

Decision No. 44293**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 PARK WATER COMPANY, a corporation,
 for a Certificate of Public Convenience
 and Necessity to Furnish Water Service
 to Certain Unincorporated Territory in
 the County of San Bernardino.

Application No. 31107

Paul Overton and Gail B. Selig by Gail B. Selig,
 for applicant; Ray H. Cozzens, interested party.

O P I N I O N

Park Water Company, a corporation, by the above-entitled application filed March 14, 1950, requests a certificate of public convenience and necessity authorizing it to construct and operate two water systems located in unincorporated territory in San Bernardino County, California. Maps filed as Exhibits B and C with the application more particularly delineate the proposed areas.

A public hearing on this application was held before Examiner Warner on May 25, 1950, at San Bernardino, California.

Park Water Company, a California corporation, filed its Articles of Incorporation with the Commission in Application No. 21668 and successive amendments in Applications Nos. 22589, 25137, and 27000. It furnishes water service to some 18,000 customers in 35 water systems located in the south and southeastern portion of Los Angeles County, and in two water systems in San Bernardino County. It has a total fixed capital in service in excess of \$2,000,000, and gross operating revenues will approximate \$350,000 during 1950. It has no bonded indebtedness and no bank loans, there being current indebtednesses only. It maintains three regular maintenance and

service crews of two men each, and a general office at 4206 E. Rosecrans Avenue, Compton, California. All billing and collecting, and handling of service matters are accomplished at and through the general office, there being no branch offices. Applicant's witness, William S. Cook, General Manager, stated that in the event it appeared necessary and became practicable, applicant would employ, on a part-time basis, a maintenance man to take service calls in each of the areas in San Bernardino County herein being considered.

Applicant proposes to serve, and is serving, in two areas identified in the application as Territories 1 and 2. The characteristics of each area are further discussed in detail hereinafter. Mr. Cook stated that it is intended to apply company's uniform filed flat and meter rates, which are presently universally applied, to the areas included in this application, which are as follows:

The flat rates are \$1.50 per month per single family unit for 7,500 square feet, plus 2 cents per 100 square feet per month in excess of 7,500 square feet. There is a temporary flat rate of \$2.50 per acre for acreage.

The meter rates include a minimum rate of \$1.50 per meter per month for a 5/8-inch by 3/4-inch meter with the first 2,000 cubic feet of water usage at 15 cents per 100 cubic feet per meter per month, the next 8,000 cubic feet at 12½ cents per 100 cubic feet, the next 90,000 cubic feet at 10 cents per 100 cubic feet, the next 100,000 cubic feet at 8 cents per 100 cubic feet, and all over 200,000 cubic feet at 7.2 cents per 100 cubic feet. All domestic customers in Territory 1, and all but 39 customers in Territory 2 are served at the flat rate.

Territory 1

This territory includes all of Tracts Nos. 3443 and 3523 and blocks of the "City of Crestmore," Nos. 3 to 8, inclusive, 13 to

18, inclusive, 23, 24, 25, 32, 33, 34, 40, and 41. This territory lies approximately 2 miles south of the City of Bloomington, San Bernardino County, is bounded on the north by Jurupa Avenue, on the east by Cedar Avenue, on the south by Eighth Street, and on the west by Elm Street. As of May 24, 1950, there were 108 consumers. A number of homes are under construction. The number of consumers may increase to 362 when development under construction is completed. Domestic service, only, is furnished, although lots facing on Cedar Street have been reserved for commercial service. Fire hydrant risers have been installed in the mains, but no agreement has been reached with San Bernardino County regarding the furnishing of fire hydrant service or the installation of fire hydrants.

Water is obtained from company well No. 44-A, a cased well drilled in 1937, 14 inches in diameter and 600 feet deep, with a test flow of 1,900 gallons per minute and a pumping plant capacity of 700 gallons per minute. A 50 hp electric motor is direct-connected to a deep well turbine pump which discharges through a 10,000-gallon steel pressure tank, which discharges into the distribution mains. The water pressure is automatically controlled at the pressure tank to maintain a range of 40 to 55 pounds per square inch. The distribution system consists of 3,508 feet of 8-inch cast iron main, 3,347 feet of 6-inch cast iron main, and 7,467 feet of 4-inch cast iron main. All services are of copper tubing. The cost of the pumping plant as indicated in Exhibit 5, the Commission staff report introduced by James F. Wilson, Senior Engineer, amounted to \$8,569, and the cost of the distribution system was \$23,902, each cost excluding overhead. Standby water service is provided through a 6-inch cast iron main connected to the pipe lines of Crestmore Village Water Company with which applicant has a reciprocal agreement for the furnishing of standby service.

