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Decision No. 81540

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's own motion into the ownership, status, operations, service equipment, facilities and records of Riverside Grove Water Company, Inc., and Gerald W. Smith, Paul R. Teilh, Hubert H. Teilh, Alice Teilh Rose, and Dennis Weller.

Case No. 9241
(Filed June 29, 1971)

In the Matter of the Application of RIVERSIDE GROVE WATER COMPANY for Authority to Discontinue Water Service as a Public Utility.

Application No. 52821
(Filed August 23, 1971)

Paul R. Teilh, for himself, and Samuel S. Stevens, Attorney at Law, for Gerald Smith, respondents.
Gary V. Ciannini, Attorney at Law, for Gerald Smith, and Riverside Grove Water Company, Inc., applicant.
Joseph S. Englert, Jr., and Jack F. Fallin, Jr., Attorneys at Law, and Robert Louis Bordon, for Pacific Gas and Electric Company; Hugh S. Johnston and Henry J. Faltz, Attorneys at Law, for Riverside Grove Improvement Association;
David U. Fischer, for Big Basin Water Co.;
Arthur Stewart, for himself and Robin Hood's Retreat Improvement Club, Inc.; interested parties.
John S. Fick and Michael J. Stecher, Attorneys at Law, for the Commission staff.

O P I N I O N

An investigation on the Commission's own motion was instituted to determine whether Riverside Grove Water Company, Inc. was adequately performing its public utility obligations, and to what extent the prior shareholders (the Teilh respondents), the present sole shareholder (respondent Smith), or the person who had assumed

some responsibilities as employee and/or manager of the system (respondent Weller) should be held responsible for future adequate performance. The application to discontinue operation was consolidated for hearing with the investigation.

Hearings were held in Felton, Santa Cruz, and San Francisco before Examiner Gilman on various dates in 1971 and 1973. During the course of the proceedings one group of customers had actively promoted annexation of the territory in question to the San Lorenzo Valley Water District.

The consumers voted by the required margin to annex to the District, and an assessment was levied for the purpose of replacing the utility's plant with a new system. During the course of construction of the new system, the District, under a contract with the utility, operated the old system and managed the utility's operations. The new system is now completed and in operation. The District is now serving the water users directly and in its own right rather than as an agent of the utility.

We find that:

1. San Lorenzo Valley Water District now provides water service throughout all of Riverside Grove Water Company, Inc.'s service area.
2. Riverside Grove Water Company, Inc. can now be relieved of its obligations as a public utility and be authorized to abandon its system without injury to the public.
3. There are no outstanding refunds due on advances or contributions.

We conclude that the investigation should be discontinued and the application granted.

O R D E R


IT IS ORDERED that:

1. Riverside Grove Water Company, Inc. is authorized to discontinue water service and abandon its water system, and is discharged of all future obligations as a public utility.

2. The tariffs of the company are cancelled.

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

Dated at Los Angeles, California, this 26th day of JUNE, 1973.


President



Commissioners

Commissioner William Symons, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

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