

Decision No. 45277**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SAN GABRIEL VALLEY WATER COMPANY for
a Certificate of Public Convenience
and Necessity in territory adjacent
to its Whittier District.

Application No. 31616

Application of WHITTIER WATER
COMPANY, a corporation, for a cer-
tificate of public convenience and
necessity to serve certain unincor-
porated territory west and northwest
of Whittier, California, and to
exercise franchise rights.

Application No. 31766
(Amended)

Faries and McDowell by McIntyre Faries, attorney,
and Edgar Skelton, for applicant in Application
No. 31616, and for San Gabriel Valley Water
Company, protestant in Application No. 31766
(Amended) as it applies to territory covered by
Application No. 31616; Gordon and Knapp by
Hugh Gordon, attorney, for applicant in Applica-
tion No. 31766 (Amended), and for Whittier Water
Company, protestant in Application No. 31616;
Donald J. Dunne, attorney, for Citrus Grove
Heights Water Company, Rincon Irrigation Company,
Rincon Ditch Company, Rose Hills Memorial Park,
Central Land and Grazing Company, and Joe Moynier,
protestants in both matters as to territory
covered by both applications in duplicate;
Frank F. Pellissier and Sons, Inc. by Leon A.
Pellissier, protestants in both matters as to
territory covered by both applications in dupli-
cate; George C. Gillette, attorney, for Cross
Water Company, protestant in Application
No. 31766 (Amended).

OPINION IN APPLICATION NO. 31616INTERIM OPINION IN APPLICATION NO. 31766 (AMENDED)

San Gabriel Valley Water Company,^{1/} a corporation, by the
above-entitled application filed July 25, 1950, and Whittier Water

^{1/} Hereinafter referred to as San Gabriel.

Company,^{2/} a corporation, by the above-entitled application filed September 18, 1950, each asks for a certificate of public convenience and necessity to construct, operate, and maintain a water system in unincorporated territory west, northwest, north, and northeast of the City of Whittier, Los Angeles County, California. The territories applied for by each applicant overlap substantially. Whittier Water Company also applied to serve an area southwest of the City of Whittier.

A consolidated public hearing in these applications was held before Examiner Warner on October 5, 1950, at Los Angeles, California, at which evidence was received pertaining to the duplicate territory west, northwest, north, and northeast of the City of Whittier; and Application No. 31616 was submitted, and that portion of Application No. 31766 (Amended) pertaining to the duplicate area was submitted, the portion of Application No. 31766 (Amended) relating to the area southwest of the City of Whittier being continued in order that proper notice could be given to other public utility water companies operating in the area and to other interested parties.

Whittier Water Company, at the hearing, amended the title of its application by adding the words "and southwest" after the phrase "unincorporated territory west and northwest." This was done in order that the title should include a reference to Parcel 2 in Appendix A, as further delineated on the map, Appendix B, Page 2, attached to Application No. 31766 (Amended). This area is not related geographically to the areas herein being considered. It lies some 5 or 6 miles to the southwest, and separate hearings will be held and

^{2/} Hereinafter referred to as Whittier.

a separate order will be issued therein. An interim order will be issued in Application No. 31766 (Amended) herein.

The area now being considered is located in unincorporated territory of Los Angeles County about 1 mile from the northerly limits of the City of Whittier. The area extends for about 4 miles in a northeasterly, southwesterly direction between the San Gabriel River, which bounds it on the west, and the low rolling foothills, on the east. The easterly boundary generally is Workman Mill Road for approximately one-half the distance, and then, at the extreme northerly portion, the southerly boundary becomes the San Jose Creek wash. The requested territory has an area of approximately 1,200 acres. At present, there are few inhabitants, the territory being principally devoted to dairying and farming. However, it is situated on the easterly, outer perimeter of the East El Monte-Pico-Puente-Whittier district which is rapidly being converted to suburban property. The record shows that many landowners therein already have been approached by prospective subdividers regarding the possible development of their lands for homesites.

