

Decision No. 54620

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application of)
 CITIZENS UTILITIES COMPANY OF CALIFORNIA,)
 a corporation, and LELAND S. MURPHY and)
 OLIVE MURPHY, doing business as)
 MURPHY WATER SYSTEM, RUSSIAN RIVER MEADOWS) Application No. 38656
 SUBDIVISION or RIVER MEADOWS WATER SYSTEM) (As Amended)
 for an order authorizing LELAND S. MURPHY)
 and OLIVE MURPHY to sell their water system)
 to CITIZENS UTILITIES COMPANY OF CALIFORNIA.)

OPINION AND ORDER

Citizens Utilities Company of California^{1/}, a corporation, by the above-entitled application filed on December 12, 1956, and amended on January 21, 1957, joins with Leland S. Murphy and Olive Murphy^{2/}, doing business as Murphy Water System, Russian River Subdivision or River Meadows Water System, in asking the Commission to authorize Citizens to purchase the water system properties of Sellers and operate them in conjunction with Citizens' Guerneville system.

The consideration for the transfer is stated to be \$3,500 as set forth in a letter agreement dated June 17, 1956, a copy of which is attached to the application as Exhibit B, which amount Citizens is to pay in cash on the specified closing date.

The estimated original cost of Sellers' water system properties is \$7,170, as shown in an undated balance sheet, a copy of which is attached to the application as Exhibit E.

Sellers have never applied for or obtained a certificate of public convenience and necessity from this Commission to operate

^{1/} Sometimes herein referred to as Citizens.
^{2/} Sometimes herein referred to as Sellers.

a public utility water system, nor have they filed rates or rules with the Commission. According to the application, the system is located adjacent to Citizens' Guerneville system and serves 16 customers. If the transfer requested is authorized, Citizens proposes to interconnect the two systems with a main 4 inches in diameter.

The reasons given for the proposed transfer are that Leland S. Murphy and Olive Murphy desire to retire from active ownership and management of the water system and that the estimated revenues that might be realized therefrom would not be sufficient to permit them to employ additional personnel to manage the system.

It is stated in the application that Sellers do not hold any refundable customers' deposits or advances for construction.

According to the application, water is now being furnished without charge to the customers of Sellers' system, and Citizens proposes that the presently filed rates and rules in effect for its Guerneville system be made effective for Sellers' system.

The action taken herein shall not be construed as a finding of the value of the 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 as follows:

1. That Leland S. Murphy and Olive Murphy, on or after the effective date hereof and on or before June 30, 1957, may sell and transfer and Citizens Utilities Company of California, a corporation, may purchase, acquire and operate the herein described public utility water properties, substantially in accordance with the proposed letter agreement of said parties attached to the application as Exhibit B.

- 2a. That Citizens Utilities Company of California is authorized and directed to charge and apply in the service area proposed to be acquired under the authorization herein granted, the rates and rules which are now on file with the Commission for its Guerneville District water system.
- b. That Citizens Utilities Company of California, within thirty days after the date of actual transfer, shall revise its presently effective tariff schedules, including tariff service area map, for its Guerneville District water system in accordance with the procedure prescribed by General Order No. 96, to provide for the application of said tariff schedules in the service area authorized to be acquired herein. Such revised tariff schedules shall become effective upon five days' notice to the Commission and the public after filing as hereinabove provided.
- 3. If the authority herein granted is exercised, Citizens Utilities Company of California, within thirty days thereafter, shall notify the Commission in writing of the date of the completion of the transfer and shall file a certified copy of the deed and bill of sale by which the transfer was accomplished.

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

Dated at San Francisco, California, this 5th day of March, 1957.

[Signature]
President

[Signature]

[Signature]

[Signature]

[Signature]
Commissioners