62545 Decision No.

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ID the Matter of the Application of JOHN J. and ELIZABETH M. WARZEE doing business as WARZEE WATER CO., to transfer their water system certificate and property, Southeast of Porterville, to Gilbert E. Mullen.

Application No. 43389 (Amended)

$\underline{O P I N I O N}$

This application seeks authority for John J. Warzee and Elizabeth M. Warzee, doing business as the Warzee Water Company, to transfer their certificate of public convenience and necessity and public utility water system to Gilbert E. Mullen.

The Warzees were granted a certificate of public convenience and necessity, in Decision No. 58501 in Application No. 40936, to operate a public utility water system near Porterville. The system was established to serve a tract which the Warzees were in the process of subdividing.

The verified application avers that the Warzees have sold to Mullen the tract of land which the Warzee system is authorized to serve; that the original cost of the system was \$8,949.40; and that Mullen has agreed to purchase the system for its original cost, subject to the approval of this Commission.

The application also indicates that Mullen has a net worth of approximately \$163,000 and is financially able to take over operation of the system.

The Commission finds that the proposed sale and transfer is not adverse to the public interest, that a public hearing is not necessary and that the application should be granted. The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

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<u>ORDER</u>

IT IS ORDERED that:

1. Within one hundred and twenty days after the effective date of this order John J. Warzee and Elizabeth M. Warzee may sell and transfer their public utility water system to Gilbert E. Mullen in accordance with the terms and conditions of the agreement between the parties set forth in Application No. 43389. Gilbert E. Mullen is authorized in connection with said sale and transfer to assume the obligation to pay to Soultz Pump Company the remaining balance of the cost of installing the pump water system at the rate of \$100.00 per month.

2. On or before the date of actual transfer, John J. Warzee and Elizabeth M. Warzee shall refund all customers' deposits and advances for construction, if any, which are subject to refund as of the date of transfer. Any unrefunded deposits and advances shall be transferred to and become the obligation for refund of the purchaser.

3. Within thirty days after the date of actual transfer, John J. Warzee and Elizabeth M. Warzee shall notify this Commission, in writing, of the date upon which the transfer was consummated.

4. On or before the date of actual transfer, John J. Warzee and Elizabeth M. Warzee shall transfer and deliver to Gilbert E. Mullen 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. Upon completion of the sale and transfer herein authorized and all of the terms and conditions of this order, John J. Warzee and Elizabeth M. Warzee shall stand relieved of their public utility obligations and liabilities in connection with the utility water system herein authorized to be transferred.

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6. The rates and rules of John J. Warzee and Elizabeth M. Warzee, now on file with this Commission, shall be refiled within thirty days of actual transfer under the name of the purchaser, Gilbert E. Mullen, in accordance with the procedure prescribed by General Order No. 96, or, in lieu of such refiling, purchaser 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.

7. If the sale and transfer provided for in paragraph 1 of this order is effectuated, the certificate of public convenience and necessity granted by this Commission in Decision No. 58501 shall be and it is hereby transferred to Gilbert E. Mullen and he shall have all the rights, privileges and obligations of said certificate.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco , California, this day of SEPTEMBER _, 1961 resident