

ORIGINAL

Decision No. 69158

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 MARIAN C. CUNEO, for an order)
 authorizing the sale, and of JACKSON)
 WATER WORKS, INC. for an order)
 authorizing the purchase of the)
 properties and business of JACKSON)
 GATE WATER WORKS, applicants.)

Application No. 47334
(Filed February 17, 1965)

O P I N I O N

Marian C. Cuneo, doing business as Jackson Gate Water Works (seller), seeks authorization to sell all of her public utility water system to Jackson Water Works, Inc. (purchaser), which joins in the application.

By Decision No. 49570 dated January 18, 1954 in Application No. 34996, Jackson Gate Water Works was transferred to Marian F. Chichizola (Marian F. Chichizola Cuneo) and Mary V. C. Schroeter. Subsequently, Schroeter sold all of her interest in the water system to Cuneo.

As of December 31, 1964 the system had 41 metered residential customers, 3 metered commercial customers, 7 fire hydrants, and net plant of \$4,103.28. The system is located in an unincorporated area lying northerly of the city limits of the City of Jackson and known generally as the "Jackson Gate" area.

Cuneo desires to sell her system as she is not able presently or prospectively to give her full time and attention to the operation of her system. Jackson Water Works, Inc. is a public utility water system serving, in general, the City of

Jackson. Its system is contiguous to that of Cuneo. It has a staff of experienced personnel who are able to devote their full time and attention to the operation of the water systems.

By letter dated March 19, 1965, hereby made a part of the record, Cuneo's attorney requested that the application be modified to show the deletion from the sale agreement of the provision for free water to Cuneo and that the terms of sale be \$3,700 in cash (instead of \$3,000) payable at \$100 or more per month without interest until the total sum shall have been fully paid.

The Commission has considered this matter and finds that:

1. There will be no change in rates or service to the public as a result of the transfer.
2. The proposed sale and transfer will not be adverse to the public interest.
3. The money, property or labor to be procured or paid for by the issue of the evidence of indebtedness herein authorized is reasonably required for the purpose specified herein and such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.
4. A public hearing is not necessary.

On the basis of the foregoing findings, we conclude that the application, as modified by letter of March 19, 1965, should be granted.

The action taken herein shall not be construed to be a finding of the value of the public utility operative rights and other utility property herein authorized to be transferred.

O R D E R

IT IS ORDERED that:

1. Within one year after the effective date of this order Marian C. Cuneo, doing business as Jackson Gate Water Works (seller), may sell and transfer, and Jackson Water Works, Inc. (purchaser), may purchase and acquire the water system referred to in the application.

2. After the effective date of this order, and not more than thirty days after the date of actual transfer, purchaser shall file additional and revised tariff sheets, including tariff service area maps, clearly and accurately indicating the boundaries of the tariff area established by the transfer, to provide for the application of seller's present rates and purchaser's present rules to the service area acquired by the transfer. Such filing shall comply with General Order No. 96-A.

3. On or before the date of actual transfer of possession, seller 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 purchaser, who shall be responsible for their refund when due.

4. On or before the date of actual transfer of possession, seller shall deliver to purchaser and purchaser 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, seller and purchaser 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. Jackson Water Works, Inc., on or after the effective date hereof and on or before October 31, 1965, for the purpose specified in this proceeding, may issue an evidence of indebtedness in the principal amount of not to exceed \$3,700 repayable at the rate of \$100 or more per month without interest.

7. Within thirty days after issuing the evidence of indebtedness herein authorized, Jackson Water Works, Inc. shall file with the Commission a copy thereof as actually issued.

8. Within sixty days after the consummation of the transfer herein authorized, Jackson Water Works, Inc. shall file with the Commission a copy of each journal entry used to record the transfer on its books of account.

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

10. Concurrently with the commencement of service by purchaser, seller may discontinue service and shall stand relieved

of her public utility obligations in the area served by the transferred system.

This order, insofar as it relates to an evidence of indebtedness, shall become effective when Jackson Water Works, Inc. has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25. In all other respects this order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 15th day of JUNE, 1965.

Fredrick B. Hillhoff
President

John E. Mitchell

George L. Hoover

Augustin

William A. Belmont
Commissioners

