

ORIGINAL

Decision No. 60167

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of

L. GLYNNE PRICE, O. B. DOYLE,
and CURTIS L. PRICE, doing
business as the Northeast
Gardens Water District, and
of PPD CORPORATION, a
corporation,

Application No. 42190

for an order authorizing the transfer
of assets, business and operating
rights, and for an order authorizing
PPD Corporation to issue securities.

OPINION AND ORDER

On April 22, 1960, applicants in the above-entitled matter requested an order authorizing the transfer of a public utility water system known as Northeast Gardens Water District located in the County of Fresno.

Under authorization granted by Decision No. 59411, dated December 21, 1959, L. Glynne Price, O. B. Doyle and Curtis L. Price, applicants herein, acquired the water facilities comprising the Northeast Gardens Water District for the sum of \$59,250. In this proceeding, they report that they desire to have the operations conducted by a corporate form of organization, rather than by a partnership, and that they propose to transfer the water system to a corporation named PPD Corporation which they have organized for the purpose of taking over the system and of continuing the operations. The new corporation will issue \$36,000 par value of stock to the three individuals and will assume the outstanding liabilities and adopt the present rates.

The Commission has considered this matter and is of the opinion, and so finds, that the proposed transfer will not be adverse to the public interest; that the money, property or labor to be procured or paid for by the issue of the stock herein authorized is reasonably required for the purpose specified herein; that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; and that a public hearing is not necessary; therefore,

IT IS HEREBY ORDERED as follows:

1. L. Glynne Price, O. B. Doyle and Curtis L. Price, doing business as Northeast Gardens Water District, on or after the effective date hereof and on or before September 30, 1960, may sell and transfer their public utility assets, business and operative rights to PPD Corporation, and PPD Corporation, in payment thereof, may issue not to exceed \$36,000 par value of its common stock and assume the payment of outstanding liabilities.
2. Upon acquiring the properties under the authorization herein granted, PPD Corporation shall account for the acquisition of the properties thus acquired in accordance with the provisions set forth in the Uniform System of Accounts for Class A, Class B and Class C Water Utilities prescribed by this Commission.
3. The authorization herein granted shall not be construed to be a finding of value of said public utility assets, business and operative rights nor as indicative of amounts to be included in a future rate base for the determination of just and reasonable rates.

4. On or before the date of actual transfer, L. Glynne Price, O. B. Doyle and Curtis L. Price, doing business as Northeast Gardens Water District, shall refund all deposits and advances which consumers are entitled to have refunded. Any unrefunded deposits and advances shall be transferred to and shall become the obligation for refund of PPD Corporation.

5. The rates, rules and regulations of L. Glynne Price, O. B. Doyle and Curtis L. Price, doing business as Northeast Gardens Water District, now on file with the Commission shall be refiled within 30 days after the date of transfer under the name of PPD Corporation, in accordance with the procedure prescribed by General Order No. 96, or, in lieu of such refileing, PPD Corporation may file a notice of adoption of said presently filed rates, rules and regulations. No increase in the present rates shall be made unless authorized by the Commission.

6. If the authority herein granted is exercised, L. Glynne Price, O. B. Doyle and Curtis L. Price, within 30 days thereafter, shall notify the Commission in writing of the date of completion of the transfer and of their compliance with the conditions of this order.

7. PPD Corporation shall file with the Commission a report, or reports, as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

8. The authority herein granted shall become effective 20 days after the date hereof.

Dated at Los Angeles, California,
this 17th day of May, 1960.

David H. ...
President

...

E. Lynn Fox

_____ Commissioners