

Decision 82 01 15 January 5, 1982

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of the City of
Porterville, a California municipal
corporation, for authority to
purchase the water system of
Dom G. Spallina and Lou M. Spallina,
husband and wife.

Application 60648
(Filed June 11, 1981)

O P I N I O N

This is an application in which the City of Porterville (Porterville) seeks authority to acquire a public utility water company owned by Dom G. Spallina and Lou M. Spallina (Spallinas).

The application was filed on June 11, 1981. Notice of the application was served on all customers and appeared in the Commission's Daily Calendar. There have been no protests.

The Spallinas' water system provides domestic water service to 40 service connections along Belmont Street in an area just outside the limits of the City of Porterville. For the calendar year 1980 its gross revenues were \$2,057 and its net revenue after taxes was \$412. On June 2, 1981, Porterville and the Spallinas entered into an agreement in which the Spallinas agreed to sell the water system to Porterville, including water rights, collection, storage, treatment, and pumping facilities, and land, and easements. The purchase price is \$21,500. The application avers that it is in the best interest of Spallinas' customers and Porterville to have all the residents of the City and immediate vicinity served by one water system. The Annual Report for 1980 shows the net undepreciated value of plant is \$8,562.22.

Findings of Fact

1. A public hearing is not necessary in this matter.
2. The transfer of Spallinas' public utility water system to Porterville would not be adverse to the public interest.

Conclusion of Law

The application should be granted.

O R D E R

IT IS ORDERED that:

1. On or before December 31, 1981, Dom G. Spallina and Lou M. Spallina may transfer the water system and other assets referred to in the application to the City of Porterville, according to the terms in the application.
2. On or before the date of transfer, sellers shall refund any customer credit deposits which are subject to refund.
3. Within 10 days after transfer, sellers shall inform the Commission by mail as to dates of transfer and deposit refunds, and date when buyer began operating the water system. A copy of the transfer documents shall be attached.
4. Upon compliance with this order, seller shall be relieved of their public utility obligation to the transferred system.

5. As a condition of this grant of authority buyer shall apply the same rates, rules, and conditions to customers outside of the municipal boundaries as it applies to customers inside the boundaries, except as necessary to offset any tax or assessment on customers inside the boundaries which benefits other customers.

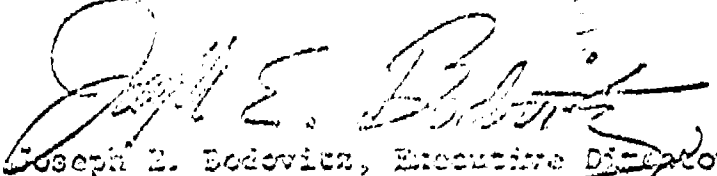
This order becomes effective 30 days from today.

Dated JAN 5 1982, at San Francisco, California.

JOHN E. BRYSON
President
RICHARD D. CRAVELLE
VICTOR CALVO
PHISCILLA C. CREW
Commissioners

Commissioner Leonard M. Crimes, Jr.,
being necessarily absent, did not
participate.

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


Joseph E. Bedovitz, Executive Director