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Decision No. 59559

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of) PEERLESS LAND & WATER CO., a California) Corporation, of Bellflower, California,) for Certificate of Public Convenience) and Necessity to construct, operate,) and maintain a water system in unincor-) porated city of Bellflower, Los Angeles) County, under Section #1001 of the) Public Utilities Code.)

Application No. 35449

<u>C. L. Zastrow</u>, president, for applicant. James F. Wilson and Robert M. Mann, for the Commission staff.

$\underline{O P I N I O N}$

Peerless Land & Water Co., a corporation, by the aboveentitled application filed May 19, 1954, seeks a certificate of public convenience and necessity to construct and operate a public utility water system in unincorporated territory in the vicinity of Bellflower, Los Angeles County, in the area shown in green on the map, Exhibit A, attached to the application.

A public hearing in this matter was held before Examiner Stewart C. Warner on September 1, 1954 at Los Angeles. There were no protests to the granting of the application.

General Information

Applicant was granted a certificate of public convenience and necessity to operate a public utility water company by Decision No. 34063, dated April 1, 1941, in Application No. 23798, and Decision No. 34694, dated October 28, 1941, in Application No. 24294. By Decision No. 49980, dated April 27, 1954, in Application No.35036 (amended), applicant was granted a certificate covering additional areas. The areas covered by the afore-mentioned certificates are

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shown in red on the map attached to the application as Exhibit A. Water service is now being furnished to approximately 750 domestic consumers.

Description of Area Covered by the Instant Application

The area covered by the instant application includes Tracts Nos. 19795 and 19796, Los Angeles County, and the area south of Tract No. 19796 to New Center Street between McNab Avenue and the Southerm California Edison Company right-of-way. This area, located approximately one mile northeast of the unincorporated town of Bellflower, Los Angeles County, comprises 60 acres, 50 acres of which are subdivided into 275 single-resident lots. As of the date of the hearing, the construction of 102 homes on said lots had been completed and the construction of homes on the remaining 173 lots is near completion. No homes have, as yet, been occupied, and water service thereto has not been commenced.

Source of Water Supply and Description of Water System

Applicant owns an existing well located at the northwest corner of Tract No. 19795. Said well has been designated as applicant's Well No. 7. The well contains a 14-inch casing and has been drilled to a depth of 160 feet, with a standing water level of 58 feet. The pumping plant installation consists of a turbine pump driven by a 15-horsepower motor, which discharges into a 3,000-gallon steel pressure tank. The present pumping plant installation has a tested production capacity of 323 gallons per minute. The record shows that applicant has drilled an additional well 10 inches in diameter, 174 feet in depth, on property owned by applicant south of the southeast corner of Tract No. 19796. This well, to be designated as applicant's Well No. 8,will be equipped with a pump driven by a 15-horsepower motor, which will discharge into a 3,000-gallon

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steel pressure tank. The estimated production capacity of this well is 500 or 600 gallons per minute. All pumping plant equipment will be operated automatically, and the two wells will be interconnected with 6-inch cement-asbestos pipe.

The distribution system includes approximately 3;100 feet of 6-inch cement-asbestos pipe and 11,000 feet of 4-inch cementasbestos pipe. The water system installation has been effected under contract with the subdividers of the area, in accordance with applicant's presently filed Rule No. 15-B of its Rules and Regulations covering water main extensions and consumers' advances for construction. The total cost of fixed capital for this portion of applicant's water system is \$52,352.

Rates

Applicant proposes to apply its presently filed schedule of rates for flat rate and metered service to the area covered by this application. Such flat rates are \$2.00 per month for each 3/4inch service connection for each residence, including lot; \$1.25 per month for each additional residence on the same lot; and \$2.00 per month for each single business establishment. Such meter rates are \$1.75 per month for a 5/8x3/4-inch meter including up to 500 cubic feet of water with additional consumption being charged through several consumption blocks at from \$0.25 to \$0.12 per 100 cubic feet.

Conclusion

From a review of this record it appears that the sources of water supply, storage facilities, and distribution pipelines installed and proposed to be installed by applicant are adequate to serve the area covered by this application.

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The Commission has considered the application of Peerless Land & Water Co., for a certificate of public convenience and necessity covering the area hereinbefore described, and is of the opinion that it 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.

<u>ORDER</u>

Application 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 Peerless Land & Water Co., a corporation, be granted a certificate of public convenience and necessity to construct and operate a public utility water system in the area shown in green on the map attached to the application as Exhibit A; therefore,

IT IS HEREBY ORDERED as follows:

- 1. That a certificate of public convenience and necessity be and it is granted to applicant covering the territory hereinabove described.
- 2. That applicant be and it is authorized to apply its presently filed rates for water service to the area certificated by this order.
- 3. That applicant shall amend, 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 area certificated by this order.

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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 800 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.

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

	Dated at	San Francisco	, California, this 28th
day of _	SEPTEMBER	, 1954.	
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