

ORIGINALDecision No. 63903

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Wm. G. Haste and
 Fannie E. Haste dba Tahoe Cedars
 Water Co. in Eldorado and Placer
 Counties, to transfer certificate
 of public convenience and necessity
 to Earl B. Marr & Ethel B. Marr
 together with the physical assets
 of the company.

Application No. 44216

William G. Haste, in propria persona, and Earl B.
 Marr, in propria persona, applicants.

Sidney J. Webb, for the Commission staff.

O P I N I O N

Applicants Haste propose to sell and applicants Marr propose to buy the Tahoe Cedars Water Company at Tahoma on Lake Tahoe. The agreed price is to be \$33,000 to be paid \$7,000 down and \$300 per month until the principal, plus interest at 6 percent per annum, is paid.

This resort water system was certificated to one R. E. Strosnider in 1940. Upon the death of Strosnider it was sold to applicants Haste under authority of Decision No. 49968, dated April 27, 1954, in Application No. 35341. For some time prior to that sale Strosnider had employed Haste as his operator to run the system. Wm. G. Haste, now 72 years old, wishes to retire. If this application is granted, he proposes to remain on the system through the 1962 season to instruct the new owners.

A public hearing was held at Sacramento before Examiner John Power on April 24, 1962, at which applicants testified.

The application revealed that the applicant buyers proposed to issue securities in excess of the depreciated historical cost of the system. It was for this reason that a hearing was held. The evidence adduced was not sufficient to sustain the request in the application. The applicant buyers have some personal resources and there is some contributed plant in the system. The record is not clear as to just how much contributed plant there is. On the face of the record as it now stands, the system would be overburdened if securities in the amount of \$26,000 were authorized.

As a result, the Commission cannot make the necessary finding that the sale would not be adverse to the public interest. Absent such finding the application must be denied. The denial will be without prejudice.

ORDER

Public hearing having been held and the Commission basing its decision on the matters set forth in the foregoing opinion,

IT IS ORDERED that Application No. 44216 be and it is denied without prejudice.

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

Dated at San Francisco, California, this 10th day of July, 1962.

George A. Brown
President

John R. Smith

E. J. Fox

Everett W. Page

Frederick B. Hallock
Commissioners