

ORIGINAL

Decision No. 55072

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SOUTHERN CALIFORNIA WATER COMPANY)
for an order approving and authorizing)
an agreement between applicant and the)
State of California, Department of)
Natural Resources, Division of Beaches)
and Parks, and the City of Huntington)
Beach, California, for an extension)
of service by applicant to real)
property of the foregoing.)

Application No. 38897

OPINION AND ORDER

In this application, filed on March 8, 1957, Southern California Water Company, a corporation, seeks authorization to carry out the terms of an agreement dated December 15, 1948, with the State of California and the City of Huntington Beach, relating to the installation of a water main extension consisting of 3,025 feet of 8-inch pipe to serve the area adjacent to Pacific Coast Highway between "A" Street and State Highway No. 39, as shown in Exhibit A, a copy of which is attached to the application.

The terms of the agreement deviate in certain respects from the utility's main extension rule in effect at the time the agreement was executed. Instead of requiring the estimated cost of the facilities to be advanced before construction was commenced, the agreement provides for payment to the utility of the actual installed cost of the facilities upon completion of the construction. Further, until the amount of such payment has been refunded, refunds are to be continued for a period not longer than thirty years instead of the maximum ten-year period provided by the rule.

It is alleged in the application that the State of California could not legally advance funds to a private corporation prior to the completion of work to be performed, and that the period of repayment was extended to thirty years to assure the State that the full amount of the advance would be refunded.

According to the application, the actual cost of the main extension amounted to \$11,058.86 of which 60 per cent, or \$6,635.32, was advanced by the State of California, and 40 per cent, or \$4,423.54, was advanced by the City of Huntington Beach.

The agreement as executed contains the provision that it shall be subject to such changes or modifications by the Public Utilities Commission of the State of California as said Commission may, from time to time, direct in the exercise of its jurisdiction.

The Commission having considered the application and being of the opinion that the agreement as proposed is not adverse to the public interest, that a public hearing is not necessary and that the application should be granted; therefore,

IT IS HEREBY ORDERED that Southern California Water Company, a corporation, is authorized to carry out the terms and conditions of the written agreement dated December 15, 1948, with the State of California and the City of Huntington Beach.

IT IS HEREBY FURTHER ORDERED that Southern California Water Company shall file with this Commission within thirty days after the effective date of this order two certified copies of the agreement as executed, together with a statement of the date on which the agreement was deemed to have become effective.

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

Dated at San Francisco, California, this 4th day of JUNE 1957

E. J. [Signature]
 President

[Signature]

[Signature]

[Signature]

[Signature]
 Commissioners