

ORIGINAL

Decision No. 33354

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
SAN GABRIEL VALLEY WATER SERVICE, a )  
corporation, for a certificate of ) Application No. 23287.  
public convenience and necessity. )  
)

O'Melveny & Myers, by L. M. Wright,  
for applicant.  
C. S. Wright, for McNees Park Water  
Company, protestant.

WAKEFIELD, COMMISSIONER:

O P I N I O N

San Gabriel Valley Water Service, a corporation<sup>(1)</sup>, engaged in the business of supplying water for domestic purposes near the City of El Monte, Los Angeles County, and in and in the vicinity of Indio, in Riverside County, asks for a certificate of public convenience and necessity to operate a public utility water system in an area of approximately 3,300 acres adjoining the westerly and southwesterly city limits of Whittier, and extending southerly along the east bank of San Gabriel River to the northerly boundaries of Santa Fe Springs in the County of Los Angeles. The Commission is also asked to establish the following schedule of rates.

FLAT RATES

	<u>Per Month</u>
For each residence including one lot of one half acre or less per service connection .....	\$2.00
For each additional one quarter acre or less .....	.75
For each additional residence on a lot .....	1.00

(1) Hereafter referred to as applicant.

Construction Work

Street paving, curb construction, etc. at certain specified rates.

Monthly Fire Hydrant Rate

Each fire hydrant connected to a 4-inch main or larger..	\$1.50
Each fire hydrant connected to a main of less than 4 inches in diameter .....	1.00

METER RATES

Monthly Minimum Charges

For 5/8 x 3/4-inch meter.....	\$1.50
For 3/4-inch meter .....	2.00
For 1-inch meter .....	2.50
For 1 1/2-inch meter .....	3.50
For 2-inch meter .....	5.00

Each of the foregoing "Minimum Monthly Charges" will entitle the consumer to the quantity of water which that monthly minimum charge will purchase at the following Monthly Quantity rates.

Monthly Quantity Rates

First 1,000 cubic feet or less .....	\$1.50
Next 1,000 cubic feet per 100 cubic feet .....	.12
Over 2,000 cubic feet per 100 cubic feet .....	.07

Public hearings in this proceeding were held before Commissioner Wakefield and Examiner Stava at Los Angeles.

At the hearings the application was amended to exclude from the proposed service area Tract No. 9678 consisting of 10 acres and an adjoining parcel of land containing 45.11 acres known as Guirado Tract. These tracts are being served at present by Linde Vista Water Company, a public utility. Request was also made for exclusion of 35 acres of land situate in the vicinity of Los Nietos now supplied with water through the public utility water works operated by Juan D. Ramirez. Applicant further asked that his original petition be amended further to include Tract No. 7302, consisting of 4 acres, the owners of which have applied recently for water service from applicant.

According to the evidence the proposed service area herein is located about one-half mile southwesterly from applicant's El Monte water system. At the present it is not intended to interconnect these plants primarily because the pumping lift is considerably greater in this district than in the El Monte territory where the underground water table varies from 40 feet to surface artesian flow. In the newly proposed territory the underground water levels stand from 40 to 85 feet which of necessity will require some increase in the costs of pumping water.

Applicant recently has acquired from L. D. Thomason a water system installed by him in the 12-acre Tract No. 11703 which is located within the original 3,300 acres for which a certificate is requested by applicant and also is within the external boundaries of the service area heretofore established for and granted to McNeese Park Water Company, a corporation<sup>(2)</sup>, in the certificate of public convenience and necessity approved by the Commission on February 7, 1930, in Decision No. 22099. This resulted in a conflict of territorial claims between the two utilities. Negotiations were entered into which terminated in the purchase of the McNeese Company's water properties by applicant herein. The transfer was approved by the Commission on May 28, 1940, in Decision No. 33149. Certain of the property owners and subdividers operating in the McNeese Company's former territory have requested a flat rate service. The schedule of rates under which the said company operated provided for meter rates only. Applicant therefore has asked for the establishment of flat rate charges for this district. Such a schedule of rates will be authorized in the following Order.

The evidence indicated that the single producing well in

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(2) Hereinafter referred to as McNeese Company

Tract No. 11703 does not yield sufficient water to meet present demands adequately. However, applicant is negotiating to acquire a parcel of land in a proven water-bearing district situate near the San Gabriel River, on which wells will be drilled and pumping plants installed with capacity sufficient to meet requirements. It appears that other and additional water in the future may be obtained either through purchase of existing producing wells or through acquisition of rights to develop other wells on lands bordering the San Gabriel River. This is the source of the water used throughout this entire section for agricultural irrigation purposes.

