

Decision No. 40059

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

IN THE MATTER OF THE APPLICATION OF
LORIN J. ECCLESTON AND PEARL L.
ECCLESTON, HIS WIFE, TO SELL AND
SAMUEL I. BERG AND LILA R. BERG,
HIS WIFE, TO PURCHASE THE RIVERA
WATER SYSTEM, OF RIVERA, CALIFORNIA

ORIGINAL

Application
No. 28200

O P I N I O N

Lorin J. Eccleston and Pearl L. Eccleston, his wife, owners of the Rivera Water System, serving part of Rivera in Los Angeles County, ask permission to sell their public utility water properties to Samuel I. Berg and Lila R. Berg, his wife. Purchasers have agreed to pay for the properties \$22,000. Of this sum they will pay \$10,000 in cash. To represent the remainder of the purchase price they will deliver to the Sellers two notes, one for \$5,000, and the other for \$7,000. Payment of the \$5,000 note will be secured by a deed of trust which will be a lien on the real property, and the payment of the \$7,000 note will be secured by a chattel mortgage, which will be a lien on the personal property being transferred. The notes bear interest at the rate of 5% per annum. The principal and interest of the \$5,000 note is payable at the rate of \$52 per month, and of the \$7,000 note, at the rate of \$73 per month. Copies of the deed of trust and the chattel mortgage were filed with the Commission on February 25th.

The Rivera Water System serves water to about 130 consumers. For 1946 the operating revenues of the system are reported as \$3,210.11. The properties being sold consist of

"the northeasterly thirty feet (30') of Lot Thirty-one (31) and the northeasterly thirty feet (30') of Lot Thirty-two (32) in Block Eleven (11) in the Town of Rivera, as per map recorded in Book 28, Pages 31 and 32 of Miscellaneous Records in the Office of the County Recorder of Los Angeles County";

a pump house building; a 10,000 gallon redwood tank; two 1,000 gallon steel tanks; one 12-inch well, 96 feet in depth; one 8-inch well, 300 feet in depth; two pumps; about 1,030 feet of 4-inch standard screw pipe line; about 1,410 feet of 2-1/2-inch standard screw pipe line; about 5,980 feet of 2-inch standard screw pipe line; about 470 feet of 1-1/4-inch standard screw pipe line; about 290 feet of 3/4-inch standard screw pipe line; meters; materials and supplies.

The record shows that the purchasers are consumers of the Rivera Water System, and that they are familiar with the water properties and able to operate the same.

The certificate of public convenience and necessity herein authorized to be transferred is subject to the provisions of law that the Commission shall have no power to authorize the capitalization of the certificate or the right to own, operate or enjoy such certificate in excess of the amount (exclusive of any tax or annual charge) actually paid to the State as the consideration for the issuance of such certificate of public convenience and necessity.

The authority herein granted shall not be considered to be a finding of the value of the properties herein authorized to be transferred.

O R D E R

The Commission has considered applicants' request and is of the opinion that this is not a matter on which a hearing is necessary, that the money, property or labor to be procured or paid for through the issue of the notes herein authorized is reasonably required by the Purchasers of said properties for the purpose herein stated, and that this application should be granted subject to the provisions of this order, therefore,

IT IS HEREBY ORDERED as follows:

1. Lorin J. Eccleston and Pearl L. Eccleston, his wife, may sell and transfer after the effective date hereof, and on or before June 30, 1947, to Samuel I. Berg and Lila R. Berg, his wife, the public utility water properties operated under the name of the Rivera Water System, and more particularly described in the agreement on file in this application as Exhibit "A", such sale and transfer to be made in accordance with the terms and conditions of said agreement.
2. To pay in part for said properties, Samuel I. Berg and Lila R. Berg, his wife, may issue to Lorin J. Eccleston and Pearl L. Eccleston, his wife, after the effective date hereof, and on or before June 30, 1947, a promissory note for \$5,000 and execute a deed of trust to secure the payment of said promissory note, and issue to said Lorin J.

Eccleston and Pearl L. Eccleston, his wife, a promissory note for \$7,000 and execute a chattel mortgage to secure the payment of said promissory note, said notes, deed of trust and chattel mortgage to be in, or substantially in, the same form as the note, deed of trust and chattel mortgage filed in this application on February 25, 1947.

3. If Samuel I. Berg and Lila R. Berg acquire said water properties, they shall furnish and supply water service to the public under and in accordance with the rates, rules and regulations heretofore filed with the Commission by Lorin J. Eccleston and Pearl L. Eccleston, his wife, and shall adopt as their own said rates, rules and regulations.

4. If Samuel I. Berg and Lila R. Berg acquire said public utility water properties, they shall file with the Commission for approval within Ninety (90) Days after the acquisition of said properties the proposed book entries for the purpose of recording the purchase of said properties.

5. If Samuel I. Berg and Lila R. Berg, his wife, acquire said properties, they shall file with the Commission within Ninety (90) Days after the acquisition of the properties, a certified copy of the deed of conveyance, and a statement indicating the exact date on which they acquired said properties, and showing the amount of consumers' deposits, if any, the sellers turned over to them for return to consumers.

6. The authority herein granted will become effective when Samuel I. Berg and Lila R. Berg, his wife, or either of them, has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which minimum fee is Twenty-five (\$25.00) dollars.

Dated at San Francisco, California, this 17th day of March, 1947.

Harold P. Hull

Justus J. Coomes

Frank J. Farrell

R. E. Johnson

Samuel Pittman

Commissioners