The record shows that the water has been tested by San Bernardino County health authorities and found to be potable.

Two public utility water companies serve adjacent areas but although sent notices of the hearing in this proceeding, neither made an appearance.

Applicant owns the land on which the well is drilled, and mains are laid in easements and alleys. It has not been necessary to secure a franchise from San Bernardino County, but Mr. Cook testified that applicant would be willing to secure such franchise if it were found at a later date to be necessary.

Territory 2

This territory includes all of Tract No. 3200 and some additional 35 acres of contiguous area in which there are 255 consumers at the present time. This number may increase to 582 consumers when development now under construction is completed. The location of the territory is more particularly shown on Exhibit C attached to the application, but it may be generally described as being irregular in shape and located a short distance west of the corporate boundary of the City of Chino, in Sections 4, 9, and 10, Township 2 South, Range 8 West, S.B.B. & M. It includes Lots 61 in Section 4, Lots 3, 4, 5, 12, 13, 14, 17, 18, and 19 in Section 9, and Lot 24 in Section 10, and lies in the vicinity of Roswell Avenue and Riverside Drive. The topography is flat and the areas formerly were walnut groves. There are two or three combination oil station and grocery stores and a few chicken ranches, the balance being domestic customers. There are 39 metered customers, all located outside of Tract 3200. No other meters have been installed.

Fire hydrant risers have been placed in mains but no agreement has been reached with San Bernardino County for the installation of fire hydrants and the payment of charges for fire hydrant water service. Mr. Cozzens stated that several attempts had been made to

obtain fire protection from San Bernardino County and from the local fire protection district, but none had as yet been successful. He urged that applicant make every effort to effect an agreement for furnishing such fire protection service.

Water for the territory is obtained from company well No. 27, which is 16 inches in diameter, 353 feet deep, with a tested flow of 2,000 gallons per minute, equipped with a pumping plant capacity of 700 gallons per minute. A 40 hp electric motor is direct-connected to a deep well turbine pump which discharges into a 10,000-gallon pressure tank which is equipped with automatic control to maintain pressures at a range of 40 to 55 pound per square inch. The distribution system consists of 704 feet of 8-inch cast iron, 8,356 feet of 6-inch cast iron, and 2,672 feet of 4-inch cast iron pipe lines. All services are of copper tubing. The cost of the pumping plant, as indicated in Exhibit 5, was \$7,552, and of the distribution system, \$17,766, each excluding overhead costs.

There are no interconnections of this system with any other water system and there is no standby service available.

The record shows that the water has been tested by San Bernardino health authorities and found to be potable.

No other public utility water systems furnish water service in adjacent territory.

All water mains are constructed in easements and alleys and it has not been necessary to secure a franchise from San Bernardino County, but Mr. Cook testified that applicant would be willing to secure such franchise if it were found at a later date to be necessary.

It appears that the water supplies available to the applicant are adequate to render service to each of the territories herein considered.

The Commission has considered the request for a certificate of public convenience and necessity and is of the opinion that it should be granted, 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.

The action taken herein shall not be construed to be a finding of the value of the property of Park Water Company.

After review of the evidence of record, including the ability of the systems to serve additional customers, the rates ordered herein are applicant's presently filed rates, which are uniformly applied throughout its various water systems, and are considered to be just and reasonable and will be authorized in the following order for service rendered in the certified areas.

O R D E R

The above-entitled application having been considered, and a public hearing having been held, the matter having been submitted and now being ready for decision,

IT IS HEREBY FOUND AS A FACT that public convenience and necessity will require the operation of public utility water systems by Park Water Company in Territories 1 and 2, in the areas more particularly delineated upon the maps marked Exhibits B and C filed with the application in this proceeding; therefore,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is granted to Park Water Company to operate a public utility water system for the distribution and sale of water within the territories hereinbefore described.

IT IS HEREBY FURTHER ORDERED that applicant shall:

1. Apply its presently filed flat and meter rates to Territories 1 and 2, San Bernardino County, to be effective on and after July 15, 1950. It shall apply its rules and regulations thereto, and shall file tariff service maps acceptable to this Commission and in accordance with the requirements of General Order No. 96.
2. File within thirty (30) days after the effective date of this order, four copies of a comprehensive map drawn to an indicated scale of not less than 400 feet to the inch, delineating by appropriate markings the various tracts of land and territory served and the location of the various properties of applicant included in this certification.

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

Dated at Los Angeles, California, this 13th day of June, 1950.

R. E. Anderson
James F. Casper
Charles F. Fawcett
Harold H. Kula
Francis H. Porter
 Commissioners.