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Decision No. <u>51213</u>

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of) CALIFORNIA-PACIFIC UTILITIES COMPANY,) a corporation, for a Certificate of) Public Convenience and Necessity auth-) orizing applicant to extend its water) service in Napa County, California, and) to exercise rights or privileges under) a franchise which applicant contem-) plates securing from the County of Napa,) State of California.

Application No. 35788 (Amended)

Orrick, Dahlquist, Herrington and Sutcliffe by <u>Warren A. Palmer</u>, for applicant. <u>Alfred L. Wanger</u>, City Manager of the City of Vallejo, for the City of Vallejo, interested party. <u>W. Ben Stradley</u>, for the Commission staff.

<u>O P I N I O N</u>

California-Pacific Utilities Company seeks authority to extend its water service in Napa County and to exercise the rights under a franchise to be acquired from said County.

A public hearing was held before Examiner Daly on February 9, 1955, in the City of Napa. There was no protest to the application.

The requested areas are immediately adjacent to applicant's present service area and are more specifically set forth in Exhibit 1. The extension is sought because of recent population growth. Many new houses have been constructed and additional residential housing developments are contemplated.

Applicant acquires its water from the City of Napa under a 10-year contract dated March 9, 1951. By the terms of the agreement the city is required to deliver to applicant water in an amount not to exceed 10 million gallons per month. To date, applicant has not exceeded 4-1/4 million gallons per month. If needed, additional water in the amount of 40 million gallons

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per month would be made available to applicant from the Basalt Rock Company's Suscal Wells according to testimony given by an official of that company.

There is no public utility water service within the requested areas except that provided or offered to a limited extent by the City of Vallejo along its transmission main. The City of Vallejo is presently furnishing water to consumers within a small portion of applicant's existing and requested areas. After consulting with representatives of the City of Vallejo, applicant amended its application to exclude the conflicting areas. Applicant is not now serving any consumers within that portion of its existing service area to be excluded by its amendment.

Applicant proposes to apply its filed rates and rules applicable in its existing service area in Napa County to the areas requested herein.

Application has been made with the Board of Supervisors of the County of Napa for a franchise granting to applicant the right and privilege of constructing, laying, maintaining and operating a water pipeline in, on, along, across, under, through and upon all public steets, roads, alleys and highways within the areas requested to be certificated by this proceeding. A member of the Board of Supervisors testified that the application for the franchise would soon be acted upon by the county. It was his opinion that the application would be given favorable consideration. When the franchise has been granted applicant proposes to file a supplemental application with this Commission requesting a certificate of public convenience and necessity to exercise said franchise.

After consideration, the Commission is of the opinion that a certificate of public convenience and necessity to construct and operate a public utility water system in the requested area should be granted.

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The certificate of public convenience and necessity issued herein is 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 Commission is also of the opinion that public convenience and necessity require it to make an order declaring that upon applicant's filing a supplemental application to which is attached a copy of the franchise to be issued by the Board of Supervisors of the County of Napa, the Commission will issue a certificate of public convenience and necessity authorizing applicant to exercise such franchise upon such terms and conditions as the Commission may designate.

ORDER

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 HEREBY FOUND AS A FACT that public convenience and necessity require and will require the construction and operation of a public utility water system by applicant in the areas set forth on a map marked Exhibit 1 in this proceeding, excluding therefrom the areas proposed to be served by the City of Vallejo both within applicant's existing and requested areas, therefore,

IT IS HEREBY ORDERED:

1. That a certificate of public convenience and necessity is hereby granted to California-Pacific Utilities Company to construct and operate a public utility water system for the distribution and sale of water within the territory hereinabove described.

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2. That applicant is authorized to revise its presently filed tariff schedules for its Benicia Division, including Schedule W-4-B, Meter Rates for Water Service, and tariff service area map, in accordance with the procedure prescribed by General Order No. 96, to provide for the application of said tariff schedules for water service in the areas being certificated by this order, such revised tariff sheets to be effective on or before service is first rendered to the public in said areas. Such rates, rules and tariff service area map shall become effective upon five days' notice to the Commission and to the public after filing as hereinabove provided.

3. 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 the various water system properties of applicant in Napa County.

4. That upon the filing by applicant of a supplemental application to which is attached a copy of the franchise to be issued by the Board of Supervisors of the County of Napa, the Commission will issue a certificate of public convenience authorizing applicant to exercise such franchise upon such terms and conditions as the Commission may designate.

The authorization herein granted will lapse if not exercised within one year from the date hereof.

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

Dated at _____ San Francisco California, this 15th day of Mahales, 1955.

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Commissioners