

ET

ORIGINAL

Decision No. 52185

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 CITIZENS SUBURBAN COMPANY, a Cali-)
 fornia corporation, for a certificate)
 of public convenience and necessity)
 authorizing applicant to furnish)
 public utility water service in cer-)
 tain portions of Sacramento County,)
 California, to exercise franchise)
 rights in connection therewith, and)
 to issue and sell its capital stock.)

Application No. 37236

OPINION AND ORDER ON PETITION FOR APPROVAL
OF TEMPORARY WATER SERVICE AGREEMENT

Citizens Suburban Company, on August 22, 1955, filed the above-entitled application seeking a certificate of public convenience and necessity to construct, maintain and operate a public utility water system to serve a new subdivision, known as the Cordova Park Subdivision, located some 11 miles east of the center of the City of Sacramento in Sacramento County, California. Applicant also seeks authority to exercise the rights and privileges of a franchise granted by Ordinance No. 493 of the Board of Supervisors of the County of Sacramento on May 23, 1955, and to issue and sell shares of its common stock at par to Citizens Utilities Company, a Delaware corporation.

The first day of public hearing was held on this application on September 22, 1955, before Examiner M. W. Edwards at Sacramento. Applicant's request was opposed by the Natomas Water Company on the asserted grounds that it has a historic right to serve the area. It was impossible to complete the hearing on the first day, the understanding being that another day of hearing would be set for closing arguments about two weeks after the

transcript of the first day of hearing was available. Copies of the transcript were available on October 21, 1955.

On October 18, 1955, applicant filed a petition for approval of temporary water service, the matter of primary concern in this decision. The purpose of the petition is to authorize applicant to start operating the system on a temporary basis pending final decision in this matter. Applicant represents that some of the new homes will be completed and occupied by November 1, 1955. Accordingly, it entered into a temporary water service agreement, dated October 12, 1955, with the subdivider and now seeks the Commission's approval to carry out the terms and conditions of the temporary water service agreement.

On October 24, 1955, the Natomas Water Company filed a verified protest to said petition and asked that it be denied. Natomas stated that two houses are completed and are being used as model homes for demonstration purposes, that only two other houses are near enough to completion to conceivably be occupied by November 1, 1955, and that the balance of the houses will not be completed for a period varying between 30 and 60 days after October 24, 1955.

Also on October 24, 1955, Natomas filed a petition requesting that the Commission set aside submission and reopen this proceeding for the taking of additional evidence. This proceeding was not submitted at the close of the first day's hearing but was held open for closing arguments. Protestant now states that there are sufficient changes of fact to warrant it in producing additional evidence.

After considering the petitions and the protest it is the Commission's conclusion that the petition of applicant should be denied and that the hearing should be reopened and promptly

set for the receipt of additional evidence prior to closing arguments; therefore,

IT IS ORDERED that the petition of Citizens Suburban Company for approval of a temporary water service agreement is denied.

IT IS FURTHER ORDERED that the proceeding in the above-entitled matter is reopened for receipt of additional evidence and for further hearing before Examiner Edwards on Friday, November 25, 1955, at 10 a.m. in the Commission's Courtroom, State Building, San Francisco, California, subject to the condition that at least five days prior thereto Natomas Water Company advise applicant of the witnesses, exhibits and evidence it proposes to adduce.

Because of the urgency of this matter the effective date of this order is the date hereof.

Dated at San Francisco, California, this 2nd day of November, 1955.

[Signature]
President
[Signature]
[Signature]

Commissioners