

Decision 90 05 077 MAY 22 1990

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 MARADA E. COOPMAN, Individually, and)
 MARADA E. COOPMAN, Trustee under the)
 Will of James P. Coopman, doing)
 business as FAIRWAY WATER COMPANY)
 (U 247 W) CALIFORNIA WATER SERVICE)
 COMPANY (U 60 W), a corporation, for)
 an order authorizing (1) the sale)
 and transfer to California Water)
 Service Company of the water system)
 of Fairway Water Company, (2) the)
 discontinuance of service by Fairway)
 Water Company in the territory now)
 served by it, and (3) the commence-)
 ment of service in said territory by)
 California Water Service Company at)
 the rates then effective in the)
 Visalia District of California. Water)
 Service Company.)

Application 89-10-006
(Filed October 4, 1989)

O P I N I O N

Marada E. Coopman as an individual and as trustee under the will of James P. Coopman, doing business as Fairway Water Company (seller), and California Water Service Company (CWS) have applied for authority to complete a sale of the Fairway system (in Tulare County) to CWS for \$2,000. The system serves 30 customers. Utility plant in service amounts to \$15,649 with a depreciation reserve of \$11,540. There are \$4,109 of advances for construction on the books.

CWS notes that the service area is located near its Visalia service area. CWS will integrate the Fairway operation into its Visalia operation for billing and accounting. Rates are now \$10.90/month for a 10,000- to 16,000-square foot lot. Under CWS' current rates this rate would increase to \$16.50 per month.

CWS explains that current rates have been in effect for over four years and produced a 1988 return of only 2.8% before taxes. CWS plans to install \$26,000 worth of improvements for pump and well site improvements mandated by the Tulare County Health Department.

Customers have been notified of the proposed sale and new rates. No protests have been received.

Water Utilities Branch of the Commission Advisory and Compliance Division has issued a recommendation that the transfer be approved.

Findings of Fact

1. No hearing is required.
2. The proposed sale is not adverse to the public interest.

Conclusions of Law

1. The sale should be authorized.
2. When the sale is completed, CWS should be authorized to apply its current Visalia rates to service to customers served by the Fairway system.

O R D E R

IT IS ORDERED that:

1. On or before November 30, 1990, Marada E. Coopman (seller) may transfer the water system and other assets designated in the application to California Water Service Company (CWS).

2. As a condition of this grant of authority, CWS shall assume the public utility obligations of seller, shall assume liability for refunds of all existing customer deposits, and shall notify the affected customers.

3. Within 10 days after transfer CWS shall write the Commission Advisory and Compliance Division stating the date of transfer and the date the requirements of Ordering Paragraph 2 were completed.

4. CWS is authorized to apply its existing Visalia flat and metered rate schedules to the customers served by the Fairway system within 10 days after the sale. CWS shall file an advice letter to that effect. Upon acceptance of the advice letter, seller's tariffs are cancelled.

5. Before the transfer occurs, seller shall deliver to CWS, and CWS shall keep, all records of the construction and operation of the water system.

6. Within 90 days after actual transfer CWS shall file, in proper form, an annual report on seller's operations from the first day of the current year through date of transfer.

7. When this order has been complied with, seller shall have no further obligations in connection with this water system.

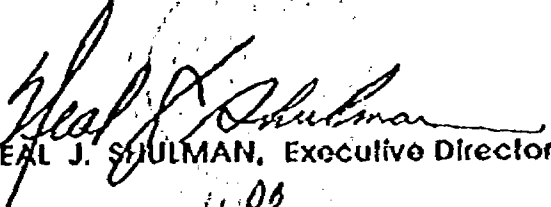
This order is effective today.

Dated MAY 22 1990, at San Francisco, California.

G. MITCHELL WILK
President
STANLEY W. HULETT
JOHN B. OHANIAN
PATRICIA M. ECKERT
Commissioners

Commissioner Frederick R. Duda,
being necessarily absent, did
not participate.

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY


NEAL J. SHULMAN, Executive Director