

ORIGINAL

Decision No. 63657

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
NEILS M. PETERSEN, JR., doing business  
as MOUNTAIN AVENUE WATER COMPANY, and  
VALLEY OF THE MOON COUNTY WATER DISTRICT  
for authority for the former to sell and  
transfer a water system to the latter.

Application No. 44277  
(Filed March 19, 1962)

OPINION AND ORDER

By this application, Neils M. Petersen, Jr., doing business as Mountain Avenue Water Company, seeks authority to sell all of the assets of his water system to Valley of the Moon County Water District, a county water district organized under the laws of this State, which joins in this application.

The application alleges as follows: that pursuant to the law and statutes of this State, District has been formed as a county water district to serve domestic water in the area presently served by the utility and in adjacent areas in Sonoma County; that District has heretofore expressed its intent to acquire and operate the water system operated by the utility and has advised the utility that in the event a sale by negotiation is not accomplished between District and the utility, District may exercise its statutory powers of eminent domain and other rights granted to it by this State to acquire the said system of the utility; that District desires to serve the inhabitants of the area presently served by the utility and to that end desires to purchase certain properties of the utility; that negotiations have proceeded between District and the utility to determine a fair evaluation of the properties of the utility to be acquired by District; and that the utility and District

have entered into an "Agreement for the Sale of Mountain Avenue Water Company System". A copy of the agreement is attached to the application as Exhibit A.

District has agreed upon the closing date to assume any and all public service obligations of the water company, including the obligation to refund deposits made by customers to guarantee payment of bills.

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

Public hearing is not necessary. Accordingly,

IT IS ORDERED that:

1. On or after the effective date hereof and on or before December 31, 1962, Neils M. Petersen, Jr., may transfer and sell to Valley of the Moon County Water District his public utility water system in accordance with the terms and conditions of the "Agreement for the Sale of Mountain Avenue Water Company System" as signed by the parties on March 3, 1962, attached to the application herein as Exhibit A thereof. The foregoing authority is conditioned upon the requirement that the Valley of the Moon County Water District shall assume all obligations for refund of construction advances made to Neils M. Petersen, Jr., under the provisions of main extension agreements outstanding as of the date of actual transfer and said District and the utility shall jointly file with this Commission, within thirty days after that date, a verified statement showing the name and address of each person or corporation in whose favor any of such refund obligations exist and the unrefunded amount of construction advance subject to repayment to each such person or corporation.

2. The hereinabove acquisition agreement shall not be modified or amended, except as to the date or dates of closing, unless authority to modify or amend said agreement shall have been obtained from this Commission.

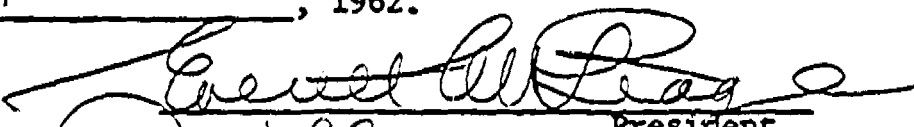
3. Within ten days after the actual date of transfer, Neils M. Petersen, Jr., shall notify this Commission of the date of transfer and the date upon which the Valley of the Moon County Water District assumed operation of the water system herein authorized to be transferred.


4. Upon compliance with the above conditions of this order, Neils M. Petersen, Jr., shall stand relieved of his public utility obligations and may discontinue service concurrently with the commencement of service by the Valley of the Moon County Water District.


5. The acceptance of the herein-concerned properties by the Valley of the Moon County Water District shall constitute consent by it to all conditions of the order herein which have application to said District.


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

Dated at San Francisco, California, this  
8th day of MAY, 1962.

  
President







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Commissioners