

Decision No. 50362**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 CALIFORNIA WATER SERVICE COMPANY, a )  
 corporation, for an order authorizing ) Application No. 35521  
 the discontinuance of service by )  
 Applicant in certain territory in )  
 Contra Costa County. )

McCutchen, Thomas, Matthew, Griffiths & Greene  
 by Robert Minge Brown, for applicant.  
Rudd Sellar, for Gregory Gardens County Water  
 District, protestant.  
Francis G. Nottingham, for Central Fire Protection  
 District, and A. W. Vargus, for Mt. Diablo Fire  
 Protection District, interested parties.  
Verner R. Muth, for the Commission staff.

O P I N I O N

On June 16, 1954, applicant California Water Service Company filed its application to discontinue service in the area now served by the Gregory Gardens County Water District, hereinafter called Water District, with the following exceptions:

- (a) The area adjacent to the Walnut Creek-Pacheco Highway shown in green on the map attached to the application as Exhibit B, where a number of commercial establishments are presently being served by applicant.
- (b) The area which may be served from applicant's mains on Gregory Lane on the southern boundary of the Water District, which mains are shown in green on said map, Exhibit B, and are now used to serve consumers outside the Water District.

In order to assist the Water District in its initial operations, applicant has installed at the expense of the Water District and is maintaining a temporary 6-inch service and meter interconnecting the two systems to provide temporary standby service at certain hours. Applicant desires to continue such standby service in accordance with its agreement with the Water District.

In the area in which service is proposed to be discontinued applicant formerly served 1,475 consumers. By reason of service now being offered by the Water District applicant is presently serving only one domestic consumer, Mrs. Howard, and two fire protection districts, the Central Fire Protection District and the Mt. Diablo Fire Protection District. A total of 25 fire hydrants are being served by applicant, of which 11 belong to the Central Fire Protection District and 14 to the Mt. Diablo Fire Protection District.

Mrs. Howard made no appearance at the hearing. The two fire districts appeared as interested parties and stated they had no objection to the discontinuance of service by applicant, provided they could obtain fire protection service from the Water District.

The record shows that Mrs. Howard and both fire protection districts may obtain service from the Water District and that the fire protection districts were negotiating for such service at the time of the hearing.

Applicant's witness Mau, its Vice President, estimated that as a result of the duplication of facilities in the area by the Water District applicant has sustained a capital loss of \$175,000. The continuance of the service to the one residential consumer and the two fire protection districts would involve annual expenses in the neighborhood of \$45,000. Annual revenues would amount to only \$750 from both fire protection districts and \$50 from the residential consumer, or a total of \$800. The annual net operating loss would be approximately \$44,200.

The Water District appeared to protest the discontinuance of service to the fire protection districts until such time as negotiations for service with the fire protection districts

have been completed and the fire hydrants have actually been connected to the mains of the Water District. Witness Vargus of the Mt. Diablo Fire Protection District estimated that the switch-over would require one to two days per hydrant and a total maximum time of not more than 60 days. Applicant's witness Nutting stated that the physical switch-over would require a minimum time of 30 days and a maximum time of 45 days.

At the hearing applicant proposed that the fire protection service be continued to a date not later than September 20, 1954. The Water District proposed that applicant be required to furnish fire protection service until October 10, 1954, unless the fire hydrants were switched over to the Water District mains prior to that date. The responsibility for completion of negotiations and the making of the connections between the fire hydrants and the Water District mains, of course, rests with the Water District and the fire protection districts, but they should be given a reasonable time after the issuance of this decision to effect the switch-over. The date of October 10, 1954, which has been proposed by the Water District appears to be reasonable and will be adopted.

Certain facilities of applicant within the area where service is to be discontinued are necessary to serve consumers outside such area on the Creek Drive water main, who have formed an association known as the Las Juntas Improvement Association. The record shows that applicant is aware of its obligation to continue furnishing service through such facilities until adequate substitute facilities may have been installed.

Upon careful consideration of the record herein, the Commission concludes that applicant's request to discontinue service should be granted as hereinafter provided.

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 ORDERED that:

1. Applicant California Water Service Company is hereby authorized to discontinue all service which it is now furnishing and to withdraw from public service in the entire area within Gregory Gardens County Water District outlined in red on the map attached to the application herein as Exhibit B, except

- (a) service within the area adjacent to the Walnut Creek-Pacheco Highway shown in green on the said map, Exhibit B;
- (b) service from its mains on Gregory Lane on the southern boundary of the District shown in green on the said map, Exhibit B; and
- (c) the temporary standby service which it has agreed to furnish the Contra Costa County Water District;

provided that applicant shall give its one remaining residential consumer in this area at least twenty days' notice in writing of its discontinuance of service, and provided further that its fire protection service to the two fire protection districts within the area shall not be discontinued prior to October 10, 1954, unless all fire hydrants of such fire protection districts shall have been connected to the mains of the Contra Costa County Water District prior to said date.

2. Applicant shall notify the Commission in writing of its discontinuance of service pursuant to this order within ten days from the date of such discontinuance of service.

3. Applicant shall file with this Commission within sixty days after the effective date of this order, four copies each of the maps described in subsections (a) and (b) of this paragraph

to show the area of service existing after exclusion of the territory in which service is authorized herein to be discontinued.

- (a) Tariff service area map prepared in conformity with the provisions of General Order No. 96.
- (b) Comprehensive service area map drawn to an indicated scale not smaller than 3,000 feet to the inch, delineating by appropriate markings the principal water system facilities and the various properties of the applicant thereon.

4. The authorization herein granted will expire if not exercised on or before December 31, 1954.

This order shall be effective twenty days from the date hereof:

Dated at San Francisco, California, this 3rd day of August, 1954.

John E. Mitchell  
President

Matthew S. Adams

Stanley D. Datt

James Deagan

Commissioners