

**ORIGINAL**Decision No. 67221

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 Guy A. Holmes and Audrey D. Holmes, )  
 husband and wife for authority to )  
 sell to Harry H. Gester and )  
 Gael C. Himmah, business partners )  
 doing business as Black Bear Creek )  
 Land Company all of their right, )  
 title and interest in the water )  
 system now owned by Guy A. Holmes )  
 and Audrey D. Holmes, and known as )  
 the Shasta Retreat Water System, )  
 in the City of Dunsmuir, County of )  
 Siskiyou, State of California, and )  
 to execute and deliver necessary )  
 security documents in connection )  
 therewith. )

Application No. 46345  
 (Filed April 2, 1964)

O P I N I O N

Guy A. Holmes and Audrey D. Holmes request authority to sell and transfer and Harry H. Gester and Gael C. Himmah, doing business as Black Bear Creek Land Company, request authority to purchase and acquire the public utilities water system known as the Shasta Retreat Water System.

The system has been operated since 1914 and consists of a concrete catch basin located on the bottom of Black Bear Creek stream bed approximately 1,500 feet from where the creek joins the Sacramento River. It further consists of approximately 5,000 feet of pipe, and four fire hydrants. The system is of gravity flow type serving 65 connections.

The proposed purchase price of \$9,000 includes the sale of 74 acres of adjacent land. According to the agreement entered into between the parties, buyers agree to give and sellers to take a 10-year note secured by a deed of trust for the full amount of the purchase price. The note is to be paid in monthly installments

of \$99.92 or more including interest at the rate of 6 percent per annum on the unpaid balance.

It is alleged that applicant sellers desire to retire from active business because of illness in their family.

After consideration the Commission finds that the proposed sale would not be adverse to the public interest and that a public hearing is not necessary. The Commission further finds that the money, property, and labor to be procured by applicant buyers through the issuance of the deed of trust and promissory note in the amount of \$9,000 are reasonably required for the purposes specified herein and that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income.

The action taken herein shall not be construed to be a finding of the value of the public utility operative rights and other public utility property herein authorized to be transferred, nor that the 74 acres of land to be transferred are useful to the public utility operation herein considered.

O R D E R

IT IS ORDERED that:

1. Within one year after the effective date of this order Guy A. Holmes and Audrey D. Holmes may sell and transfer, and Harry H. Gester and Gael C. Himmah may purchase and acquire, the water system referred to herein pursuant to the agreement of sale attached to the application.

2. Purchasers, within thirty days after the date of actual transfer of possession, shall file a notice of adoption of sellers' tariffs. Such filings shall be in the form of an advice letter and shall comply with General Order No. 96-A and the notice of

adoption shall become effective on the fourth day after having been filed.

3. On or before the date of actual transfer of possession, sellers shall refund all customers' deposits and advances for construction, if any, which are due and payable as of said date of transfer. All unrefunded deposits and advances shall be transferred to purchasers, who shall be responsible for their refund when due.

4. On or before the date of actual transfer of possession, sellers shall deliver to purchasers and purchasers shall receive and preserve all records, memoranda and papers pertaining to the construction and operation of the properties authorized herein to be transferred.

5. Within thirty days after the date of actual transfer of possession, sellers and purchasers jointly shall submit written notification to the Commission, showing:

- a. The date of transfer of possession.  
A true copy of the contract of sale shall be attached to the notification.
- b. The dates of compliance with the foregoing paragraphs 3 and 4.

6. Within six months after the date of actual transfer of possession, purchasers shall file appropriate revised general rules and revised tariff service area maps clearly and accurately indicating the boundaries of the service area.

7. Within one year after the date hereof purchasers may issue evidence of indebtedness in the amount of \$9,000 and may execute the deed of trust referred to in the opinion.

8. Concurrently with the commencement of service by purchasers, sellers may discontinue service and stand relieved of their public utility obligations in the area served by the

transferred system, unless they reacquire possession of the system under the deed of trust in the event of default.

9. On or before the end of the third month, after the consummation of the transfer as herein authorized, purchasers shall cause to be filed with the Commission, in such form as it may prescribe, an annual report, or reports, covering the period commencing with the first day of the current year to and including the effective date of the transfer.

The authority herein granted to execute a deed of trust and to issue a note will become effective when applicant has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25. In other respects the effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 19<sup>th</sup> day of MAY, 1964.

William W. Bonds  
President

George H. Hoover  
Commissioners

Frederick B. Hallock  
Commissioners

