

Decision No. 81199

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application }
of LAKE TAHOE WATER CORP., a California }
Corporation, its Shareholders, and the }
TAHOE CITY PUBLIC UTILITY DISTRICT, a }
body politic, for an Order authorizing }
the Shareholders to sell and transfer }
all of their capital stock to DISTRICT, }
and authorizing DISTRICT to dissolve }
the Corporation and to distribute all }
corporate assets to the DISTRICT. }

Application No. 53652
(Filed October 18, 1972)

O P I N I O N

Lake Tahoe Water Corp. requests authority to sell and transfer its water system to the Tahoe City Public Utility District.

Applicant owns and operates the water system serving portions of the territory in Placer County, California, within the exterior boundaries of Tahoe City Public Utility District, as described in Exhibit A attached to the application. On September 14, 1972 the Board of Directors of Tahoe City Public Utility District authorized the purchase of the water system. On July 28, 1972 the District executed an agreement with the company for the sale of the water system for \$80,000 - with a cash payment of \$8,000 - within 10 days following approval by the Commission and the balance of \$72,000 - payable in yearly installments of \$7,200 - plus 5 percent per annum simple interest, until paid in full.

It is alleged that acquisition of the water system by the District will (1) achieve economy of operation, (2) make available additional water service, supply, and storage facilities to meet anticipated increased needs within the territory presently served by the company, and (3) provide for more adequate maintenance, standardization of procedures, rates and charges, with improvement of service.

It is stated that the District will dissolve the corporation and distribute its assets upon consummation of the transfer.

After consideration the Commission finds that the proposed transfer would not be adverse to the public interest, and upon consummation of the transfer, that public convenience and necessity would no longer require Lake Tahoe Water Corp. to serve within the area herein considered. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. On or before November 1, 1973, Lake Tahoe Water Corp. may sell and transfer to Tahoe City Public Utility District the water system herein referred to according to the terms and conditions of the agreement attached to the application.

2. Within thirty days after the consummation of the transfer authorized by Ordering Paragraph 1 hereof, Lake Tahoe Water Corp. shall notify the Commission, in writing, of that fact and within said period shall file with the Commission a true copy of any bill of sale or other instrument of transfer which may be executed to effect said transfer.

3. The foregoing authority is conditioned upon Tahoe City Public Utility District assuming all liability for refunds of main extension advances, if any, and sellers returning to customers any refundable deposits made to establish credit, if any.

4. Upon compliance with the conditions of this order, Lake Tahoe Water Corp. shall stand relieved of its public utility obligations and may discontinue service concurrently with the commencement of service by Tahoe City Public Utility District.

The effective date of this order is the date hereof.

Dated at Los Angeles, California, this 27th
day of MARCH, 1973.

Yvonne L. Stinger
President
William L. Stinger
Richard L. Stinger
John L. Stinger
Edward L. Stinger
Commissioners