

ORIGINAL

Decision No. 45448

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application	)	
of Park Water Company, a Corpora-	)	
tion, for authority to extend its	)	Application No. 32803
water service to Tract No. 13091	)	
near Downey in Los Angeles County.	)	

Gibson, Dunn & Crutcher, by Max Eddy Utt, attorneys for applicant; James F. Wilson, for the Commission staff.

O P I N I O N

Park Water Company, a corporation, by the above-entitled application seeks authority to extend its water service to Tract No. 13091 near Downey, Los Angeles County, California.

A public hearing in this matter was held before Examiner Warner on November 2, 1951, at Los Angeles, California.

Park Water Company is a California corporation serving territory in the vicinity of Downey, California, in accordance with the Commission's Decision No. 30620, dated February 14, 1938, in Application No. 21668. This territory is known as applicant's "System No. 1" in which are located approximately 4,000 consumers, and the source of water supply for which comprises 12 interconnected wells with a maximum production capacity estimated to be at least four times the peak demand on the system. Tract No. 13091 is immediately adjacent to applicant's presently certificated area along Paramount Boulevard, to the northwest thereof between Orange Street on the south and Alameda Street on the north. As discussed hereinafter, said tract lies within an area certificated to Clara Street Water Company and succeeded to by Southern California Water

Company. As shown in the record, Southern California Water Company has relinquished its desire to serve Tract No. 13091.

Exhibit No. 1 filed at the hearing shows that Tract No. 13091 comprises 67 lots. It also shows in detail the water distribution facilities installed therein. As of the date of the hearing, domestic water service was being furnished to approximately 60 consumers.

For some time, Tract No. 13091 has been receiving water service from Housing Mutual Water Company, owner and operator of the water system installed in the tract. In accordance with the terms of an agreement dated September 20, 1951, a copy of which was attached to the application as Exhibit "B", Housing Mutual Water Company will sell the water system consisting of 6-inch, 4-inch and 2-inch cast-iron mains, of grade A construction, to applicant for cash in the amount of \$9,880. A 6-inch water service connection with applicant's present facilities will be effected at the corner of Paramount Boulevard and Orange Street where a meter is now installed for the service now being furnished by applicant to Housing Mutual Water Company. Such service is being furnished as sales of surplus water.

From a review of the record, it appears that applicant's sources of water supply and the distribution system proposed to be acquired by applicant are adequate to serve Tract No. 13091. The record shows that the sources of water supply have been tested by Los Angeles County Health Department authorities at irregular intervals and have been found to be free of contamination.

Applicant will install meters throughout the proposed area and the rates to be charged will be the same as applicant's presently filed rates. Applicant's general metered service rates

include a minimum charge of \$1.50 per meter per month, and quantity charges of 15 cents, per 100 cu. ft., for the first 2,000 cu. ft., or less, of water usage per meter per month; with the next 8,000 cu. ft. at 12½ cents, per 100 cu. ft.; and with the next 90,000 cu. ft. at 10 cents, per 100 cu. ft.

A statement of applicant's financial condition as of September 30, 1951, was filed at the hearing as Exhibit No. 2 and it shows that applicant has the necessary financial resources to effect the proposed acquisition of water system properties.

By its Decision No. 32208 dated August 1, 1939, in Application No. 19535, the Commission granted Clara Street Water Company, a corporation, a certificate of public convenience and necessity covering territory which includes Tract No. 13091. On November 12, 1947, the Commission issued its Decision No. 40928 in Case No. 4885, a complaint of Clara Street Water Company against Park Water Company, applicant herein, and restrained Park Water Company from the sale and distribution of water within Tract No. 13091. On rehearing Case No. 4885, the Commission by its Decision No. 41682 dated June 8, 1948, reaffirmed its prior decision. It appears from a review of these prior matters that Tract No. 13091 was owned and subdivided by S. V. Hunsaker, a realtor and developer of land who contracted with Los Angeles Decomposed Granite Company, a corporation, of which Mr. H. H. Wheeler, applicant's president is also president, to install distribution mains in the tract. When the Commission issued its Decision No. 41682 hereinbefore referred to, Housing Mutual Water Company was formed, with S. V. Hunsaker as president, to furnish water service to the tract. Clara Street Water Company was subsequently acquired by Southern California Water Company. By a letter dated August 28, 1951, copy of which was filed

with the application as Exhibit "C", Southern California Water Company indicated that (1) it has been unable to make any satisfactory arrangements with the subdivider of Tract No. 13091 for the purpose of commencing service therein; (2) the present pipe lines through which Southern California Water Company is presently serving water in the adjoining area are not so laid out that service could economically be rendered to Tract No. 13091; and (3) it concurred in applicant's proposal to take over service in the tract.

The record shows that although notices of the hearing in this matter were sent to Southern California Water Company, Downey Valley Water Company, Downey County Water District, and all consumers, among others, and that notices were published in a newspaper of general circulation in the area, no protest was entered by any party at the hearing.

The Commission has considered the request by Park Water Company for a certificate of public convenience and necessity to serve Tract No. 13091, Los Angeles County, and in view of Southern California Water Company's expressed lack of desire to serve the area, and in view of other considerations, as disclosed by the record, it is of the opinion that applicant's request 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.

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O R D E R

The above-entitled application having been considered, 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 a public utility system by Park Water Company, a corporation, in Tract No. 13091, near Downey, Los Angeles County; therefore,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is granted to Park Water Company to extend its water service to Tract No. 13091, near Downey, in Los Angeles County.

IT IS HEREBY FURTHER ORDERED that applicant be and is authorized to apply its presently filed rates, applicable to its System No. 1, to Tract No. 13091, near Downey, Los Angeles County, and, on not less than five (5) days' notice to the Commission and the public, to make said rates effective throughout that tract for services rendered on and after December 15, 1951.

IT IS HEREBY FURTHER ORDERED that applicant shall file within forty (40) days after the effective date of this order, four (4) 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 various properties of applicant in Tract No. 13091,  
near Downey, Los Angeles County;

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

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

A. J. [Signature]  
President.  
James J. [Signature]  
Harold [Signature]  
[Signature]  
[Signature]  
Commissioners.