

Decision No. 54069**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of CORONA CITY WATER COMPANY,)
 a California corporation; and the CITY OF)
 CORONA, a Municipal corporation, for an)
 order authorizing a deviation from pub-)
 lished rules and approving an agreement)
 between applicants for repayment of money)
 advanced to install pipe line.)

Application No. 38335

Roy Mann and Donald D. Stark, attorneys, for
 Corona City Water Company.
John T. Ganahl, City Attorney, for the City of Corona.
Charles W. Drake, for the Commission staff.

O P I N I O N

The Corona City Water Company conducts operations as a public utility water company in the area of Corona, California. The City of Corona proposes to develop an industrial area and accordingly desires water service therefor. In line with these plans, the city has entered into an agreement with the water company under the terms of which the city will advance the sum of \$15,500 towards the cost of installing a water line to provide service to this industrial area.

The instant application requests approval of this agreement and also requests authority for the utility to deviate from its published rules so that it may charge a connection fee for service connections directly from the proposed line of \$1.50 per front foot.

A public hearing was held in Los Angeles before Examiner Grant E. Syphers on September 27, 1956, at which time evidence was adduced and the matter submitted.

The testimony discloses that the estimated cost of the pipeline will be \$18,973. Under its existing rules the utility believes this sum would be too great to be defrayed by any one industry that might locate in the area. It should be noted that there are no industries now in the area and to provide service will require an

installation of approximately 4,978 feet of pipeline of which 1,304 feet would be 10-inch pipe, and 3,674 feet would be 12-inch pipe.

A witness for the city testified that the land is in the process of being re-zoned and that the city is willing to advance \$15,500 towards the cost of the pipeline. A witness for the company testified that the proposed line would be adequate to serve the area and that the company is willing to repay the city's advance of \$15,500 as connection charges to this line are made.

It is proposed that the utility assess service connection charges of \$1.50 per front foot for all property served from this industrial main which amount is used to reimburse the city until the total amount of the reimbursement equals the \$15,500 or until twenty years from the date of the agreement with City. Likewise at the time of making such a service connection the utility proposes to enter into an agreement with the consumer under the terms of which a refund will be made by the utility to the consumer of 22 per cent of the gross billing for water furnished to the consumer at the connection. These refunds to the consumer will be continued until the total amount of such refund equals the service connection fee advance or until twenty years from the date of the advance agreement.

The testimony shows that the Corona City Water Company has sufficient water to provide the service and there was no evidence presented in opposition to the proposed agreement.

It is contemplated that 11 fire hydrants will be needed for the area. The company will put in connections for these fire hydrants but does not intend to bear the cost of the installation of the hydrants themselves.

Consideration of this record leads us to the conclusion and we now find that the contract between the City of Corona and the Corona City Water Company should be approved, and further that the

proposed connection charges are reasonable and accordingly should be approved.

We further find that the water company should be permitted to enter into a service connection fee advance and advance refund agreement as described in these proceedings.

O R D E R

Application as above entitled having been filed, a public hearing having been held thereon, the Commission being fully advised in the premises and hereby finding it not to be adverse to the public interest,

IT IS ORDERED that:

(1)a. The Corona City Water Company be and it hereby is permitted to enter into an agreement with the City of Corona in accordance with the agreement submitted in this proceeding and attached to the application as Exhibit A.

b. The Corona City Water Company shall file with the Commission within thirty days after the effective date of this order, two certified copies of the contract as executed.

(2) The Corona City Water Company is authorized and directed to file after the effective date of this order and in conformity with General Order No. 96 the tariff sheet set forth in Appendix "A" attached hereto, to become effective on or before the date service is first rendered to the public. Such tariff sheet shall become effective

on five days' notice to the Commission and to the public after filing as hereinabove provided.

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

Dated at San Francisco, California, this 13th day of November, 1956.

Robert E. Mitchell
President

Ralph L. Intereven

[Signature]

[Signature]
Commissioners

Commissioner Rex Hardy, being necessarily absent, did not participate in the disposition of this proceeding.

RULE NO. 15-L

LIMITED MAIN EXTENSIONS

A. Territorial Limitation

The provisions of this rule shall apply only to service furnished directly from the utility's Industrial Main in South Avenue between Sixth Street and Railroad Street in the City of Corona, Riverside County.

B. Amount of Advance

An applicant for service under this rule shall be required to advance to the utility an amount which is based upon \$1.50 per lineal foot of the applicant's property fronting on South Avenue.

C. Refund Provisions

The money so advanced will be subject to refund by the utility without interest to the party or parties entitled thereto. The total amount so refunded shall not exceed the amount advanced. The utility will refund 22% of the revenue received from water service furnished to the property for which the advance was made. The refunds will, at the election of the utility, be made in annual, semiannual, or bimonthly payments and for a period of not more than 20 years.