

Decision No. 81618**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SAN MARTIN WATER WORKS, a certificated
Public Utility, HARVEY L. BEAR and
MARJORIE L. BEAR, and EARL POWELL and
LOUISE POWELL for an order authorizing
the sale of the assets of said Water
Company and a transfer of the Certifi-
cate of Public Convenience and Neces-
sity of said Water Company to the
applicants EARL POWELL and LOUISE POWELL,
his wife.

Application No. 53881
(Filed May 7, 1973)

O P I N I O N

Applicants Harvey L. Bear and Marjorie L. Bear, doing business as San Martin Water Works, request authority to sell and transfer the water system supplying water to residences in San Martin and vicinity, an unincorporated area in the county of Santa Clara.

Applicants Earl Powell and Louise Powell seek authority to purchase the water system. There will be no interruption in service within the area due to the proposed sale and transfer.

There were no protests.

Mr. Bear informed the staff that Henry Moerlien, who has been the operator and maintenance man, is about to retire and that Mr. Bear, a rancher and stockman, has no interest in resuming active control of the water system. He further stated that Mr. Powell's mechanical background and interest promises to provide the active participation required to run a water system.

There are 156 connections on the system

Seller has agreed to refund all customer credit establishment deposits at the close of escrow, an amount of approximately \$280.

Buyer's financial statement as of December 31, 1972 shows net assets of \$141,627.

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

O R D E R

IT IS ORDERED that:

1. On or after the effective date hereof and on or before July 31, 1973, Harvey L. Bear and Marjorie L. Bear (sellers), doing business as San Martin Water Works, may transfer and sell to Earl Powell and Louise Powell (buyers), and the latter may acquire the public utility water system referred to herein, in accordance with the terms of the transfer agreement, together with the operating rights pertaining thereto.

2. Buyers shall file, within ten days after the effective date of the transfer, a notice of adoption of the presently filed rates and rules of sellers, in accordance with the procedure prescribed by General Order No. 96-A. No increases in presently filed rates shall be made unless authorized by this Commission.

3. On or before the date of actual transfer of the specific properties herein authorized, applicants Harvey L. Bear and Marjorie L. Bear shall transfer and deliver to buyers Earl Powell and Louise Powell, and the latter shall receive and preserve, all records, memoranda, and papers pertaining to the construction and operation of the properties herein authorized to be transferred.

4. On or before the end of the third month after consummation of the transfer as herein authorized, buyers 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 sellers for the period commencing with the first day of the current year to and including the effective date of the transfer.

5. Within ten days after the actual date of transfer, sellers and buyers jointly shall file in this proceeding (a) a written statement showing the date of transfer and the date upon which buyers assumed operation of the water system herein authorized to be transferred, and (b) a true copy of each instrument of transfer of said water system and operating rights.

6. Upon compliance with all of the above conditions of this order, sellers shall stand relieved of all further public utility obligations in connection with the operation of the public utility water system properties and operating rights herein authorized to be transferred.

7. Before September 30, 1973 the utility shall file in this proceeding a statement of its plan to either acquire a second source of water supply or install additional storage equivalent to five days average water use.

8. Before September 30, 1973 the utility shall file with the Commission an up-to-date tariff service area map, in accordance with the provisions of Section II.A(4) of General Order No. 96-A.

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

Dated at San Francisco, California, this 24th day of JULY, 1973.

Vernon L. Sturgeon
President
[Signature]
[Signature]
[Signature]
Commissioners

-3- Commissioner William Symons, Jr., being necessarily absent, did not participate in the disposition of this proceeding.