

Decision No. 81346

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Uehling Water Co. Inc.)
for authority to acquire the assets)
and service area of Home Water Company,)
AKA Home Water Association of Compton;)
to have applicant's filed tariff schedules)
apply within such extended service area;)
and for approval of the journal entry to)
record the purchase of said company.)

Application No. 53812
(Filed January 30, 1973)

O P I N I O N

Uehling Water Co. Inc. (Uehling), presently rendering public utility water service in the vicinity of Compton, Los Angeles County, requests authority to extend its service area by the purchase, for a cash consideration of \$2,800, of the assets of Home Water Company (Home), an unincorporated association, in accordance with an agreement of purchase executed as of December 31, 1972.

Home serves an area of approximately 60 homes contiguous to the southwesterly boundary of Uehling service area as delineated on Exhibit 4 attached to the application. It is alleged that because of the small size of Home with the attendant difficulties in obtaining members' consent for financing or constructing needed improvements or facilities, its members, who are also the only service recipients of Home, have determined it would be to their advantage to have an experienced water company provide service and thereupon dissolve their association.

The agreed purchase price of \$2,800 includes an adjudicated total water right of 35 acre-feet per year from the Central Basin, with an allowed pumping allocation of 28 acre-feet per year. The journal entries proposed for recording the purchase of the assets are set forth in Exhibit 5 attached to the application.

Uehling recognizes that the water distribution system of Home is unmetered and that capital expenditures will have to be made from time to time for the improvement or replacement of said system.

Uehling proposes to apply to the extended service area the same rates and charges set forth in Exhibit 2 to the application, the same rates presently applicable within its current service area, resulting in no rate increase to Home's customers.

Findings

1. Public convenience and necessity require that Uehling Water Co. Inc.'s service area be extended to encompass the area presently served by Home Water Company.

2. The proposed acquisition of the assets of Home Water Company by Uehling Water Co. Inc., in accordance with the terms of the purchase agreement, Exhibit 3 to the application, is not adverse to the public interest.

3. A public hearing is not necessary.

The Commission concludes that the application should be granted subject to the conditions set forth in the ensuing order.

O R D E R

IT IS ORDERED that:

1. Uehling Water Co. Inc. is authorized to purchase and acquire the Home Water Company according to the terms of the purchase agreement attached to the application as Exhibit 3.

2. After the effective date of this order applicant is authorized to file revised tariff sheets, including a revised tariff service area map, to provide for the application of its present tariff schedules to the area authorized herein. Such filing shall comply with General Order No. 96-A. The effective date of the revised tariff sheets shall be four days after the date of filing.

3. Compliance by applicant with Paragraph 2 of this order shall constitute acceptance of the right and obligation to furnish public utility water service to the area covered by the transfer. The authority granted herein shall expire unless said notice is filed within 18 months after the effective date of this order.

4. Within ten days after service is first furnished to the public under the authority granted herein, applicant shall file in this proceeding written notice thereof with this Commission.

5. Applicant shall prepare and keep current the system maps required by Paragraph I.10.a. of General Order No. 103. Within six months after the water system is placed in operation under the authority granted herein, applicant shall file with the Commission two copies of the maps.

6. Applicant shall, within thirty days after the effective date of this decision, submit to this Commission a copy of the proposed journal entry or entries to record the acquisition of the assets of Home Water Company on its books of account.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 8th
day of MAY, 1973.

William L. Sturgeon
President
William Symon

[Signature]
[Signature]
Commissioners

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.