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ORIGINAL

Decision No. 56937

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
H. E. STEINSICK and BLANCHE Y.)
STEINSICK, HARRY JOHANNESSEN and)
ROSEEDA E. JOHANNESSEN for an Order)
authorizing the sale of the prop-)
erties and water rights of the RIVER)
PINES WATER SERVICE, applicants.)

Application No. 40108

OPINION AND ORDER

H. E. Steinsick and Blanche Y. Steinsick,^{1/} by this application filed May 22, 1958, seek authority from the Commission to sell and transfer their public utility water system, known as River Pines Water Service, to Harry Johannesen and Roseeda E. Johannesen^{2/} who join in the application.

The water system proposed to be transferred is located in the unincorporated community of River Pines, Amador County. Commission records indicate that as of the end of 1957 the utility served approximately 150 customers.

The terms and conditions of the proposed transfer are set forth in an instrument entitled "Agreement of Purchase and Sale", dated April 15, 1958, a copy of which is attached to the application as Exhibit "A". The properties to be conveyed to purchasers include two parcels of land, easements, several wells, pumping equipment, mains, meters and miscellaneous water system facilities. The consideration for the transfer is to be \$9,700 in cash.

The utility's annual report to the Commission for the year ended December 31, 1957, shows utility plant of \$21,089.15, a

^{1/} Sometimes herein called Sellers.

^{2/} Sometimes herein called Purchasers.

depreciation reserve of \$4,256.91, and a net utility plant of \$16,832.24.

The water system was constructed in the 1930's and found to be a public utility by the Commission in its Decision No. 45010, dated November 8, 1950, in Case No. 5191. The system was purchased by the present owners in 1952 pursuant to authority granted by this Commission in its Decision No. 47496, dated July 22, 1952, in Application No. 33413.

The reason given for the proposed transfer is that Sellers are not able to devote their full time to the operation of the water system whereas Purchasers allege they are willing and able to give the system their full time and attention. Exhibit "C" attached to the application is a financial statement of Purchasers and shows a net worth of \$40,777.23 as of May 14, 1958. It has been concluded from an investigation by an engineer of the Commission's staff that Purchasers are capable of acquiring the water system and continuing its operation as a public utility.

The action taken herein shall not be construed to be 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 that:

1. H. E. Steinsick and Blanche Y. Steinsick may, on or after the effective date hereof and on or before December 31, 1958, sell and transfer their public utility water system, known as River Pines Water Service, to Harry Johannesen and Roseeda E. Johannesen,

substantially in accordance with the terms and conditions set forth in the document entitled, "Agreement of Purchase and Sale" included in the application as Exhibit "A".

2. The rates and rules of H. E. Steinsick and Blanche Y. Steinsick, now on file with this Commission, shall be refiled within thirty days from the date of actual transfer under the names of Harry Johannesen and Roseeda E. Johannesen in accordance with the procedure prescribed by General Order No. 96, or in lieu of such re-filing, Harry Johannesen and Roseeda E. Johannesen may file a notice of adoption of said presently filed rates and rules. No increases in the presently filed rates and rules shall be made unless otherwise properly authorized by this Commission.

3. On or before the date of actual transfer, H. E. Steinsick and Blanche Y. Steinsick shall refund all customers' deposits and all advances for construction, if any, which are subject to refund. Any such unrefunded deposits and advances shall be transferred to and become the obligation for refund of Harry Johannesen and Roseeda E. Johannesen.

4. If the authority herein granted is exercised, H. E. Steinsick and Blanche Y. Steinsick 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. On or before the date of actual transfer of the physical properties herein authorized, H. E. Steinsick and Blanche Y. Steinsick shall transfer and deliver to Harry Johannesen and Roseeda E. Johannesen, and the latter shall receive and preserve all records, memoranda and papers pertaining to the construction and operation of the properties herein authorized to be transferred.

6. Upon due compliance with all the conditions of this order, H. E. Steinsick and Blanche Y. Steinsick 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 8th day of July, 1958.

E. J. Fox
President
W. S. [unclear]
Carl [unclear]
W. S. [unclear]
Theodore [unclear]
Commissioners