

Decision No. 86439

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of the LAKE MADRONE WATER DISTRICT,  
a California Water District formed  
and existing under Division 13 of  
the Water Code for Authority to  
Gain Title to and Accept Authority  
for the Madrone Lake Water Company

Application No. 56683  
(Filed August 12, 1976)

O P I N I O N

Lake Madrone Water District, a California Water District, (transferee) seeks authority to acquire the outstanding stock of the Madrone Lake Water Company from Warren Byers (transferor) and to discontinue as a public utility.

Madrone Lake Water Company operates in and about Lake Madrone, Butte County, California, serving approximately 26 customers. The stock is being transferred without consideration, per Agreement attached to the application.

Transferee agrees that if this transfer is authorized it will continue to serve water in the territory now served by transferor.

Transferor desires to transfer the system as the residents acting through the Water District will be more able to operate the system and make the needed improvements. Transferee desires to acquire the system to improve the service provided and to extend into adjacent areas.

Transferee and transferor warrant that:

1. There are no customer deposits to establish service.
2. There are no outstanding main extension contracts.

An election to authorize the formation of the district and to acquire the water system was held in March 1976. No protests to the proposed transfer have been received.

The Commission finds that the proposed transfer will not be adverse to the public interest. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

O R D E R

IT IS ORDERED that:

1. On or before December 31, 1976 Lake Madrone Water District may acquire the stock and other assets referred to in the application from Warren Byers according to the terms and conditions in the agreement attached to the application.

2. Within ten days after the completion of the transfer, transferee shall notify the Commission, in writing, of the date of transfer, and of the date upon which they have assumed operation of the water system. A true copy of the instruments of transfer shall be attached to the notification.

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

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

Dated at San Francisco, California, this 28<sup>th</sup> day of SEPTEMBER, 1976.

[Signature] President  
William J. Gussens, Jr.  
[Signature]  
[Signature]  
Robert B. Turner Commissioners