

Decision No. 86298

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
Q. E. Yates Co., Inc. for an order
authorizing the sale and transfer
of all of the public utility water
company assets to Sierra Highlands
Community Services District

Application No. 56381
(Filed April 5, 1976)

O P I N I O N

Q. E. Yates Co., Inc. (Yates), requests authority to sell and transfer its public utility water company assets to Sierra Highlands Community Services District (District), a political subdivision of the County of Inyo. District joined in the application. The County of Inyo will actually purchase the water system for the District.

The water system is located at Sierra Highlands, one and one-half miles southwest of Bishop, and serves about 120 customers on flat rates only. The agreed sales price is \$73,000. There are no customer deposits or advances for construction. The present flat rate is \$6.70 per month and the new flat rate is tentatively set at \$10. District was formed to acquire Yates as an alternative to Yates implementing a metering program. District will assume Yates' entire service area and provide service to all existing customers. District's engineer reported that service is presently adequate, though fire flow improvements and metering may be necessary in the future.

All customers and property owners in the service area were notified by mail of the proposed transfer. They approved the sale at a public meeting held December 16, 1975, pursuant to said notice of transfer.

After consideration, the Commission finds that the proposed transfer would not be adverse to the public interest, and that, upon consummation of the transfer, public convenience and necessity would no longer require applicant's service within the area herein considered. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. On or before June 30, 1977, Q. E. Yates Co., Inc. may sell and transfer the water system (and other assets) referred to in the application to the County of Inyo, according to the terms and conditions attached to the application.

2. On or before the date of actual transfer, seller shall refund all customers' deposits for the establishment of credit, if any, which are subject to refund.

3. As a condition of this grant of authority, seller shall assume all liability for refunds of main extension advances, if any.

4. Within ten days after the completion of the transfer seller shall notify the Commission, in writing, of the date of transfer, of the refunding of the deposits, and of the date upon which purchaser shall have assumed operation of the water system. A true copy of the instruments of transfer shall be attached to the notification.

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

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

Dated at San Francisco, California, this 24th
day of AUGUST, 1976.

William J. Symons President
Leonard R. ...
Robert Bateman Commissioners