

ORIGINALDecision No. 52192

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of FRANK C. WARKENTIN)
 (Myrtle Acres Water Service) to)
 sell a water system near Winton,)
 Merced County, to A. E. HEPPNER,)
 under Sections 851-853 of the)
 Public Utilities Code.)

Application No. 37350

OPINION AND ORDER

Frank G. Warkentin,¹ by the above-entitled application, seeks authority to sell to A. E. Heppner² certain assets of the public utility water system now known as Myrtle Acres Water Service located near the unincorporated community of Winton, Merced County.

The properties proposed to be transferred consist of 1,949 feet of galvanized water mains varying in size from 2 inches down to 3/4-inch in diameter, an electric service unit and pole, and the customer service connections.

The proposed agreement, a copy of which is attached to the application, provides that the compensation to the seller for the utility facilities described herein, and for the water system organization costs, is to be the amount of \$1,550. This price is to be paid in installments of \$50 or more per month, plus interest at 5 per cent on the unpaid balance.

The original cost of the properties of Myrtle Acres Water System is stated in the application to be \$1,612.22. However, the annual report for this utility for the year 1954 shows the cost of

1 Sometimes hereinafter called the seller.

2 Sometimes hereinafter called the purchaser.

utility plant to be \$1,377.72 as of December 31, 1954. The annual report for this utility for 1952 indicates that organization costs of \$234.50 were reported as expense. This organization cost figure, together with the utility plant account as reported for 1954, totals \$1,612.22.

A certificate of public convenience and necessity to operate a public utility water system in the area known as Myrtle Acres was granted to Frank C. Warkentin by the Commission in Decision No. 47385, dated June 30, 1952, in Application No. 33277.

Winton Hall, Inc., a corporation, was authorized to sell and transfer to A. E. Heppner its public utility water system known as Winton Water Works, which system serves a portion of the unincorporated community of Winton and is near the Myrtle Acres Water Service system, by this Commission's Decision No. 51964, dated September 13, 1955, in Application No. 37202.

The reasons given for the proposed transfer of the public utility water system are that purchaser will be better able to supply adequate quantities of water through an augmented source of supply which he intends to provide and that he plans eventually to enlarge the area of service to include the entire community of Winton.

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

The Commission, having considered the above-entitled application and being of the opinion that a public hearing is not necessary, finds that the proposed transfer will not be adverse to the public interest and that the application should be granted; therefore,

IT IS HEREBY ORDERED as follows:

1. That Frank C. Warkentin may, on or after the effective date hereof and on or before March 1, 1956, sell and transfer to A. E. Heppner, the public utility properties described in the agreement, known as Myrtle Acres Water Service, substantially in accordance with the terms and conditions set forth in the agreement attached to the application.
2. That the rates and rules of Frank C. Warkentin, doing business as Myrtle Acres Water Service, now on file with this Commission, shall be refiled

within thirty days from the date of transfer under the name of A. E. Heppner in accordance with procedure prescribed by General Order No. 96, or in lieu of such refiling, A. E. Heppner may file a notice of adoption of said presently filed rates. No increase in the presently filed rates and rules shall be made unless authorized by this Commission.

3. That on or before the date of actual transfer, Frank C. Warkentin shall refund all deposits which customers are entitled to have refunded, and that any unrefunded deposits shall be transferred to and become the obligation for refund of A. E. Heppner.
4. That within thirty days from the date of actual transfer, A. E. Heppner shall file with this Commission a copy of each deed or other instrument of conveyance as executed to effect the transfer of property hereinabove authorized.
5. That on or before the date of actual transfer of the physical properties herein authorized, Frank C. Warkentin shall transfer and deliver to A. E. Heppner and the latter shall receive and preserve all records, memoranda and papers pertaining to the construction and operation of the properties of Myrtle Acres Water Service.
6. That if the authority herein granted is exercised, Frank C. Warkentin shall, within thirty days thereafter, notify this Commission in writing of the date of such completion of the property transfer herein authorized and of his compliance with all of the conditions hereof.
7. That, upon due compliance with all of the conditions of this order, said Frank C. Warkentin shall stand relieved of all further utility obligations and liabilities in connection with the operations of the public utility water system herein authorized to be transferred.

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

Dated at San Francisco, California, this 7th day of November, 1955.

John E. Marshall
President

Walter F. Caldwell
Paula L. L. L. L.
Commissioners