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Decision No. 76393

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of JOSEPH H. SHOCKLEY
to Sell BUTTE CITY WATER SERVICE
to Butte City Community Services
District.

Application No. 51264
(Filed July 23, 1969)

O P I N I O N

Joseph H. Shockley, applicant herein, requests authority to sell to the Butte City Community Services District, a public agency, his uncertificated public utility water system, known as the Butte City Water Service, that for many years has supplied domestic water service to inhabitants of the incorporated community of Butte City in eastern Glenn County.

The District, on July 10, 1969, exercised an option to purchase the utility for \$8,000 cash (Resol. No. 69-7). Applicant alleges that the estimated original cost of the utility properties is \$6,253.70, that the estimated book cost is \$6,526.00, and that he believes the purchase price represents their fair value. The properties consist of land, described in Exhibit A attached to the application; a well and pump, an elevated steel storage tank, and approximately 3,000 feet of main varying from 1-1/2 inch to 4 inch diameter, together with any and all franchises, permits or operating rights.

The system has supplied water service in Butte City since before 1910. Applicant, in 1955, was found to be operating it as a public utility and was directed to file water service rates (Decision No. 52383, dated December 20, 1955, Case No. 5619).

Among other reasons for the transfer applicant alleges that neither his personal finances nor system operating revenues justify making necessary improvements, and that, if he refuses to sell, the District under applicable law could duplicate his system upon payment of just compensation (Public Utilities Code, secs. 1501-1506). The application is unopposed.

After consideration, the Commission finds and concludes that the proposed transfer would not be adverse to the public interest, and that the application should be granted in accordance with the provisions of the ensuing order.

A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. Applicant, after the effective date of this order, may sell and transfer to the Butte City Community Services District the public utility water system and properties comprising the Butte City Water Service, as described in the application herein and in that certain Option To Purchase Real Property (Form FEA 443-1), dated February 28, 1969, in favor of said District and executed by Joseph H. Shockley and Rosemary W. Shockley.

2. On or before the date of actual transfer applicant shall refund all customer deposits for the establishment of credit and all advances for construction, if any. Within ten days after completion of all such refunds he shall advise the Commission in writing of the date and amount of each refund.

3. Within thirty days after the date of actual transfer, applicant shall transmit to the Commission two copies of the instrument or instruments of transfer, as executed.

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4. Upon completion of the transfer herein authorized, and upon compliance with all the terms and conditions of this order, applicant shall be relieved of his public utility obligations in connection with the utility system herein authorized to be transferred, and all tariff schedules of applicant then on file with the Commission shall concurrently be canceled.

As the application herein is unopposed, and as no reason appears for delay in making effective the authority herein granted, IT IS HEREBY FURTHER ORDERED that the effective date of this decision shall be the date hereof.

Dated at San Francisco, California, this 4th day of NOVEMBER, 1969.

William J. ...
President
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Vernon L. Sturgeon
Commissioners