Decision No. ___71440___

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
CLARENCE F. BERTSCH, doing business)
as THE LOLETA WATER WORKS and)
JACOB CZERWIENIEC and MAXINE)
CAERWIENIEC, for an Order authoriz-)
ing (1) the sale and transfer to)
JACOB CZERWIENIEC and MAXINE)   Application No. 48829
CZERWIENIEC of the Water System and) (Filed September 29, 1966)
Certificate of Public Convenience)
and Necessity of THE LOLETA WATER)
WORKS; (2) the discontinuance of)
service by CLARENCE F. BERTSCH in)
the territory now served by THE)
LOLETA WATER WORKS; and (3) the)
commencement of said service in)
said territory by JACOB CZERWIENIEC)
and MAXINE CZERWIENIEC.)

OPINION AND ORDER

Clarence F. Bertsch (Loleta Water Works) and Jacob and
Maxine Czerwieniec by this application seek authority to transfer
the Loleta Water Works system from the former to the latter.

By an agreement of sale, entered into on September 13,
1966, buyers would pay the seller a purchase price of $35,000 with
$1,000 thereof on said date, $9,000 thereof on the transfer closing
date and the balance of $25,000 payable in monthly installments of
$200 per month and carrying an interest rate of 6 percent per annum.
The $25,000 balance is to be evidenced by a promissory note secured
by a Deed of Trust, with the water system as collateral for security
of the same.

The water system serves approximately 165 customers.
Presently, the source of supply is from springs and an artesian well.

The system also contains a 60,000-gallon concrete reservoir and a
12,000-gallon settling tank. The latest annual report shows a total
utility plant cost of $75,566.31 and a depreciation reserve of
$36,025.29. Buyers will assume any refund obligations for main
extensions.

In view of the pleadings and the record before it, the
Commission finds (1) that public hearing in the matter is not
necessary and (2) that the transfer, as proposed, will not be
adverse to the public interest. The money, property or labor to be
procured or paid for by the indebtedness herein authorized is reason-
ably required for the purposes specified herein, and 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 properties herein authorized to be
transferred.

The Commission concludes that the application should be
granted.

IT IS ORDERED that:

1. Clarence F. Bertsch is authorized to transfer and sell and
Jacob and Maxine Czerwieniec are authorized to purchase and acquire
the public utility water system known as the Loleta Water Works,
located in the unincorporated community of Loleta, Humboldt County,
in accordance with the terms and conditions set forth in Exhibit D
and Exhibits Nos. 1, 2, 3, 4 and 5 attached to the application herein.

2. On or before the transfer closing date, Clarence F. Bertsch
shall refund all deposits which customers have made for the
establishment of credit.

3. The tariffs of Clarence F. Bertsch, now on file with this
Commission shall be refiled under the name of the buyers within
thirty days of the transfer closing date and in accordance with the
provisions of General Order No. 96-A, or in lieu of such refiling

buyers may file a notice of adoption of said presently filed tariffs. No increases in present rates or rules shall be made in said tariffs except upon further order of this Commission.

4. If the authority herein granted is exercised buyers shall, within thirty days after the transfer closing date, notify this Commission in writing of the date on which they assumed operation and control of the water system.

The authority hereinabove granted 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 all other respects the effective date of this order shall be the date hereof.

Dated at _____ San Francisco _____, California, this ___18th___ day of _____ OCTOBER _____, 1966.

_____ President

_____
George W. Grover

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Frederick B. Holboff

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_____
William M. Bennett

Commissioners

PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
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