

Decision No. 45474

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of SAN JOSE HILLS WATER)
 COMPANY for a certificate of public)
 convenience and necessity to conduct) Application No. 31868
 certain water corporation operations)
 in the vicinity of West Covina and)
 Glendora, California.)

Gordon & Knapp, by Wyman C. Knapp, for applicant.
Dailey S. Stafford and Trent G. Anderson for the City of Covina,
 and R. B. Bidwell for the City of Glendora, protestants.

O P I N I O N

Applicant herein requests authority to make certain additions to its present public utility water system, said additions to be known as its "West Covina System" and its "Glendora System", and described as follows:

West Covina System

1. Beginning at a point 100 feet west of Lark Ellen Avenue and Walnut Creek Wash; thence northerly along an imaginary line paralleling Lark Ellen Avenue to a point 100 feet north of Workman Avenue and 100 feet west of Lark Ellen Avenue; easterly along an imaginary line paralleling Workman Avenue to a point 100 feet east of Azusa Avenue and 100 feet north of Workman Avenue; southerly along an imaginary line paralleling Azusa Avenue to a point 100 feet south of Garvey Boulevard and 100 feet east of Azusa Avenue; westerly along an imaginary line paralleling Garvey Boulevard to a point 100 feet east of Lark Ellen

Avenue and 100 feet south of Garvey Boulevard; southerly along an imaginary line paralleling Lark Ellen Avenue to a point 100 feet east of Lark Ellen Avenue at Walnut Creek Wash; westerly along Walnut Creek Wash to point of beginning.

2. Beginning at the intersection of Barranca Avenue and Garvey Boulevard; thence northerly along Barranca Avenue for a distance of 100 feet; easterly along an imaginary line paralleling Garvey Boulevard to the city limits of West Covina at a point 100 feet north of Garvey Boulevard; northerly along the city limits of West Covina to the northwest corner of Tract 9253; northeasterly, southeasterly, and southerly around the boundaries of said tract to Garvey Boulevard; westerly along Garvey Boulevard to point of beginning.

Glendora System

Beginning at a point 100 feet south of Alosta Avenue on Ben Lomond Avenue; thence easterly along an imaginary line paralleling Alosta Avenue to a point 100 feet south of said avenue at the east side of Grand Avenue; northerly along Grand Avenue to the Pacific Electric Railroad Company right of way; northwesterly along said right of way to Valencia Street; southerly along Valencia Street to a point 100 feet south of Foothill Boulevard; easterly along an imaginary line paralleling Foothill Boulevard to a point 100 feet west of Grand Avenue and 100 feet south of Foothill Boulevard; southerly along an imaginary line paralleling Grand Avenue to its intersection with the boundary of Tract 15764 at a point 100 feet east of Grand Avenue; westerly, northerly, and westerly along the exterior boundary of said tract and thence to a point 100 feet east of

the prolongation of Valencia Street; southerly along an imaginary line paralleling Valencia Street's prolongation to a point 100 feet north of Alosta Avenue and 100 feet west of said Valencia Street; westerly along an imaginary line to a point 100 feet north of Alosta Avenue at Ben Lomond Avenue; southerly along Ben Lomond Avenue to point of beginning.

At the hearing the application was amended so as to exclude from the Glendora System the so-called "Parcel A" and a 100-foot strip extending along Foothill Boulevard between Grand Avenue and Valencia Avenue, and located on the south side of Foothill Boulevard. Specifically described, the area excluded is that portion of the Glendora System, as follows:

Beginning at a point 100 feet south of Foothill Boulevard on Grand Avenue; thence northerly along Grand Avenue to the Pacific Electric Railroad Company right of way; northwesterly along said right of way to Valencia Street; southerly along Valencia Street to a point 100 feet south of Foothill Boulevard; easterly along an imaginary line paralleling Foothill Boulevard to the point of beginning.

Public hearings were held in Los Angeles before Examiner Syphers on December 18 and 19, 1950, and on January 22, 1951. On these dates evidence was adduced, and on the last-named date the matter was submitted. It is now ready for decision.

