eak

ORIGINAL

Decision No. 83594

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of TEMESCAL WATER COMPANY, a corporation, for authority to sell property.

Application No. 54964 (Filed June 12, 1974)

<u>opinio</u>

Temescal Water Company requests authority to sell shares of stock in three mutual water companies to the city of Riverside. These shares represent entitlement to water originating in the Santa Ana River Basin at the San Bernardino-Riverside County line approximately 20 miles from the service area of applicant. This entitlement represents 238.02 M.I. (miners inches) or approximately 26 percent of the ownership in the three mutual companies.

Applicant also requests authority to sell "flowage rights" related to 250 M.I. in the Gage Canal Company. This right is directly related to the water right (238.02 M.I.) previously mentioned and includes the normal loss throughout reaches 1 and 2 of the Gage Canal.

Authority is also requested by applicant to sell a portion of its transmission facilities.

Applicant provides irrigation water to approximately 170 customers and domestic water to two customers. Throughout the service area the number of acres being irrigated, for the past five years, has decreased from 4,287 acres in 1969 to 3,800 acres in 1973. Annual water sale has also declined; however, the average quantity of applied water per acre has remained comparatively constant at 3.1 acre-feet per acre.

There were no protests to the application.

A. 54964 eak A Commission staff report alleges that the transmission facilities, the water right, and the flowage right are an integral unit and are dependent upon one another. These facilities and rights have not been used for several years and are no longer needed. Approval of the sale will not effect the operation of the mutual companies as applicant will still have controlling interest in each of the three mutual water companies. Applicant has adequately met its water requirements for the past several years and has not utilized the water, transmission facilities, or the canal. The service area is decreasing and the annual quantities of water required are also diminishing. Applicant has other sources of water available and at a lesser cost (two M.W.D. connections and additional production from company owned wells in Temescal Canyon). The Commission after consideration finds that the proposed transfer will 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. The application should be granted. ORDER IT IS ORDERED that: 1. On or before March 1, 1975 Temescal Water Company may sell and transfer the facilities and other assets referred to in the application to the city of Riverside according to the terms and conditions attached to the application. 2. Within ten days after the completion of the transfer seller shall notify the Commission, in writing, of the date of the transfer. A true copy of the instruments of transfer shall be attached to the notification. -2-

A. 54964 eak

day of ____

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

The effective date of this order shall be twenty days after the date hereof. , California, this 16th San Francisco Dated at OCTOBER _, 1974.

omnissioners

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