

Decision No. 34694

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of PEERLESS LAND & WATER CO., a
California Corporation, of Bell-
flower, California, for CERTIFICATE
OF PUBLIC CONVENIENCE AND NECESSITY

Application No. 24294

C. L. Zastrow, for Applicant.

BY THE COMMISSION:

O P I N I O N

In this proceeding, Peerless Land & Water Co., a corporation, engaged as a public utility in furnishing water service for domestic and other purposes to about 160 users in five adjoining real estate subdivisions north of Bellflower, in Los Angeles County, asks for authority to operate an additional water system to serve other near-by tracts, No. 12736 and No. 12932, in unincorporated territory west of Bellflower.

A public hearing in this matter was held before Examiner E. L. Clark at Los Angeles.

The area of 60 acres for which a certificate of convenience and necessity is requested was at first tentatively designated as Tract No. 12736. To save time of construction as a National Defense Housing Project, under the requirements of the Federal Housing Administration, the area was divided into two parts, the south half being subdivided into 146 lots as Tract No. 12736 and the north half into 147 lots as Tract No. 12932. At the hearing, the application was amended to include the two tracts comprising the original area.

C. L. Zastrow and Sarah G. Zastrow, his wife, testified that they are stockholders in Peerless Land & Water Co. (1) and that they were the owners of Tract No. 12736, which they began developing in July, 1941. Houses are at various stages of construction on all of the 146 lots in the tract. The water system has already been installed with service to each lot, but there were no active consumers at the time of the hearing, although sixty-nine uncompleted houses had been sold. The water distribution system consists of a total length of 5,412 feet of steel pipe lines, varying in outside diameter from 2-1/4 to 8 inches and laid 4 feet deep in the streets and in easements along the rear lot lines. The rights of way and easements for the installation, maintenance and operation of the water mains, together with all sub-surface and subterranean water rights in Tract No. 12736, were deeded to the Company by C. L. Zastrow and Sarah G. Zastrow, his wife, and all such rights were reserved for Applicant's use and benefit prior to the time that the streets in the tract were dedicated to public use. Applicant, therefore, testified that no further permit or franchise is required at this time by the County or other public authorities to operate and maintain its water mains and pipes.

Mr. and Mrs. Zastrow have an option to purchase Tract No. 12932 on or before November 15, 1941, which is to be developed similarly. The construction of houses will be commenced as soon as all required materials are on hand, or their delivery assured.

The water supply for the system on Tract No. 12736 will be obtained from a 10-inch well, 175 feet deep, equipped with a 10-horse-power electric motor and deep-well turbine pump discharging into a 96,000-gallon tank at suitable pressures. A second well on this tract acts as a stand-by source of supply. A third well will be

(1) Hereinafter sometimes referred to as the Applicant.

drilled on Tract No. 12932 and will be equipped similarly to the existing unit. It is stated that either of the present wells have the capacity to serve both tracts.

Applicant stated the actual cost of the waterworks installed in Tract No. 12736 is \$6,230.52, including real estate easements and rights of way acquired in the above mentioned grant deed, valued at \$1,000. The cost of the portion of the water system to be installed to serve Tract No. 12932 and which is to be interconnected with the system in Tract 12736 is estimated by Applicant at \$5,957, including easements and rights of way again valued at \$1,000.

The rates proposed in the application are the same as those heretofore established by this Commission in Decision No. 34063, dated April 1, 1941, and now effective in Applicant's other system. The areas herein requested to be certificated are separate and about two miles distant from the other tracts now supplied by Applicant. According to the record, operating conditions are quite similar throughout all the systems operated by Applicant and a uniform schedule of rates will be equitable under the circumstances.

Fire protection service is to be rendered through hydrants installed by and at the cost of the local county fire protection district. No charge by Applicant is contemplated for fire protection service.

The record shows that no other water utility serves in this area and that water service is and will be required within Tracts No. 12736 and No. 12932. No protests against the request of Applicant were received. It therefore appears to be in the public interest that a certificate of public convenience and

necessity be granted as prayed for and that Applicant should be permitted to charge its presently established schedule of rates uniformly throughout its several areas of service.

O R D E R

Application as entitled above having been filed with the Railroad Commission, 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 construction, operation and maintenance of a public utility water system by Peerless Land & Water Co., a corporation, within Tract No. 12736 and Tract No. 12932, Los Angeles County.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to Peerless Land & Water Co., a corporation, for the construction, operation and maintenance of a public utility water system in the territory hereinabove described.

IT IS HEREBY FURTHER ORDERED that Peerless Land & Water Co. be and it is hereby directed as follows:

- (1) To place in effect throughout the areas for which a certificate of public convenience and necessity is granted herein, its existing rates, rules and regulations, to become effective for all water service supplied within said areas on and after the 1st day of November, 1941, and within thirty (30) days from the date of this Order, said Company shall file with this Commission in quadruplicate the necessary amendments to its present rates, rules and regulations to add the above numbered tracts to the territory to which said rates, rules and regulations apply, together with revised maps, drawn to an indicated scale, upon sheets 8½ x 11 inches in size,

delineating thereupon in distinctive markings the boundaries of the authorized service area, and the location thereof with reference to the surrounding territory; provided, further, however, that such map or sketch shall not thereby 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) To file with this Commission, within sixty (60) days from the date of this Order, four 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 territory for which the certificate is granted herein. This map shall be reasonably accurate, show the source and date thereof, and include sufficient data to determine clearly and definitely the location of the various properties comprising the entire utility area of service; provided, however, that such map shall not thereby 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.
- (3) Within sixty (60) days from the date of this Order, to file with this Commission an affidavit 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.

For all other purposes, the effective date of this Order shall be twenty (20) days from and after the date hereof.

Dated at Los Angeles, California, this 28th day of October, 1941.

[Signature]
Ray L. Quincy
Justus F. Coe
Frank D. Haver
Richard [Signature]
 Commissioners.