At the hearing testimony was presented by applicant as to its present and proposed operations. Exhibits 2 and 5 are maps of the areas in question, showing the three services

applicant proposes. Two of these would constitute extensions of applicant's existing system which now has as its northern boundary the Walnut Creek Wash. The third is a proposed service to an area near the City of Glendora.

The first two proposed services were protested by the City of Covina, which operates a water system in the area; while the third service was protested by the City of Glendora, which likewise operates a water system in that area. It should be noted that the first two proposals cover territory in the City of West Covina, and the third covers territory in Los Angeles County.

The first area in question consists of a real estate development of approximately 80 acres, bounded on the north by Workman Avenue, on the east by Azusa Avenue, on the south by Garvey Boulevard, and on the west by Lark Ellen Avenue. It consists of 287 houses now under construction, which houses are being built by a subdivider. According to the testimony, they will be completed in about three months.

Applicant intends to furnish water to this tract by means of an 8-inch main which it has installed along Lark Ellen Avenue to Workman Avenue. The pipes in the tract likewise have been installed by applicant, with \$28,000 which was advanced by the subdivider, although it has been prohibited from furnishing water to this tract without first obtaining authority from this Commission (Decision No. 44929, on Case No. 5230, dated October 24, 1950).

The subdivider of this tract testified that he desires to receive service from applicant because applicant has agreed to refund to him the cost of installing the water system in the tract. The refunds are to be made by giving the subdivider thirty-five percent of the gross revenue for ten years, or for a lesser time if the total amount is paid sooner. According to this witness, he could not get a definite commitment from the City of Covina. Thereupon, he proceeded to make his arrangements with applicant.

The second area in question is another real estate development, whereon it is planned to construct 54 houses. It is located just east of Grand Avenue and north of Garvey Boulevard. The subdivider of this tract likewise testified he wanted applicant's service because of the refund arrangements which applicant offered.

Both of these areas are in the City of West Covina; both are in territory which presently is served by the City of Covina water system.

On this record there apparently is no question as to the ability of the applicant or the City of Covina to serve adequate water to the two areas in question. Applicant's president testified there was a surplus of water available to serve the new areas, and, by installing a booster system, a pressure of 40 pounds can be maintained. The water supply of the City of Covina originates at a source high enough to maintain a quantity flow pressure of 73 pounds at Azusa and Workman Avenues. Also the city has installed a 10-inch main along Workman Avenue,

from which water to the new tract of 287 houses can be supplied. Both applicant and the City of Covina have the permission of the City of West Covina to provide service in the area.

Exhibit 3 shows the connected services by years for applicant company. Exhibit 4 is a financial statement of applicant's operations during the period January 1, 1950, to November 1, 1950.

Exhibits 8 and 9 show the existing water mains of the City of Covina, and also those installations contemplated under a master plan which was formulated by the city in 1947.

Exhibit 10 is the Covina City Ordinance which, among other things, sets out the water rates. It will be noted that there are three schedules: (1) for the City of Covina, (2) outside of Covina and west of Grand Avenue, and (3) the area of Covina Knolls. Those areas under instant consideration would come under the second schedule. The rates proposed by applicant are attached to the application, and generally they are slightly lower than those Covina would charge in the areas concerned.

A thorough consideration of this record leads us to the conclusion, and we now find, that public convenience and necessity require the services of applicant in the furnishing of water to the two real estate tracts heretofore mentioned.

As to the third tract in the so-called "Glondora System", the principal present need arises from a real estate development of 101 houses now under construction. The subdivider here testified as to this situation and as to his need for water. He likewise indicated his preference for the refund arrangement offered by applicant.

The City of Glendora offered no protest to the two tracts in question constituting the aforementioned real estate development, and designated as Tracts 15763 and 15764. That part of the application will be granted.

Parcel "A" was withdrawn from the application by amendment. Thus the only protested territory is a strip along Grand Avenue and a strip along Alosta Avenue. Applicant offered no evidence as to a need for service along these strips. Accordingly, that part of the application will be denied.

