

Decision No. 44107

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of
DEL PASO WATER CO., a corporation,
For an Order Permitting it to
Extend Service of Water as a
Public Utility to Territory Con-
tiguous and Adjacent to Area for
which it holds Certificate of Public
Convenience and Necessity.

ORIGINAL

Application No. 30981

Cosgrove, Molinari & Tinney, Attorneys,
By Lloyd J. Cosgrove, for Applicant.

Del Paso Water Co. is a public utility engaged in the business of distributing and selling water within Del Paso Manor Tract, comprising 305 acres, more or less, located 2½ miles east of the town of Ben Ali, in Sacramento County. Del Paso Water Co. was granted a limited certificate of public convenience and necessity to serve this tract in Decision No. 41360, issued March 23, 1948, Application No. 28698. Said certificate was made permanent by First Supplemental Order issued by this Commission in Decision No. 41805, dated July 7, 1948. Applicant now requests a certificate to serve an area, consisting of 280 acres, more or less, contiguous and adjacent to the southerly boundary of Del Paso Manor Tract, and also asks for authority to charge for all water service rendered therein at the present level of rates heretofore established by this Commission.

A public hearing in this proceeding was held before Examiner MacKall at Sacramento on April 20, 1950.

The land within the proposed extended service area is owned and is now being subdivided by Del Paso Manor Venture, comprised of Del Paso Manor, Inc., a California corporation, the stock of which is

owned entirely by M. J. King, and B. I. Lusk, incorporators of applicant, Otto Anderson, P. Vincent Stuppi and Janice Rowe Trust. The owners and subdividers are developing this territory in several residential units; at present 125 homes have been built and already are occupied. The construction program at present calls for the completion of from 25 to 30 new homes a month. The land in this project is more particularly described as embracing the northerly half of Section 42 of Rancho Del Paso and is bounded on the north by El Camino Avenue, on the west by Watt Avenue, on the east by Eastern Avenue, and on the south by Unit #1, Unit #5 and proposed Unit #3 of Arden Oaks Tract.

The water supply for the extension area will be obtained from two wells in Del Paso Manor Tract and wells in the new project where one well already is in operation. It is 400 feet in depth, with 12-inch casing, and has produced 1,200 gallons per minute on 24-hour tests. It is equipped with a deep well turbine pump, having a rated capacity of 750 gallons per minute, operated by a 50 hp motor delivering water to a 5,000-gallon pressure tank, regulated automatically at 40 pounds to 60 pounds pressure per square inch. Several other well sites have been reserved for future requirements. The availability of adequate underground water to meet completed tract development appears assured according to engineering and geological reports.

At the present time there is installed throughout Del Paso Manor Tract and the new area approximately 55,000 feet of mains, ranging from 8 inches down to 2 inches in diameter, being transite and steel wrapped pipe. Throughout both districts approximately 75 fire hydrants already have been installed. Additional fire hydrants will be placed in service throughout the project as construction proceeds. There are now 185 service connections installed in the extension territory.

The annual report of this utility filed with this Commission reported \$135,455 in fixed capital, installed as of December 31, 1949. Testimony in this proceeding indicates that at present the operative fixed capital amounts to \$150,000. The total investment in water supply and distribution facilities will call for an outlay of approximately \$500,000.

The above annual report of applicant shows gross revenues received for the year 1949 to be \$12,016, with operating expenses including taxes and depreciation, amounting to \$10,679, leaving net revenues of \$1,337.

The area for which applicant requests a certificate in this proceeding is not within the service area of any other utility nor is any portion thereof being supplied with water from any other source. Applicant recently has applied for a county franchise to operate a water system in Del Paso Manor Tract and the territory requested herein. Before the rights granted by a franchise may be exercised it will be necessary to obtain from the Commission authority to exercise such rights.

No protest was made and it appears therefore that the application for a certificate should be granted.

Applicant desires to charge in the new area the schedule of rates and to operate under the rules and regulations now effective in the Del Paso Manor Tract. These rates and said rules and regulations are justified for the service to be rendered and will be authorized for the extension area in the following order.

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.

O R D E R

A public hearing having been held in the above-entitled application and the matter having been submitted and the Commission 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 and operation of a public utility water system by Del Paso Water Co., a corporation, in the northerly half of Section 42 of Rancho Del Paso, said northerly half being bounded on the north by El Camino Avenue, on the west by Watt Avenue, on the east by Eastern Avenue, and on the south by Unit #1, Unit #5 and the proposed Unit #3 of Arden Oaks Tract, as more particularly delineated on the map marked Exhibit "B" and the map marked Exhibit "C," both attached to the application herein and hereby made a part of this order by reference, said lands lying approximately 2½ miles east of the town of Ben Ali in the County of Sacramento, California.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to Del Paso Water Co., a corporation, to construct and operate a public utility water system for the distribution and sale of water within the territory hereinbefore described.

IT IS HEREBY FURTHER ORDERED as follows:

1. Del Paso Water Co. is hereby authorized and directed to charge for all water service rendered in the above-described certificated area the presently effective rates and put into effect the existing rules and regulations of said company;
2. Del Paso Water Co., within sixty (60) days after the effective date of this order shall file with this Commission 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 entire service area of this utility and the location thereon of the various properties of said applicant.

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

Dated at San Francisco, California, this 2nd day of May, 1950.

R. E. [Signature]

[Signature]

[Signature]

[Signature]
Commissioners.

Commissioner [Signature], being necessarily absent, did not participate in the disposition of this proceeding.