

ORIGINALDecision No. 63132

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of H. D. RUNYAN and R. L.)
 NORSWORTHY, doing business as RUNYAN)
 & NORSWORTHY WATER COMPANY, to sell)
 water system at Turlock, California)
 to RUDOLPH A. STRUNK and BETTY L.)
 STRUNK, husband and wife, as joint)
 tenants, and for the latter to oper-)
 ate said water system and to establish)
 rates.)

Application No. 43818

O P I N I O N

H. D. Runyan and R. L. Norsworthy, doing business as Runyan & Norsworthy Water Company, by their application filed October 6, 1961, seek authorization to transfer their public utility water system properties to Rudolph A. Strunk and Betty L. Strunk, husband and wife.

H. D. Runyan and R. L. Norsworthy were granted a certificate of public convenience and necessity by Decision No. 61488, dated February 14, 1961, in Application No. 42446, to construct and operate a public utility water system in an area approximately one mile northeast of the City of Turlock. The certificated area consists of about 8 acres.

The terms and conditions of the proposed transfer are set forth in a sales agreement, a copy of which is attached to the application as Exhibit A. The consideration for the transfer is to be the sum of \$2,500, which is to be paid by the transfer to the sellers of title to Lot 31^{1/} in Block B of the Runyan-Norsworthy Tract. The transfer is to be contingent upon Commission authorization.

^{1/} It appears that this lot number is in error. The highest number in Block B is No. 13, as shown on the map attached to Application No. 42446.

As the utility was not certificated until 1961, it has not filed any annual reports with this Commission. However, both the decision granting this certificate and this application indicate that the original cost of the water system, including the well site, is approximately \$8,900.

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 Rudolph A. Strunk and Betty L. Strunk, dated July 10, 1961, is attached to the application as Exhibit C.

The Commission finds and concludes:

1. That the proposed transfer would not be contrary to the public interest.
2. That upon completion of the transfer requested in the application, public convenience and necessity will no longer require the public utility water service of H. D. Runyan and R. L. Norsworthy.

The authorization herein granted relates to the sale of properties only and shall not be construed as representing a finding of the value of the rights and equipment.

The purchasers are hereby placed on notice that, notwithstanding the authority herein granted, the restriction imposed by ordering paragraph 6 of Decision No. 61488 remains in full force and effect. The said paragraph is quoted as follows:

- "6. Applicants shall not extend service outside the Runyan-Norsworthy Tract certificated herein except to the housing existing as of the date of this order located on either side of North Olive Avenue between the south boundary of said tract extended and North Avenue without authority first having been obtained from this Commission."

O R D E R

IT IS HEREBY ORDERED that:

1. H. D. Runyan and R. L. Norsworthy may, on or after the effective date hereof and on or before September 1, 1962, sell and transfer their public utility water system, known as Runyan and Norsworthy Water Company, to Rudolph A. Strunk and Betty L. Strunk, in accordance with the terms and conditions of the sales agreement attached to the application as Exhibit A.

2. The rates and rules of H. D. Runyan and R. L. Norsworthy, now on file with this Commission, shall be refiled within thirty days of actual transfer under the name of the purchasers, Rudolph A.

Strunk and Betty L. Strunk, in accordance with the procedure prescribed by General Order No. 96, or, in lieu of such refiling, Rudolph A. Strunk and Betty L. Strunk 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. D. Runyan and R. L. Norsworthy 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 Rudolph A. Strunk and Betty L. Strunk.

4. On or before the date of actual transfer, H. D. Runyan and R. L. Norsworthy shall transfer and deliver to Rudolph A. Strunk and Betty L. Strunk, 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, H. D. Runyan and R. L. Norsworthy 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. If the authority herein granted is exercised, H. D. Runyan and R. L. Norsworthy shall, within thirty days thereafter, file with this Commission a certified copy of each deed or other instrument of conveyance as executed to effect the transfer of properties hereinabove authorized.

7. Upon completion of the sale and transfer herein authorized and all of the terms and conditions of this order, H. D. Runyan and R. L. Norsworthy shall stand relieved of their public utility obligations and liabilities in connection with the 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 23rd. day of JANUARY, 1962.

Robert W. Brown
 President

Ed. J. Marshall

E. J. Fox

George W. Grover

Commissioners