

Decision No. 89400 SEP 19 1978

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of CLEMENS A. FELDMEYER  
doing business as GEYSERVILLE WATER  
WORKS to sell and, HARRY BOSWORTH and  
KAREN BOSWORTH, his wife, to buy the  
water system in GEYSERVILLE,  
SONOMA COUNTY.

Application No. 58204  
(Filed July 7, 1978)

O P I N I O N

Clemens A. Feldmeyer, sole proprietor (Seller) and Harry Bosworth and Karen Bosworth (Purchasers) jointly request authority under the provisions of Sections 851-854 of the Public Utilities Code to sell and transfer the water system known as Geyserville Water Works, located in the community of Geyserville, California.

The Geyserville Water Works furnishes domestic water to approximately 51 metered rate service and 139 flat rate service customers located in the area of Geyserville and vicinity. The annual report for the period ending December 31, 1977 shows the original cost of the system as \$49,033.28, the depreciation reserve as \$28,086.67, with a net book value of \$20,946.71. The selling price is \$30,000, cash in full, upon close of escrow. Buyer is paying \$10,000 more than original cost, net of depreciation and contributions. He understands that rates will be based upon the depreciated original cost of the plant, excluding contributed plant, and not on the purchase price. Facilities of the system are itemized in the application. Although applicants are silent on the condition of the system, it has been found to be good in recent staff investigations. Service is satisfactory and there have been no recent customer complaints. Authority to acquire the system was granted Seller by Decision No. 78636, dated May 4, 1971 in Application No. 52475.

Agent's Clerk  
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Seller desires to sell the utility because of illness. Purchasers wish to acquire the utility as an investment and to assure continued water supply to the area served. Purchaser has ten years' experience as a plumber and electrician, and has been accomplishing the repairs to this water system for the same period.

Purchasers' financial statement is attached to the application as Exhibit C. Although much of the net worth is in real estate it is reasonably valued and is not heavily encumbered. It appears that adequate resources are available.

Seller has advised all customers of the proposed sale by a bill insert, copy received. Applicants allege that there are no customer deposits to establish credit; that there are no main extension advances; and that Purchasers will pay refunds on any main extension advances which fall due in the future.

The Commission finds that the proposed sale and transfer is not adverse to the public interest. The application should be granted. A public hearing is not necessary.

It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

The authorization herein granted shall not be construed as a finding of the value of the rights and properties herein authorized to be transferred nor as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. On or before December 31, 1978, Clemens A. Feldmeyer may sell and transfer the water system (and other assets) referred to in the application to Harry Bosworth and Karen Bosworth.

2. As a condition of this grant of authority, Purchasers 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, if any, pertaining to the water system being transferred. Purchasers shall send notice of the assumption of liability for refunds to all customers affected.

3. Within ten days after completion of the transfer Purchasers 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. Purchasers 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 Purchasers, 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 Purchasers 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 shall be thirty days after the date hereof.

Dated at San Francisco, California, this 19th day of SEPTEMBER, 1978.

Rolant Batzarian  
President  
William J. Brown  
Yvonne L. Stagg  
Charles D. Howell  
Clare J. Deibel  
Commissioners