

Decision No. 76313

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of R. C. SOULTS and ETHEL V.
SOULTS, doing business as TULCO
WATER COMPANY, holding Decision
No. 58886 to operate a public
utility water system, request
permission to transfer their
certificate to HORACE NISH and
LUCILLE M. NISH, doing business
as NISH WATER COMPANY, 4050 West
Vassar Drive, Visalia, California.

Application No. 45989
(Filed December 2, 1963)

O P I N I O N

By Decision No. 72735 dated July 11, 1967, the Commission affirmed Decision No. 68156 dated November 2, 1964, which denied without prejudice a request by R. C. and Ethel V. Soultis, doing business as Tulco Water Company, to sell the Visalia system of their water operations to Horace and Lucille M. Nish, pursuant to the terms of a conditional sales contract. The Commission found in Decision No. 72735 dated July 11, 1967, that the record did not contain adequate current financial data concerning Horace and Lucille M. Nish to determine if the proposed sale should be authorized.

On August 15, 1969, applicants filed a petition with supplemental financial information and again requested that the transfer of the Visalia system be approved.

The original conditional sales agreement was executed on October 10, 1963, and specified a selling price of \$49,000. According to the allegations set forth in the recently filed petition, the purchase price has been paid in full and as of

April 30, 1969, applicant buyers indicated a net worth in the amount of \$47,781.

After consideration the Commission finds that the proposed transfer would not be adverse to the public interest. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. Application No. 45989 is hereby reopened.
2. Within one year after the effective date hereof, R. C. and Ethel V. Soultz may transfer and Horace D. and Lucille M. Nish may acquire the Visalia water system in the vicinity of Riggin Road and Giddings Avenue, one mile north of Visalia, Tulare County.
3. After the effective date of this order, and not less than five days before the date of actual transfer, buyers shall file tariffs including a tariff service area map clearly indicating boundaries of the public utility water system in the vicinity of Riggin Road and Giddings Avenue being acquired, tariff schedules of the same form and rates as Cal. P.U.C. Sheets Nos. 119-W and 6-W filed July 25, 1967, by the sellers, together with appropriate general rules and copies of printed forms to be used in dealing with customers similar to those on file by sellers.
4. Concurrent with the effective date of buyers' tariff filing required by ordering paragraph 3 above, Cal. P.U.C. Sheets Nos. 43-W, 119-W and 6-W filed by sellers are cancelled and sellers shall file an appropriate advice letter to exclude such sheets from their tariffs and to revise their table of contents and preliminary statement. Sellers' revision of their tariffs shall be filed within thirty days after the effective date of the tariffs

filed by buyers. Such filing shall comply with General Order No. 96-A.

5. Within thirty days after the date of actual transfer, buyers shall file with the Commission two fully conformed copies of the instrument or instruments of transfer, as executed.

6. On or before March 31, 1970 buyers shall cause to be filed with the Commission, in such form as it may prescribe, an annual report covering operations of the sellers' Visalia system for the entire calendar year 1969.

7. Upon completion of the sale and transfer herein authorized and upon compliance with the time and conditions of this order, R. C. and Ethel V. Soultz shall be relieved of their public utility obligations in connection with the Visalia system herein authorized to be transferred.

8. On or before the date of actual transfer, sellers shall refund all customers' deposits and advances for construction which are due and payable as of the date of transfer. All unrefundable deposits and advances shall be transferred to buyers who shall be responsible for their refund when due.

9. On or before the date of actual transfer, sellers shall deliver to buyers, and 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 (Visalia system).

10. Buyers shall maintain their records in accordance with this Commission's prescribed Uniform System of Accounts for Class D Water Utilities.

11. Buyers shall prepare and keep current the system map required by paragraph I.10.a. of General Order No. 103. Within

sixty days after the date of actual transfer buyers shall file with this Commission two copies of this map.

12. Buyers shall apply a depreciation rate of 2.7 percent to the original cost of depreciable plant. Until review indicates otherwise, buyers shall continue to use this rate. Buyers shall review their depreciation rate at intervals of five years and whenever a major change in depreciable plant occurs. Any revised depreciation rate shall be determined by (1) subtracting the estimated future net salvage and the depreciation reserve from the original cost of plant; (2) dividing the remainder by the estimated remaining life of the plant; and (3) dividing the quotient by the original cost of plant. The results of each review shall be submitted promptly to the Commission.

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

Dated at Los Angeles, California, this 21st
day of OCTOBER, 1969.

William J. Lyons, Jr.
President
Augusta
William J. Lyons, Jr.
Thomas J. Lyons
Vernon L. Sturgeon
Commissioners