

ORIGINALDecision No. 75859

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Alexander J. Went,
 a partner in the Ryan Water System
 to sell his interest to Robert F.
 Strebel, a partner in the Ryan
 Water System, in Santa Clara County.

Application No. 51063
 (Filed May 8, 1969)

OPINION AND ORDER

The "Ryan Water System" has sufficient outlets to serve ten customers. It now provides service to only one customer, although applicants allege the system may be remodeled and expanded in the near future. The system is located in and near Call of the Wild, a subdivision in the Los Gatos Hills, Santa Clara County. The water system consists primarily of springs, a well, transmission ditch and mains, distribution mains, and service lines.

Rates were filed many years ago and consist of a schedule for residential flat rate service with an annual charge of \$6.00 per cabin. No tariff service area map has been filed. Purchaser has advised he will endeavor to satisfy all requirements suggested by Commission engineers. The rates, rules and operating procedure will be continued by purchaser.

The agreement of sale is attached to the application. The purchase price will be \$1.00 for the seller's interest. The application states that the original cost and book value of the system are not known and that no financial statements exist.

Purchaser is a property owner in the area served by the water system. He states in the application that he is qualified

and able to operate, maintain, improve, and develop the system. The system was sold to the present owner for \$2.00, by Phoebe J. Ryan, as authorized by Decision No. 68118, dated October 27, 1964, in Application No. 46931.

Findings and Conclusion

The Commission finds that:

1. The proposed sale and transfer will not be adverse to the public interest.
2. Purchaser has the financial ability to acquire and operate the water system.
3. It is reasonable for purchaser to adopt System's flat rate but the rate schedule should be refiled by purchaser in up-to-date form, along with a tariff service area map and up-to-date rules.

The Commission concludes that the application should be granted as provided in the order which follows. The action taken herein does not constitute a finding as to the value or original cost of the properties authorized to be transferred. A public hearing is not necessary.

IT IS ORDERED that:

1. Within one year after the effective date of this order, Alexander J. Went may transfer to Robert F. Strebel his interest in the water system referred to herein, substantially in accordance with the terms described herein.
2. After the effective date of this order, and not less than five days before the actual transfer, purchaser shall file a notice of adoption of System'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. On or before the date of actual transfer, seller 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, seller shall deliver to purchaser, and purchaser shall receive and preserve, all available 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, seller and purchaser jointly shall file in this proceeding a written statement, showing:

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

6. Upon compliance with all of the conditions of this order, seller shall stand relieved of his 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 12th day of JULY, 1969.

William Sproule, Jr.
President
Burglar
John P. Monahan
William
Commissioners

APPENDIX A

Schedule No. 2A

ANNUAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate water service furnished on an annual basis.

TERRITORY

Call of the Wild Subdivision, Santa Clara County.

RATE

Per Service Connection
Per Year

For each service connection \$ 6.00

SPECIAL CONDITIONS

1. The above flat rate applies to service connections not larger than one inch in diameter.
2. The annual flat rate charge applies to service during the 12-month period commencing January 1 and is due in advance. If a permanent resident of the area has been a customer of the utility for at least 12 months, he may elect, at the beginning of the calendar year, to pay prorated flat rate charges in advance at intervals of less than one year (monthly, bimonthly or quarterly) in accordance with the utility's established billing periods.
3. The opening bill for flat rate service shall be the established annual flat rate charge for the service. Where initial service is established after the first day of any year, the portion of such annual charge applicable to the current year shall be determined by multiplying the annual charge by one three-hundred-sixty-fifth ($1/365$) of the number of days remaining in the calendar year. The balance of the payment of the initial annual charge shall be credited against the charges for the succeeding annual period. If service is not continued for at least one year after the date of initial service, no refund of the initial annual charges shall be due the customer.