

Decision No. 85865

ORIGINAL

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 DAMSEN 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. 56413
(Filed April 19, 1976)

O P I N I O N

This application was filed to request authority to transfer a water system near Porterville, Tulare County, California, which serves 50 flat rate customers and 3 fire hydrants. The reported net plant at the close of 1975 amounted to \$4,566.91. The sale price is \$8,500. The payment terms are \$1,000 down, balance in 48 equal payments including $8\frac{1}{2}\%$ interest. The sellers are a husband and wife who obtained a Certificate of Public Convenience and Necessity to operate the system by Decision No. 54956 in Application No. 38345, dated May 7, 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. There are no main extension advances.

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 operations of water systems and appears capable of operating the system.

4. It can be seen with certainty that there is no possibility that the activity in question may 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. On or before December 31, 1976, Carl L. Damsen and Laura J. Damsen may sell and transfer the water system referred to in the application to Joseph L. Randall and Nelda G. Randall.

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 and shall assume liability for refunds of all existing customer deposits and advances pertaining to 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 the 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 the 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 its public utility obligations in connection with the water system transferred.

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

Dated at San Francisco, California, this 25th day of MAY, 1976.

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

Commissioner Leonard Ross, being necessarily absent, did not participate in the disposition of this proceeding.

William J. Sussman, Jr. President
Levin L. Sturgeon
Robert Bateman Commissioners

I concur but will not approve transfer in the future without a complete report by Hydraulics on system condition and mandated screen instructions for improvements when required by necessity. Robert Bateman Commissioner