

ORIGINALDecision No. 74580

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's
own motion into the operations,
rates, rules, tariffs, contracts,
practices, equipment, facilities
and service of KENTWOOD IN THE PINES
COMMUNITY ASSOCIATION, a corporation.

Case No. 8177
(Filed May 11, 1965)

Irwin Gostin, for respondent.
W. Paul Payne, for Colconda Utilities Company;
Leland Featherman, for San Diego County
Counsel; Harry Hargreaves and Margaret
McNichols, for Whispering Pines Municipal
Water District; Wilson W. Weid, for
creditors of respondent; Curtis M.
Brown, for himself; Ashley L. Bishop
and Duane E. Wilson, for Title Insurance
& Trust Company; Richard A. Peterson,
Receiver in Bankruptcy of respondent,
interested parties.
B. A. Peeters, Counsel, for the Commission
staff.

OPINION AND ORDER

The numerous difficulties, including pending bankruptcy proceedings, involving respondent Kentwood in the Pines Community Association have been discussed in previous decisions herein. Interim Decision No. 72101, dated February 28, 1967, the most recent prior decision herein, authorized respondent to carry out the terms of a lease and operation agreement with the County of San Diego, pending transfer of respondent's water systems to the county. The lease expires August 28, 1968.

The petition filed in this proceeding on August 2, 1968, by the county and respondent's Trustee in Bankruptcy shows that arrangements for the transfer of the water systems to the county are virtually complete. All of the parties of interest in this proceeding

have been served a copy of the aforementioned petition, which requests Commission authorization of the transfer. In view of the early expiration date of the present lease, the order which follows authorizing the transfer is made effective in eight days.

Under the terms of the proposal to the Referee in Bankruptcy, the county will pay \$31,725 in cash and will satisfy tax claims of \$7,470 relating to the utility property. The county will acquire and thereafter own, maintain and operate the water system, including all of respondent's Banner Creek water rights. The proceeds of the sale are to be used to satisfy respondent's creditors in the bankruptcy proceeding.

We find that the proposed transfer of respondent's water system, including water rights, to the County of San Diego is not adverse to the public interest. We conclude that the transfer should be authorized. The authorization herein granted does not constitute a finding as to the value of the properties herein authorized to be transferred.

IT IS ORDERED that:

1. Within one year after the effective date of this order, respondent Kentwood in the Pines Community Association and/or its Trustee in Bankruptcy may sell and transfer to the County of San Diego the water systems, including water rights, serving all of respondent's customers.

2. Within ten days after the date of actual transfer, respondent and/or its Trustee in Bankruptcy shall file in this proceeding written notification of the date of transfer. A true copy of the instrument or instruments of transfer shall be attached to the written notification.

3. Upon compliance with all of the conditions of this order, respondent and its Trustee in Bankruptcy shall stand relieved of all of its public utility obligations relating to the system transferred..

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4. In all other respects, the investigation in Case No. 8177 is discontinued.

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

Dated at San Francisco, California, this 20th day of August, 1968.

William J. Lyons Jr.
President
William E. Bennett
Augusta
Commissioners

Commissioner Fred P. Morrissey, being necessarily absent, did not participate in the disposition of this proceeding.