

ORIGINALDecision No. 48644

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)	
of SAN JOSE HILLS WATER CO., a)	
California Corporation, for a)	Application No. 34245
Certificate of Public Convenience)	
and Necessity.)	

C. L. Gardner, attorney, for applicant.
Faries & McDowell, by McIntyre Faries,
attorney, for La Puente Valley
County Water District, and C. M. Heard, for
Rowland Area County Water District,
protestants.
George C. Gillette, for Cross Water Company,
a mutual water company, and Charles N.
Jewett, for Whittier Extension Mutual
Water Company, interested parties.
James F. Wilson, for the Commission staff.

O P I N I O N

San Jose Hills Water Company, a corporation, by the above-entitled application filed April 10, 1953, seeks a certificate of public convenience and necessity to construct and extend its water system in unincorporated territory east of the town of Puente along Valley Boulevard, Los Angeles County. The territory is more particularly delineated on the map Exhibit A attached to the application.

A public hearing in this matter was held before Examiner Warner on May 6, 1953, at Los Angeles. La Puente Valley County Water District, which furnishes water service to approximately 600 domestic and 50 irrigation consumers throughout approximately 700 acres in and about the vicinity of the town of Puente, protested the granting of the application.

General Information

San Jose Hills Water Company furnishes water service to approximately 4,100 consumers throughout its service area comprising about 11,000 acres north and northwest of Puente, within the City of West Covina, south and southwest of the City of Covina, and west of the City of Glendora. The record shows that its sources of water supply include leased wells, owned wells, and water stock in mutual water companies. Applicant's sources of water supply total in excess of 6,300 gallons per minute exclusive of water available to it through the ownership of mutual water company stock. Applicant furnishes domestic water service only.

Description of Area

The area proposed to be served includes three proposed subdivisions on the north side of Valley Boulevard west of Pass & Covina Road, known as Tracts Nos. 18351, 18776 and 18777 ^{1/} Mains have been installed by the subdivider in Tract No. 18351 in an area now comprising 62 lots, and temporary water service is being furnished therein to six homes under construction and for street grading purposes. The area will eventually comprise a total of about 650 lots.

Applicant's Proposed Method of Furnishing Water Service to Proposed Area

Applicant proposes to extend an 8-inch main southerly on Pass & Covina Road from the termination of an existing 8-inch main in said road. The sizes and locations of mains installed and proposed to be installed are shown on the map filed at the hearing as Exhibit No. 1. A total of 3-million gallons of storage is proposed to be constructed just north of the proposed area. The first reservoir unit of this storage would have a capacity of 400,000 gallons.

^{1/} It is proposed to subdivide Tract No. 18351 into two additional tracts to be known as Tracts Nos. 18776 and 18777.

Exhibits Nos. 2 and 6 are copies of agreements between applicant and the subdivider dated January 19, 1953 and January 22, 1953, respectively. They each provide for the refund of the deposit required by applicant to the subdivider according to the standard refund provisions of applicant's filed rules and regulations. Applicant will refund annually to the subdivider a sum equal to 35 per cent of the gross revenue due from service of water on the property over a 10-year period.

Protest of La Puente Valley County Water District

La Puente Valley County Water District, a political subdivision organized in 1924, protested the application on the grounds that the area proposed to be served was within its boundaries, and that it was ready, willing and able to furnish the water service to the subdividers at its existing rates and according to its own rules and regulations as set by its board of directors.

There was no controversy as to whether or not the territory was in boundaries of the county water district. Apparently former owners of the property requested inclusion in the district in 1940. However, the record shows that the present owners of the land have petitioned the county water district for exclusion of their land from said district.

Availability of Water Service by County Water District

A witness for applicant, the subdivider of the proposed area, testified that in November or December, 1952, he met with representatives of the county water district regarding the availability of water service by the county water district to the proposed area. He was informed that the water district would have to engage an engineer to conduct a survey of the water system installation and the water district's then-present ability to furnish the service requested.

Operations of La Puente Valley County Water District

The La Puente Valley County Water District employs a secretary and a superintendent as its sole personnel on a permanent basis. It provides no engineering estimating service for subdivision extensions. It furnishes domestic and irrigation service and a portion of its area is zoned for industrial purposes. During the summer of 1952, because of excessive irrigation demands by bean growers, a shortage of water supply developed for a period of three or four days and restrictions were imposed by the county water district on the use of water for irrigation purposes. No additions to water supplies have been effected by the district since these shortages occurred. Its present sources of water supply include two wells with installed pumping plant production capacities totaling about 3,500 gallons of water per minute. The county water district has an 8-inch pipe line which traverses the proposed subdivision area to the north, easterly from a 950,000-gallon storage tank, booster pump and pressure tank, and a 6-inch pipe line to Pass & Covina Road, thence northerly along said road through a 4-inch pipe line to serve three ranch and dairy properties on the east side of Pass & Covina Road as shown on the map Exhibit 10 filed at the hearing.

Inability of Subdivider to Secure Immediate Water Service by the County Water District

Applicant's subdivider witness testified that he had been unable to secure any assurance of the availability of water service by the county water district, or estimate of the cost thereof, until late in March, 1953. He further testified that, because he was desirous and in need of obtaining water service immediately, he had applied to applicant for water service and had received an estimate of the costs within three days of the filing of such application in January of 1953. He thereupon signed the agreements, Exhibits Nos. 2 and 6, hereinbefore referred to. When the county water

district furnished him with a letter dated March 27, 1953, Exhibit No. 8, purporting to be a proposal for the furnishing of water service, the subdivider found the proposal to be unsatisfactory.

Conclusion

From a review of the record it appears that the sources of water supply and the transmission and distribution pipe-line facilities installed and proposed to be installed by applicant are adequate to serve the proposed area. The record does not show that either the sources of water supply available to La Puente County Water District are adequate to serve the proposed area, or that the county water district is or has been ready or able to furnish the water service requested by the subdivider. The Commission is of the opinion, therefore, that public convenience and necessity require that the application of San Jose Hills Water Company, a corporation, 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.

Applicant's request for authority to apply its presently filed rates for its Puente system is of record and has been reviewed, and such request will be authorized by the order which follows.

O R D E R

Application as above-entitled having been filed, a public hearing having been held, the matter having been submitted, the Commission being fully advised in the premises and now being ready for decision,

IT IS HEREBY FOUND AS A FACT that public convenience and necessity require that a certificate of public convenience and necessity be granted to San Jose Hills Water Company, a corporation, to construct and extend its water system into the area delineated on the map attached to the application as Exhibit A; therefore,

IT IS HEREBY ORDERED as follows:

1. That applicant be, and it is, granted a certificate of public convenience and necessity to construct and extend its public utility water system in the area hereinabove described.
2. That applicant be, and it is, authorized to apply its presently filed rates for its Puente system in the area certificated by this order.
3. That applicant shall file, to be effective on or before the date service is rendered to the public, a tariff service area map of the area hereinabove certificated acceptable to this Commission and in accordance with the requirements of General Order No. 96.
4. That applicant shall file within forty days after the effective date of this order four copies of a comprehensive map, drawn to an indicated scale not smaller than 200 feet to the inch, delineating by appropriate markings the various tracts

of land and territory hereinabove certificated and the location of the various properties of applicant therein.

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

Dated at San Francisco, California, this 26th day of May, 1953.

R. T. [Signature] President.

Justice J. [Signature]

Harold [Signature]

Wm. [Signature]

[Signature] Commissioners.