The territory for which applicant now requests a certificate of public convenience and necessity embraces in excess of 3,000 acres of lands practically all in acreage and in farms and ranches which are still intensively cultivated and devoted to fruit and nut raising, dairying, and various field crop culture. While Mr. R. H. Nicholson, president of San Gabriel Valley Water Service, testified that a certificate covering their entire area would place his company in a strategic position to develop water and interconnect several now distant and isolated water systems operated and in the process of acquisition by his utility, yet he conceded that such proposed project was not at present entirely feasible but would depend necessarily upon the future growth and development of this territory. As a matter of fact the record conclusively shows that exclusive of the service rights already acquired by and through purchase of the McNees Park Water Company, there is no actual present nor immediate future demand for domestic water service in any of this district as amended, other than Tract No. 7302 and Tract No. 9172 and a parcel of land adjoining

said tracts containing 7.61 acres. These properties aggregate 20 acres more or less, are situate in the general vicinity of Los Nietos in the County of Los Angeles, and are in the recorded ownership of Knut Norswing Estate.

While undoubtedly it may be true that the lands throughout this proposed service area might be classified as potential subdivision properties, nevertheless the record conclusively indicates that no proper and sufficient showing of public convenience and necessity has been made for any of these lands except as set forth above. In the event conditions in the future should warrant an expansion or extension of the certificated area as established in the following Order, this proceeding may be reopened without prejudice.

The following form of Order is recommended.

#### ORDER

Application having been filed as entitled above, public hearings having been held thereon, the matter having been submitted, and the Commission now being 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 San Gabriel Valley Water Service, a corporation, in Tracts No. 9172 and No. 7302, Los Angeles County, and in that certain tract of land containing 7.61 acres more or less, belonging to Knut Norswing Estate and situate between the easterly boundary of Tracts No. 9172 and No. 7302 and the westerly boundary of the Pacific Electric Railway Company right of way, in the County of Los Angeles, and as said lands are more particularly delineated upon a map marked Exhibit No. 7, filed in this proceeding, which map is hereby made a part of this Order by reference.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to San Gabriel Valley Water Service, a corporation, to operate a public utility water system within the territory hereinabove described.

IT IS HEREBY FURTHER ORDERED that San Gabriel Valley Water Service, a corporation, be and it is hereby authorized and directed to file in quadruplicate with this Commission within thirty (30) days from the date of this Order the following schedule of rates to be charged for all water service rendered to its consumers in the area hereinabove described and also in the area covered by the certificate of public convenience and necessity heretofore granted to McNees Park Water Company in Decision No. 22099, dated 7<sup>th</sup> day of February, 1930, subsequent to the 31<sup>st</sup> day of July, 1940:

RATE SCHEDULE

FLAT RATE

	<u>Per Month</u>
For each residence including one lot of one-half acre OR less .....	\$2.00
For each additional one-quarter acre or less .....	.75
For each additional residence on a lot .....	1.00

Construction Work

For street paving, curb and sidewalk construction where service is temporary during period of construction:

Street Paving:

For street paving 5 inches thick, per 100 square feet...	.19
For street paving 6 inches thick, per 100 square feet...	.22

Curb Construction:

For street curb, per 100 lineal feet .....	.30
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Sidewalk Construction:

Per 100 square feet of sidewalk .....	.15
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Trench Settling:

For each lineal foot of section of trench 2' x 4' .....	.01
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Street and Roadway Construction:

For sprinkling sub-grade in application of oil or any form of patented oil paving or surfacing, or for rolling and/or settling sub-grade, per 3,000 square feet of roadway ..... 1.60

Monthly Fire Hydrant Rate

Each fire hydrant connected to a main of 4-inches in internal diameter or larger ..... 1.50

Each fire hydrant connected to a main of less than four inches in internal diameter ..... 1.00

METER RATES

Monthly Minimum Charges

For 5/8 x 3/4-inch meter .....	\$ 1.25
For 3/4-inch meter .....	1.75
For 1-inch meter .....	2.50
For 1 1/2-inch meter .....	4.50
For 2-inch meter .....	6.00
For 3-inch meter .....	12.00
For 4-inch meter .....	20.00

Each of the foregoing "Monthly Minimum Charges" will entitle the consumer to the quantity of water which that monthly minimum charge will purchase at the following Monthly Quantity Rates:

First 1,000 cubic feet or less .....	\$ 1.25
Next 1,000 cubic feet, per 100 cubic feet .....	.12
Over 2,000 cubic feet, per 100 cubic feet .....	.07

IT IS HEREBY FURTHER ORDERED as follows:

1. That within thirty (30) days from the date of this Order, San Gabriel Valley Water Service be and it is hereby directed to submit to this Commission for its approval four (4) sets of rules and regulations governing relations with its consumers, each set of which shall contain a suitable map or sketch, drawn to an indicated scale, upon a sheet approximately 8 1/2" x 11" in size, delineating thereon in distinctive markings the boundaries of the authorized service area hereinbefore described and the location thereof with reference to the surrounding territory, provided further, however, that such map or sketch shall not hereby be considered by this Commission or any other public body as a final or conclusive determination or establishment of the dedicated area of service, or any portion thereof.

2. That San Gabriel Valley Water Service shall file with this Commission, within sixty (60) days from the date of this Order, four (4) copies of a comprehensive map, drawn to an indicated scale of not less than 600 feet to the inch, upon which shall be delineated 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.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 23<sup>rd</sup>  
day of July, 1940.

Frank S. Brown  
Raymond S. Brown  
M. B. Brown  
Justus J. Caseman  
Commissioners.