

Decision No. 50339**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 DYKE WATER COMPANY, a corporation,)
 for authority to extend its water)
 service to additional territory in)
 the vicinity of Garden Grove, in)
 unincorporated territory, County of)
 Orange, under Section 1001, Public)
 Utilities Code of the State of)
 California.)

Application No. 35205
 First Supplemental

Arlyne Lansdale, attorney, for applicant.
James F. Wilson and Robert M. Mann, for the
 Commission staff.

O P I N I O N

Dyke Water Company, a corporation, by the above-entitled application filed June 1, 1954 seeks a certificate of public convenience and necessity to extend its public utility water system into Tract No. 2060, northwest of Garden Grove in unincorporated territory, Orange County. Said tract has been subdivided into Tracts Nos. 2060, 2227 and 2185, as shown on the map Exhibit No. 2 filed at the hearing.

A public hearing in this matter was held before Examiner Warner on July 7, 1954 at Santa Ana. There were no protests to the granting of the application.

By Decision No. 50041, dated May 11, 1954, in Application No. 35205, applicant was restricted from further extending its water system in the area bounded by Dale, Chapman, Stanton, and Orangewood Avenues, which area includes within its boundaries the area applied for herein, without further order of the Commission. The instant application seeks such further order.

Description of Area

Tract No. 2060 has been subdivided into 100 lots, Tract No. 2227 into 99 lots, and Tract No. 2185 into 22 lots, for a total of 221 lots immediately adjacent to and on the south of Tract No. 1934, which was included in the certificate granted by Decision No. 50041 hereinbefore referred to. Exhibit No. 1 is a copy of an executed contract dated May 10, 1954 between applicant and the subdivider of the area requested to be certificated. No homes have as yet been constructed and no water system is as yet installed in the proposed area.

Source of Water Supply

Applicant proposes to serve Tracts Nos. 2060, 2227, and 2185 from its present water system facilities, which include 11 wells and an inter-connecting transmission and distribution system. Applicant's president testified that since April, 1954, applicant had practically completed a 5,000,000-gallon storage reservoir 300 feet long, 100 feet wide, and 20 feet deep, 1440 feet northeast of Katella Avenue and Brookhurst Street, and that construction of two additional 5,000,000-gallon reservoirs, one 75 feet east of the present reservoir and another 75 feet west thereof, was planned. Applicant's witness further testified that as soon as construction of a seven-mile pipeline by the Metropolitan Water District is completed, applicant will effect a connection with said District at a point near Katella Avenue and Brookhurst Street.^{1/} Water delivered through such connection will be stored in and distributed from the storage reservoirs mentioned herein. Applicant has practically completed the installation of two 6-inch

^{1/} Applicant also plans to effect two other connections with the Metropolitan Water District pipeline on Lewis Street.

transmission pipelines, one on each side of Brookhurst Street, to connect its north system, in which its principal wells and reservoirs are located, with its southern system. All of the afore-described water system facilities will be available to furnish water service to the area for which a certificate is requested in this application. Fire protection service will be provided through fire hydrants installed by applicant at intervals of every 500 or 600 feet.

It appears that the sources of water supply, the storage, transmission, and distribution pipeline facilities presently installed, and proposed to be installed by applicant, are adequate to serve the proposed area. No franchise is required by Orange County for the water system installations, and the sources of water supply have been tested periodically by the Orange County Health Department and found to be potable.

Rates

Applicant proposes to apply its presently filed schedules of rates for water service to Tracts Nos. 2060, 2227, and 2185.

Conclusion

From a review of the record the Commission is of the opinion that a certificate of public convenience and necessity should be granted to Dyke Water Company to serve Tracts Nos. 2060, 2227, and 2185 on the north side of Chapman Avenue and west of Dale Avenue, subject to the following provision of law:

The 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.

O R D E R

Application as above-entitled having been filed, 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 require that a certificate of public convenience and necessity be granted to Dyke Water Company, a corporation, covering Tracts Nos. 2060, 2227, and 2185, Orange County, in the area shown on the map Exhibit No. 2 filed at the hearing; therefore

IT IS HEREBY ORDERED as follows:

1. That a certificate of public convenience and necessity be, and it is, granted to Dyke Water Company, a corporation, to construct and operate a public utility water system and to extend its water system in the area hereinabove described.
2. That applicant be, and it hereby is, authorized to apply its presently filed rates for water service to the area certificated by this order.
3. That applicant shall re-file within thirty days after the effective date of this order, in conformity with the provisions of General Order No. 96, its presently filed tariff schedules, including the tariff service area map, to provide for the application of said tariff schedules for water service in the areas certificated by this order.
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 of not smaller than 200 feet to the inch, delineating by appropriate markings the various tracts of land and territory served, the principal water production, storage and distribution facilities; and the location of various properties of applicant.

5. That applicant shall base the accruals to depreciation upon spreading the original cost of the plant, less estimated net salvage and depreciation reserve, over the estimated remaining life of the property; applicant shall review the accruals when major changes in plant composition occur and for each plant account at intervals of not more than five years. Results of these reviews shall be submitted to this Commission.
6. That Ordering Paragraph No. 5 of Decision No. 50041, dated May 11, 1954, in Application No. 35205, be and it hereby is modified and supplemented to the extent of the order herein.

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

Dated at Los Angeles, California, this 27th day of July, 1954.

[Signature]
President
[Signature]
[Signature]
[Signature]
Commissioners