

ORIGINAL

Decision No. 73696

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PALM SPRINGS WATER )  
COMPANY, a California corporation, )  
for authority to sell its assets )  
to the DESERT WATER AGENCY, a )  
public agency, and for authority )  
to cease operations as a public )  
utility )

Application No. 49735  
Petition for Modification  
Filed January 18, 1968

FIRST SUPPLEMENTAL OPINION

By Decision No. 73276, dated November 6, 1967, in the above-entitled matter, the Commission authorized Palm Springs Water Company to sell and transfer its assets to Desert Water Agency substantially in accordance with the terms and conditions of the Agreement attached to the application as Appendix A. Although the Agreement requires the purchaser to assume all obligations pursuant to existing main extension agreements, together with those which may be incurred prior to the closing date, Decision No. 73276 required the seller to place in trust or escrow an amount equal to such obligations. Petitioner requests the Commission to delete said requirement from the decision.

The Commission has considered this matter further and finds that said request of petitioner is reasonable. On the basis of this finding we conclude that Decision No. 73276 should be amended by striking therefrom Finding No. 2 and

Ordering Paragraph No. 3, and by reflecting appropriate changes for consistency in Ordering Paragraphs Nos. 4 and 5. A public hearing is not necessary.

FIRST SUPPLEMENTAL ORDER

IT IS ORDERED that:

1. Decision No. 73276, dated November 6, 1967, in the above-entitled matter, is hereby amended by striking therefrom Finding No. 2 and Ordering Paragraph No. 3.

2. Decision No. 73276 is hereby further amended by striking from Ordering Paragraph No. 4 the words "and establishment of escrow required herein" and modifying Ordering Paragraph No. 5 to read as follows:

5. Upon compliance with the above conditions of this order, Palm Springs Water Company shall stand relieved of all its public utility obligations in the area served by the transferred system and may discontinue services with the commencement of service by purchaser.

3. Decision No. 73276 shall remain in full force and effect, except as modified by this order.

4. The effective date of this order is the date hereof.

Dated at San Francisco, California, this 6<sup>th</sup> day of FEBRUARY 1968.

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President  
*Holloman L. Bernard*  
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*August*  
\_\_\_\_\_  
*William L. ...*  
\_\_\_\_\_  
*Jud P. Morrissey*

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