

Decision No. 31297

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
BELLFLOWER LAND AND WATER COMPANY,  
a California corporation, for a Cer-  
tificate of Public Convenience and  
Necessity to operate a public utility  
water works system and permission to  
issue capital stock.

ORIGINAL

Application No. 22073

John Van Aalst, for applicant.

BY THE COMMISSION:

O P I N I O N

In this proceeding the Commission is asked to enter its order authorizing Bellflower Land and Water Company to issue three shares, (\$300. par value) of its common capital stock. The Company also asks the Commission to grant it a certificate of public convenience and necessity to construct, maintain, and operate, public utility water systems in the areas to which reference will hereafter be made.

Bellflower Land and Water Company is a corporation organized under and by virtue of the laws of the State of California. The corporation has an authorized stock issue of \$25,000. par value consisting of 250 shares of the par value of \$100. each. As stated, it now asks permission to issue three shares of its common capital stock.

Bellflower Land and Water Company also desires permission to supply water for domestic, industrial and irrigation purposes to the tracts or parcels of land designated "A", "B", "C" and "D" on maps filed in this proceeding. The area marked "A" comprises Tract 11,502 and consists of about twenty(20) acres. The area marked "B" comprises Tract 5,945 and consists of about eight(8) acres. The parcel indicated as "C" consists of about forty(40) acres. This parcel is

about to be subdivided.

About fifty houses have been constructed on the parcel of land designated "D". Some of the owners of lots in Area "D" have an interest in the water system now installed in said area. The water system is being operated on a mutual basis. The service has not been entirely satisfactory. Some lot owners have offered to assign their interest in the water system to applicant. We feel that no certificate of public convenience and necessity authorizing it to operate a water system in Area "D" should be granted to applicant, until it has filed with us an affidavit showing that it is the sole owner of the water system in said Area "D". Upon the filing of such affidavit the Commission will give this matter further consideration.

The testimony shows that a well and a distributing system have been installed on the parcels of land referred to as "A" and "B". Several houses have been constructed on said subdivisions. Though Area "C" has not been subdivided, a well is situate thereon. It is not applicant's present intention to interconnect the water system on the several parcels of land. Area "D" is located between Hynes and Compton; Areas "C" and "B" near Bellflower; and Area "A" near Artesia.

Applicant proposes to charge a flat rate of \$1.50 per month in each of the four areas.

No one protested the granting of this application.

#### ORDER

Bellflower Land and Water Company, having asked permission to issue three (3) shares of its common capital stock and having

requested permission to construct, maintain and operate a public utility water system, a public hearing having been held before Examiner Fankhauser, and the Commission being of the opinion that the money, property or labor to be procured or paid for by the issue of said three shares of stock is reasonably required by applicant to pay organization expenses and provide working capital, and that the expenditures for said purposes are not in whole or in part reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED that Bellflower Land and Water Company be, and it is hereby, authorized to issue on or before December 31, 1938, at not less than par value, three shares of its common capital stock and use the proceeds to pay organization expenses and for working capital.

THE COMMISSION HEREBY DECLARES that public convenience requires, and will require, after the effective date of this order, Bellflower Land and Water Company to construct, maintain and operate public utility water systems in the areas designated as parcels "A", "B" and "C" on maps filed in this proceeding, therefore,

IT IS HEREBY FURTHER ORDERED that a certificate of public convenience and necessity for said purposes is hereby granted to said Bellflower Land and Water Company.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective when Bellflower Land and Water Company has filed with the Railroad Commission in satisfactory form its rates, rules and regulations governing its public utility water service.

IT IS HEREBY FURTHER ORDERED that within thirty(30) days after the issue of the aforesaid stock, Bellflower Land and Water Company shall file with the Railroad Commission a report showing the names

of the persons to whom said stock was issued, the consideration received therefor, and the purposes for which the proceeds realized from the sale of said stock were expended.

DATED at San Francisco, California, this 26<sup>th</sup> day of September, 1936.

Ray W. H. H. H.  
Frank P. H. H.  
Ray L. H. H.

COMMISSIONERS.