

Decision No. 86392**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 Panorama Heights Water Co., Inc. for )  
 an order authorizing the sale and )  
 transfer of all of the public utility )  
 water company assets to Joshua Basin )  
County Water District )

Application No. 56572

O P I N I O N

Panorama Heights Water Co., Inc. (Seller), requests authority to sell and transfer its public utility water company assets to Joshua Basin County Water District (District), a public agency of the State of California. District joined in the application.

The water system is located at Panorama Heights about ten miles west of Twentynine Palms in San Bernardino County and serves 71 customers. The agreed cash consideration is \$55,000. The agreement of sale expires on October 1, 1976 and District has requested an expedited ex-parte order. Seller's 1975 annual report filed with the Commission shows no customer deposits and a December 31, 1975 balance of advances for construction of \$1,417.20 but Seller extinguished the outstanding advances for construction by purchasing the main extension agreements in 1976.

District was formed in 1963, serves about 2,000 customers. The entire service area of the seller is within the boundary of District. District will assume Seller's entire service area and provide service to all existing customers. District's present rates, which are generally significantly lower than Seller's, will be applied to all existing customers. The bill of the typical customer using 2,000 cubic feet will be \$12.50 at District's rates as compared to \$22.68 at Seller's present rates. District represents that it is purchasing Seller's water system because Seller's customers have requested this action, they are within the territory of the District, and the District has statutory powers and authorities not available

to a public utility which can be of assistance in upgrading the present system to provide a more reliable and satisfactory water service.

All customers were notified by mail of the proposed transfer. No objection has been received. Service is adequate.

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. Because of the substantial reductions in charges to Seller's customers by District and the October 1, 1976 expiration date of agreement of sale we will make this order effective on the date of signing. A public hearing is not necessary. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

O R D E R

IT IS ORDERED that:

1. On or before September 30, 1977, Panorama Heights Water Co., Inc. may sell and transfer the water system (and other assets) referred to in the application to Joshua Basin County Water District, 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 is the date hereof.

Dated at San Francisco, California, this 14<sup>th</sup>  
day of SEPTEMBER, 1976

[Signature]  
President  
William J. [Signature]  
Vernon L. Stinger  
Leonard Ross  
Paul Bateman  
Commissioners