interested parties.
John D. Reader, for the Commission staff.

OPINION AND ORDER

Further hearing in this longstanding, consolidated service and rate proceeding was held, after due notice, on November 28 and 29, 1967 at Redding, before Examiner Gregory, on a consolidated record with an application by Happy Valley Water Company, filed October 31, 1967 (Application No. 49764), to transfer to John H. Trisdale its operating certificate and the water system properties, including Messelbeck Dam, located in Divisions 1 and 2 of the company's service area.

The Commission has this day, by a separate decision that refers briefly to current matters involved in the instant proceeding, granted the transfer application and has provided for withdrawal

by Happy Valley from public utility service in all three of the company's operating divisions, located in and near the communities of Ono, Igo and Olinda, Shasta County. Service in Division 3 (the Olinda area) was suspended in 1966 (Interim Decision No. 70573, issued April 15, 1966 in the instant proceeding, after hearing), pending construction and operation by Clear Creek Community Services District of an underground, piped water system for distribution of imported water by the District. The District's system became operative about June 1, 1967.

Happy Valley, on June 14, 1967, filed a petition herein to continue suspension of service in Division 3 and to cancel a "tie order", issued herein in 1961 (Second Interim Decision No. 62429, dated August 18, 1961), that required prior Commission authority for sale of the company's lands, of which some 6,000 acres are located in Division 3. Interim Decision No. 70573, supra, authorized abrogation of the "tie order" in connection with development of about 423 acres of those lands. The balance of the company's lands, including two parcels, comprising about 58 acres, deeded by the company, subject to the "tie order", in settlement of recent litigation with local olive growers, is still subject to that order.

Transfer of the company's operating certificate and the water facilities and rights in Divisions 1 and 2, which will continue to be operated by Trisdale as a public utility, as well as for certain other beneficial uses of water described in the transfer agreements, and withdrawal by Happy Valley from public utility service, pursuant to the transfer authorization, make unnecessary the continuation of either the interim suspension authority in Division 3 or the interim order requiring prior Commission authorization for sale of the company's lands.

No further action, other than to terminate the proceeding, is required in the pending service and rate matter.

Therefore, IT IS ORDERED that:

1. The temporary suspension of utility water service by Happy Valley Water Company, in Division 3, heretofore authorized by Interim Decision No. 70573 herein, is continued in effect pending withdrawal from utility service by Happy Valley Water Company, a corporation, in its Divisions 1, 2 and 3, pursuant to authority this day issued, in Application No. 49764, to transfer the company's operating certificate and certain properties in Divisions 1 and 2 to John H. Trisdale.

2. Second Interim Decision No. 62429 herein, dated August 18, 1961, requiring prior Commission authority for transfer of lands of Happy Valley Water Company, a corporation, is hereby revoked.

3. Except as granted in the two preceding ordering paragraphs, the petition of Happy Valley Water Company, filed herein on June 14, 1967, is denied.

4. Case No. 6679 and Application No. 43326 are hereby terminated.

This order shall become effective ten days after the date hereof.

Dated at San Francisco, California, this 29th
day of DECEMBER, 1967

[Signature]
President
[Signature]
William M. Bennett, Jr.
Paul R. Monahan
Commissioners