

ORIGINAL

Decision No. 82148

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
VILARE WATER COMPANY, a corporation,
and CALIFORNIA WATER SERVICE COMPANY,
a corporation, for an order
authorizing the sale and transfer
to California Water Service Company
of the water distribution system
and certificate of public convenience
and necessity of Vilare Water Company,
the discontinuance of service by
Vilare Water Company in the territory
now served by it, and the commence-
ment of service in said territory
by California Water Service Company
at the rates and in accordance with
the rules applicable in the balance
of California Water Service Company's
Visalia district.

Application No. 54358
(Filed October 1, 1973)

O P I N I O N

Vilare Water Company, a corporation, requests authority to sell and transfer, and California Water Service Company requests authority to purchase and acquire, a public utility water system in the city of Visalia.

The water system serves 180 flat rate customers and has 124 inactive service connections. Water is supplied from 4 wells and distributed through approximately 11,000 feet of 4- and 6-inch cement-asbestos mains. The system has a storage capacity of approximately 10,000 gallons. The agreed cash consideration is \$30,000.

Applicant purchaser is presently engaged as a public utility in the business of the supply and distribution of water for domestic

and industrial purposes in many locations in the state, including Visalia. A portion of applicant seller's service area is contiguous to applicant purchaser's Visalia service area and the remainder is within a mile thereof.

If the transfer is authorized applicant purchaser intends to apply the same rates that it is presently charging in its Visalia district, which are generally higher than those charged by applicant seller.

It is alleged that applicant purchaser intends to immediately merge the system into its Visalia system in order to improve pressures and to provide a dependable source of supply; that applicant purchaser intends to proceed in an orderly manner to make such improvements, repairs, and modernization in the system as may be necessary so that the service will be made comparable to that which it now provides in its Visalia district; and that the proposed transfer will assure the customers of applicant seller's system a steady and reliable supply of water and accompanying service at rates identical to those charged to the customers of applicant purchaser in its Visalia district.

A letter was sent by applicant purchaser to all of the customers of applicant seller informing them of the proposed transfer and of the proposed rates that would be charged if the transfer were authorized.

The Commission has received no protest to the application, and after consideration finds that the proposed transfer would not be adverse to the public interest.

We further find with reasonable certainty that the project involved in this proceeding will not have a significant effect on the environment. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. On or before May 1, 1974 Vilare Water Company, a corporation, may sell and transfer, and California Water Service Company may purchase and acquire, the water system and properties referred to in the application.

2. Within thirty days after the consummation of the transfer herein authorized, purchaser 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. After the effective date of this order, and not less than five days before the actual transfer, purchaser shall amend its Visalia district tariff presently on file with the Commission to include the area herein considered. Such filing shall comply with General Order No. 96-A. The effective date of the tariff filing shall be the date of actual transfer.

4. On or before the date of actual transfer, seller shall deliver to purchaser, and purchaser shall receive and preserve, all records, memoranda, and papers pertaining to the construction and operation of the properties herein authorized to be transferred.

5. On or before the end of the third month after the consummation of the transfer as herein authorized, purchaser shall cause to be filed with the Commission, in such form as the Commission may prescribe, an annual report, or reports, related to the operations of the seller for the period commencing with the first day of the current year to and including the effective date of the transfer.

6. Purchaser shall maintain its accounting records on a calendar year basis in conformance with the applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission and shall file with the Commission, on or before March 31 of each year, an annual report of its operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.

7. On or before the date of actual transfer, seller shall refund all customers' deposits and advances for construction, if any, which are due and payable as of the date of transfer. All unrefunded deposits and advances shall be transferred to purchaser and purchaser shall be responsible for their refund when due.

8. Upon completion of the sale and transfer authorized herein and upon compliance with all the terms and conditions of this order, Vilare Water Company shall be relieved of its public utility obligations in connection with the utility system herein authorized to be transferred.

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

Dated at San Francisco, California, this 20th day of NOVEMBER, 1973.

William J. Sturgeon President
William J. Sturgeon
William J. Sturgeon
William J. Sturgeon Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.