

Decision 83 12 041 DEC 20 1983

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of J. L. and NELDA)
RANDALL, doing business as EPTCO -)
Porterville System, to sell and)
DIXIE SCHLIEP and ROY CAWTHRAY)
to buy the water system in)
Porterville, Tulare County.)

Application 83-08-55
(Filed August 19, 1983)

Application of J. L. RANDALL and)
NELDA RANDALL, doing business as)
EPTCO - Visalia System, to sell and)
DIXIE SCHLIEP AND ROY CAWTHRAY)
to buy the water system in Visalia,)
Tulare County.)

O P I N I O N

J. L. Randall and Nelda Randall (sellers) and Roy Cawthray and Dixie Schliep (buyers) jointly request approval of the sale and transfer of the two water systems known as EPTCO - Porterville System and EPTCO - Visalia System from sellers to buyers.

The Porterville system was acquired by sellers by authority of Decision (D.) 85865, April 19, 1956, Application (A.) 56413. It serves 52 customers in an area adjacent to the city limits of Porterville. The original cost of the property being transferred is \$11,578, the depreciation reserve is \$8,805, and the net book cost is \$2,773. The selling price is \$12,000 payable by a down payment of \$1,200 with the balance to be paid at \$118.92 per month for 30 years with interest at 12%.

The Visalia system was acquired by sellers by authority of D.85551, April 19, 1956, A.56240. It serves 223 customers in or near the City of Visalia. The original cost of the property being transferred is \$57,028, the depreciation reserve is \$36,410,

and the net book cost is \$20,618. The selling price is \$48,000 payable by a down payment of \$4,800 with the balance to be paid at \$475.67 per month for 30 years with interest at 12%.

Sellers desire to sell the systems because of other more pressing interests in engineering projects, and buyers desire to acquire the systems in order to combine them with the Buhl Water Company, presently operated by buyers, according to the application. Buyers are placed on notice that a separate application must be filed for authorization to combine the systems. Moreover, buyers are placed on notice that for ratemaking purposes we recognize only the net book value of these facilities for placement in rate base.

It is alleged that there are no customer deposits to establish credit, that appropriate arrangements have been made for future refunds of main extension advances, and that the condition of both systems is good.

This application has been reviewed by the Hydraulic Branch staff which states that notice to customers has been made and no protest or comment regarding the transfer has been received. Ex parte handling is recommended.

In order that the benefits of this transfer and sale may be realized at an early date, this order should be effective immediately.

Findings of Fact

1. The proposed sale and transfer is not adverse to the public interest.

2. A public hearing is not required.

This authorization is not a finding of the value of the rights and properties to be transferred, nor does it indicate the amounts to be included in ratesetting proceedings.

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 two water systems known as EPTCO - Porterville System and EPTCO - Visalia System from J. L. Randall and Nelda Randall (sellers) to Roy Cawthray and Dixie Schliep (buyers) is approved.
2. Within 10 days after the transfer and sale, buyers shall notify the Commission, in writing, of the date of the transfer and of the date upon which it shall have assumed operation of the water systems being transferred. 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, sellers shall be relieved of their public utility obligations in connection with the water systems being transferred, and buyers shall have assumed all of the said public utility obligations.

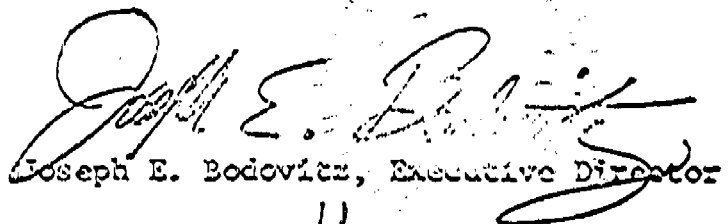
This order is effective today.

Dated DEC 20 1983, at San Francisco, California.

LEONARD M. GRIMES, JR.
President

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

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


Joseph E. Bodovitz, Executive Director