San Gabriel Valley Water Company is a California corporation serving some 10,000 customers in its El Monte district, immediately adjacent on the northwest and west of the area applied for herein, and some 7,000 consumers in its Whittier district west, southwest and south of the area applied for herein. As shown on the map filed at the hearing as Exhibit No. 1, it has presently installed water production facilities on the northwest, north, and northeast consisting of Plant No. 9, 1,000 gallons per minute, Plant No. W-7, 1,500 gallons per minute, Plant No. B-3, 2,000 gallons per minute, and Plant No. B-5, 500 gallons per minute. On the southwest,

San Gabriel has presently installed facilities consisting of Plant No. W-4A, 2,500 gallons per minute, and Plant No. W-1, 1,200 gallons per minute, and Plant No. W-1A, 700 gallons per minute. The record shows that San Gabriel plans to drill a well, to be known as Plant No. 7, due north of the area applied for, with a capacity of 3,600 gallons per minute, and a new well of unknown capacity to be located southwest of the area as an addition to Plant No. W-1.

San Gabriel's witness, M. E. Mosely, Vice President, in explaining the present and proposed pipe-line installations as shown on Exhibit No. 1, stated that because of the plans of United States Army Engineers to build and construct the Whittier Narrows Flood Control Dam and Basin, in this general vicinity, San Gabriel plans to interconnect its El Monte and Whittier district systems around and to the east of the Flood Control Basin flooded lands. This proposed connection would traverse, from north to south, the area applied for herein with a 10-inch transmission main, to which distribution mains of smaller size would be attached. Other distribution mains would be installed throughout the proposed territory.

San Gabriel holds Los Angeles County Franchise No. 3063 N.S. to operate in this area.

The record shows that the water from all wells has been tested by the Los Angeles County Health Department at regular intervals and has been found to be potable and free of undesirable content.

The territory applied for, according to the witness Mosely, would be operated as an addition to San Gabriel's present Whittier district and would be included therein for service and accounting purposes.

According to the record, pipe and facilities for making the proposed installations are either on hand or are immediately available to San Gabriel.

Rates proposed to be charged by San Gabriel are those presently on file for its Whittier district. They include both meter and flat rates as follows: For General Metered Service, \$1.25 per meter per month, minimum charge, for a 5/8 x 3/4-inch meter. The quantity rates are \$1.25 per meter per month for the first 800 cubic feet, or less, of water usage; with the next 1,200 cubic feet at 11 cents per 100 cubic feet; the next 1,000 cubic feet at 9 cents per 100 cubic feet; and all over 3,000 cubic feet at 7 cents per 100 cubic feet. For Flat Rate Service, \$2 per month for each residence, including one lot of one-half acre, or less, per service connection; 75 cents for each additional one-fourth acre, or less; and \$1 per month for each additional residence on a lot. The record shows that San Gabriel proposes to install meters throughout the area applied for inasmuch as it is pursuing a general plan of metering throughout both its El Monte and Whittier districts.

At the hearing, San Gabriel submitted letters from two property owners in the area indicating their desire that San Gabriel furnish water service to their properties. Their combined properties total about 350 acres and are located northeasterly from Mission Mill Road.

Whittier Water Company is a California corporation serving some 3,500 consumers throughout its dedicated service area southwest, south, and southeast of the City of Whittier, and lying at its closest perimeter about 4 miles south of the area herein being considered. It or its predecessors have been serving water in its presently dedicated service area since prior to 1900.

Whittier's principal sources of water supply consist of two well fields plus certain water obtained from La Habra Heights Mutual Water Company developed in Judson Basin located west of the City of Whittier. The first of the well fields is the Bassett Wells located just north of the central portion of the area applied for, from which Whittier is entitled to take, by an agreement with the California Domestic Water Company (a mutual water company), at least 250 miner's inches and more if necessary. This water is transmitted through a 4-foot conduit to a point of juncture with a main from the Bartolo Wells and eventually to Whittier's general service area about 9 miles distant. The transmission main runs along the westerly base of the rolling hills just east of Workman Mill Road, as shown by the solid red line on the map filed at the hearing as Exhibit No. 7. The second of these well fields is the Bartolo Wells which are located in the Whittier Narrows Flood Control Basin. Whittier's witness C. A. Garnier, President, testified that these latter wells would be under water upon the completion of the Whittier Narrows Dam but that arrangements had been made with the United States Army Engineers to construct a concrete tower over the wells and to continue to pump water therefrom, running the transmission main from the wells through a gallery in the dam to Whittier's service area about 5 miles south. The transmission mains from both the Bassett and Bartolo well fields join at a point near Rose Hills Memorial Park at the intersection of Guirado Avenue and Workman Mill Road.

