Decision No. 85551

FG

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of CARL L. DAMSEN and LAURA J. DAMSEN, husband and wife doing business as BERRYSEN WATER COMPANY to sell and JOSEPH L. RANDALL and NELDA G. RANDALL, husband and wife, as Joint Tenants to buy the water system in Tulare County.

Application No. 56240 (Filed January 29, 1976)

$\underline{O} \ \underline{P} \ \underline{I} \ \underline{N} \ \underline{I} \ \underline{O} \ \underline{N}$

This application was filed to request authority to transfer a water system near Visalia, Tulare County, California, which serves 218 flat rate customers and 10 fire hydrants. The reported net plant at the close of 1974 amounted to \$36,505.91. The sale price is \$36,457.00. The payment terms are \$10,000.00 down, balance in 36 equal payments including $8\frac{1}{2}\%$ interest. The sellers are a hubband and wife who purchased the system pursuant to Decision No. 54983 in Application No. 38871, dated May 14, 1957. Sellers allege that because of age and physical illness they are no longer able to properly operate and manage the water system.

Purchasers allege a desire to purchase the water system for an investment and part time income after retirement this year. The purchaser is a licensed Civil Engineer and has worked for the Los Angeles Department of Water and Power. The purchasers' net worth as indicated in the application appears satisfactory.

Applicants allege that:

1. There are no customer deposits to establish credit.

2. All refunds due on main extension advances have been paid on a current basis and none are overdue.

3. On main extension advances which will fall due in the future buyers agree to pay the refunds when due.

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Findings

1. Sellers are a husband and wife who have applied to sell the utility plant and property because the husband is too old and ill to work on the system.

2. Purchaser does not need the income from the water system to provide his living expenses.

3. Purchaser is familiar with locations of water system and appears capable of operating the system.

4. We find with reasonable certainty that the project involved in this proceeding will not have a significant effect on the environment.

5. The proposed transfer will not be adverse to the public interest.

The Commission concludes that the application should be granted as provided in the order which follows. The action taken herein does not constitute a finding as to the value or the original cost of the properties authorized to be transferred.

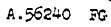
O R D E R

IT IS ORDERED that:

1. Within one year after the effective date of this order, Carl L. Damsen and Laura J. Damsen may transfer to Joseph L. Randall and Nelda G. Randall their interest in the water system, referred to herein, substantially in accordance with the terms described herein.

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 system's 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.

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3. On or before the date of actual transfer, sellers shall refund all advances for construction, if any, which are due and payable as of the date of transfer. All unrefunded advances shall be transferred to purchaser who 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 available records, memoranda, and papers pertaining to the construction and operation of the properties authorized herein to be transferred.

5. The sellers shall transfer to the purchaser all existing accounting records and supporting documents of this utility.

6. Purchaser shall file with the Commission the report required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

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 is twenty days after the date hereof.

Dated at <u>San Francisco</u>, California, this <u>9</u>^{TL} day of <u>MARCH</u>, 1976.

President Commissioners

Commissioner D. W. Holmes, being necessarily absent. did not participate -3- in the disposition of this proceeding.