

ORIGINAL

Decision No. 51352

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. 35833

- Arlyne Lansdale, attorney, for applicant.
- Gordon, Knapp & Gill, attorneys, by Wyman C. Knapp, for Rancho Water Company, substituted for Leland Finley and Walter R. Rawlings, protestants as to Tracts Nos. 1842, 2320, and 2321 and the Finley Tract.
- Moss, Lyon & Dunn, attorneys, by George C. Lyon, for Pacific Water Company, interested party and protestant.
- Harry A. Kiethly, attorney, for Aldrich R. Peck and Aldrich R. Peck, Dorothy Thayer Peck and Charles H. Thatcher, trustees, protestants to certification of their land.
- F. L. Crowley, manager, for I. W. Hellman Ranch, protestant to certification of said ranch.
- Richard T. Hanna, attorney, for a group of landowners of 522 acres, protestants to certification of their land.
- George F. Holden, Deputy County Counsel, for the County of Orange and Orange County Water Works Districts Nos. 3 and 5, protestants.
- James F. Wilson, for the Commission staff.

O P I N I O N

Dyke Water Company,¹ a corporation, by the above-entitled application filed October 2, 1954 seeks authority to extend its water service to additional territory in the vicinity of Garden Grove in unincorporated territory, Orange County, in the area shown on the map attached to the application as Exhibit No. 1, except as said area was amended at the hearing.

¹ Hereinafter referred to as Dyke.

A public hearing in this matter was held on a consolidated record with Application No. 36204, Leland Finley and Walter R. Rawlings, now Rancho Water Company,² before Examiner Stewart C. Warner on January 20, 1955, at Santa Ana.

Protests and Elimination of
Specific Areas by Applicants

Rancho protested the granting of Dyke's application but withdrew its protest when Dyke's application was amended at the hearing to eliminate Tracts Nos. 1842, 2320 and 2321 and the Finley Tract therefrom. Rancho withdrew the portion of its application for a certificate to cover Tract No. 2247.

Counsel for trustees of the Anaheim Sugar Company, Aldrich R. Peck, et al., by their answer and objections filed January 18, 1955, protested the granting of the application covering approximately 589.86 acres, comprising 6 parcels, located in Township 5 South, Range 11 West, S. B. B. & M. in Orange County as shown on the map, Exhibit No. 9, filed at the hearing.

Counsel for Ralph Oosten, owner of some 96 acres, Willis Miller, owner of some 125 acres, Joe Soares, owner of 2 parcels of 60 acres each, totaling 160 acres, and Alban Holtz, owner of some 242 acres all in Section 4, Township 5 South, Range 11 West, S. B. B. & M., as shown on the map, Exhibit No. 6, filed at the hearing, protested the granting of the application covering said acreages.

The manager of the I. W. Hellman Ranch, by a letter filed as Exhibit No. 7, protested the granting of the application covering 130 acres of said ranch located at the southeast corner of Westminster and Bolsa Chica Avenues.

² Hereinafter referred to as Rancho. By a petition dated March 15, 1955, Rancho requested that submission of its application be set aside for further hearing.

Pacific Water Company³ protested the application on the grounds that Pacific, or its predecessors, had been furnishing water service in its Barber City and Millar Tract systems for the last 20 years. The areas in which Pacific is furnishing water service as they relate to the instant application⁴ are shown in green and blue on the map, Exhibit No. 16, filed at the hearing.

Counsel for Orange County protested the granting of the application and requested that applicant be required to secure from the county a franchise to use the public streets and highways as a condition of its being granted a certificate of public convenience and necessity. Orange County counsel also protested the application in so far as it overlapped the boundaries of Orange County Water Works Districts Nos. 3 and 5 as shown on the maps, Exhibits Nos. 10 and 15, filed at the hearing. The evidence shows that only a portion of the application is included within the boundaries of Water Works District No. 5 (Tract No. 2365 and an easterly portion of Tract No. 1822), and none within District No. 3.

At the hearing Dyke amended its application by withdrawing all protested areas heretofore mentioned except Tract No. 2365 and the easterly portion of Tract No. 1822. It also withdrew a certain area within the boundaries of a U. S. Naval reservation, and an area adjacent to Pacific's Barber City system on the east thereof. Exhibit No. 15 is a map showing Dyke's amended requested area.

General Information

Applicant was granted a certificate of public convenience and necessity by Decision No. 46758, dated February 13, 1952, in Application No. 32634, and had filed its Articles of Incorporation in

³ Hereinafter referred to as Pacific.