Whittier has been serving Grandview Sanitarium and two other services from the Bassett transmission main for some time, and also has been serving four consumers from its Bartolo Wells

transmission main for many years. These services are also shown on Exhibit No. 7. The record shows that Whittier, in September, 1950, constructed a 6-inch distribution main northeasterly along Workman Mill Road from the aforementioned point of joining of the transmission mains to furnish service to the Mill School located on the east side of Workman Mill Road at Mission Mill Road.

Whittier Water Company submitted no plans for detailed development of the area requested to be certificated, except for the proposed construction of certain additional transmission and large distribution mains, and no requests to it for service were offered in evidence at the hearing.

Whittier's proposed rates would include its general service meter rates as presently filed with the Commission. They include a monthly minimum charge of \$1 per meter per month, which includes the first 600 cubic feet, or less, of water usage per meter per month; with the next 1,400 cubic feet at 12 cents per 100 cubic feet; and all over 2,000 cubic feet at 7 cents per 100 cubic feet. They would also include a wholesale rate for service to large consumers.

With respect to the area applied for by Whittier and now being served by Cross Water Company, a mutual water company and protestant in this proceeding, the record shows that this area is being served by the mutual water company on a practically saturated basis and no evidence was adduced at the hearing to indicate that the mutual company's service was either unsatisfactory or inadequate, and no requests for service by Whittier Water Company within or adjacent to the area now served by the Cross Mutual were introduced by Whittier. The area served by Cross Water Company, therefore, will be excluded from the area certificated herein.

Protestant Leon A. Pellissier entered the map filed as Exhibit No. 5 upon which were delineated his properties consisting of approximately 250 acres, which he requested to be excluded from any area certificated to either applicant on the grounds that Frank P. Pellissier, Inc., his client, wished to have its lands reserved to itself in the event that it might wish to develop them and form its own public utility water company. Inasmuch as it appears that water service from either of the applicants herein is not desired by the Pellissier interests, and since it appears from the record that those properties are not in need of public utility water service at the present time, said properties will be excluded from the area certificated herein.

Witnesses for the protestant Citrus Grove Heights, Rincon Irrigation Company, Rincon Ditch Company, Rose Hills Memorial Park, and Central Land and Grazing Company testified that the area, shown on the map filed at the hearing as Exhibit No. 13, colored in blue, comprising some 89 acres lying on the southeast side of the Los Angeles and Salt Lake Railroad to Workman Mill Road and up to Mission Mill Road on the northeast, and owned by Central Land and Grazing Company and Rose Hills Memorial Park, will be utilized as a cemetery.

The area colored in light green on Exhibit No. 13, comprising some 57 acres and lying in the extreme southwest portion of the area requested by applicants to be certificated, belongs in part to the Kern Oil Company and is being served by the Citrus Grove Heights Water Company, a mutual water company which protested the invasion of its service area.

The areas hereinabove discussed, comprising the 89 acres more or less and the 57 acres more or less, respectively, will be excluded from the area certificated herein, except that Whittier Water Company will be authorized to continue service to Grandview Sanitarium, Mills School, and such other services as were being rendered, but only such other services as were being rendered as of October 5, 1950, from its Bassett and Bartolo transmission mains and the 6-inch distribution main located on Workman Mill Road.

The balance of the area in the southwest portion herein under consideration, for which Whittier Water Company has applied for a certificate, is also served by Citrus Grove Heights Water Company and the Water Department of the City of Whittier. Inasmuch as applicant Whittier's witness testified that Whittier Water Company had received no applications for service in this area, and, further, since Whittier Water Company's general service area lies some 4 or 5 miles to the south and southwest thereof, this territory will be excluded from the areas certificated herein, there having been no showing made at the hearing of public need therefor.

Mr. Joe Moynier is the owner of certain lands now used for agricultural purposes. He stated that he did not need or require to have his lands within any public utility certificated area at this time. However, the evidence shows that the particular section in which these lands are located is rapidly being converted to residential property; and since the present and requested service areas of San Gabriel Valley Water Company adjoin and embrace, respectively, said lands, it appears to the best interests of the public that they be included in San Gabriel's certificated area. By so doing, the

agricultural operations will in no manner be interfered with nor adversely affected. At the same time, determination of public utility obligations and rights in this district will act as a stabilizing factor and eliminate future expense and probable complications.

