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Decision No. _____

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PARK WATER COMPANY,
and the VALLEY COUNTY WATER DISTRICT
for an Order authorizing the transfer
of certain properties of PARK WATER
COMPANY to the VALLEY COUNTY WATER
DISTRICT.

Application No. 58509
(Filed December 4, 1978)

O P I N I O N

Park Water Company (Seller), by Application No. 58509, requests authority to sell and transfer a portion of its water system located in the City of Baldwin Park, in Los Angeles County, to the Valley County Water District (Purchaser), and to be relieved of its public utility obligations within the areas so transferred.

Seller alleges that the net book cost of the properties for which authorization to transfer is requested is \$56,000. The sale price is \$157,227 for the water system plant, serving approximately 204 water services, and other properties, as itemized in the agreement, Exhibit B to the application, which includes 184.01 acre-feet of currently allowed water pumping rights, calculated at \$400 per acre-foot of pumping rights. Terms are cash, paid in full at the date of closing.

The date of closing is given as March 1, 1979, unless a later date is agreed to in writing by both parties.

Seller alleges that there are no main extension agreements of Seller relating to the services to be sold. Seller agrees to refund deposits to secure credit, less any outstanding balances due.

Purchaser alleges that by Resolution adopted August 15, 1978, its Board of Directors unanimously authorized the acquisition of properties of Seller located within its boundaries, such acquisition to be made by negotiation under threat of condemnation or through condemnation. A notice to customers of the proposed transfer was published in the San Gabriel Valley Daily Tribune on January 4, 1979. No protests have been received.

The agreement to sell was entered into by Seller under threat of condemnation to avoid extensive litigation and its costs. No useful purpose would be served by requiring Purchaser to institute eminent domain proceedings to acquire the properties.

Purchaser intends to charge customers of the facilities acquired from Seller the same rates currently charged by Purchaser, which are alleged to be less than those currently charged by Seller.

After consideration, the Commission finds that the proposed sale and transfer would not be adverse to the public interest. The application should be granted. A public hearing is not necessary.

The Commission concludes that in order to permit the parties to meet the date of closing of March 1, 1979, and as there appears to be no need for delay, the effective date of this order should be the date hereof.

It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

The authorization herein granted shall not be construed as a finding of the value of the rights and properties herein authorized to be transferred.

O R D E R

IT IS ORDERED that:

1. On or before April 1, 1979, Park Water Company may sell and transfer the water system (and other assets) referred to in the application to the Valley 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, Purchaser 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 the date hereof.

Dated at San Francisco, California,
this 30th day of JANUARY, 1979.

Richard D. Shaefer
President
Leonard M. Grimes, Jr.
Clair L. DeLoach

Commissioner John E. Bryson

Present but not participating.

Commissioner Leonard M. Grimes, Jr.

Present but not participating.

Commissioners