

93192 JUN 16 1981

ORIGINAL

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of LA PORTE PINES)
COUNTRY CLUB to buy water system)
of LA PORTE PINES WATER COMPANY)
located in PLUMAS COUNTY.)

Application 60141
(Filed December 12, 1980)

O P I N I O N

This is an application by the La Porte Pines Country Club (Club) seeking authority to purchase the La Porte Pines Water Company (Company) which is owned by Harold Thrash (Thrash).

Because of the potential for inconsistent action, proceedings on this application were abated during the pendency of B&B Investments Corporation v La Porte Pines Water Company etc., Case (C.) 10621.

On February 4, 1981 the Commission entered Decision (D.) 92662 in that matter which became final on March 6, 1981.

Notice of the application was published in the Marysville Appeal-Democrat on January 10, 1981. B&B Investments Corporation (B&B) is located in Florida. It owns 54 lots in the subdivision served by Company. On March 16, 1981, the Commission received a letter from B&B indicating that it had not been served with a copy of the application. The assigned Administrative Law Judge caused a copy of the application to be sent to B&B and informed the parties that if no protests were received by April 15, 1981, the matter would stand submitted. There have been no protests to the application and it is ready for decision.

Company presently serves 29 customers. There are 202 lots in the subdivision for which it is certificated. Company is owned by Thrash. Club is the Homeowners Association for the subdivision. The history of Company is set forth in D.92662 and need not be repeated herein. For background we set forth the pertinent Findings of Fact from D.92662 which relate to this application:

"12. The system consists of three subsurface sources of water and three enclosed storage tanks. The capacity of the tanks are 10,000, 30,000, and 60,000 gallons. The 60,000-gallon tank is not usable because it is located below the other tanks. When all the tanks are full the rate of flow from the 60,000-gallon tank is greater than the rate of flow into it. It drains water from the other tanks and the rest of the system. The 60,000-gallon tank is presently disconnected from the system. If an altitude valve or other suitable controls were installed on the 60,000-gallon tank it would provide an additional reservoir for the system, but it would not increase the total amount of water supply."

* * *

"29. Thrash is 73 years old. He is hard of hearing and is under medical care for diabetes, high-blood pressure, and arthritis. He resides in Mexico and lives on social security benefits. Thrash has no known assets."

* * *

"31. Thrash has offered to sell the water system to the Homeowners Association or the general public for \$1, if the Commission approves the sale and transfer.

"32. The Homeowners Association is willing to acquire the water system only if it can acquire additional water rights and deeded access to the adjacent 77 acres to maintain water tanks and lines. On August 24, 1979 the Homeowners Association filed, with the Division of Water Rights, an application to appropriate 54.75 feet of unappropriated water. The application is still pending."

The verified application alleges that an easement for access to the 77 acres has been obtained and that the State Water Resources Board approved its application to appropriate additional water.

The Commission makes the following findings and conclusions.

Findings of Fact

1. A public hearing is not necessary in this matter.
2. Transfer of Company from Thrash to Club would not be adverse to the public interest.
3. Thrash is unavailable to join as a party to this application. He assented to the proposed transfer in judicial declarations as a witness in C.10621. In the circumstances it is reasonable to waive his compliance with Rules 4, 5, 35, and 36.
4. Club has been operating Company since May 3, 1979 as the agent of Thrash.
5. On October 13, 1980, Thrash executed a Bill of Sale of Company to Club.

Conclusions of Law

1. The public interest requires that Public Utilities (PU) Code Section 851 be waived and that the bill of sale be approved. (Golconda Utilities Co. (1968) 68 CPUC 296, 300.)

2. The application should be granted.

This authorization is not a finding of the value of the rights and properties to be transferred.

O R D E R

IT IS ORDERED that:

1. La Porte Pines Country Club is authorized to purchase and acquire the water system known as the La Porte Pines Water Company. The bill of sale from Harold Thrash to the La Porte Pines Country Club executed on October 13, 1980 is exempted from PU Code Section 851.

2. As a condition of this grant of authority, La Porte Pines Country Club shall assume the public utility obligations of Harold Thrash, shall assume liability for refunds of all existing customer deposits, and shall notify the affected customers.


3. La Porte Pines Country Club shall either file a statement adopting Thrash'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.


4. Within 90 days after the effective date of this order La Porte Pines Country Club shall file, in proper form, an annual report on operations of the system from the first day of the current year to the effective date of this order.

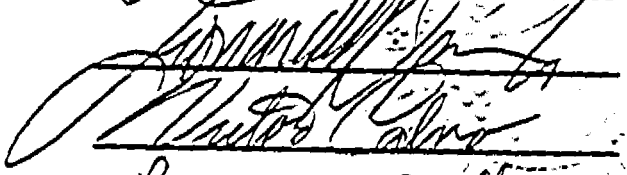
5. When this order has been complied with, Harold Thrash shall have no further obligations in connection with this water system.

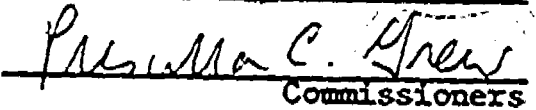
This order becomes effective 30 days from today.

Dated JUN 16 1981, at San Francisco, California.



President




President


Commissioners