

SW/JR

ORIGINAL

Decision No. 79826

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SAN GABRIEL VALLEY WATER COMPANY
and CITY OF SANTA FE SPRINGS for an
Order authorizing the sale of certain
properties of San Gabriel Valley Water
Company to City of Santa Fe Springs

Application No. 53105

(Filed January 19, 1972)

O P I N I O N

San Gabriel Valley Water Company (the Company) seeks authority to sell a portion of its Whittier Division water system in Los Angeles County to the City of Santa Fe Springs (the City). The Company is a public utility and as such engages in the business of producing, distributing, and selling water in Los Angeles County, and in distributing and selling water in San Bernardino County, through more than 56,000 active connections. In its Whittier Division the Company has more than 13,400 active service connections and in the portion of the system proposed to be sold there are approximately 40 such active service connections. The property to be sold is described generally as water mains, services, meters, fire hydrants, and related facilities located within, or in an easement adjacent to, Telegraph Road, Norwalk Boulevard south of Los Nietos Road and Los Nietos Road easterly of Norwalk Boulevard, all within the City of Santa Fe Springs. The price proposed to be paid by the City is \$92,500, subject to certain adjustments provided in the agreement between the parties. There are no water main extension agreements relating to the

property to be sold. The Company will repay any deposits to establish credit, including accrued interest, made by its customers served by the property to be sold upon consummation of the sale.

The property to be sold can be disconnected from the Company's Whittier Division system without detriment to the remainder of said system or the service therein. The Company has no water production or treatment facilities within the area served by the property and there are no real property parcels owned by the Company therein. The City has certain existing water lines in the area served by the property and proposes to install additional facilities therein. The Company asserts that the ownership and operation of the property as a part of the City system will eliminate wasteful duplication which results from separate ownership.

The City has determined that the public interest and necessity require the acquisition by the City of the property to supply water for the use of the City and the lands and inhabitants therein. In May 1971 the City notified the Company of the City's desire to acquire the property and of the intention to acquire the same under the City's power of eminent domain if necessary. The City asserts that when the property is acquired, the City proposes to operate it in conjunction with its existing City-owned water system. The City agrees that it will provide water service to any present or future customers in the area served by the property, all of which is located inside the boundaries of the City, at the rates and charges presently or hereafter adopted by the City and in accordance with such rules and regulations as it may from time to time adopt and all provisions of law.

The Commission finds that the proposed sale is not adverse to the public interest, and that the Company should repay all deposits including accrued interest, if any, made by its customers to establish credit, at or substantially concurrent with the consummation of the transaction to which this application relates. The Commission concludes that the proposed transfer should be authorized subject to the conditions set forth in the following order. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. San Gabriel Valley Water Company may sell and transfer to the City of Santa Fe Springs the property referred to in this proceeding.
2. On or before the date of actual transfer, San Gabriel Valley Water Company shall refund all customers' deposits for the establishment of credit, if any, which are subject to refund.
3. Within ten days after the date of actual transfer, San Gabriel Valley Water Company shall submit written notification to this Commission of the refunding of deposits, the date of transfer, and the date upon which purchaser shall have assumed operation of the property authorized herein to be transferred. A true copy of the instrument or instruments of transfer shall be attached to the written notification.

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4. Upon compliance with the above conditions of this order, San Gabriel Valley Water Company shall stand relieved of all of its public utility obligations in the area served by the transferred property and may discontinue service with the commencement of service by the City of Santa Fe Springs.

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

Dated at San Francisco, California,
this 21st day of MARCH, 1972.

[Signature]
Chairman
[Signature]
[Signature]
Commissioners