

ORIGINAL

Decision No. 85575

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
M. V. Parrott, owner and operator of the
FRENCH GULCH DITCH SYSTEM, to sell and
transfer, and John Cassidy to purchase
and acquire the ditch and water rights
included in the French Gulch Ditch System
located in and near the town of French
Gulch, Shasta County, California.

Application No. 56212
(Filed January 20, 1976)

O P I N I O N

By this joint application, M. V. Parrott seeks authority to sell and transfer to John Cassidy, and Cassidy proposes to purchase and acquire, all of the licenses, franchises, ordinances, authorizations, privileges, and permits of the French Gulch Ditch System, including water rights for taking water out of Clear Creek.

French Gulch Ditch System is a public utility furnishing water for irrigation and fire protection within the town of French Gulch, Shasta County. Water for the ditch system is taken from Clear Creek about one-half mile north of the town of French Gulch and conveyed through the town and beyond to the Thompson Placer Mining Claim situated one-half mile south of the town. The French Gulch Ditch System is also known as French Gulch Town and Thompson Ditch.

The present owner, M. V. Parrott, is selling all his property in French Gulch and desires to be relieved of maintaining and operating the system. M. V. Parrott has executed a deed granting said ditch system and water rights to John Cassidy, a copy of which is attached to the application as Exhibit A.

The purchaser, John Cassidy, is familiar with the system and is willing to acquire and operate the system for public use to which it has been devoted. The proposed consideration to be paid for the water system is the sum of \$10. The purchaser is willing to undertake the responsibility for the continued maintenance and operation of the system including serving the present users.

The purchaser is the owner and operator of the French Gulch Store and Post Office. His financial statement attached to the application evidences his financial capability.

The utility's 1975 annual report filed with this Commission indicates there are no customer advances or deposits of record.

By Decision No. 51547, dated May 10, 1955, French Gulch Ditch System, was granted authority to operate as a public water utility.

After consideration the Commission finds that the purchase of French Gulch Ditch System by John Cassidy would not be adverse to the public interest and concludes that the application should be granted. A public hearing is not necessary. The action taken herein shall not be construed as a finding of the value of property nor indicative of amounts to be included for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. On or before April 31, 1976, M. V. Parrott, seller, may sell and transfer the French Gulch Ditch System (and other assets) referred to in the application to John Cassidy, purchaser, substantially in accordance with the terms of the agreement attached to the application.

2. As a condition of this grant of authority, purchaser shall assume the public utility obligations of seller within the area served by the water system being transferred.

3. Within ten days after completion of the transfer purchaser shall notify the Commission, in writing, of the date of completion and of the assumption of the obligations set forth in paragraph 2 of this order.

4. Purchaser shall either file a statement adopting the tariffs of seller now on file with this Commission or refile under its own name those tariffs in accordance with procedures prescribed by General Order No. 96-A. No increase in rates shall be made unless authorized by this Commission.


5. On or before the date of actual transfer, seller shall deliver to purchaser and the latter shall receive and preserve all records, memoranda, and papers pertaining to the construction and operation of the water system authorized to be transferred.

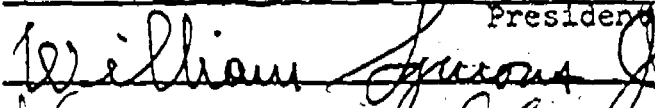

6. On or before the end of the third month after the date of actual transfer purchaser shall cause to be filed with the Commission, in such form as it may prescribe, an annual report covering the operations of seller for the period commencing with the first day of current year to and including the effective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


7. Upon compliance with all of the terms and conditions of this order, seller shall be relieved of his public utility obligations in connection with the water system being transferred.

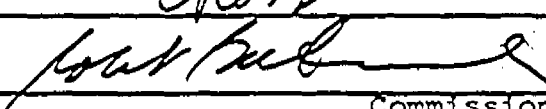
The effective date of this order is twenty days after the date hereof.

Dated at San Francisco, California, this 16th day of MARCH, 1976.



President






Commissioners