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ORIGINAL

Decision No. 82285

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of MELVIN L. LUKINS and
LUKINS BROTHERS WATER COMPANY (P. O.
Box 8755, South Lake Tahoe,
California) for authority to in-
corporate, to change the name of
LUKINS BROTHERS WATER COMPANY to
LUKINS BROTHERS WATER COMPANY, INC.,
and to issue stock.

Application No. 53966
(Filed April 16, 1973)

O P I N I O N

Melvin L. Lukins, doing business as Lukins Brothers Water Company, requests authority to sell and transfer, and Lukins Brothers Water Company, Inc. requests authority to purchase and acquire, a public utility water system. The latter also requests authority to issue 100 shares of its \$250 par value capital stock.

The water system is in South Lake Tahoe, and it is alleged that applicant seller, as sole owner, desires to transfer the system to the newly-formed corporation of which he is president, and that the capital stock be issued to the immediate members of the family.

After consideration the Commission finds that the proposed transfer would not be adverse to the public interest; that the money, property, or labor to be procured or paid for by the issue of the security authorized by this decision is reasonably required for the purposes specified, which purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income; and that with reasonable certainty the project involved in this proceeding will not have a significant effect on the environment. A public hearing is not necessary.

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

Applicant is placed on notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. Aside from their purely permissive aspect, such rights extend to the holder a full or partial monopoly of a class of business. This monopoly feature may be modified or canceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

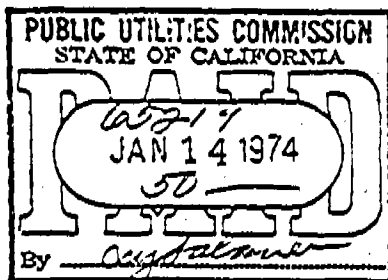
O R D E R

IT IS ORDERED that:

1. On or before August 1, 1974 Melvin L. Lukins may sell and transfer, and Lukins Brothers Water Company, Inc. may purchase and acquire, the water system herein considered.
2. Within thirty days after the transfer, applicant purchaser shall file with the Commission a true copy of the bill of sale or other instrument of transfer and shall amend the tariffs presently on file with this Commission to reflect the transfer herein authorized.
3. After the effective date hereof applicant purchaser may issue 100 shares of its capital stock for the purposes specified in the application.
4. The issuer of the securities authorized by this order shall file with the Commission a report, or reports, as required by General Order No. 24-Series.
5. Purchaser shall refile under its own name the tariffs of seller now on file with the Commission in accordance with the procedures prescribed by General Order No. 96-A.

The authority granted by this order to issue stock will become effective when the issuer has paid the fee prescribed by Section 1904.1 of the Public Utilities Code, which fee is \$50. In other respects the effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 3rd day of JANUARY, 1974.



James L. Steyer
President
William J. Squires, Jr.
[Signature]
[Signature]
Commissioners

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.