

Decision No. 41222

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

IN THE MATTER OF THE APPLICATION

of

SNEIBLE-TAVERNETTI COMPANY, a corporation, and of CLAYTON E. NEILL and DOROTHY A. NEILL, his wife, for order authorizing the sale of its property, franchise, and permit.

ORIGINAL

Application No. 29046

O P I N I O N

This is an application to the Public Utilities Commission for an order authorizing Sneible-Tavernetti Company, a corporation, to sell a certain water system to Clayton E. Neill and Dorothy M. Neill, his wife, for the sum of \$16,500.00.

The water system to be sold supplies water to approximately 275 consumers for domestic and other purposes in, and in the vicinity of, the Town of Gonzales in Monterey County. The properties include a certificate of public convenience and necessity granted by the Commission by its order in Decision No. 24097, dated October 5, 1931, and its supplemental order in Decision No. 24807, dated May 23, 1932, certain land, two wells and pumps, two tanks and approximately 20,000 feet of pipe. The properties are more particularly described in the grant deed on file in this application as Exhibit "A". The present owner reports the cost of the water properties including materials and supplies at \$21,660.25 and the accrued depreciation at \$7,876.83. The present value of the properties is reported at \$20,414.09. Its financial reports show operating revenues at \$7,242.60 in 1945, at \$8,316.80 in 1946 and at \$8,349.00 in 1947, with net operating revenues, before federal taxes on income, of \$2,133.27 in 1945, of \$2,166.38 in 1946 and of \$2,653.34 in 1947.

The application shows that the present owner desires to dispose of the water system because its present shareholders are not sufficiently experienced to operate the water properties. Clayton B. Neill was for several years division manager of the California Water and Telephone Company on the Monterey Peninsula in Monterey County California. The purchasers will pay the purchase price in cash if and when the sale of the properties is authorized by the Commission. Clayton B. Neill will operate the properties.

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. Sneible-Tavernetti Company may, on or before June 30, 1948, sell and transfer to Clayton B. Neill and Dorothy M.

Neill, his wife, the properties referred to in the foregoing opinion, and in the grant deed filed in this application as Exhibit "A".

2. If Clayton B. Neill and Dorothy M. Neill 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 Sneible-Tavernetti Company and shall adopt as their own said rates, rules and regulations.

3. Clayton B. Neill and Dorothy M. Neill 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 seller turned over to them for return to consumers.

4. The authority herein granted will become effective twenty days from the date hereof.

Dated at Los Angeles, California, this 17th day of February 1948.

R. J. [Signature]

[Signature]

Harold P. [Signature]

[Signature]
Commissioners.