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ORIGINAL

Decision No. 69883

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 WAYNE REEDER and R. C. SOULTS, dba
 GLENARA RANCHO WATER COMPANY and
 CALIFORNIA WATER SERVICE COMPANY,
 a corporation, for an order authorizing
 (1) the sale and transfer to California
 Water Service Company of the water
 system and certificate of public con-
 venience and necessity of the Glenara
 Rancho Water Company, (2) the discon-
 tinuance of service by Wayne Reeder
 and R. C. Soultz in the territory now
 served by the Glenara Rancho Water
 Company and (3) the commencement of
 service in said territory by California
 Water Service Company.

Application No. 47896
 (Filed September 15, 1965)

O P I N I O N

Wayne Reeder (Reeder) and R. C. Soultz (Soultz) seek authority to sell a water system in Tract No. 373, Tulare County, to California Water Service Company (California). California is a large public utility water corporation which operates through a number of separate systems or districts. One of these districts is based in the City of Visalia, Tulare County. Tract No. 373 is near, and southwest of, the City of Visalia. This tract is close but not contiguous to California's Visalia District system.

Exhibit I to the application puts the fixed assets of Reeder and Soultz at \$29,647.44 after depreciation of \$413.41 as of June 30, 1965. The current assets, namely, cash and accounts receivable to the closing date are excluded from the sale. The agreed purchase price is \$26,000.

California proposes to adopt and continue the rates of Reeder and Soultz until such time as there is a general adjustment of rates in California's Visalia District.

The Commission finds that the proposed transfer would not be adverse to the public interest.

The Commission concludes that the application should be granted as provided in the following order.

California Water Service Company is hereby placed on notice that the authorization herein granted shall not be construed as a finding of the value of the rights and properties herein authorized to be transferred.

A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. Within one year after the effective date of this order, Wayne Reeder and R. C. Soultz (sellers) may sell and transfer to California Water Service Company (purchaser) the water system and certificate referred to herein, substantially in accordance with the terms set forth in the agreement of sale, Exhibit 3 to 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 sellers' 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, sellers shall refund all customers' deposits and advances for construction, if any, which are due and payable as of the 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, sellers 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 five days after the date of actual transfer, sellers and purchaser jointly shall file in this proceeding a written statement, showing:

- (a) The date of transfer. A true copy of the instrument of transfer shall be attached to the statement.
- (b) The dates of compliance with the foregoing paragraphs 3 and 4.

6. Purchaser shall not extend service into adjoining territory to the south of the area certificated to sellers by Decision No. 65778 without further order of this Commission.

7. On or before the end of the third month after the consummation of the transfer as herein authorized, California Water Service Company, a corporation, shall cause to be filed with the Commission in such form as the Commission may prescribe, an annual report related to the operations of the sellers for the period commencing with the first day of the current year to and including the effective date of the transfer.

8. Upon compliance with all of the conditions of this order, sellers shall stand relieved of their public utility obligations in the area served by the transferred system and may discontinue service concurrently with the commencement of service by purchaser.

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

Dated at San Francisco, California, this 7th day of NOVEMBER, 1965.

Fredrick B. Holdcroft
President

John D. [unclear]

George G. Hoover

[unclear]

[unclear]
Commissioners