

ORIGINALDecision No. 50504

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of MARGARET C. LINDE and)
 THEODORE C. LINDE, d.b.a., VISITACION)
 CITY WATER CO. and the BRISBANE COUNTY)
 WATER DISTRICT for permission to sell)
 the physical assets of the VISITACION)
 WATER CO. to the BRISBANE COUNTY WATER)
 DISTRICT.)

Application No. 39652

OPINION AND ORDER

By their application, filed December 20, 1957, Margaret C. Linde and Theodore C. Linde^{1/} seek authority from the Commission to sell the physical assets of their public utility water system, known as Visitacion City Water Company, to Brisbane County Water District^{2/} which joins in the application. Sellers' system furnishes water for domestic and fire protection purposes in the unincorporated community of Brisbane, San Mateo County.

The application states that the service area of Sellers' utility is entirely within the boundaries of District and that Sellers executed an agreement for the sale of their public utility water system to District on June 17, 1954. A copy of the agreement of sale is attached to the application as Exhibit "A".

The agreement of sale provides that the consideration for the transfer is to be, at the option of District, (1) \$16,000 payable

1/ Sometimes herein called Sellers.

2/ Sometimes herein called District.

in installments over a specified period, or (2) \$15,000 to be paid in cash. The application states that District has elected to make the \$15,000 cash payment. The property proposed to be transferred, including water rights, water storage and distribution system facilities, but excluding cash and accounts receivable, is more particularly described in the agreement.

The utility's annual report to the Commission for the year ending December 31, 1953 shows total utility plant of \$32,322.96 and a reserve for depreciation of \$9,500.00, thus indicating a net plant balance of \$22,822.96.

Sellers' water system was originally operated by Margaret C. Linde under a certificate of public convenience and necessity granted her by the Commission in Decision No. 23400, dated February 16, 1931, in Application No. 16722.

According to the application, District took possession of the system on July 1, 1954. Sellers' counsel, by letter dated March 21, 1958, states that on April 15, 1933, articles of copartnership were executed by Margaret C. Linde and Theodore C. Linde, her son, whereby the latter became a partner in "Visitacion City Water Company". Authorization for these changes in ownership has neither been requested nor heretofore granted by the Commission, notwithstanding the clear provisions of Section 851 of the Public Utilities Code. The application states that application to the Commission for approval of the sale to District was inadvertently not heretofore filed.

The reasons given for the proposed transfer are that Sellers' water distribution system and that of District are in many places parallel, resulting in unnecessary duplication of facilities and inefficient operation by both parties, and further, consumers of Sellers' utility were paying taxes to District without receiving from it the benefit of its domestic water service.

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

The action taken herein shall not be construed as 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, that the proposed transfer will not be adverse to the public interest, and that the application should be granted; therefore,

IT IS HEREBY ORDERED that:

1. The transfer of the public utility water system known as Visitacion City Water Company by Margaret C. Linde, an individual, to Margaret C. Linde and Theodore C. Linde, a copartnership, is hereby authorized.

2. Margaret C. Linde and Theodore C. Linde may, on or after the effective date hereof and on or before September 30, 1958, sell and transfer their public utility water system to Brisbane County Water District substantially in accordance with the terms of the

agreement of sale, a copy of which is attached to the application as Exhibit "A".

3. Margaret C. Linde and Theodore C. Linde shall, upon the effective date of this order, refund all customers' deposits and all advances for construction which are subject to refund, if any.

4. Margaret C. Linde and Theodore C. Linde shall, upon due compliance with all the conditions of this order, stand relieved of all further public utility obligations and liabilities in connection with the operation of the 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 22nd day of April, 1958.

[Signature]
President

[Signature]

[Signature]

[Signature]

Theodore Jenner
Commissioners