

Decision No. 79135**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
 PATTON VILLAGE NO. 2 WATER COMPANY  
 for authorization to transfer its  
 water system assets to WEST PATTON  
 VILLAGE COMMUNITY SERVICE DISTRICT  
 and to be relieved of its obligations  
 as a public utility.

Application No. 52698  
 (Filed June 15, 1971)

O P I N I O N

Applicant Patton Village No. 2 Water Company, a corporation, was declared to be a public utility subject to the jurisdiction of this Commission by Decision No. 66175 issued October 22, 1963, in Case No. 7473. For the past seven years said applicant has provided water service to the residents of West Patton Village, Merlong, California. All of its customers are within the boundaries of West Patton Village Community Service District, a public agency, and can be served by said district.

Said applicant alleges that the operation of its water system has not been economically sound and the only feasible method by which claims against said applicant can be satisfied is the transfer of its assets to West Patton Village Community Service District. Applicant states that it has no outstanding advances for construction and that there are no customers' deposits to establish credit.

The Balance Sheet of applicant as of December 31, 1970, which is a part of Exhibit B attached to the application, shows assets of \$31,027, liabilities of \$72,426, capital stock of \$1,000 and a retained earnings deficit of \$42,399. The Income Statement of applicant, included in said Exhibit B, shows a net loss of \$4,982 for the period January 1, 1970 to December 31, 1970.

Applicant requests authority to transfer its water system assets to West Patton Village Community Service District and upon the completion of said transfer to be relieved of its obligations as a public utility water corporation.

The application is signed and verified both by Patton Village No. 2 Water Company and West Patton Village Community Service District.

The Commission finds that:

1. The proposed transfer will not be adverse to the public interest.
2. A public hearing is not necessary.

On the basis of the foregoing findings the Commission concludes that the application should be granted as provided by the following order.

O R D E R

IT IS ORDERED that:

1. Within one year after the effective date of this order, Patton Village No. 2 Water Company, a corporation, may transfer to West Patton Village Community Service District the water system properties as requested in the application herein.

2. Within ten days after the actual date of transfer, Patton Village No. 2 Water Company shall file in this proceeding (a) a written statement showing the date of transfer and the date upon which West Patton Village Community Service District assumed operation of the water system herein authorized to be transferred and (b) a true copy of each instrument of transfer of said water system.

3. Upon compliance with the conditions of this order, Patton Village No. 2 Water Company shall stand relieved of all its public utility obligations in the area served by the transferred system and may discontinue service concurrently with the commencement of service by West Patton Village Community Service District.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 9<sup>th</sup>  
day of SEPTEMBER, 1971.

[Signature]  
Chairman  
[Signature]  
[Signature]  
[Signature]  
Commissioners