



July 24, 2015

Advice Letter No. 305-E

(U 913 E)

California Public Utilities Commission

Attention: Energy Division
Advice Letter Filing Room 4005

SUBJECT: Request by Golden State Water Company, dba Bear Valley Electric Service, to the Commission to transfer utility property under Public Utilities Code 851, pursuant to General Order 173

Purpose

Golden State Water Company ("GSWC") respectfully requests an order from the California Public Utilities Commission ("Commission") authorizing GSWC to convey certain real property under Public Utilities Code Section 851 to Sheryl J. Nelson Trust and Donald I. Walker.

The conveyance of the subject property is being requested because it has never been used in utility operations and there are no future plans to do so.

The easement is designated as Assessor's Parcel Number ("APN") 0311-491-04-0000, Lot 20 of Tract 12488-1. As shown on the map recorded at Book 235, Pages 53-61, in the records of the County Recorder of San Bernardino County, California. The parcel is vacant, and has no public use.

GSWC believes that the granting to and use of this property by Sheryl Nelson and Donald I. Walker will not affect GSWC's use and operation of its facilities on GSWC's remaining property. Utility service will not be affected as a result of Commission approval of this conveyance.

Background

GSWC has owned this property since 1957 and does not intend to use the subject property for utility operations. GSWC has provided a copy of the 1957 Grant of Easement attached hereto as Exhibit A.

Environmental Information

This easement will become part of the Sheryl J. Nelson Trust and Donald I. Walker property. No environmental affects will arise as a result of this transaction. The conveyance of this property has no potential for causing a direct or indirect physical change in the environment, and would not be a project pursuant to the California Environmental Quality Act (CEQA). 14 C.C. R. § 15378.

Information Required Under General Order 173

GSWC provides the following information in compliance with General Order 173:

This transaction qualifies for advice letter treatment under General Order 173 as the property being transferred does not have a fair market value in excess of \$5 million.

1. **Identity and addresses of all parties to the Proposed Transaction:**

Golden State Water Company, Seller
DBA Bear Valley Electric Service
630 East Foothill Blvd.
San Dimas, California 91773
Telephone: (909) 394-3600
Facsimile: (909) 394-742
rkmoore@gswater.com

Sheryl Nelson and Donald Walker, Buyer
P.O. Box 6357
Big Bear Lake, CA 92315

2. **A complete description of the property, including its present location, condition, and use:**

GSWC purchased the easement in 1957 for \$1 (property, escrow, and taxes). The easement was first recorded in ratebase in 1957. The easement was never utilized. The existing land is not being used. The easement is designated as Assessor's Parcel Number (APN) 0311-491-04-0000, Lot 20 of Tract 12488-1. As shown on the map recorded at Book 235, Pages 53-61, in the records of the County Recorder of San Bernardino County, California.

The easement is designated as Assessor's Parcel Number (APN) 0311-491-04-0000.

There is no property street address for this property (vacant lot).

3. **Transferee's intended use of the property:**

The Buyer intends to acquire the easement as an extension of their property.

4. **A complete description of the financial terms of the proposed transaction:**

As determined, the fair market value of the property is \$23,800. This is the amount the property is being sold for. A copy of the appraisal is attached as Exhibit B.

5. A description of how the financial proceeds of the transaction will be distributed:

GSWC request that the Commission allocate the financial proceeds in accordance with the Commission Decision No. 06-12-043), which determines GSWC's process for allocating gains (and losses) on the sale of certain utility assets.

6. A statement of the impact of the transaction on ratebase and any effect on the ability of the utility to serve customers and the public:

This transaction will not have an impact on ratebase and will not have any impact on service to GSWC customers or the public.

7. For sales of real property and depreciable assets, the original cost, present book value, and present fair market value, and a detailed description of how the fair market value was determined (e.g., appraisal):

In 1957, the easement was transferred to Golden State Water Company (The parent of Bear Valley Electric) for the sum of one dollar when Bear Valley Water and Bear Valley Electric severed their relationship. The present fair market value, as determined by appraisal, states that the portion of the easement pertaining to Lot 20 is presently valued at \$23,800.

8. For leases of real property, the fair market rental value, and a detailed description of how the fair market rental value was determined, and any additional information necessary to show compliance with Section II.A.6 above.

This transaction does not involve a lease.

9. For easements or rights-of-way, the fair market value of the easement or right-of-way and a detailed description of the fair market value was determined.

The fair market value of the easement and the detailed description of the fair market value was determined by and included in the attached property appraisal.

10. A complete description of any recent past (within the prior two years) or anticipated future transactions that may appear to be related to the present transaction, such as sales or leases of real property that are located near the property at issue or that are being transferred to the same transferee; or for depreciable assets, sales of similar assets or sales to the same transferee:

Lot 21 (adjacent property) was recently appraised and sold for \$14,200. See Exhibit C

11. **Sufficient information and documentation (including environmental review documentation) to indicate that all criteria set forth in rule 3 of General Order ("GO") 173 are satisfied:**

GSWC has provided information in this advice letter to satisfy the eligibility criteria under GO 173 in that:

- The activity proposed in the transaction will not require environmental reviews by the Commission as a Lead Agency.
- The transaction will not have an adverse effect on the public interest or on the ability of GSWC to provide safe and reliable service.
- The transaction will not materially impact the ratebase of GSWC.

