

ORIGINAL

Decision No. 39969

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 PAUL A. CRAIG and BERNICE M. CRAIG,)
 his wife,)
 to BUY, and)
 W. B. VANDERWARK and DORA A. VANDERWARK,)
 his wife,)
 to SELL, certain properties described)
 as SEACLIFF WATER WORKS.)
 -----)

Application
No. 27972

OPINION AND ORDER

This is an application for an order of the Public Utilities Commission authorizing W. B. Vanderwark and Dora A. Vanderwark, hereinafter referred to as Sellers, to transfer to Paul A. Craig and Bernice M. Craig, hereinafter referred to as Buyers, a public utility water system known as the Seacliff Water Works, and authorizing said Buyers to execute a deed of trust and mortgage of chattels and to issue a note for \$12,000.

The properties are described in Exhibits "A" and "B", on file in this application.

It appears that Sellers have been engaged in operating the Seacliff Water Works, located in Santa Cruz County. They have reported their investment in the water properties at \$13,352.91 as of December 31, 1945, their expenditures for new equipment at \$524.96 during 1946, and their revenues and expenses for the years 1943 to 1945, inclusive, as follows:

	<u>1943</u>	<u>1944</u>	<u>1945</u>
Operating revenues	\$2,742	\$3,065	\$3,588
Operating expenses	<u>2,077</u>	<u>1,198</u>	<u>1,138</u>
Net	<u>\$ 665</u>	<u>\$1,867</u>	<u>\$2,450</u>
Number of consumers	112	125	142

The application shows that Sellers desire to withdraw from the business of operating the water properties and to that end have made arrangements to sell the same, along with a residence, to Buyers for the sum of \$22,000. Of this sum the parties have allocated \$7,000 to the residence and \$15,000 to the water properties. The Commission is making no finding as to the value of the water properties.

Of the total purchase price the Buyers will pay \$10,000 in cash and will issue a note for the remaining \$12,000, which note will be payable in monthly installments of \$125 with interest at the rate of 6 percent per annum, and will be secured by a deed of trust covering both the residence and the water system, and a mortgage of chattels.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the application should be granted, as herein provided, and that the money, property or labor to be procured or paid for through the issue of said note is reasonably required for the purpose specified herein, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED as follows:

1. W. B. Vanderwark and Dora A. Vanderwark, after the

effective date hereof and on or before April 30, 1947, may transfer to Paul A. Craig and Bernice M. Craig, the water properties referred to herein and known as the Seacliff Water Works and more particularly described in Exhibits "A" and "B" on file in this application.

2. Paul A. Craig and Bernice M. Craig, after the effective date hereof and on or before April 30, 1947, may execute a deed of trust and a mortgage of chattels and issue a note for \$12,000, in substantially the same form as those filed in this proceeding, for the purpose of financing in part the purchase price of the properties referred to herein.

3. W. B. Vanderwark and Dora A. Vanderwark shall file with the Commission, on or before May 15, 1947, a certified copy of each instrument executed to convey said water works to Paul A. Craig and Bernice M. Craig, and a statement indicating the date upon which they relinquished control of said properties.

4. Paul A. Craig and Bernice M. Craig shall adopt as their own the rates, rules and regulations now on file with the Commission applying to service given by the water works herein authorized to be transferred, and shall assume the payment of deposits, if any, which consumers are entitled to have refunded under such rates, rules and regulations.

5. Paul A. Craig and Bernice M. Craig, on or before May 15, 1947, shall file with the Commission a copy of the deed of trust and mortgage of chattels and of the note as actually executed under the authority herein granted.

6. The authority herein granted will become effective when Paul A. Craig and Bernice M. Craig have paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is Twenty-five (\$25.00) Dollars.

7. The action taken herein shall not be construed to be a finding of value of the properties herein authorized to be transferred.

Dated at San Francisco, California, this 11th day of February, 1947.

Harold P. Kula
Justus F. Coeuer
Carl H. Lowell
A. J. [unclear]
Weneth Potter
Commissioners

