

ORIGINAL

Decision No. 47886

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of BEN ALI WATER COMPANY,)
a California Corporation, for a)
Certificate that the present or future)
public convenience or necessity will)
require an extension of the Company's)
present water system, pursuant to)
Section 50(a) of the Public Utilities)
Act of the State of California.)

Application No. 33672

Gail Bash, for applicant;
George F. Tinkler, of the
Commission's staff.

O P I N I O N

Ben Ali Water Company renders public utility water service for domestic purposes, under certificates of public convenience and necessity granted by this Commission, in an area comprising approximately 4,300 acres located northeast of Sacramento and south of U. S. Highway 40, in Sacramento County. By this application the company requests a certificate to extend its service to two areas adjacent to its present system; viz., Arden Oaks Vista Subdivision, containing 160 acres, and the North one-half of the North one-half of Lot 42, Greenwood Subdivision, about 20 acres in size. The application was submitted without opposition at a public hearing held before Examiner Gregory at Sacramento on September 24, 1952.

The larger tract, when completely subdivided, will have approximately 654 homes. The subdivider, Fidelity Development Company, has agreed to install the necessary facilities at an estimated cost of \$80,000. The utility has agreed to operate and maintain the system pursuant to its Rule 19B and to refund to the

Fidelity Development Company 35% of the annual gross revenue derived from water service to consumers within the tract during a period not exceeding 10 years.

Applicant is presently serving five consumers in the smaller tract. It expects ultimately to provide service to 50 users in that area at a total estimated investment of about \$5,000.

Applicant has a franchise granted by the Board of Supervisors of the County of Sacramento which covers all territory for which a certificate is here sought. Applicant's present system comprises 22 wells, varying from 8 to 16 inches in diameter, having a total capacity of 11,715 gallons per minute; 20 pressure tanks with a combined capacity of 90,000 gallons and about 976,000 feet of welded steel distribution pipe ranging from 12 inches to 1 inch in diameter.

Fixed capital reported as of December 31, 1951, was \$725,307.87, with a reserve for depreciation of \$24,968. Gross revenue for 1951 amounted to \$102,268, gross expenses were \$77,203 and net revenue, before income taxes, was \$25,065.

Two other public utility water systems, viz., Del Paso Water Company and Capitol Accomodations, Inc., operating in the vicinity of the areas for which applicant here seeks a certificate, received copies of the application and were notified of the hearing. Neither utility appeared or otherwise protested the granting of the requested authority.

We find on this record that public convenience and necessity require and will require the construction, operation and maintenance of the proposed extensions of applicant's water service. Accordingly, a certificate will be granted, subject, however, to the following provisions 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

Public hearing having been held in the above-entitled proceeding, the matter having been submitted for decision, the Commission now being fully advised and basing its order upon the findings and conclusions contained in the foregoing opinion,

IT IS ORDERED:

1. That a certificate of public convenience and necessity be and it hereby is granted to Ben Ali Water Company, a corporation, to construct, operate and maintain public utility water systems within the following described areas in Sacramento County, California:
 - a. That area bounded on the north by the north boundary of Cottage Way, on the west by the west boundary of Eastern Avenue, on the south by the south boundary of Arden Way and on the east by the east boundary of Mission Avenue, known as Arden Oaks Vista, comprising Lots 47 and 48 of Greenwood Subdivision and containing 160 acres, more or less.
 - b. That area described as the North one-half ($N\frac{1}{2}$) of the North one-half ($N\frac{1}{2}$) of Lot 42 of Greenwood Subdivision, according to the map filed in the office of the Recorder of Sacramento County, August 17, 1914, in Book 15 of Maps, Map No. 10, comprising 20 acres, more or less.
2. Applicant shall place in effect in the above-described areas the rates, rules and regulations presently on file with this Commission and in effect on applicant's present system.

- 3. Applicant, within forty (40) days after the effective date of this order, shall file with this Commission four copies of a suitable map drawn to an indicated scale of not less than 600 feet to the inch and delineating thereon by distinctive markings the exact boundaries of its service areas including those established herein; provided, however, that such filing shall not be construed as a final or conclusive determination or establishment of the dedicated areas of service, or any portion thereof.

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

Dated at San Francisco, California, this 3rd day of November, 1952.

R. L. Murray
President.

Justin J. Cooney

Harold P. Kula

Samuel D. Patton

Walter E. Mitchell

Commissioners.