

Decision No. 88031 NOV 8 1977

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of KATRENA VAN DIEST, doing business as VAN DIEST WATER COMPANY, a Public Utility, and the CITY OF PARAMOUNT, for authority to sell its system to the City of Paramount and for authority to cease operation in said area and to be relieved of its public utility obligation in said area.

Application No. 57476
(Filed July 27, 1977)

O P I N I O N

Van Diest Water Company (Seller) requests authority to sell its public utility water system to the City of Paramount (City) to cease operation in its service area and be relieved of its public utility obligations. The City joined in the application.

The water system is located within the limits of the City of Paramount and serves about 276 consumers. The agreed cash consideration is \$61,410. The closing date of the agreement is September 1, 1977, subject to approval by the Public Utilities Commission. This proposed purchase is part of the City's plan to acquire and consolidate all water systems within its limits. The City has a contractual agreement with the Paramount County Water District to operate the water systems, and will be able to assure the customers continuity of service and expanded facilities as necessary to meet future demands. City's proposed rates are the same as Seller's present rates.

All customers have been notified of the proposed transfer by inclusion in their bimonthly billings.

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 Seller's service within the area herein considered. 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. Van Diest Water Company may sell the water system referred to in the application to the City of Paramount 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 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 8th day of NOVEMBER, 1977.

Robert Bateman
President

William Lyons Jr.

Vernon L. Stinson

Richard D. Howell

Commissioners

Commissioner Claire T. Dedrick, being necessarily absent, did not participate in the disposition of this proceeding.