

ORIGINAL

Decision No. 40232

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 ARTHUR TREGENZA and MARGARET J.)
 TREGENZA, doing business under the)
 firm name and style of "BOLSA KNOLLS)
 WATER COMPANY" and JAMES W. LONG and)
 LA VELLE LONG, applicants, for an)
 order authorizing the transfer of a)
 certificate of public convenience of)
 the "BOLSA KNOLLS WATER COMPANY" to)
 the said JAMES W. LONG and LA VELLE)
 LONG, doing business under the)
 fictitious name of "BOLSA KNOLLS)
 WATER COMPANY".)

Application
No. 28256

O P I N I O N

This is an application to the Public Utilities Commission for an order authorizing Arthur Tregenza and Margaret J. Tregenza to sell a certain water system to James W. Long and La Velle Long for the sum of \$5,968.24.

The water system is known as the Bolsa Knolls Water Company and is located approximately four miles north of Salinas, Monterey County. The properties include a certificate of public convenience and necessity granted by the Commission by Decision No. 33782, dated January 3, 1941, certain land, two wells and pumps, pressure tanks and approximately 8,000 feet of pipe. The present owners report their investment in the properties, as of December 31, 1946, at \$6,050. Service is reported given to 16 consumers.

The application shows that the present owners are unable to carry on the business of furnishing water and that

accordingly they desire to dispose of this water system. The purchasers are reported to be willing and able to pay for the properties and thereafter to operate the same and to continue the water service. Under the agreement of sale as amended, the purchasers, in payment for the properties, will issue an unsecured note for \$5,968.24 payable in monthly installments of \$10 with interest at six percent per annum, with the privilege given the makers of the note to pay off the entire balance before maturity. The sellers of the property report that they are willing to leave their money at interest so long as the purchasers wish, provided that \$10 a month be paid on account of the principal.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary and that the application should be granted. The certificate of public convenience and necessity 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 or right.

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

O R D E R

Application having been made for a transfer of public utility water properties, and the Commission having considered the

matter and being advised in the premises,

IT IS HEREBY ORDERED as follows:

1. Arthur Tregenza and Margaret J. Tregenza, after the effective date hereof and on or before July 31, 1947, may sell and transfer to James W. Long and La Velle Long, the properties referred to in the foregoing opinion, including the certificate of public convenience and necessity granted by Decision No. 33782, dated January 3, 1941, such sale and transfer to be made in accordance with the Contract of Sale and Purchase dated September 1, 1946, as amended by the supplemental agreement dated April 4, 1947, filed in this proceeding.

2. James W. Long and La Velle Long, after the effective date hereof and on or before July 31, 1947, for the purpose of financing the cost of such properties, may issue a note for not more than \$5,968.24 in, or substantially in, the same form as the note filed in this proceeding, it being the opinion of the Commission that the money, property or labor to be procured or paid for through the issue of said note is reasonably required for the purpose indicated herein, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.

3. If James W. Long and La Velle Long 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 Arthur Tregenza and Margaret J. Tregenza and shall adopt as their own said rates, rules and regulations.

4. James W. Long and La Velle Long shall file with the Commission within thirty (30) days after the date of acquisition of the properties under the authority herein granted, a certified copy of the deed of conveyance, a statement indicating the exact date upon which they acquired said properties, and the amount of consumers' deposits, if any, the sellers turned over to them for return to consumers.

5. The authority herein granted will become effective when James W. Long and La Velle Long have paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is Twenty-five (\$25.00) Dollars.

Dated at San Francisco, California, this 6th day of May, 1947.

Harold P. Kula

James P. Lowell

R. J. [unclear]

Herbert Patten
Commissioners