⁴ By its Application No. 36592, filed December 28, 1954, Pacific seeks a certificate of public convenience and necessity covering the area outlined with a heavy red line on Exhibit No. 16.

said application. Subsequently Dyke has been authorized to extend and expand its water system by Decisions Nos. 47058, 49393, 50041 and 50339. All of its present operations, for which certificates of public convenience and necessity have been granted, are north of Garden Grove and southwest of the Santa Ana Freeway. It now furnishes water service to some 3,500 consumers, and utilizes 70 wells. Three connections with Orange County Municipal Water District's Metropolitan Water District facilities have been authorized to it, and two 5,000,000-gallon reservoirs for the storage of water from such facilities have been constructed by applicant in the northern part of its present service area. Dyke operates 11 service cars equipped with telephones, and maintains six emergency night telephone numbers and a 24-hour emergency service crew for the service of its water system.

Contracts with Subdividers and Proposed Water Service

In the instant application, the record shows that applicant has contracted with the subdivider of Tract No. 1990 to furnish water service therein. Said tract consists of 44 lots and there are now 25 consumers. Tract No. 1822 comprises 83 lots on which some 83 homes have been completed, and applicant has contracted with the subdivider to furnish water service thereto. A 6-inch cement asbestos pipeline has been installed through Tract No. 1822 from the well located therein 1,200 feet into Tract No. 1990. Dyke has contracted with the subdivider of Tract No. 1991, consisting of 44 lots, and this tract will be served from the water system in Tracts Nos. 1822 and 1990 described heretofore. In another portion of its requested area, as shown on Exhibit No. 15, applicant has signed contracts to serve Tract No. 2038, consisting of 40 acres on the west side of Elm Street, and Tract No. 2365 consisting of 35 lots. Also, applicant has a signed contract with the subdivider of Tract No. 2247 in which about 500 homes will be constructed.

Source of Water Supply

The record shows that applicant owns and has available to it seven wells which can and will be utilized in the furnishing of water service to the requested area.

Rates

Applicant proposes to apply its presently filed rates to the area requested to be certificated herein.

Conclusion

From a review of the record it appears, and the Commission is of the opinion, that a certificate of public convenience and necessity covering areas described hereinafter should be granted to Dyke subject to the following provisions 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.

It appears, and the Commission so finds, that public interest requires that Dyke should be restricted from expanding its water system without further order of the Commission within the boundaries of Orange County Water Works District No. 5 as they existed as of the date of the hearing in this matter and as they are delineated on the map filed at such hearing as Exhibit No. 10, except that applicant should be permitted to continue to serve in Tract No. 2365 and those portions, if any, of Tracts Nos. 1822, 1990 and 1991 within the boundaries of said district in which it is presently furnishing or has contracted to furnish water service.

It further appears, and it is so found, that public convenience and necessity do not require that a certificate be granted to Dyke covering those areas presently being served by Pacific Water Company and those areas immediately adjacent thereto, as requested by Dyke's amended application and as shown on the map, Exhibit No. 15, hereinbefore referred to.

The order which follows will provide that Dyke shall secure from Orange County a franchise, if said franchise is required by said County, granting the privilege of using the County streets, roads and highways. If such franchise is secured, applicant must apply to this Commission by appropriate application for authority to exercise the rights and privileges thereof as required by Section 1002 of the Public Utilities Code.

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, in the territories delineated on the map attached hereto as Appendix A, subject to Dyke Water Company's securing a franchise from Orange County if required by said County; therefore,

IT IS HEREBY ORDERED as follows:

1. a. That Dyke Water Company be and it is granted a certificate of public convenience and necessity to extend its water system in unincorporated territory, Orange County, in the areas delineated on the map attached hereto as Appendix A.
- b. That Dyke Water Company be and it is restricted from expanding its water system without further order of the Commission within the boundaries of

