

ORIGINAL

Decision No. 40259

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of Arthur C. Voorhees and Andrea N.
Voorhees to sell, and of Aubrey
Sorrels and Ana Maria Sorrels to
purchase the public utility water
system of sellers known as Biola
Water Co.

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Application
No. 28340

O P I N I O N

Arthur C. Voorhees and Andrea N. Voorhees have applied to the Public Utilities Commission for authority to sell and transfer to Aubrey Sorrels and Ana Maria Sorrels a public utility water system known as the Biola Water Co.

The properties to be transferred include a certificate of public convenience and necessity originally granted by the Commission by Decision No. 10112, dated February 20, 1922, and transferred to the present owners pursuant to authority granted by Decision No. 38729, dated February 26, 1946, and physical properties consisting of approximately 9,500 feet of water mains, two lots, a well 80 feet deep, a deep well pump with a 10 h.p. electric motor and a 1,500 gallon pressure tank, together with non-utility real estate. The consideration to be paid is the sum of \$20,000, of which \$7,500 has been allocated by applicants as the value of the utility properties and \$12,500 as the value of the non-utility properties. The operating revenues of the water system were reported at \$1,836 in 1946, with service being given to approximately 100 consumers.

The agreement of sale provides for the payment of \$10,000 of the purchase price in cash and the issue of a note in evidence of the remaining \$10,000, said note to be payable in monthly installments of \$100 or more, with interest at the rate of 6% per annum, payment to be secured by a deed of trust covering the real property, both utility and non-utility. A copy of the deed of trust and note are on file in this application.

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 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 an order authorizing the transfer of public utility water properties and the Commission having considered the matter and it being of the opinion that this is not a matter on which a hearing is necessary and that this application should be granted, subject to the provisions of this order, therefore,

IT IS HEREBY ORDERED as follows:

1. Arthur C. Voorhees and Andrea N. Voorhees, after the effective date hereof and on or before July 31, 1947, may transfer to Aubrey Sorrels and Ana Maria Sorrels the certificate of public convenience and necessity acquired by them pursuant to authority granted by Decision No. 38729, dated February 26, 1946, and the public utility water properties comprising the Biola Water Co.

2. Aubrey Sorrels and Ana Maria Sorrels, after the effective date hereof and on or before July 31, 1947, for the purpose of financing in part the purchase price of the properties to be transferred, may execute a deed of trust and issue a note for \$10,000, in, or substantially in, the same form as the deed of trust and 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 specified herein, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.

3. If Aubrey Sorrels and Ana Maria Sorrels 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 C. Voorhees and Andrea N. Voorhees and shall adopt as their own, said rates, rules and regulations.

4. Aubrey Sorrels and Ana Maria Sorrels 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 each deed of conveyance, a statement indi-

cating 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, and a report of the issue of the note as required by the Commission's General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

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

Dated at Los Angeles, California, this 13th day of May, 1947.

Harold Hule

Frank Russell

A. J. Anderson

Constance Potter
Commissioners

