

SK

ORIGINAL

Decision No. 72625

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of

CERES WATER WORKS, INC., a
corporation,

for an Order Authorizing it to Transfer,
and Authorizing

ANTHONY L. VINCENT, JEAN L.
VINCENT, ANTHONY L. VINCENT
and JEAN L. VINCENT, Trustees,
and ROBERT L. VINCENT,

to Acquire its Assets, Business and
Operating Rights.

Application No. 49291
(Filed April 18, 1967)

O P I N I O N

Ceres Water Works, Inc., (seller) a corporation, requests authority to transfer its water system in Ceres, California, and vicinity to Anthony L. Vincent, Jean L. Vincent, Anthony L. Vincent and Jean L. Vincent, trustees, and Robert L. Vincent (buyers). Buyers join in the application.

Buyers are the owners and holders of all of the issued and outstanding shares of the capital stock of seller, totaling 1300 shares. Applicants desire to cause seller to be liquidated and dissolved after all of the assets, business and operating rights and any certificate of public convenience of seller have been transferred to buyers as tenants in common who will carry on the business under the name of "Ceres Water Works" in exchange for the acquisition and redemption of all of the outstanding stock of the corporation. Furthermore, applicants desire that all liabilities of seller will,

as a part of said exchange and redemption, be assumed by all of the buyers named. Applicants state their intent to accomplish liquidation and dissolution of seller under provisions of the California Corporations Code in the event the authority requested is granted.

Applicants allege that it is in the public interest for this transfer to be authorized and that such transfer will not result in any change in operations nor be adverse to the public interest. Other reasons for the transfer is the desire of applicants to lessen the formal procedures involved in maintaining a corporate entity, and possibly to lessen the total income tax impact upon all the parties resulting from the maintenance of a separate corporate entity.

The Commission finds that:

1. Subject to the conditions set forth in the order which follows, the proposed sale and transfer will not be adverse to the public interest.
2. Upon consummation of the proposed transfer seller will no longer be engaged in performing public utility service.

We conclude that the application should be granted as provided in the following order and that a public hearing is not necessary. The action taken herein does not constitute a finding as to the value or original cost of the properties authorized to be transferred.

O R D E R

IT IS ORDERED that:

1. Within one year after the effective date of this order, Ceres Water Works, Inc., may transfer to Anthony L. Vincent, Jean L. Vincent, Anthony L. Vincent and Jean L. Vincent, trustees, and Robert L. Vincent the water system described in the application.

2. After the effective date of this order, and not less than five days before the date of actual transfer, buyers shall file a notice of adoption of seller's tariffs. Such filing shall comply with General Order No. 96-A. The effective date of the notice of adoption shall be the date of actual transfer.

3. Buyers shall receive and preserve all available records, memoranda and papers pertaining to the construction and operation of the properties authorized herein to be transferred.

4. Within five days after the date of actual transfer, seller and buyers 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 date of compliance with the foregoing paragraph 2.

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

6. On or before the end of the third month after the date of actual transfer, buyers shall cause to be filed with the Commission, in such form as it may prescribe, an annual report covering the period from the first day of the current year to and including the effective date of the transfer.

7. Buyers shall account for the acquisition of the properties herein authorized to be transferred in accordance with the instructions relating to water plant purchased contained in the Uniform System of Accounts for Class D Water Utilities.

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

Dated at San Francisco, California, this 20th day of JUNE, 1967.

[Signature]
President

[Signature]

[Signature]

[Signature]
Commissioners