

ORIGINAL

Decision No. 41538

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of	)	
THEODORE W. JURLING for approval of	:	
the sale of the Yucca Village Water	)	Application
Company, owned and operated by said	:	No. 29057
Theodore W. Jurling, to the YUCCA	)	
WATER COMPANY, LTD., a California	:	
Corporation.	)	

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In the Matter of the Application	:	
of	)	
YUCCA WATER COMPANY, LTD.,	:	Application
a Corporation,	)	No. 29284
for a permit authorizing it to sell	:	
and issue its securities.	)	
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O P I N I O N

In the above entitled applications, the Public Utilities Commission is asked to make its orders authorizing Theodore W. Jurling to transfer certain water properties to Yucca Water Company, Ltd., and authorizing Yucca Water Company, Ltd. to issue its capital stock in the amount of \$60,000 par value, or in such amount as the Commission may approve.

The water properties involved in these proceedings include a certificate of public convenience and necessity granted by the Commission by Decision No. 39919, dated January 28, 1947, in Application No. 27592, and certain physical structures. The certificate originally was granted to Yucca Village, a partnership composed of Al Anderson, Fred A. Storey, Guy G. Richards, John F. Vogel, Gus B. Tamplis, Hugh Estus, Oliver Campbell, Flora K. McCann, Thomas E. Bouchey and Roland Thompson, and

permits the construction, maintenance and operation of a public utility for the production, distribution and sale of water for domestic, irrigation and other purposes in Tract No. 2865 and Tract No. 3004 in San Bernardino County lying along the highway between Morongo Valley and Twentynine Palms. Thereafter, by Decision No. 40221, dated April 29, 1947, said partnership was authorized to transfer the certificate and properties to Theodore W. Jurling.

The record in Application No. 27592 shows that the water system, with the exception of the well, was installed new in 1946 at a cost, as of December 2, 1946, estimated by one of the Commission's engineers to be \$34,047.99. As of that date the properties included two parcels of real estate, one used as a well site and the other as a tank site, a twelve-inch well 365 feet deep, a seventeen stage Peerless pump with a Buda gasoline engine, two steel tanks providing a storage capacity of 31,200 gallons and approximately 28,000 feet of steel pipe lines.

It is reported that Theodore W. Jurling now proposes, and has made arrangements, to transfer to Yucca Water Company, Ltd., a corporation, the certificate of public convenience and necessity and the properties referred to above. It is also proposed to transfer to the corporation additional properties consisting of a new well including a well site of 1-1/4 acres, an additional tank site of 1-1/2 acres together with a pump and motor, 16,000 feet of pipe lines, and a cement reservoir of 125,000 gallons capacity. The estimated cost of the additional properties is reported at \$26,270 which, added to the \$34,047.99 makes a total of \$60,317.99. The proposed consideration to be

paid by the corporation is \$60,000 par value of its common capital stock.

There are now 113 service connections with 99 consumers supplied with water.

The Articles of Incorporation of Yucca Water Company, Ltd. show that it was organized on or about March 21, 1947, with an authorized capital stock of \$75,000, divided into 750 shares of the par value of \$100 each. Its organizers and directors are Guy G. Richards, Fred A. Storey and Theodore W. Jurling, each of whom will receive one-third of the total amount of stock to be issued in payment for the water properties. It is proposed for the corporation to supply water to its customers at the rates approved by the Commission in Decision No. 39919 and for it to adopt the schedules of rates, rules and regulations now on file with the Commission in the name of Theodore W. Jurling.

The Commission has considered these applications and is of the opinion that the requests of applicants should be granted as provided in the order following this opinion. 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 action taken herein shall not be construed to be a finding of value of the properties herein authorized to be transferred.

O R D E R

The Public Utilities Commission having considered the above entitled applications and being of the opinion that a public hearing is not necessary, that the requests of applicants should be granted, as herein provided, that the money, property or labor to be procured or paid for through the issue of \$60,000 of stock is reasonably required by Yucca Water Company, Ltd. for the purpose specified herein and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED as follows:

1. Theodore W. Jurling, after the effective date hereof and on or before July 31, 1948, may transfer to Yucca Water Company, Ltd. the certificate of public convenience and necessity and the water properties referred to in the preceding opinion, and Yucca Water Company, Ltd., after the effective date hereof and on or before July 31, 1948, may issue not exceeding \$60,000 par value of its capital stock as the consideration for the transfer of said certificate and properties.
2. Yucca Water Company, Ltd., upon acquiring said certificate and properties, shall furnish and supply water service to the public under and in accordance with the rates, rules and regulations now on file with the Commission in the name of Theodore W. Jurling, and shall within thirty (30) days after the acquisition of said properties, file with the Commission a notice that it adopts as its own said rates, rules and regulations.
3. Yucca Water Company, Ltd. 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 showing the exact date on which it acquired said properties and the amount of consumers' deposits, if any, which Theodore W. Jurling turned over to it for return to consumers, and a report of the issue of stock as required by the Commission's General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

4. The authority herein granted will become effective twenty (20) days from the date hereof.

Dated at Los Angeles, California, this 4<sup>th</sup> day of May, 1948.

R. J. [unclear]  
Justus F. [unclear]  
Ernest [unclear]  
Harold [unclear]  
Kenneth [unclear]  
Commissioners