

**ORIGINAL**

Decision No. 64260

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Wm. G. Haste and )  
 Fannie E. Haste DBA Tahoe Cedars )  
 Water Company in El Dorado and )  
 Placer Counties, to sell and )  
 transfer Certificate of Public )  
 Convenience and Necessity to )  
 Earl B. Marr and Ethel B. Marr )  
 together with the Physical )  
 Assets of the Company, and for )  
 the latter to issue an \$11,000 )  
 Note and to execute a mortgage )  
 of chattels and a deed of trust. )

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Application No. 44716  
Filed August 20, 1962

O P I N I O N

This is an application for an order authorizing Wm. G. Haste and Fannie E. Haste to transfer the Tahoe Cedars Water Company to Earl B. Marr and Ethel B. Marr.

The agreed purchase price is \$33,000. In part payment, the purchasers propose, and seek authorization, to issue a note to the sellers in the principal sum of \$11,000, said note to be payable in monthly installments of \$75, or more, including interest at the rate of 6 percent per annum, and to be secured by a deed of trust and by a mortgage of chattels covering the water works facilities. The purchasers will provide the balance of the purchase price from other sources.

Upon reviewing the application we find and conclude that the purchasers are qualified, as to experience and financial resources, to take over and operate the public utility water system; 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 note 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 the application should be granted.

The authorization herein given is for the purpose of this proceeding only and is not to be construed as a finding of the value of the rights and properties herein authorized to be transferred nor as indicative of amounts to be included in a future rate base for the determination of just and reasonable rates.

O R D E R

The Commission has considered the above-entitled matter and has determined that a public hearing is not necessary, therefore,

IT IS ORDERED that -

1. Wm. G. Haste and Fannie E. Haste, on or after the effective date hereof and on or before February 28, 1963, may sell and transfer the operative rights and properties comprising the Tahoe Cedars Water Company to Earl B. Marr and Ethel B. Marr.

2. Earl B. Marr and Ethel B. Marr, in part payment for said rights and properties, may issue a note in the principal amount of not to exceed \$11,000, payable as set forth in this application, and may execute a deed of trust and a mortgage of chattels in the same form, or substantially the same form, as the deed of trust and the mortgage of chattels filed in the proceeding as Exhibits G and F, respectively.

3. Earl B. Marr and Ethel B. Marr, upon acquiring the Tahoe Cedars Water Company, shall establish books of account in conformity with the Uniform System of Accounts prescribed for Class D Water Utilities and shall transfer to their books of account the book balances of the transferors relating to the utility plant and depreciation reserve accounts. Within sixty days after such acquisition, Earl B. Marr and Ethel B. Marr shall submit to the Commission copies of the journal entries to record the acquisition.

4. On or before the date of actual transfer:

- a. Sellers shall refund all deposits, if any, which customers are entitled to have refunded. Any unrefunded deposits shall be transferred to, and shall become the obligation for refund of, the purchasers.

- b. Sellers shall transfer all advances for construction, if any, held by them, and, further, the sellers and the purchasers, within 15 days after the date of transfer, shall jointly file with this Commission a certified copy of an appropriate instrument showing the names and addresses of all persons or corporations in whose favor such obligations exist and the amounts thereof.
- c. Sellers shall transfer and deliver to the purchasers, who shall receive and preserve the same, all records, memoranda and papers pertaining to the construction and operation of the properties herein authorized to be transferred.

5. The rates and tariff service area map of Wm. G. Haste and Fannie E. Haste, doing business as Tahoe Cedars Water Company, now on file with this Commission shall be refiled within thirty days after the date of actual transfer under the names of the purchasers in accordance with the procedure prescribed by General Order No. 96-A, or, in lieu of such refileing, the purchasers may file a notice of adoption of said presently filed rates and tariff service area map. No increases in the presently filed rates shall be made unless properly authorized by this Commission.

6. Earl B. Marr and Ethel B. Marr, within thirty days after the date of actual transfer, shall file in quadruplicate with this Commission, in conformity with the provisions of General Order No. 96-A, and in a manner acceptable to this Commission, rules governing customer relations revised to reflect present-day operating practices and sample copies of printed forms that are normally used in connection with

customers' services. Such rules and forms shall become effective upon five days' notice to the Commission and to the public after filing as hereinabove provided.

7. If the authority herein granted is exercised, Earl B. Marr and Ethel B. Marr shall determine the accruals for depreciation by dividing the original cost of utility plant, less estimated future net salvage less depreciation reserve, by the estimated remaining life of the plant. They shall review the accruals as of January 1 of the year following the date of actual transfer and thereafter when major changes in depreciable utility plant composition occur and at intervals of not more than five years. Results of these reviews shall be submitted to this Commission.

8. If the authority herein granted is exercised, Wm. G. Haste and Fannie E. Haste, doing business as Tahoe Cedars Water Company, within 30 days thereafter, shall 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.

9. Upon compliance with all of the conditions of this order, Wm. G. Haste and Fannie E. Haste, doing business as Tahoe Cedars Water Company, shall stand relieved of all further public utility obligations in connection with the operation of the public utility water system herein authorized to be transferred.

10. Earl B. Marr and Ethel B. Marr shall file with the Commission a report, or reports, of the issue of said note as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

11. The authority herein granted shall become effective when Earl B. Marr and Ethel B. Marr have paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.

Dated at Los Angeles, California,  
this 19<sup>th</sup> day of SEPTEMBER, 1962.

George L. Hoover  
President

[Signature]

Fredrick B. Halblaff

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Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Everett C. McKeage, being necessarily absent, did not participate in the disposition of this proceeding.

