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Decision 97-11-055 November 19, 1997

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

In the Matter of Application of Jensen Water Company (U-374-W), a California Public Utility Corporation for Commission authority to sell its water system to CABAZON COUNTY WATER DISTRICT and to be relieved of its public utility responsibility.

**ORIGINAL**

Application 97-01-036  
(Filed January 21, 1997)

**ORDER MODIFYING DECISION 97-06-030/**

**Summary**

The Commission issued an ex parte order (Decision (D.) 97-06-030) in Application 97-01-036 which authorized Jensen Water Company (Jensen) to sell its water system to Cabazon County Water District (District) and to be relieved of its public utility responsibility.

The sale of Jensen's water system authorized by the Commission was to be in accordance with the Agreement for Sale (Agreement) included in Exhibit E-1 to the application.

On August 29, 1997, Jensen filed a petition to modify D. 97-06-030 stating that certain terms of the Agreement approved by the Commission have been amended with mutual consent of Jensen and the District. Jensen requests that the Commission authorize the sale of its system in accordance with the amended Agreement which is attached to the petition to modify D. 97-06-030. The amendments to the Agreement are as follows:

The original Agreement specified a closing date of escrow of February 15, 1997. The amended Agreement sets a new closing date of escrow of December 11, 1997.<sup>1</sup> In

<sup>1</sup> Ordering Paragraph 1 of D. 97-06-030 requires the sale of Jensen's water system to be completed by December 11, 1997.

addition, the amended Agreement calls for an earnest money deposit of \$40,000, not included in the original Agreement. The original Agreement specifies that escrow fees shall be shared equally by both parties, and so does the amended Agreement; however, the amended Agreement requires the District to pay all fees if it fails to complete the sale by December 11, 1997. All other changes are minor.

#### **Discussion**

The amendments to the original Agreement essentially gives an extension of time to complete the sale and provides the District an incentive to complete the transaction by a specified date. It will not have an adverse impact on the customers. We will approve the amended Agreement.

#### **Findings of Fact**

1. Jensen seeks modification of D. 97-06-030 which authorized Jensen to sell its water system to the District and relieved Jensen of its public utility obligations.
2. Jensen requests that the Commission authorize the sale of Jensen's water system in accordance with the amended Agreement.
3. Amendments to the original agreement will not have an adverse impact on the customers.
4. No protest to the petition to modify D. 97-06-036 has been filed.

#### **Conclusions of Law**

1. The petition to modify D. 97-06-030 should be granted.
2. This order should be made effective today to enable parties to complete the sale of Jensen's water system by December 11, 1997.

#### **IT IS ORDERED that:**

1. On or before December 11, 1997, Jensen Water Company (Jensen) may transfer the water system designated in the application to Cabazon County Water District in accordance with the amended Agreement for Sale attached to the petition to modify Decision (D.) 97-06-030.
2. Within 10 days after the transfer, Jensen shall write to the Commission stating the date of transfer and attach a copy of the transfer document.

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3. Within 10 days of the transfer, Jensen shall remit to the Commission all user fees collected up to the time of transfer.

4. Upon compliance with this order, Jensen shall be relieved of its public utility obligation to the transferred system.

5. Since all issues in Application (A.) 97-01-036 and the petition to modify D.97-06-030 have been addressed, the proceeding in A.97-01-036 is closed.

This order is effective today.

Dated November 19, 1997, at San Francisco, California.

P. GREGORY CONLON

President

JESSIE J. KNIGHT, JR.

HENRY M. DUQUE

JOSIAH L. NEEPER

RICHARD A. BILAS

Commissioners