

ORIGINAL

Decision No. 58464

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of MAUDE B. BIRD to )  
 transfer a water system in )  
 Grenada, Siskiyou County, Cali- )  
 fornia, and Application of )  
 FRED PEDRO and LOUISE PEDRO, to )  
 issue a \$2,500.00 note to be )  
 secured by a first deed of trust. )

Application No. 41021

OPINION AND ORDER

By this application, filed April 10, 1959, Maude B. Bird, a widow, seeks authority to transfer the public utility water system operated under the name Grenada Water Company, to Fred Pedro and Louise Pedro for a purchase price of \$3,000; \$500 to be paid in cash and the balance of \$2,500 to be secured by a first deed of trust and evidenced by a promissory note bearing interest at the rate of 5 per cent per annum payable \$40 per month, including interest, until paid in full.

The water system and operative rights were acquired pursuant to Commission Decision No. 45050, dated November 21, 1950, in Application No. 31875, by J. C. Bird and the present applicant Maude B. Bird, husband and wife. J. C. Bird died November 26, 1957, but prior to his death he transferred his interest in the utility to said Maude B. Bird.

The property to be transferred consists of certain parcels of land, a pumping plant, a reservoir site, pipeline rights of way, and all pipes and other facilities used in connection with the domestic water supply in and adjacent to Grenada, California. The original cost of said property and rights to the seller was \$4,000.

The utility's annual report to the Commission for the year ended December 31, 1958, shows utility plant of \$4,958.39, and a depreciation reserve of \$2,353.35, indicating a net utility plant of \$2,605.04. As justification for the requested transfer it is alleged that the proposed seller is a widow and is unable to operate the physical properties involved. The purchasing applicants desire to acquire and operate the utility as a business.

The action taken herein shall not be construed to be a finding of the value of the water system and 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 and that the money, property or labor to be procured or paid for by the issue of its promissory notes hereinafter authorized is reasonably required for the purpose specified herein, and that such purpose is not, in whole or in part, reasonably chargeable to operating expense or income, that a public hearing is not necessary, and that the application should be granted; therefore,

IT IS ORDERED that:

1. Maude B. Bird may, on or after the effective date hereof and on or before October 31, 1959, sell and transfer, under the terms of the agreement of sale attached to the application, her public utility water system property and rights described in the above-numbered application to Fred Pedro and Louise Pedro, who are authorized hereby to execute and deliver to the seller the money and

promissory note described and secured as stated in the application and to execute a deed of trust in, or substantially in, the same form as that filed in this proceeding as Exhibit F.

2. On or before the date of actual transfer Maude B. Bird shall refund all deposits and all advances for construction which customers are entitled to have refunded. Any unrefunded deposits and advances shall be transferred to and become the responsibility for refund of the buyers, Fred Pedro and Louise Pedro.

3. If the authority herein granted is exercised, Fred Pedro and Louise Pedro shall, within thirty days thereafter, notify this Commission in writing of the date of such completion of transfer and of their compliance with the conditions hereof.

4. Buyers shall refile with this Commission under the name of Fred Pedro and Louise Pedro within thirty days after the date of the transfer, the rates and rules of Maude B. Bird presently on file, in accordance with procedure prescribed by General Order No. 96; or in lieu of such filing shall file a notice of adoption of said presently filed rates and rules. No increases in the present lawfully filed rates and rules and regulations shall be made unless otherwise properly authorized by the Commission.

5. On or before the date of actual transfer of the physical properties herein authorized, Maude B. Bird shall transfer and deliver to Fred Pedro and Louise Pedro, 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 of the conditions of this order, Maude B. Bird 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.

7. Buyers shall file a report, or reports, of the issue of the note herein authorized as required by General Order No. 24-A, which order, in so far as applicable, is made a part of this order.

The authority herein granted to issue a note will become effective when Fred Pedro and Louise Pedro have paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.

In all other respects the effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 22nd day of May, 1959.

John L. Fox  
President  
William L. McLaughlin  
William L. McLaughlin  
Theodore H. Hume  
Ernest R. Rouse  
Commissioners

