

ORIGINAL

Decision No. 8845

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
 JESSE S. HARKER and EDNA M. HARKER  
 to sell and convey, and of E. A. PER-  
 KISS to mortgage the Melvin Place  
 Water Plant, located in Los Angeles  
 County, California. )  
 )  
 ) Application No. 6553.  
 )

In the Matter of the Application of  
 E. A. PERKISS for an order authorizing  
 the mortgage of the Melvin Place Water  
 Plant, in the County, of Los Angeles,  
 State of California. )  
 )  
 ) Application No. 6564.  
 )

Chas. L. Evans for Applicants in  
 Application No. 6553.

BY THE COMMISSION.

O P I N I O N

By above Application No. 6553, Jesse S. Harker and wife, Edna M. Harker, seek authority to convey to E. A. Perkiss, who joins in the application, the Melvin Place Water Plant near Los Angeles, more particularly described in the order herein, and serving about 300 consumers with domestic water; and in Application No. 6564, the latter seeks authority to issue note for \$6000.00, due in one to six years, with interest at 8%, and to execute a mortgage on said water plant to secure payment on note.

A public hearing on both applications was held by Examiner Westover at Los Angeles.

It appears from testimony that Mr. Harker wishes to withdraw from the public utility business and devote his time to

private interests which would take him away from the State, and that Mr. Perkiss plans to live on or adjoining the property in question and give personal attention to the operation of the plant. It appears that he is ready, willing and able to furnish adequate service and, under the circumstances, appears to be better situated to do so than Mr. Harker. Apparently a transfer of the property, as requested, would be in the public interest.

It is evident from Application No. 6564, and also from the testimony at the hearing, that Mr. Perkiss wishes to use the proceeds of the proposed loan of \$6000.00 for purposes not connected with the public service.

Under the facts submitted in this proceeding, we do not believe that a mortgage should be placed on the public utility properties. It appearing that the proceeds of the proposed loan are to be used for private purposes, the application to issue note and mortgage should be denied.

#### O R D E R

A public hearing having been held upon the above entitled applications, the matters having been submitted and now being ready for decision,

IT IS HEREBY ORDERED that Jesse S. Harker and Edna M. Harker, his wife, be and they are hereby authorized and empowered to transfer to E. A. Perkiss, or his transferee, Lots 4 and 5 of Melvin Place, as per map thereof recorded in Book 11, Page 90, of maps, Los Angeles County Records, together with the water plant located thereon, known and described as Melvin Place Water Plant, consisting of wells, pumps, pipes and equipment used and useful in the operation of said water plant.

The authority herein contained to transfer said plant

is granted upon the following conditions:

- (1) Nothing herein contained shall be construed in any proceeding before this Commission or any other tribunal or public body as a finding of value of said property herein described.
- (2) The within authority to transfer said property shall apply only to such transfer as shall have been made on or before June 1, 1921.
- (3) Within ten (10) days after such transfer shall have been delivered, the transferee shall report that fact in writing to the Commission, together with the date upon which he took possession of said property and began its operation as a public utility, and shall, at the same time, file with the Railroad Commission a copy of said instrument of transfer by which he acquired title to said property.

IT IS HEREBY FURTHER ORDERED that Application No. 6564 for authority to issue note and secure its payment by mortgage on the above water plant be and it is hereby denied..

Dated at San Francisco, California, this 9<sup>th</sup> day of April, 1921.

Frank DeWitt  
H. L. ...  
H. B. ...  
Wing Martin  
Commissioners.