Decision No. 42461

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

IN THE MATTER OF THE APPLICATION OF RUNNING SPRINGS FOREST WATER COMPANY, an unincorporated association, FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO OPERATE A PUBLIC UTILITY WATER SYSTEM IN SAN BERNARDING COUNTY AND TO ESTABLISH RATES FOR WATER SERVICE.

Application No. 29135

B. Dade Davis, Lloyd Soutar, applicants; W. P. Rowe, Engineer for applicants, and Robert Mack Light, Attorney, by Robert Mack Light for applicants.

<u>OPINION</u>

Running Springs Forest-Water Company by this application seeks a certificate of public convenience and necessity to operate a public utility water system in San Bernardino County and to establish rates for such water service.

A public hearing was held in San Bernardino before Examiner Crenshaw. There was no opposition to the granting of the application.

The area proposed to be served lies along the crest of the San Bernardino Mountains northeasterly of San Bernardino. The State Highway from San Bernardino to Big Bear Valley passes through the property. This tract, consisting of 40 acres, in which six customers are now receiving water service, is part of a larger parcel containing several hundred acres, some of which are adjacent to Deep Creek. The portion now being subdivided is known as Running Springs Forest, which is adjacent to Running Springs Park and Luring Pines.

According to Exhibit 4, as testified to by Mr. W. P. Rowe, engineer for applicant, the owners of the tract and of the Running

Springs Forest Water Company, have an agreement for the purchase of a portion of the larger parcel adjacent to the 40-acre tract.

The water supply is being obtained from a well excavated on the bank of Deep Creek, situated approximately 1,200 feet northerly and about 1,700 feet easterly from the southwest corner of Section 33, Township 2 North, Range 2 West, S.B.B.&.M. Installed in this well is a Hi-lift pump, direct connected to a 72-horsepower motor. The well and pump have a capacity of 90 gallons per minute. The well is connected through a six-inch, ten-gauge, welded steel pipe to a storage tank located approximately 1,100 feet easterly and 200 feet northerly from the southwest corner of Section 33. The tank is located at an elevation that can serve the entire tract and adjacent area by gravity. From the tank, a six-inch main extends southeasterly to Davis Drive; thence along Davis Drive to West Drive. From this six-inch main, four-inch lateral mains have been installed on Fern Drive, West Drive, Hunsaker Way, Dade Drive and Soutar Drive.

Applicant's Exhibit 4 estimates that the total cost of the system installed to date is \$35,493.71. Additional expenditures of \$2,772 are contemplated in the near future to extend the distribution mains into other portions of the tract.

The appraisal in Exhibit 4 sets up a cost of \$1,400 for the well site of 100 feet by 300 feet, which was stated to be under option, and \$700 for rights of way 1,500 feet long and 40 feet wide for the construction of access roads to the well site. It also provides for the tank site, consisting of a lot 200 feet by 200 feet in the amount of \$2,700. In addition to the above, easements and rights of way were to be granted to the Running Springs Forest Water Company along the roads in the subdivision which have not as yet been dedicated to the County.

Mr. B. Dade Davis, manager of the water company, testified that the lands for the well and tank site and for the rights of way and easements were, at the time of the hearing, in the process of being transferred by the subdivision to the water company and that the transfer should be completed within a period of approximately ten days. In order to complete the record regarding the ownership of the well, lands, and rights of way, Mr. Davis agreed to submit copies of the instruments of conveyance when completed, which then would be considered in evidence in this proceeding.

From time to time since the hearing on September 15, 1948, applicant has requested an extension of time in order to submit copies of the necessary instruments of conveyance. Finally, on December 9, 1948, photostatic copies were received of a grant deed allocating 15 miner's inches of water from Deep Creek to the water company and a grant of easement, so long as the water system shall be used, to occupy and use the well site and tank, together with the connecting pipe line and easements, and also to operate, maintain and replace this equipment substantially in the present locations. The well site, according to the grant of easement, consists of an area within 20 feet from the center of the well. The above instruments of conveyance differ materially from those testified to at the hearing.

According to the record, testimony was introduced outlining future developments for increasing the water sources as the demands recuire, including the possibility of construction of a small dam. The plan as outlined by Mr. Rowe provides for the transfer of certain properties and easements whereby the water company and the owners of the subdivision would make available riparian rights on Deep Creek when the proposed conveyances referred to at the hearings were completed.

The instruments of conveyance, as submitted December 9, 1918, are considerably at variance with the proposed plan as testified to at the hearing and do not provide for an adequate water supply for the area to be served; therefore, the application for a certificate of public convenience and necessity should be denied without prejudice.

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 being fully advised in the premises,

IT IS HEREBY ORDERED that Running Springs Forest Water Company's application for a certificate of public convenience and necessity and for the establishment of rates for water service be and it is denied without prejudice.

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

Dated at San Francisco, California, this // day of