

ORIGINAL

Decision No. 56480

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation )  
 on the Commission's own motion into )  
 the status, operations and practices )  
 of R. E. WEHLER and LUCY Z. WEHLER, ) Case No. 6019  
 doing business as KLAMATH GLEN )  
 SUBDIVISION WATER SERVICE, Del Norte )  
 County. )

Raymond E. Wehler and Lucy Z. Wehler, in  
 propria personae, respondents.

Lewis C. Barbour, interested party.

John D. Reader, for the Commission staff.

OPINION AND ORDER

Nature of Proceeding

In this proceeding filed December 3, 1957, on its own motion the Commission instituted an investigation into the status, operations and practices of R. E. Wehler and Lucy Z. Wehler, doing business as Klamath Glen Subdivision Water Service, hereinafter called respondents, who have operated as a public utility water corporation in an area known as Klamath Glen Subdivision in Del Norte County, for the following purposes:

1. To determine whether said respondents have abandoned or intend to abandon such operations without the authority of the Commission.
2. To determine whether said respondents should be authorized to abandon such operations.

3. To determine whether any authority heretofore issued by the Commission to said respondents or their predecessors in interest authorizing such operations by any of them should be modified or revoked.

4. To issue any other order that may be appropriate in the exercise of the Commission's jurisdiction.

#### Public Hearing

Pursuant to the order instituting the said investigation and after due notice, a public hearing in the matter was held before Examiner E. Ronald Foster on February 27, 1958 at Klamath Glen. Following oral testimony by a Commission staff engineer, by respondent R. E. Wehler and by a resident of the said area, the matter was submitted and is now ready for decision.

#### Nature of Evidence

The evidence shows that a water system was installed sometime prior to 1931 to supply water for household, lawn and irrigation purposes to property owners of Klamath Glen Subdivision located on the northerly bank of the Klamath River about four miles upstream from the Town of Klamath in Del Norte County. Said water system was first found to be a public utility subject to the jurisdiction of the Commission by Decision No. 34199 dated May 13, 1941, in Cases Nos. 4534 and 4559, no certificate of public convenience and necessity ever having been issued pertaining thereto.

After two prior changes in ownership, transfer of the utility properties to the respondents herein was authorized in Application No. 30716 by Decision No. 43433 dated October 25, 1949,

following which respondents continued to operate the system in conjunction with their resort located in the subdivision. The last formal proceeding before this Commission was Application No. 31976 requesting an increase in rates and in which Decision No. 45657 was issued May 8, 1951, authorizing the rate schedules now on file for this utility.

The last annual reports to the Commission filed by respondents for the years 1954 and 1955 show that there were some 45 active service connections, that operations were carried on at a loss for both of those years, and that the total cost of the utility property was approximately \$4,000.

The disastrous flooding by the Klamath River which occurred about December 21, 1955, completely swept away or severely damaged practically all buildings within the subdivision, including the respondents' resort and water system. The elevated tank was demolished, the pumping unit was ruined and the distribution mains disrupted, only the well being left. In May 1956, the Commission received a letter from R. L. Wehler stating that his water system had been totally destroyed by the flood, that there were only two or three customers left to serve, that the few people living in house-trailers in the subdivision had their own wells, that he did not have funds to re-establish the system, and that he wished to abandon service. However, respondents have failed to make formal application for authority to abandon service, apparently through neglect. At the hearing, respondent R. E. Wehler requested that he and his wife be relieved of further obligation to operate the water system as a public utility.

He stated that the well is now leased, together with the land surrounding it, to a resort operator who moves small buildings onto the land and supplies water to them on a temporary basis during the summer or fishing season. The respondents themselves have built a new resort located a considerable distance from the subdivision.

A resident of the area testified that the few people who have ventured back to the subdivision are being supplied with water from four or five wells, from 40 to 50 feet deep, each of which are believed to be mutually owned and operated. No one at the hearing protested the proposed abandonment of service by the respondents.

#### Conclusions

The record clearly shows and we so find that the water system formerly owned and operated by respondents is now non-operative because of its destruction by the devastating flood of December, 1955, that respondents are unwilling and unable to procure the funds which would be necessary to install another system even if there were any demand for it, and that public convenience and necessity has not been shown to require the operation of a water system in the area known as the Klamath Glen Subdivision.

Therefore, IT IS HEREBY ORDERED that upon the effective date hereof, R. E. Wehler and Lucy Z. Wehler, heretofore doing business as Klamath Glen Subdivision Water Service, are authorized to abandon and discontinue water service in Klamath Glen Subdivision, Del Norte County, and the tariffs on file for service shall be deemed cancelled as of said effective date.

IT IS HEREBY FURTHER ORDERED that after the effective date hereof respondents shall stand relieved of all further public utility

duties, obligations and liabilities in connection with the operation of the public utility water system herein authorized to be discontinued and thereafter they may sell, lease or otherwise dispose of any remaining properties formerly devoted to public utility purposes without the necessity of any further permission or order of this Commission.

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

Dated at San Francisco, California, this 9<sup>th</sup> day of APRIL, 1958.

[Signature]  
President  
[Signature]  
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Commissioners