ORIGINAL

Decision No. 77238

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Viola K. Marx doing business as Broadmoor Acres Water Company to sell and Paul T. Hawkins and Coleen Hawkins to buy the water system near Santa Rosa, Sonoma County, California.

Application No. 51814 (Filed April 8, 1970)

OPINION

Viola K. Marx, doing business as Broadmoor Acres Water Company (seller), and Paul T. Hawkins and Coleen Hawkins (buyers), request authority for seller to transfer her water system to buyers and for seller to be relieved of her public utility obligation.

Seller is presently a public utility in the business of supplying water to 24 residential customers in an area described as Subdivision 3, or Broadmoor Acres Subdivision, near the City of Santa Rosa, Sonoma County. The cost of the property being transferred is \$17,829, the depreciation reserve as of December 31, 1969 is \$8,045, resulting in a net book cost of \$9,784. The selling price is \$1,500 cash plus other considerations set forth in the sales agreement attached to the application.

Seller wishes to dispose of the water system because of advanced age, absentee ownership and lack of financial ability to maintain the system to proper standards. Paul T. Hawkins has knowledge of plumbing and well principles, lives adjacent to the water system, is in an allied business, and has years of experience as a contractor.

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We find that:

1. Buyers, having a net worth in excess of \$48,000, have the ability to acquire and operate seller's water system without interruption in service.

2. Seller and buyers warrant that there are no customer deposits or main extension advances.

3. Upon the consummation of the proposed transfer seller will be no longer performing public utility service.

4. Subject to the conditions set forth in the order which follows, the proposed sale and transfer will not be adverse to the public interest.

We conclude that the application should be granted as provided in the following order.

The authorization herein granted shall not be construed as a finding of the value of the rights and properties herein authorized to be transferred.

<u>ORDER</u>

IT IS ORDERED that:

1. Within one year after the effective date of this order, Viola K. Marx, doing business as Broadmoor Acres Water Company, may sell and transfer to Paul T. Hawkins and Coleen Hawkins the properties referred to herein, substantially in accordance with the terms of the sales agreement attached to the application herein, but subject to the conditions of this order.

2. Within ten days after the date of actual transfer, seller shall file in this proceeding written notification of the refunding of all deposits and advances, if any, the date of transfer and the

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date upon which buyers shall have assumed the operation of the water system authorized herein to be transferred. A true copy of the instrument or instruments of transfer shall be attached to the written notification.

3. After the effective date of this order, and not less than five days before the date of actual transfer, buyers shall file new and revised tariff sheets, including a tariff service area map, to provide for the application of buyers' present rules and rates to seller's service area. Such filing shall comply with General Order No. 96-A. The effective date of the new and revised tariff sheets shall be the date of actual transfer.

4. On or before the date of actual transfer, seller 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.

5. Upon compliance with all conditions of this order, seller shall stand relieved of her public utility obligations in the area served by the transferred system and may discontinue service concurrently with the rendering 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 the Commission may prescribe, an annual

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report covering the period from the first day of the current year to and including the effective date of the transfer.

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

		Dated	at	San Francisco			Californi	a, this	this <u>19th</u>		
day	of			MAY	<u> </u>	1970.)	 •	
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