

Decision No. 52569

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of ROY MARSHALL and)
JENNIE MARSHALL, doing business as)
MARSHALL WATER COMPANY, to sell a)
water system in Tulare County to)
FARMERSVILLE COUNTY WATER DISTRICT)
and to be relieved of public util-)
ity obligations.)

Application No. 37486

OPINION AND ORDER

Roy Marshall and Jennie Marshall,¹ doing business as Marshall Water Company, by application filed November 16, 1955, seek authority from this Commission to sell the physical assets of their public utility water system to Farmersville County Water District,² which joins in the application. Sellers also ask to be relieved of their public utility obligations.

Under the terms of the agreement of sale, a copy of which is attached to the application as Annex 2, Sellers propose to sell to District, for the sum of \$24,352, their water system properties described in said agreement of sale. The purchase price is to be paid from the proceeds of bonds to be issued by District.

The Sellers were granted a certificate of public convenience and necessity to operate a public utility water system by this Commission in its Decision No. 41806, dated July 7, 1948, in Application No. 28991. Water is furnished to approximately 70 residential customers in an area known as Tract No. 105 near the town of Farmersville, Tulare County.

1 Sometimes herein called Sellers.
2 Sometimes herein called District.

Sellers' annual report to the Commission for the year ending December 31, 1954, shows their investment in utility plant of \$12,025.36 and a reserve for depreciation of \$3,552.77, thus indicating a depreciated utility plant of \$8,472.59.

The application states that the area served by Sellers lies entirely within the Farmersville County Water District boundaries and that all of the Sellers' customers will be served by District.

It is also reported in the application that there are no outstanding advances in aid of construction of water mains on which Sellers are obligated to make refunds.

Authority for the transfer is stated to be sought for the reason that District proposes to build and operate an integrated water system that will be capable of serving all of the potential 760 customers within its boundaries.

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

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

IT IS HEREBY ORDERED that:

1. Roy Marshall and Jennie Marshall may, on or after the effective date hereof and on or before May 31, 1956, sell and transfer their public utility properties to Farmersville County Water District substantially in accordance with the terms of the agreement of sale, included in the application as Annex 2.
2. On or before the date of actual transfer, Roy Marshall and Jennie Marshall shall refund all deposits which customers are entitled to have refunded, and within thirty days thereafter shall notify this Commission in writing of the completion of such refunding.

3. Roy Marshall and Jennie Marshall shall, within thirty days after the date of actual transfer, file with this Commission a verified statement showing all obligations to make refunds of customers' advances for construction, the amounts thereof, and the names of persons or corporations in whose favor such obligations exist.
4. If the authority herein granted is exercised, Roy Marshall and Jennie Marshall shall, within thirty days thereafter, notify this Commission in writing of the date of such completion of the property transfer herein authorized and of their compliance with the conditions hereof.
5. Upon due compliance with all of the conditions of this order, Roy Marshall and Jennie Marshall shall stand relieved of all further public utility obligations and liabilities in connection with the operation 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 September, 1956.

[Signature]
 President
[Signature]
[Signature]
[Signature]
 Commissioners