

ORIGINALDecision No. 50680

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of MRS. KATHLEEN WILLD)
 to purchase, and of BUBBLING WELL)
 WATER SYSTEM, INC., to sell, all)
 the assets of said corporation; and) Application No. 35769
 of MRS. KATHLEEN WILLD to operate a)
 public utility water company in)
 Riverside County.)

OPINION AND ORDER

Mrs. Kathleen Willd, an individual, and Bubbling Well Water System, Inc., a corporation, by the above-entitled application filed September 7, 1954 seek authority, on the one hand, to purchase, and, on the other hand, to sell the assets of said corporation, and authority for Mrs. Kathleen Willd to operate a public utility water company in Riverside County. A copy of the agreement for sale dated August 24, 1954 was attached to the application as Exhibit E.

The assets of Bubbling Well Water System, Inc. consist of (a) two wells with pumps and necessary appurtenances with a combined production capacity of 110 gallons per minute, (b) two 5,000-gallon storage tanks connected with the pumps by a 6-inch pipe line, with automatic control, (c) the tracts of land on which the wells are situated, (d) an additional tract of land on which a 31,500-gallon storage tank formerly stood, (e) pipe lines of 4 and 6-inch capacity, (f) tools and equipment, (g) all rights and privileges granted by Decision No. 40056,

dated March 11, 1947 in Application No. 27922, as modified by Decision No. 40371, dated June 10, 1947 in Application No. 28478, which, initially, granted a certificate of public convenience and necessity to Lucien and Alice H. Hubbard and, subsequently, transferred the certificate to Bubbling Well Water System, Inc., and (h) easements of record granted by Lucien and Alice H. Hubbard, individuals, and Bubbling Well, Inc., a corporation, for the construction and operation of pipe lines.

Applicants allege that the book value of all assets of the corporation, less accumulated depreciation, amounted to \$12,554.08 as of March 31, 1954. They further allege that there is no mortgage or other encumbrance upon the assets, and all taxes have been paid to the date of the application. The agreed purchase price of the assets is \$6,750, less expenses of transfer, to be paid in cash. The applicant, Mrs. Kathleen Willd, is alleged in the financial statement dated September 1, 1954, attached to the application as Exhibit D, to be financially responsible with total assets of \$224,913.73 and with no liabilities. By the terms of the agreement for sale, Exhibit E, Mrs. Willd expressly agrees to perform all duties and meet all liabilities and obligations of Bubbling Well Water System, Inc.

The reason given for the proposed transfer of assets is that an escrow is in operation under which Mrs. Kathleen Willd will acquire all the assets of Bubbling Well, Inc., including all unsold lots in Bubbling Well Subdivision, a swimming pool, apartment building, and tract office, and all unsold land of Lucien and Alice H. Hubbard in the west half of the east

half of Section 5, comprising approximately 127 acres, and will proceed with the development of the subdivision and contiguous land as a residential neighborhood.

The Commission has considered this application and is of the opinion that a public hearing is not necessary and that the sale of Bubbling Well Water System, Inc., a corporation, to Mrs. Kathleen Willd, an individual, would not be adverse to the public interest and that the application should be granted.

The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be sold and purchased.

Inasmuch as the proposed transfer is in escrow, as noted, the effective date of the order which follows will be ten days after the date of the order.

IT IS HEREBY ORDERED as follows:

1. That the application of Mrs. Kathleen Willd, an individual, to purchase and Bubbling Well Water System, Inc., a corporation, to sell the water system of sellers in accordance with the agreement for sale, a copy of which was attached to the application as Exhibit E, and of Mrs. Kathleen Willd to operate a public utility water system in Riverside County, be and it is granted.
2. That on or before the date of actual transfer Bubbling Well Water System, Inc., shall refund all deposits which customers are entitled to have refunded. Any unrefunded deposits shall be transferred to and become the responsibility for refund of Mrs. Kathleen Willd.

- 3. That the rates of Bubbling Well Water System, Inc. now on file with the Commission shall be refiled and that an up-to-date set of rules and regulations shall be filed, each within thirty days after the date of transfer, under the name of Mrs. Kathleen Willd in accordance with the procedure prescribed by General Order No. 96, or in lieu of such refiling of rates Mrs. Kathleen Willd may file a notice of adoption of seller's presently filed rates. No increase in the present rates shall be made unless authorized by the Commission.
- 4. That if the authority herein granted is exercised Bubbling Well Water System, Inc., within thirty days thereafter, shall notify the Commission in writing of the date of the completion of the transfer herein authorized.

The effective date of this order shall be ten days after the date hereof.

Dated at San Francisco, California,
this 19th day of OCTOBER, 1954.

John E. Mitchell
President

Justin J. Quernan

Samuel H. Butler

Gene Higgins

Roy E. Wetters
Commissioners