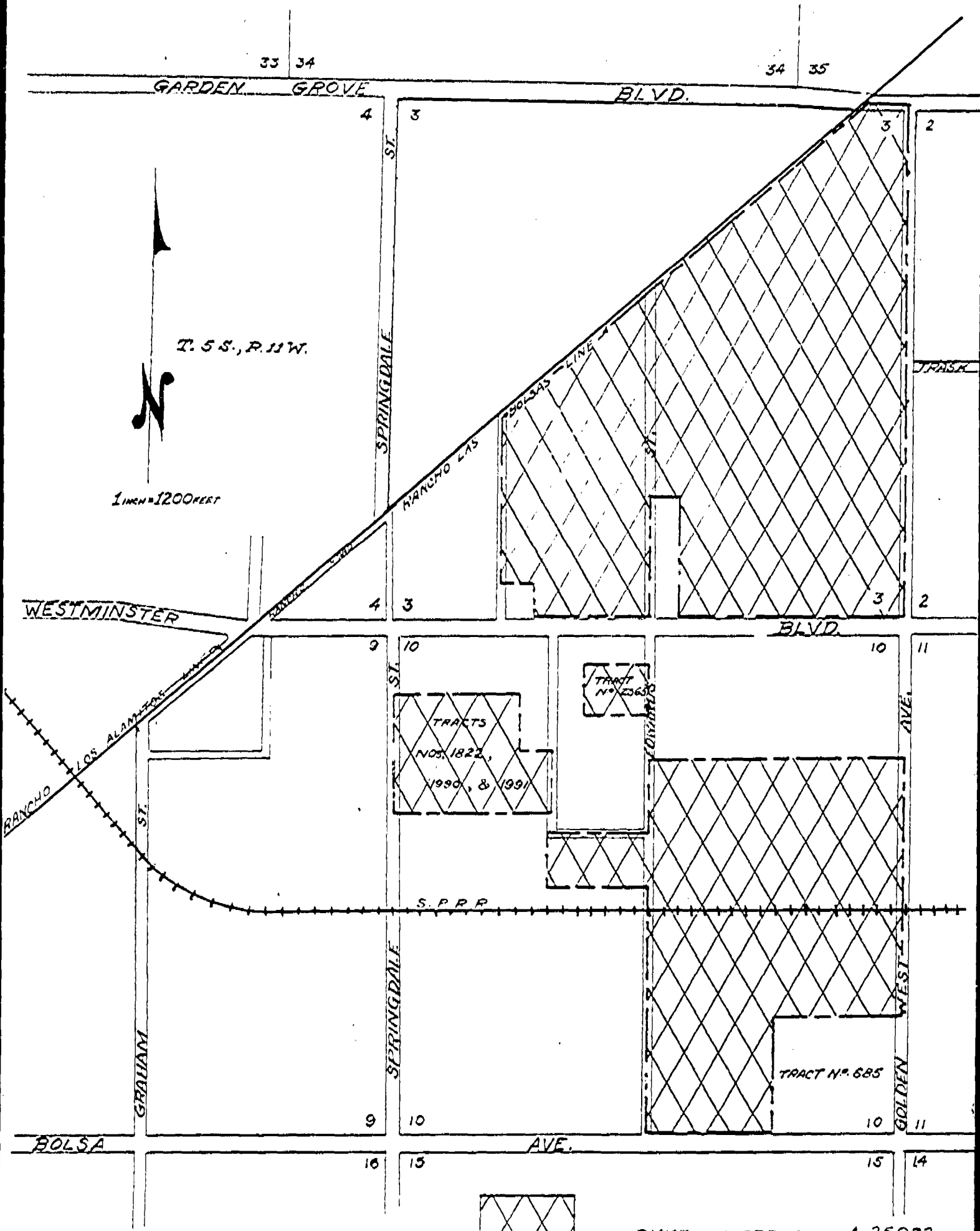
Orange County Water Works District No. 5 as they existed as of the date of the hearing in this matter and as they are delineated on the map filed in this proceeding as Exhibit No. 10, except that Dyke Water Company is permitted to continue to furnish water service in Tract No. 2365 and those portions of Tracts Nos. 1822, 1990 and 1991 within the boundaries of said district in which it is presently furnishing or has contracted to furnish water service.

2. a. That Dyke Water Company be, and it is, authorized to revise after the effective date of this order its presently filed tariff schedules, including tariff service area map, in conformity with the provisions of General Order No. 96 to provide for the application of said tariff schedules, to the extent not inconsistent with this decision and order, for water service in the area 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 revised tariff sheets shall become effective upon five days' notice to the Commission and to the public after filing as hereinabove provided.
- b. That Dyke Water Company 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 served; the principal water production, storage, and distribution facilities; and the location of its various properties.
3. That Dyke Water Company 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.
4. 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 applicant shall have submitted proof to the Commission that it has secured a franchise from Orange County, if such franchise is required by said County, granting to applicant the privilege of using the county streets, roads and highways.

Dated at San Francisco, California, this 19th day of APRIL, 1955

John E. Mitchell President
Justin F. Calmes
Royce L. Johnson
Marion J. Dooly
 Commissioners



T. 5 S., R. 11 W.

1 INCH = 1200 FEET

SPRINGDALE ST.

SPRINGDALE ST.

GRAHAM ST.

SPRINGDALE ST.

GOLDEN WEST AVE.

GARDEN GROVE BLVD.

WESTMINSTER

BLVD.

BOLSA

AVE.

RANCHO LAS BOLSAS LINE

S.P.R.R.

TRACTS
NOS. 1822,
1990, & 1991

TRACT
N° 685

TRACT N° 685



APPENDIX A

DYKE WATER CO. A-35833