Whittier Water Company will be authorized to continue to furnish water service to those consumers served as of October 5, 1950, from its Bassett Wells and Bartolo Wells transmission mains and from its 6-inch distribution main along Workman Mill Road, but to no other consumers within the areas requested in the applications herein, it being the intent of the Commission's order herein not to disturb services presently being rendered.

The Commission has considered the requests for certificates of public convenience and necessity and is of the opinion that they 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 herein described.

ORDER IN APPLICATION NO. 31616

INTERIM ORDER IN APPLICATION NO. 31766 (AMENDED)

The above-entitled applications having been considered, a public hearing having been held, the matter of the Application No. 31616 having been submitted, and that part of the matter of the

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Application No. 31766 (Amended) applying to the areas west, northwest, north, and northeast of the City of Whittier having been submitted, that part of Application No. 31766 (Amended) applying to the area southwest of the City of Whittier having been continued, and it appearing that Application No. 31616 should be granted, subject to certain conditions, and that Application No. 31766 (Amended) should be granted, subject to certain other conditions, and in part denied, and in part continued, and those matters now being ready for decision,

IT IS HEREBY FOUND AS A FACT that public convenience and necessity will require the operation of a public utility water system by San Gabriel Valley Water Company in the areas delineated on the map attached hereto and marked Exhibit A, and by Whittier Water Company to those consumers only who were being served water as of October 5, 1950, from said company's Bassett Wells and Bartolo Wells transmission mains and the 6-inch distribution main on Workman Mill Road; therefore,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is granted to San Gabriel Valley Water Company to operate a public utility water system for the production, distribution, and sale of water within the territory shown on the map marked Exhibit A attached hereto.

IT IS HEREBY FURTHER ORDERED that a certificate of public convenience and necessity be and it is granted to Whittier Water Company to operate a public utility water system for the production, distribution, and sale of water to those consumers only who were being served water as of October 5, 1950, from said company's Bassett Wells and Bartolo Wells transmission mains and the 6-inch distribution main on Workman Mill Road, as above set forth.

IT IS HEREBY FURTHER ORDERED as follows:

1. That each applicant shall be authorized to file, publish, and place in effect its presently filed rates applicable to the Whittier district of San Gabriel Valley Water Company and to the Whittier Water Company, respectively, to be effective on and after February 5, 1951, together with rules and regulations and tariff service area maps as may be acceptable to this Commission and in accordance with General Order No. 96.
2. That San Gabriel Water Company shall file, within forty (40) days after the effective date of this order, four copies of a comprehensive map, drawn to an indicated scale of not less than 600 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 in and immediately adjacent to the territory herein certificated to said applicant.
3. That Whittier Water Company shall file, within forty (40) days after the effective date of this order, four copies of a comprehensive map, drawn to an indicated scale, delineating by appropriate markings said company's Bassett Wells and Bartolo Wells transmission mains and the 6-inch distribution main on Workman Mill Road, together with the name and location of all consumers served therefrom as of October 5, 1950.

IT IS HEREBY FURTHER ORDERED that the application of Whittier Water Company as it applies to the area west, northwest, north, and northeast of the City of Whittier, except as otherwise granted in this order, be and it hereby is denied.

IT IS HEREBY FURTHER ORDERED that the matter of the application of Whittier Water Company, as it applies to the area southwest of the City of Whittier, and as more particularly described as Parcel 2, Appendix A, and further delineated on the map, Appendix B,