12. **The filing utility may submit additional information to assist in the review of the advice letter, including recent photographs, scaled maps, drawings:**

GSWC has provided a copy of maps attached hereto as Exhibit D.

13. **Environmental Information:**

a. **If the Applicant believes that the transaction is exempt from review under CEQA. If the applicant believes that the transaction is exempt from environmental review under a statutory or categorical exemption from CEQA, the applicant shall provide the following information:**

(1) **Has the proposed transaction been found exempt from CEQA by another government agency?**

(a) **If yes, the applicant shall attach the Notice of Exemption to the advice letter and shall state the name of the applicable public agency, the date of the Notice of Exemption, and State Clearinghouse #.**

(b) **If no, the applicant shall state the specific CEQA exemption or exemptions that the applicant claims apply to the transaction, including citations to the applicable State**

CEQA Guideline(s) and/or statutes, and an explanation of why the applicant believes that each exemption applies. The applicant shall confirm that no exceptions to the claimed CEQA exemption(s) apply.

- b. **If the Applicant Believes That the Transaction Is Not a Project under CEQA.** If the applicant believes that the transaction is not a project under CEQA, the applicant shall include an explanation of its position.

This transaction is not a project under CEQA because there is no direct physical change in the environment, the owner of the property just wants GSWC to release the easement that is not being used to extend their backyard.

- c. **If Another Public Agency, Acting as the Lead Agency, Has Completed Environmental Review of the Project and the Applicant Believes that the Commission is a Responsible Agency under CEQA.**

If another public agency, acting as the Lead Agency under CEQA, has completed an environmental review of the project and has approved the final CEQA documents, and the Commission is a Responsible Agency under CEQA, the applicant shall submit the following information to the Commission Energy Division CEQA Team:

- (1) The name, address, and phone number of the Lead Agency, the type of CEQA document that was prepared (Environmental Impact Report, Negative Declaration, Mitigated Negative Declaration), the date on which the Lead Agency approved the CEQA document, the date on which a Notice of Determination was filed:
- (2) A copy of all CEQA documents prepared by or for the Lead Agency regarding the project and the Lead Agency's resolution or other document approving the CEQA documents:
- (3) A list of section and page numbers for the environmental impacts, mitigation measures, and findings in the prior CEQA documents that relate to the approval sought from the Commission:

- (4) **An explanation of any aspect of the project or its environmental setting which has changed since the issuance of the prior CEQA document:**
- (5) **A statement of whether the project will require approval by additional public agencies other than the Commission and the Lead Agency, and, if so, the name and address of each agency and the type of approval required.**

Tier Designation

This advice letter is being submitted with a Tier 3 designation.

Effective Date

GSWC is requesting that this filing become effective upon regular statutory notice.

Notice and Protests

A protest is a document objecting to the granting in whole or in part of the authority sought in this advice letter.

A response is a document that does not object to the authority sought, but nevertheless presents information that the party tendering the response believes would be useful to the CPUC in acting on the request.

A protest must be mailed within 20 days of the date the CPUC accepts the advice letter for filing. The Calendar is available on the CPUC's website at www.cpuc.ca.gov. A protest must state the facts constituting the grounds for the protest, the effect that approval of the advice letter might have on the protestant, and the reasons the protestant believes the advice letter, or a part of it, is not justified. If the protest requests an evidentiary hearing, the protest must state the facts the protestant would present at an evidentiary hearing to support its request for whole or partial denial of the advice letter. The utility must respond to a protest with five days.

All protests and responses should be sent to:

California Public Utilities Commission, Energy Division

Attention: Tariff Unit

505 Van Ness Avenue

San Francisco, CA 94102

A copy of the protest should also be sent via e-mail to the attention of the ED Tariff Unit (EDTariffUnit@cpuc.ca.gov). ATTN: Tariff Unit

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Copies should also be mailed to the attention of the Director, Energy Division, Room 4004 (same address above).

Copies of any such protests should be sent to this utility at:

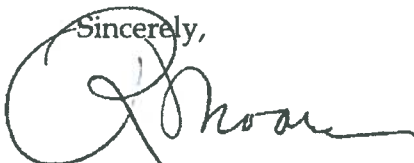
Golden State Water Company
ATTN: Ronald Moore
630 East Foothill Blvd.
San Dimas, CA 91773
Fax: 909-394-7427
E-mail: regulatoryaffairs@gswater.com

If you have not received a reply to your protest within 10 business days, contact this person at (909) 394-3600 ext. 682.

No individuals or utilities have requested notification of filing of tariffs. A copy of this advice letter is being furnished to the entities listed to the GO 96-B service list for Bear Valley Electric Service via U.S. mail service and/or electronically via e-mail.

In accordance with Public Utilities Code Section 491, notice to the public is hereby given by filing and keeping the advice letter filing open for public inspection at Bear Valley Electric Service and Golden State Water Company Headquarters.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Moore", with a large, stylized initial "R" that loops around the start of the name.

Ronald Moore
Regulatory Affairs Dept.
Golden State Water Company

c: Donald Lafrenz, CPUC - Energy Division
R. Mark Pocta, DRA
Sheryl Nelson and Donald Walker

GOLDEN STATE WATER COMPANY

DISTRIBUTION LIST

BEAR VALLEY ELECTRIC DIVISION

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City of Big Bear Lake
P. O. Box 2800
Big Bear Lake, CA 92315

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Big Bear Lake, CA 92315

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