

ORIGINAL

Decision No. 79089

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 (1) J. E. SHOPE and EVA J. SHOPE,)
 his wife, dba Yermo Water Company,)
 for authority (a) to transfer their)
 certificate of public convenience)
 and necessity and water properties)
 to Hel-Bro Water Company, Inc., and)
 (b) to be released from their obli-)
 gations as a public utility, and)
 (2) HEL-BRO WATER COMPANY, INC.,)
 for authority to assume public)
 utility obligations and water rates)
 of J. E. Shope and Eva J. Shope,)
 his wife, dba Yermo Water Company.)

Application No. 52669
(Filed June 4, 1971)

O P I N I O N

By this joint application J. E. Shope and Eva J. Shope, individuals doing business as Yermo Water Company (sellers), seek authorization to transfer their public utility water system to Hel-Bro Water Company, Inc. (purchaser).

Sellers provide water service to approximately 222 customers within and in the vicinity of the community of Yermo, San Bernardino County.

A description of the utility property proposed to be transferred is shown in the application.

Applicants seek authority for sellers to transfer to purchaser, as a capital contribution, their utility plant and equipment, accounts receivable from customers, and materials and supplies inventory, net of the reserve for depreciation applicable to such plant and equipment, advances for construction, contributions in aid of construction and customers' deposits.

J. E. Shope and Eva J. Shope own 1,398 of the 1,400 issued and outstanding shares of purchaser's common stock, pursuant to the authority granted in the Commission's Decision No. 71017 in Application No. 48579. The remaining two shares are held, one each, by the Shopes' son and daughter.

Purchaser requests authority to serve the customers of sellers and to adopt the water rates of sellers, together with such rules and regulations of sellers as are not inconsistent with its own, such adopted rates, rules and regulations to be applicable in the sellers' certified area only.

Applicants seek authority for purchaser to assume and sellers to be relieved of their responsibilities as a public utility, including, but not limited to, liabilities for customers' deposits and refunds on main extension contracts executed by sellers.

The Commission finds that the requested transfer will not be adverse to the public interest and concludes that the application should be granted. A public hearing is not necessary.

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

O R D E R

IT IS ORDERED that:

1. On or before December 1, 1971, J. E. Shope and Eva J. Shope may transfer and sell to Hel-Bro Water Company, Inc. their public utility water system located in the unincorporated area of Yermo.
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 sellers' 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, sellers 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, and purchaser shall be responsible for their refund when due.

4. On or before the date of actual transfer, sellers shall deliver to purchaser, and purchaser shall receive and preserve, all records, memoranda and papers pertaining to the construction and operation of the properties herein authorized to be transferred.

5. Within five days after the date of actual transfer, sellers and purchaser jointly shall file in this proceeding a written statement, showing the date of transfer.

6. On or before the end of the third month after the consummation of the transfer as herein authorized, purchaser shall cause to be filed with the Commission, in such form as the Commission may prescribe, an annual report, or reports, related to the operations of the sellers for the period commencing with the first day of the current year to and including the effective date of the transfer.

7. Upon compliance with all of the conditions of this order, sellers shall stand relieved of their 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 31st day of AUGUST, 1971.

William J. ... Chairman
William Johnson, Jr.
Thomas ...
Thomas L. Stanger
... Commissioners