

ORIGINAL

Decision No. 74315

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of SACRAMENTO WATER COMPANY
to sell its water distribution facilities
to NORTHRIDGE PARK COUNTY WATER DISTRICT.

Application No. 50140
(Filed April 4, 1968)

O P I N I O N

Sacramento Water Company, a corporation, seeks authority to carry out the terms and conditions of an agreement with Northridge Park County Water District, dated December 11, 1967 (Exhibit 2 attached to the application), which provides for sale to the district, for an agreed price of \$15,000, plus interest at 5% on deferred principal balances, of all water distribution facilities in the company's Plant No. 2 (Exhibit A, attached to the application) and all rights to supply water in a portion of its Plant No. 1 (Exhibit B attached to the application), together with pertinent easements and rights of way but excluding all water supply facilities belonging to the company. The district joins in the application.

The parties allege that: The proposed sale will benefit Sacramento's customers by insuring adequate water facilities and continued water service; water supply facilities of Sacramento's Plant No. 2 are inoperable and the company is in no position to repair them; Northridge has been and is now providing the water supply for distribution, through Sacramento's facilities, to the company's service area comprising Plant No. 2. The application is unopposed.

It is apparent, from the application, that upon completion of the proposed sale Sacramento Water Company will no longer have facilities with which to serve customers, and that the District, which

now provides service in the larger of the two service areas (Plant No. 2), will also assume the obligation to serve the smaller area (Plant No. 1). In the circumstances, there would seem to be no reason for continued operation by the corporation of a public utility water service after consummation of the arrangements described in the agreement here under consideration.

Upon consideration of the application herein, the Commission finds that the proposed sale by Sacramento Water Company, a corporation, to Northridge Park County Water District of the rights and facilities described in the application herein and in the agreement of said parties, dated December 11, 1967 (Exhibit Z attached to the application) is not adverse to the public interest.

The Commission concludes, therefore, that Sacramento Water Company should be authorized to carry out the terms and conditions of said agreement in accordance with the provisions of the ensuing 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.

A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. Sacramento Water Company, after the effective date of this order, may carry out the terms and conditions of its agreement with Northridge Park County Water District (Exhibit Z attached to the application) for the sale to said District of the rights and properties described in said agreement.
2. Sacramento Water Company, within thirty days after consummation of said agreement, shall transmit to the Commission two copies of the instrument or instruments of sale, as executed.

3. Upon completion of the sale and transfer authorized herein and upon compliance with all the terms and conditions of this order, the certificate of public convenience and necessity heretofore issued to Sacramento Water Company, a corporation, by Decision No. 54087, dated November 19, 1956, in Application No. 37910 shall be revoked and all tariff schedules of said corporation then on file with the Commission shall concurrently be cancelled. Thereafter, Sacramento Water Company, a corporation, shall stand relieved of all its public utility obligations.

4. The authority herein granted shall expire unless exercised within one year after the date of issuance of this decision.

The effective date of this decision shall be ten days after the date hereof.

Dated at San Francisco, California, this 25th
day of JUNE, 1968.

[Signature]
President
[Signature]
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Commissioners