

ORIGINAL

Decision No. 91736 MAY 6 1980

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of V. L. BRESSIE, doing)
business as V. L. BRESSIE WATER)
SYSTEM, to sell, and RICHARD A.)
MURPHY, to buy, the water system)
in Salmon Creek, Sonoma County,)
California.)

Application No. 59408
(Filed January 28, 1980)

O P I N I O N

Applicant V. L. Bressie has applied to sell his water system to applicant Richard A. Murphy. The V. L. Bressie Water System consists of 86 customers; 2 storage tanks of approximately 56,525-gallon capacity; 11,670 feet of service pipe, 3 wells, and various pumps, meters, pipe fittings, and parts necessary to operate the system. An extra lot with a well is also included, as a supplementary water supply.

The purchase price is \$40,000; with a \$5,000 down payment, and \$2,000 to be paid annually, plus 8% interest, until the entire sum is paid. Payment is to be secured by a note and deed of trust. The buyer will adopt the rates and presently filed tariffs of the seller, and has agreed to be bound by any outstanding Commission decisions and/or directives involving the water system to be transferred. The buyer is aware that the present rate base is \$41,253.47 and that income is related to the rate base, which can be increased by improving or adding to the system. All customers were notified in advance of the pending sale and there have been no protests.

It is alleged that applicant V. L. Bressie is 78 years of age and is also ill. He is no longer able to operate or supervise the system. Buyer Richard A. Murphy is 37 years of age, a resident of the area, and has hired the plumber who was retained by V. L. Bressie to maintain the water system. Buyer's financial

statement as of November 30, 1979 shows a net worth of \$922,787.27. Buyer and seller warrant that there are no customer deposits to establish credit and no main extension advances.

Mr. Bressie has informed the Commission staff that the Bodega Bay Public Utilities District, about 1-1/2 miles distant, is the only nearby utility district, and that it has no present interest in the purchase of this utility.

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

O R D E R

IT IS ORDERED that:

1. On or before August 1, 1980 V. L. Bressie may sell and transfer the water system and other assets referred to in the application to Richard A. Murphy.
2. As a condition of this grant of authority, buyer 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 pertaining to the water system being transferred. Buyer shall send notice of the assumption of liability for refunds to all customers affected.
3. Within ten days after completion of the transfer buyer 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. Buyer shall either file a statement adopting the tariffs of seller now on file with this Commission or refile under his 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 buyer, 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, buyer 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 his 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 MAY 6 1980, at San Francisco, California.

John E. Bryan
President
James L. Stanger
Stephen W. Hoode
Clair J. DeLoach
Edward J. Quinn
Commissioners