

Decision No. A 2432

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of

CHESTER F. JOHNSON, MYRTLE V.
JOHNSON, RAYMOND E. WEHLER
AND LUCY Z. WEHLER,

to Sell Public Utility Property

Application
No. 30716

OPINION AND ORDER

Chester F. Johnson and Myrtle V. Johnson, his wife, are engaged in operating a certain resort property and business at Klamath Glen, Del Norte County, and, in connection therewith, a small public utility water system supplying water to approximately forty customers. ⁽¹⁾ In this application they report that they desire to dispose of their properties and accordingly have made arrangements to sell them, including the water system, to Raymond E. Wehler and Lucy Z. Wehler, his wife.

As part of the consideration, the purchasers have agreed to issue to the sellers a note in the principal amount of \$10,000, payable in annual installments of \$3,000, commencing November 1, 1950, with interest at the rate of 5% per annum, payment to be secured by a deed of trust and a chattel mortgage covering the properties, including the public utility water system.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the application should be granted, as herein provided, and that the money,

(1) In 1948, the operating revenues were reported at \$610. The depreciated book value of the system is stated in the application at \$2,107.

property or labor to be procured or paid for through the issue of said note for \$10,000 is reasonably required for the purpose indicated herein, therefore,

IT IS HEREBY ORDERED as follows:

1. Chester F. Johnson and Myrtle V. Johnson, his wife, after the effective date hereof and on or before December 31, 1949, may sell and transfer their public utility water system referred to in this application to Raymond E. Wehler and Lucy Z. Wehler, his wife.

2. Raymond E. Wehler and Lucy Z. Wehler, after the effective date hereof and on or before December 31, 1949, may execute a deed of trust and a chattel mortgage in, or substantially in, the same form as those filed in this proceeding, and may issue a note in the principal amount of \$10,000, payable as indicated herein, for the purpose of paying in part for the properties referred to in this application.

3. The rates, rules and regulations now legally on file with the Commission governing service given by the present owners of the water system herein authorized to be transferred, shall be refilled within thirty days from the date of transfer under the names of Raymond E. Wehler and Lucy Z. Wehler in accordance with the procedure prescribed by General Order No. 96, or, in lieu of such refiling, the purchasers may file a notice of adoption of such presently filed rates, rules and regulations. No increases in the presently filed rates, rules and regulations shall be made unless otherwise properly authorized by the Commission.

4. On or before the date of actual transfer of the water system, Chester F. Johnson and Myrtle V. Johnson shall refund deposits, if any, which customers are entitled to have

refunded. Any unrefunded deposits shall be transferred to and become the obligations of Raymond E. Wehler and Lucy Z. Wehler.

5. The action taken herein shall not be construed to be a finding of value of the properties herein authorized to be transferred.

6. The authority herein granted will become effective when Raymond E. Wehler and Lucy Z. Wehler have paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is \$25.00.

Dated at San Francisco, California, this 25 day of October 1949.

R. F. [Signature]
Justice F. [Signature]
[Signature]
Harold P. [Signature]
[Signature]
Commissioners

