

ORIGINAL

Decision No. 67750

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of WILLIAM E. BARTLETT,)
dba Caruthers Water Company for per-)
mission to sell to the Caruthers)
Community Services District. (A)
Fresno County District Formed to)
furnish water, sewer, and disposal)
to the area served by the Caruthers)
Water Department.))

Application No. 46809
(Filed July 16, 1964)

OPINION AND ORDER

William E. Bartlett (seller), an individual doing business as Caruthers Water Company, seeks authority to transfer his water system to Caruthers Community Services District (buyer), and to discontinue service. Buyer joins in the application.

Seller serves about 260 customers in the community of Caruthers, Fresno County. Seller alleges that the water system is under threat of condemnation by buyer.

On January 13, 1964, seller and buyer entered into an agreement, a copy of which is attached to the application, providing for the sale of the water system. The agreed purchase price is \$31,000, of which \$200 was paid upon execution of the agreement, with the balance of \$30,800 being payable within fifteen months thereafter.

Seller's annual report to this Commission for the year 1963 shows, as of the end of that year, utility plant in the amount of \$36,886, a depreciation reserve of \$16,959 and no advances for construction or contributions in aid of construction.

The application does not show whether or not seller's dedicated area of service is entirely within the boundaries of buyer. The transfer authorized herein will be conditioned upon the filing of certain stipulations by buyer to protect the interests of any customers who might be outside the district boundaries.

The Commission finds that, upon filing of a stipulation by buyer regarding service obligations and absence of discrimination between customers inside and outside buyer's district boundaries, the proposed transfer will not be adverse to the public interest.

The Commission concludes that the proposed transfer should be authorized subject to the conditions set forth in the order to follow.

The action taken herein is not to be construed as a finding of the value of the properties to be transferred. A public hearing is not necessary.

IT IS ORDERED that:

1. Within one year after the effective date hereof, William E. Bartlett (seller) may transfer to Caruthers Community Services District (buyer) the public utility water system described herein, substantially in accordance with the terms of the agreement, a copy of which is attached to the application, and subject to the conditions hereinafter imposed.

2. The foregoing authority is conditioned upon the filing in this proceeding of a stipulation by buyer that:

- (a) Buyer will be subject to all legal claims for water service which might have been enforced against seller, including such claims as may exist in territory outside of buyer's boundaries.

(b) As to the rates, rules and conditions of service which buyer will apply in the service area of the system herein authorized to be transferred, it will not discriminate between service rendered outside its district boundaries and service rendered inside said boundaries, except insofar as it may adjust such outside rates and charges to offset any reasonable tax burden sustained by water users within the district in subsidizing the operation of the district's water system.

3. On or before the date of actual transfer, seller shall refund all customer deposits for the establishment of credit and all advances for construction.

4. Within ten days after the date of actual transfer, seller shall file in this proceeding written notification of the refunding of all deposits and advances, the date of transfer, and the date upon which buyer shall have assumed operation of the water system authorized herein to be transferred. A true copy of the instrument or instruments of transfer shall be attached to the written notification.

5. Upon compliance with the conditions of this order, seller shall stand relieved of all of his public utility obligations in the area served by the transferred system, and may discontinue service concurrently with the commencement of service by buyer.

The effective date of this order shall be established by supplemental order herein, after seller and buyer shall have complied fully with the requirements of ordering paragraphs 2 and 3.

Dated at San Francisco, California, this 25th day of AUGUST, 1964.

Frederick B. Hallock
President
George H. Brown
William W. Brown
Commissioners