

ORIGINAL

Decision S4 03 010

MAR 7 1984

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Arthur Amerian doing business as Greenfield Village Water Co. to sell and City of Fresno to buy the water system in Fresno County.

Application 83-09-83
(Filed September 28, 1983)

O P I N I O N

Arthur Amerian (seller), doing business as Greenfield Village Water Company, and the City of Fresno (buyer) jointly request authority under California Public Utilities Code § 851 for seller to sell and transfer its water system to buyer. The water system serves 63 customers in an area described as Greenfield Village Subdivision in the City of Fresno.

Appended to the application as Exhibit A is the agreement for the purchase and sale of the water system. Exhibit A shows that transfer of possession of the water system actually took place on December 1, 1981.

According to the application, the original cost of the property transferred was \$26,164, and the depreciation reserve, as of December 31, 1980, was \$7,220, resulting in a net book cost of \$19,195. The agreed sales price, which has since been paid in cash, was \$21,500. There were no main extension advances or customer deposits, and the condition of the system was good. Seller desired to dispose of the system because of his inability to maintain it.

The Hydraulic Branch of the Commission staff has reviewed the application and recommends ex parte processing and approval. Because the system is small and the transfer occurred over two years ago, staff did not require the applicants to provide a copy of customer notification of the application.

This case is somewhat unique from other transfer requests since we are in the position of approving a transfer which has already taken place. We agree with the staff that notification of the application was unnecessary. In the first place, the purchase agreement, signed on November 17, 1981, required seller to notify the customers that buyer would be the new owner and operator of the system. Secondly, for more than two years, the 63 customers of Greenfield Village Water Company have been served by buyer. At no time since buyer has been in possession of the water system have we received any protests to the transfer.

Under these circumstances, we find that a public hearing is not required. We also conclude that the transfer is not adverse to the public interest and should be authorized. Although the transfer has already taken place, we will nevertheless direct seller to supply written confirmation of the dates upon which buyer assumed possession and operation of the water system and a copy of the customer notification of the transfer. Only after this information is received can seller be formally relieved of its public utility obligations in connection with Greenfield Village Water Company.

Finding of Fact

The sale and transfer of Greenfield Water Company to the City of Fresno is not adverse to the public interest.

Conclusion of Law

The application should be granted as set forth in the following order.

O R D E R

IT IS ORDERED that:

1. The transfer and sale of the water system of Greenfield Village Water Company, owned by Arthur Amerian (seller), to the City of Fresno (buyer) for the sum of \$21,500 is authorized.

2. Within 10 days of the effective date of this order, seller shall notify the Commission, in writing, of the date of the transfer and of the date upon which buyer assumed operation of the system. At the same time, seller shall also supply a copy of the customer notification of the transfer.

3. Upon compliance with all of the terms and conditions of this order, seller shall be relieved of its public utility obligations in connection with Greenfield Village Water Company.

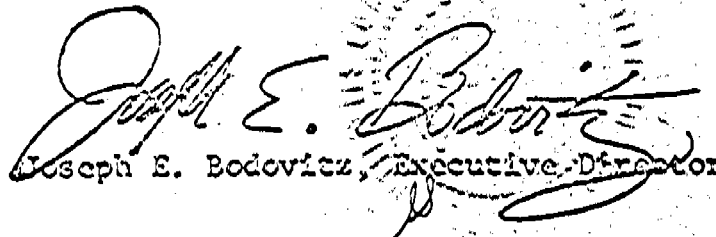
This order becomes effective 30 days from today.

Dated MAR 7 1984, at San Francisco, California.

VICTOR CALVO
PRISCILLA C. GREW
DONALD VIAL
WILLIAM T. BAGLEY
Commissioners

Commissioner Leonard M. Grimes, Jr.,
being necessarily absent, did not
participate.

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.


Joseph E. Bodovick, Executive Director