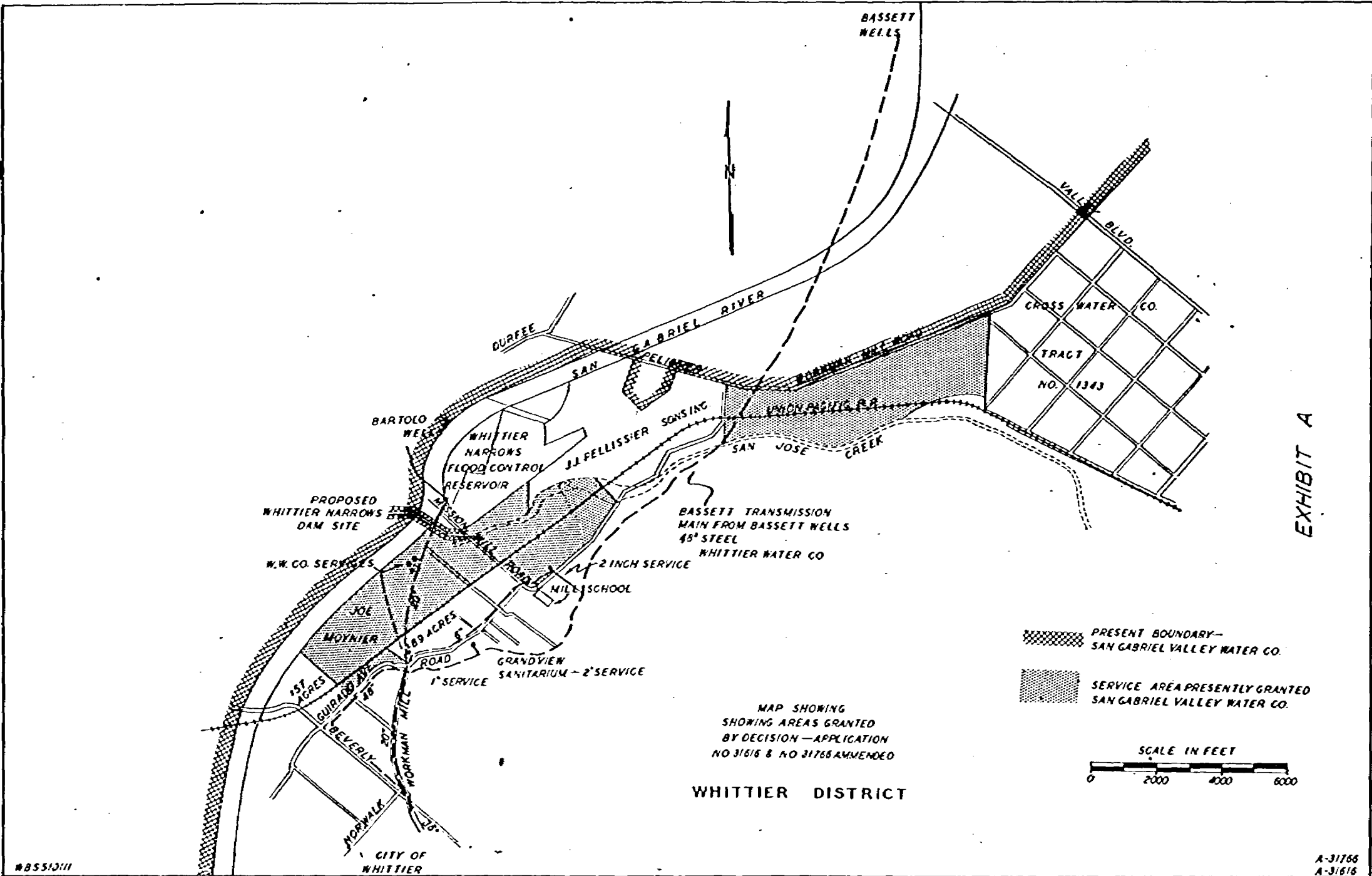


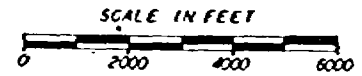
EXHIBIT A

MAP SHOWING
SHOWING AREAS GRANTED
BY DECISION—APPLICATION
NO 31616 & NO 31766 AMENDED

WHITTIER DISTRICT

PRESENT BOUNDARY—
SAN GABRIEL VALLEY WATER CO.

SERVICE AREA PRESENTLY GRANTED
SAN GABRIEL VALLEY WATER CO.



Page 2, attached to Application No. 31766 (Amended), be and it hereby is continued to a date to be set.

The effective date of these orders shall be twenty (20) days after the date hereof.

Dated at San Francisco, California, this 16th day of January, 1951.

[Signature]
Justus F. Craven
Harold F. Kube
[Signature]
Commissioners.