

ORIGINAL

Decision No. 83220

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SOUTHERN CALIFORNIA WATER COMPANY
and CITY OF WESTMINSTER for an order
authorizing the sale of certain
properties of Southern California Water
Company to the City of Westminster.

Application No. 54809
(Filed April 12, 1974)

O P I N I O N

Southern California Water Company (Southern) requests authority to sell and transfer certain water utility facilities to the city of Westminster (City) and to perform related acts. City joins in the application.

Southern, a California corporation, is a public utility engaged in the business of producing, distributing, and selling water and is subject to the jurisdiction of this Commission. City is a municipal corporation under the laws of the State of California. City filed an eminent domain action to condemn the facilities involved herein on September 12, 1972 in Case No. 196977 in the Superior Court of the State of California for the County of Orange. The property involved consists of two systems of Southern located within the city of Westminster.

By letters dated May 29, 1974 and June 19, 1974 Southern has supplied additional information to the Commission. The letters will be part of the formal file in this matter.

Southern and City have negotiated an agreement in lieu of prosecution of the above eminent domain action. This application requests that the Commission authorize a sale and transfer under the terms and conditions of such agreement. The effect of the requested authorization will be to allow settlement of the pending condemnation action.

Based upon the findings set forth below, the Commission will grant the requested relief.

Findings

1. On September 12, 1972 the city of Westminster, a municipal corporation, filed an action in eminent domain to condemn for public use certain water system properties within the City. The action is Case No. 196977 in the Superior Court of the State of California for the County of Orange.

2. Southern California Water Company is the owner of the water system properties sought to be taken by the City in Case No. 196977. Southern is in possession of said properties, and renders water service to customers on said system under the jurisdiction of this Commission.

3. By letter dated June 19, 1974 Southern has supplied the following additional information to the Commission: Southern has a total of 1,957 services in the area to be taken by the City. The total number of active services of Southern is 176,334. No water rights are to be transferred by Southern to City under the sale and transfer.

4. City has a water system immediately adjacent to the Southern properties to be taken, and will interconnect and supply water service to customers now served by Southern within the area of take.

5. The City and Southern request an order authorizing the sale and transfer of the water system properties sought to be taken in lieu of condemnation pursuant to Case No. 196977.

6. The proposed transfer and related acts will not be adverse to the public interest if consummated pursuant to the order which follows.

7. A public hearing is not necessary.

We conclude that the application should be granted as provided in the following order.

The action taken herein is not to be construed as a finding of the value of the properties to be transferred.

O R D E R

IT IS ORDERED that:

1. Within one year after the effective date of this order, Southern California Water Company may sell and transfer the public utility water system facilities referred to and described in the application to the city of Westminster, according to the terms and conditions of Exhibit II attached to the application.
2. On or before the date of actual transfer seller Southern California Water Company shall, as to customers on the system transferred to City, refund all customers' deposits, including accrued interest, which are subject to refund.
3. Southern California Water Company shall retain the responsibility of retiring the remaining balances of outstanding refund contracts within the area transferred.
4. Southern California Water Company shall not disconnect or discontinue water service to customers on the systems to be transferred unless City has the ability to operate the water system facilities at the time of actual transfer without interruption in service. Southern shall not interrupt service to any of the customers it retains by reason of the transfer and disconnection.
5. Within six months after completion of transfer, seller shall send proposed journal entries to the Commission. Such proposed entries will set forth the figures to properly record the transfer and sale on the books of the seller.

6. Within ten days after completion of the transfer seller shall notify the Commission, in writing, of the date of the transfer, of the refunding of deposits, the amount and status of any outstanding refund contracts, and of the date upon which the city of Westminster assumed operation of the water system. A true copy of the instruments of transfer shall be attached to the notification.

7. Upon compliance with all the terms and conditions of this order, seller shall be relieved of its public utility obligations in connection with the water system properties transferred.

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

Dated at San Francisco, California,
this 30th day of JULY, 1974.

Seamon L. Stearns
President
William Symons, Jr.

[Signature]
[Signature]
Commissioners

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