Decision No. 1820 1833 BEFORE THE PAILROAD COMMISSION OF THE STATE OF CALIFORNIA ITTITITIO In the matter of the application of LOS NIETOS WATER COMPAÑY for 2 certificate of public convenience and necessity to supply water to certain Application No. 22592 unincorporated territory adjacent to its present service area. Paul Overton, for Applicant. C. F. Culver, for Clearwater-Hynes County Water District. BY THE COMMISSION: <u>OPINION</u> The Los Nietos Water Company, a corporation engaged in the business of supplying water for domestic purposes in Tract No. 6251, Los Angeles County, asks the Commission for a certificate of public convenience and necessity to furnish water in adjoining territory comprising approximately 1,200 acres. A public hearing in this matter was held by Examiner M. R. MacKall at Los Angeles. Tract No. 6251 is located about one mile east of the City of Compton and contains 270 acres, more or less. Applicant now serves domestic water to about 310 consumers in this subdivision, The present service area, together with the additional lands for which an exclusive certificate originally was requested in this proceeding, is delineated upon a map marked Exhibit "C," attached to the application herein. The service area as originally proposed included several small communities in which water systems already are operating -1under county water district, mutual or other forms of organization. At the hearing, Clearwater-Hynes County Water District and Midway Gardens Water Company protested the granting of a certificate to applicant embracing lands already supplied by them or within their operative territories. Applicant thereupon requested authority to amend and modify its original petition to exclude districts served by the other water systems and submitted a map marked Exhibit No. 1, upon which was delineated the revised service area.

The evidence shows that the territory in which epplicant seeks to operate is now practically all in acreage with a few exceptions. The lands therein are mainly ranches, both large and small, devoted to dairying, truck gardening, the growing of diversified field and orchard crops, and the raising of flowers, Shrubs and nursery stock for the market. The only immediate demand for water service is in the recently subdivided Tracts No. 11676 and No. 11721, and the Slauson Tract Lots 3, 4 and 7. These tracts have a total of about 67 acres, but adjoin neither the present service area nor each other. Applicant intends to supply the said subdivided properties through two separate water production and distribution systems. Pipe lines will be laid on easements reserved for water utility service. Tracts No. 11676 and No. 11721 are close enough together to be supplied through the same plant. The three Slauson Tract lots will be served through a separate system. The estimated total cost of the two plant units is ten thousand dollars (\$10,000). Water will be furnished under the rates, rules and regulations now in effect on the original Los Nietos system.

The request for the exclusive authority to install public utility waterworks throughout an area embracing in the neighborhood of one thousand acres of lands, mainly used for agricultural purposes, presents a serious problem. Except as to a few scattered parcels of land, the various ranchers and other land-owners apparently have neither demanded water service nor consented to have their lands included in the proposed extension of the applicant's certificated territory. The evidence submitted is entirely insufficient to show properly either a present or a probable early future demand for domestic water service in any portion of the area for which a certificate has been requested by amended petition, except in those subdivided properties mentioned above. Under the circumstances, a certificate will be granted only in those tracts wherein public convenience and necessity have been clearly and definitely established.

## ORDER

Application having been filed with the Railroad Commission as entitled above, a public hearing having been held thereon, the matter having been duly submitted, and the Commission being now fully advised in the premises,

The Railroad Commission of the State of California hereby declares that public convenience and necessity require the operation of a water system by Los Nietos Water Company, a corporation, in Tracts No. 11676, No. 11721 and Lots 3, 4, and 7 of Slauson Tract, County of Los Angeles, and

IT IS HEREBY OFDERED that a certificate of public convenience and necessity be and it is hereby granted to Los Nietos Water Company, a corporation, to operate a public utility water system within the territory hereinabove described.

IT IS HEREBY FURTHER ORDERED as follows:

1. That within sixty (60) days from the date of this Order, Los Nietos Water Company, a corpora-

tion, shall file with this Commission a certified copy of a resolution, duly passed by its Board of Directors, to the effect that it will never claim before this Commission or any other public body an amount for the certificate of public convenience and necessity granted herein, in excess of the actual cost of acquiring it, which amount and cost, if any, shall be stated in said resolution.

- 3. That Los Nietos Water Company, a corporation, shall file with this Commission, within sixty (60) days from the date of this Order, four copies of a comprehensive map, drawn to a scale of not less than 400 feet to the inch, upon which shall be delineated correctly by appropriate markings the various tracts of land in the territory for which the certificate is granted herein. This map should be reasonably accurate, show the source and date thereof, and sufficient data to determine clearly and definitely the location of the various properties comprising the entire utility area of service.

For all other purposes, the effective date of this Order

shall be twenty (20) days from and after the date hereof.

Dated at San Francisco, California, this 194 day

of March, 1940.

COMMISSIONERS.