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JUN - 7 1989

Decision

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Elywood Water Supply, )	
Inc. and Elywood Water Company, )	Application 88-12-015
a general partnership, to buy the )	(Filed December 9, 1988)
water system in Trinity County. )	

OPINION

This is an application in which Elywood Water Supply, Inc. (Corporation) seeks authority to change its form of doing business to a general partnership known as Elywood Water Company (Partnership).

Notice of the filing of the application appeared in the Commission's Daily Calendar on December 14, 1988. There are no protests.

The Commission makes the following findings and conclusion.

Findings of Fact

1. A public hearing is not necessary in this matter.
2. Corporation is a California corporation. It holds a certificate of public convenience and necessity to operate as a water corporation, as defined in Public Utilities Code § 241, which was granted in Decision 73226 in Application 49425, dated October 24, 1967. Corporation serves approximately 25 customers in the vicinity of Coffee Creek, Trinity County.
3. Corporation's water system consists of 8.67 acres of land, 2 wells, three 5 HP pumps, 6 pressure tanks with a total storage capacity of 700 gallons, 2,500 feet of water mains, 25 meters, 4 fire hydrants, and 2 buildings.
4. As of December 31, 1987, the original cost, less depreciation of Corporation's utility plant was \$11,318.

5. Corporation's capital stock is presently held as follows:

George W. Ely	26.53%
Bernice Ely	24.49%
Donald Blackwood	48.98%

These persons have formed a general partnership in which they hold the same percentage interests.

6. The principals of Corporation desire to transfer all of its assets to Partnership for tax purposes.

7. The proposed sale of Corporation's assets and operating authority to Partnership is not adverse to the public interest.

8. Because the ensuing decision primarily affects the parties in this proceeding, it should be made effective on the date of issuance.

Conclusion of Law

The application should be granted.

This authorization is not a finding of the value of the rights and properties over which control is being acquired.

Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

ORDER

IT IS ORDERED that:

1. On or before June 30, 1990, Elywood Water Supply, Inc. (Corporation) may transfer the water system and assets designated in the application to Elywood Water Company, a general partnership, (Partnership) in accordance with the terms of the application.

2. As a condition of this grant of authority, Partnership shall assume the public utility obligations of Corporation, shall

assume liability for refunds of all existing customer deposits and main extension agreements, and shall notify the affected customers.

3. Within 10 days after the transfer, Partnership shall write the Commission, stating the date of transfer and the date the requirements of paragraph 2 were completed.

4. Partnership shall either file a statement adopting Corporation's tariffs or refile those tariffs under its own name as prescribed in General Order Series 96. Rates shall not be increased unless authorized by this Commission.

5. Before the transfer occurs, Corporation shall deliver to Partnership and Partnership shall keep, all records of the construction and operation of the water system.

6. When Ordering Paragraphs 1, 2, 3, 4, and 5 of this order have been complied with, Corporation shall have no further obligations in connection with this water system.

7. Partnership shall continue to use Identification No. U-20-W in the caption of all original filings with this Commission, and in the titles of other pleadings filed in existing cases.

This order is effective today.

Dated JUN - 7 1989, at San Francisco, California.

G. MITCHELL WILK  
President  
STANLEY W. HULETT  
JOHN B. OHANIAN  
PATRICIA M. ECKERT  
Commissioners

Commissioner Frederick R. Duda,  
being necessarily absent, did  
not participate.

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

*Victor Weiss*  
Victor Weiss, Executive Director

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