

ORIGINAL

Decision No. 40760

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of B. F. STROCK for a Certificate of Public Convenience and Necessity to Operate a Water System for the furnishing of water to the public in the area hereinafter described.))))))
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Application No. 28602

Joseph E. Spink, for Applicant
and for Thomas H. Armstrong and
Carrol A. Cook.

O P I N I O N

B. F. Strock, doing business as the Ben Ali Water Company, engaged in the business of distributing and selling water in a subdivided territory adjoining Ben Ali Station, Sacramento County, asks the Commission to grant her a certificate of public convenience and necessity to construct and operate a public utility water system in a partially subdivided area located approximately one mile south of the territory now being served.

A public hearing in this proceeding was held before Examiner Stava in Sacramento.

The Commission in its Decision No. 31740, dated February 14, 1939, Decision No. 35121, dated March 10, 1942, and Decision No. 39425, dated September 24, 1946, granted certificates to applicant to construct, maintain and operate a public utility water system in an area totaling 2,800 acres, located east of and adjoining Ben Ali Station.

The area for which a certificate is now requested comprises approximately 240 acres and is located one mile southerly from the territory now being served. The boundary of the area which applicant desires to serve is described as follows:

Beginning at point where Fulton Avenue intersects a private road, at the northwest corner of "Fulton Oaks Tract"; thence east along the private road which is the north boundary of "Fulton Oaks" and "June Acres" to Morse Avenue; thence south along Morse Avenue to Hurley Avenue; thence west along Hurley Avenue to Fulton Avenue; thence north along Fulton Avenue to the point of beginning.

At present there are three subdivisions comprising 78 acres within the proposed area that desire water service and the record shows that other tracts of land are being subdivided and inquiries have been received by applicant concerning water service to them. Two of the presently subdivided tracts, called Fulton Oaks and Highland Oaks, are piped for water and a number of dwellings are under construction. The two tracts have an area of 58 acres.

The water supply will be obtained from a 10-inch drilled well, 188 feet deep. The well is equipped with an electrically-driven, deep-well, turbine pump, delivering water to a 1,500-gallon automatically-controlled pressure tank. The distribution system in the two tracts consists of 10,244 feet of pipe varying from 6 to 1½ inches in diameter. The total cost of the presently installed facilities is approximately \$16,500. Applicant proposes to provide additional water when necessary from another well in the vicinity of the two tracts.

Applicant has entered into an agreement with Thomas H. Armstrong, owner and developer of the 32-acre tract, called Fulton Oaks, and with Carrol A. Cook, owner and developer of the 26-acre tract called Highlands Oaks, providing for the sale and transfer to applicant of the water systems constructed in the tracts and for applicant refunding the cost of the properties in accordance with her rules governing extensions into subdivisions.

Applicant proposes to supply water for domestic purposes in the new territory in accordance with the rates, rules and regulations now on file with the Commission.

The pipe lines in two tracts are located in utility rights of way and only cross the streets between blocks. Applicant has not yet obtained permission from the Board of Supervisors of Sacramento County to lay, maintain and operate pipe lines for conveying water along and across all roadways within the boundaries of the proposed service area but she testified that this permission would be obtained.

Applicant reports the total fixed capital, as of December 31, 1946, to be \$79,152, the operating revenues and expenses for the year at \$16,412 and \$7,602, respectively, resulting in a net operating revenue of \$8,810. There were 542 customers being served at the end of the year, all at flat rates.

No other public utility water system operates in the proposed service area and no one appeared to protest the granting of the application. Under the circumstances it appears to be in the public interest to grant the authority sought herein.

The certificate of public convenience and necessity granted herein is subject to the following provision of law:

"That the Commission shall have no power to authorize the capitalization of this certificate of public convenience and necessity or the right to own, operate or enjoy such certificate of public convenience and necessity, in excess of the amount (exclusive of any tax or annual charge) actually paid to the State as the consideration for the issuance of such certificate of public convenience and necessity or right."

ORDER

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

THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA hereby declares that public convenience and necessity require, and will require, the construction, maintenance and operation of a public utility water system by B. F. Strock, doing business as Ben Ali Water Company, in the 240-acre territory described in the foregoing Opinion and delineated upon the map attached to the application herein marked Exhibit "B."

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to B. F. Strock, doing business as Ben Ali Water Company, to construct, maintain and operate a public utility for the distribution and sale of water within the territory above described.

IT IS HEREBY FURTHER ORDERED as follows:

1. That B. F. Strock, doing business as Ben Ali Water Company, be and she is hereby authorized to serve water in the territory hereinabove described at the rates and subject to the rules and regulations at present in effect and on file with this Commission.
2. That B. F. Strock, doing business as Ben Ali Water Company, within ninety (90) days from the effective date of this Order, shall file a certified copy of a franchise or permission from the Sacramento County Board of Supervisors to lay, maintain and operate pipe lines for the transportation of water in, under, along and across all public highways within the boundaries of the territory herein certificated.

The effective date of this Order shall be twenty (20) days from and after the date hereof.

Dated at Los Angeles, California, this 30th day of September, 1947.

Harold P. Hule
Justus J. Cassese
Earl H. Russell
R. J. Dwyer
Kenneth L. Lott
 Commissioners.