O R D E R

Application as above entitled having been filed, a public hearing having been held thereon, the Commission being fully advised in the premises and hereby finding that public convenience and necessity so require,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity be, and it hereby is, granted to the San Jose Hills Water Company, a corporation, to operate a public utility for the distribution and sale of water within the following territories:

WEST COVINA SYSTEM

1. Beginning at a point 100 feet west of Lark Ellen Avenue and Walnut Creek Wash; thence northerly along an imaginary line paralleling Lark Ellen Avenue to a point 100 feet north of Workman Avenue and 100 feet west of Lark Ellen Avenue; easterly along an imaginary line paralleling Workman Avenue to a point 100 feet east of Azusa Avenue and 100 feet north of Workman Avenue; southerly along an imaginary line paralleling Azusa

Avenue to a point 100 feet south of Garvey Boulevard and 100 feet east of Azusa Avenue; westerly along an imaginary line paralleling Garvey Boulevard to a point 100 feet east of Lark Ellen Avenue and 100 feet south of Garvey Boulevard; southerly along an imaginary line paralleling Lark Ellen Avenue to a point 100 feet east of Lark Ellen Avenue at Walnut Creek Wash; westerly along Walnut Creek Wash to point of beginning.

2. Beginning at the intersection of Barranca Avenue and Garvey Boulevard; thence northerly along Barranca Avenue for a distance of 100 feet; easterly along an imaginary line paralleling Garvey Boulevard to the city limits of West Covina at a point 100 feet north of Garvey Boulevard; northerly along the city limits of West Covina to the northwest corner of Tract 9253; northeasterly, southeasterly, and southerly around the boundaries of said tract to Garvey Boulevard; westerly along Garvey Boulevard to point of beginning.

Clendora System

Tracts 15763 and 15764, located between Foothill Boulevard on the north, Grand Avenue on the east, Alosta Avenue on the south, and Ben Lomond Avenue on the west.

(2) That the San Jose Hills Water Company, is hereby authorized and directed to file, in quadruplicate, with this Commission, within thirty (30) days from the date of this Order, in conformity with General Order No. 96, the following schedules of rates:

West Covina System

RATES

<u>Monthly Quantity Rates</u>		<u>Per Meter Per Month</u>
First	1,000 cubic feet or less	\$2.50
Next	2,000 cubic feet, per 100 cubic feet	.15
Next	2,000 cubic feet, per 100 cubic feet	.13
Over	5,000 cubic feet, per 100 cubic feet	.12

Monthly Minimum Charge

For	5/8 x 3/4-inch meter	\$2.50
For	3/4-inch meter	2.75
For	1-inch meter	3.50
For	1 1/2-inch meter	5.50
For	2-inch meter	7.50

Glondora System

RATES

<u>Monthly Quantity Rates</u>		<u>Per Meter Per Month</u>
First	1,000 cubic feet or less	\$2.50
Next	2,000 cubic feet, per 100 cubic feet	.18
Next	2,000 cubic feet, per 100 cubic feet	.15
Over	5,000 cubic feet, per 100 cubic feet	.12

Monthly Minimum Charge

For	5/8 x 3/4-inch meter	\$2.50
For	3/4-inch meter	2.75
For	1-inch meter	3.50
For	1 1/2-inch meter	5.00
For	2-inch meter	7.50

- (3) That San Jose Hills Water Company, within sixty days after the date of this Order, shall file four copies of a suitable map or sketch of the entire West Covina and Glondora Systems, drawn to an indicated scale upon a sheet 8 1/2 x 11 inches in size, delineating thereon in distinctive markings the boundaries of its service area and the location

thereof with reference to the immediate surrounding territory; provided, however, that such map or sketch shall not be considered as a final or conclusive determination or establishment of the dedicated area of service.

- (4) That San Jose Hills Water Company, within sixty days after the date of this Order, shall file four copies of a comprehensive map, drawn to an indicated scale of not less than 400 feet to the inch, of the entire area of service, delineating correctly thereon by appropriate marking the various tracts of land in the territory served. Such map should be reasonably accurate, show the source and date thereof, and include sufficient data to determine clearly and definitely the location of the various properties comprising the entire utility area of service; provided, however, that such filing shall not be construed as a final determination or establishment, in whole or in part, of the dedicated area of service.

For all other purposes the effective date of this Order shall be twenty (20) days from and after the date hereof.

Dated at San Francisco, California, this 20th day of March, 1951.

J. F. Anderson
Justus F. Coe
Francis H. Pottel
Edwin L. Wheeler

COMMISSIONERS