

ORIGINAL

Decision No. 58391

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Petition of
 EVERETT M. JONES and BERT I. JONES,
 doing business as PARKWOOD WATER
 WORKS COMPANY, to sell all of its
 physical assets to EDWARD FERRETTI
 and MARY ELIZABETH FERRETTI.)

Application No. 40963

OPINION AND ORDER

Everett M. Jones and Bert I. Jones,^{1/} doing business as Parkwood Water Works, by application filed March 23, 1959, seek authorization to sell and transfer their public utility water system to Edward Ferretti and Mary Elizabeth Ferretti,^{2/} who join in the application.

The subject water system serves unincorporated territory known as the Parkwood Subdivision, located approximately one mile south of Madera, Madera County. Commission records indicate that the utility served approximately 175 customers as of December 31, 1958.

The water system was established pursuant to a certificate of public convenience and necessity granted to Sellers by Decision No. 49390, dated December 1, 1953, in Application No. 34546, and has been operated by them since that time.

The terms and conditions of the proposed transfer are set forth in an instrument entitled "Agreement for Sale of Private Water Works," a copy of which is attached to the application as Exhibit "B". The consideration for the transfer is to be the sum of \$61,000. The

1/ Sometimes hereinafter called "Sellers".
2/ Sometimes hereinafter called "Purchasers".

sale is contingent upon Commission authorization and also upon Sellers' provision of a policy of title insurance in the amount of \$10,000.

The application states that Sellers are no longer desirous of operating a public utility, having interests in other enterprises which require their attention elsewhere, and that Purchasers will be able to provide water service in a manner beneficial to water users in the area.

The utility's annual report to the Commission for the year ended December 31, 1958, shows as of that date utility plant in the amount of \$40,801.29, and depreciation reserve in the amount of \$6,214.61, indicating net utility plant of \$34,586.68.

Based upon an investigation by the Commission's staff it appears that Purchasers are capable of acquiring the water system and continuing its operation as a public utility. A financial statement of Edward Ferretti, filed April 6, 1959, indicates net worth of \$236,935.83, as of March 2, 1959.

The action taken herein shall not be construed to be a finding of the value of the property 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. Everett M. Jones and Bert I. Jones may, on or after the effective date hereof and on or before December 31, 1959, transfer their public utility water system, known as Parkwood Water Works, to Edward Ferretti and Mary Elizabeth Ferretti in accordance with the terms and conditions set forth in an instrument entitled "Agreement for Sale of Private Water Works," a copy of which is attached to the

application as Exhibit "B".

2. The rates and rules of Everett M. Jones and Bert I. Jones, now on file with this Commission, shall be refiled within thirty days from the date of actual transfer under the names of Edward Ferretti and Mary Elizabeth Ferretti, in accordance with the procedure prescribed by General Order No. 96, or, in lieu of such refiling, Edward Ferretti and Mary Elizabeth Ferretti 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, Everett M. Jones and Bert I. Jones shall refund all customers' deposits and advances for construction, if any, which are subject to refund. Any such unfunded deposits and advances shall be transferred to and become the obligation for refund of Edward Ferretti and Mary Elizabeth Ferretti.

4. On or before the date of actual transfer, Everett M. Jones and Bert I. Jones shall transfer and deliver to Edward Ferretti and Mary Elizabeth Ferretti, 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.

5. If the authority herein granted is exercised, Everett M. Jones and Bert I. Jones 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.

6. Upon due compliance with all of the conditions of this order, Everett M. Jones and Bert I. Jones 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
12th day of May, 1959.

E. Lynn Fox
President
John E. [unclear]
Matthew [unclear]
Theodore [unclear]
Commissioners