

ORIGINALDecision No. 55193

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of

MRS. J. M. VINCENT, a widow,
 doing business as Ceres Water
 Works, and of CERES WATER WORKS,
 INC., a corporation,

Application No. 39101

for an order authorizing the transfer
 of assets, business and operating
 rights, and for an order authorizing
 Ceres Water Works, Inc. to issue
 securities.

OPINION AND ORDER

This is an application for an order of the Commission (1) authorizing Mrs. J. M. Vincent to transfer the Ceres Water Works to Ceres Water Works, Inc., a corporation, and (2) authorizing the corporation to issue 1,000 shares of common stock of the par value of \$10 each. The shares will be issued to Mrs. Vincent and to Anthony Vincent, her son.

The book values of the assets to be transferred and the liabilities to be assumed, are indicated in the following tabulation:

Utility plant, less reserve		\$75,445
Current assets		<u>10,156</u>
Subtotal		85,601
Less -		
Current liabilities	\$1,205	
Customers' deposits	992	
Advances for construction	<u>1,367</u>	<u>3,564</u>
Balance		<u><u>\$82,037</u></u>

On April 16, 1957, the Commission issued its Decision No. 54853 which authorized certain increases in rates for this water system. In the decision the Commission adopted the sum of \$82,000 as the rate base for the year 1957 estimated.

It appears that the proposed transfer will not result in any change in the operations and we are of the opinion, and so find, that such transfer will not be adverse to the public interest and should be approved by an ex parte order; therefore,

IT IS HEREBY ORDERED as follows:

1. Mrs. J. M. Vincent may transfer the assets, business and operative rights of Ceres Water Works to Ceres Water Works, Inc.
2. Ceres Water Works, Inc., in payment for said assets, business and operative rights, may assume the outstanding obligations, as indicated in this application, and may issue not exceeding 1,000 shares of its common stock, it being the opinion of the Commission that the money, property or labor to be procured or paid for by the issue of said shares is reasonably required for the purpose indicated herein and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.
3. The authorization herein granted shall not be construed as indicative of amounts to be included in a future rate base for the purpose of determining just and reasonable rates.

4. The rates, rules and regulations of Mrs. J. M. Vincent, doing business as Ceres Water Works, now on file with the Commission shall be refilled within 30 days after the date of transfer under the name of Ceres Water Works, Inc., in accordance with the procedure prescribed by General Order No. 96, or, in lieu of such refiling, Ceres Water Works, Inc., may file a notice of adoption of said presently filed rates, rules and regulations. No increase in the present rates shall be made unless authorized by the Commission.

5. On or before the date of actual transfer Mrs. J. M. Vincent shall refund all deposits and advances for construction which are subject to refund. Any unrefunded deposits and advances for construction shall be transferred to and become the obligation of Ceres Water Works, Inc.

6. On or before the date of actual transfer Mrs. J. M. Vincent shall transfer and deliver to Ceres Water Works, Inc., and the latter shall receive and preserve all records, memoranda, and papers pertaining to the construction and operation of the properties hereinabove authorized to be transferred.

7. If the authority herein granted is exercised, Mrs. J. M. Vincent, within 30 days thereafter, shall notify the Commission in writing of the date of completion of the transfer.

8. Upon compliance with the terms of this order, Mrs. J. M. Vincent shall stand relieved of all further public utility obligations in connection with the operation of the public utility water system herein authorized to be transferred.

9. The authority herein granted will become effective twenty days after the date hereof.

Dated at San Francisco, California, this 2nd day of JULY, 1957.

[Signature]
President
[Signature]
[Signature]
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Commissioners