

Decision No. 55354

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
Pacific Water Co., a California)
corporation, for a Certificate of)
Public Convenience and Necessity)
under Section 1001 of the Public)
Utilities Code, to construct and)
extend its system, and to render)
service to certain territory in)
Orange County bordered on the east)
and west by present certificated)
areas of Pacific Water Co.)

Application No. 39031

Moss, Lyon & Dunn, attorneys, by George C. Lyon,
for applicant.
Willard R. Poole, city attorney, for the City of
Garden Grove; Arlvne Lansdale, attorney,
for Dyke Water Company; Richard Haster,
in propria persona, protestants.
James G. Shields and Richard E. Entwistle, for
the Commission staff.

O P I N I O N

Pacific Water Co., a corporation, hereinafter called Pacific or applicant, by the above-entitled application filed April 26, 1957, ^{1/} seeks authority to extend its water system in unincorporated territory of Orange County, in the area delineated by a red line on the map Exhibit "A", attached to the application.

Public hearings on this matter were held before Commissioner Rex Hardy and Examiner Stewart C. Warner on July 10, and 11, 1957, at Santa Ana. The city attorney of the City of Garden Grove, and representing the city council of said City, protested the application insofar as it covered areas within the City of Garden Grove, and proposed annexations thereto. Dyke Water Company, hereinafter called Dyke, protested the application on the grounds that it was already furnishing water service in the area, and that it was ready, willing, and able to furnish water service to the proposed area.

^{1/} By its Application No. 39225, filed July 10, 1957, applicant seeks authority to extend its water system in an area generally south of Bolsa Avenue, east of Cannery Street, north of Smeltzer Avenue, and west of Verano Street. Original hearings on this matter are pending.

General Information

Pacific furnishes water service to twenty-three separate water systems in San Bernardino, Kern, Los Angeles, and Orange Counties. Exhibit No. 1 (infra) is a general area map of applicant's Orange County water systems, excluding its Heiner Tract System (at the northeast corner of Orange Avenue and Gilbert Street, adjacent to but outside the sphere of operations created for Dyke by Decision No. 53858, dated October 1, 1956, in Applications Nos. 37097 and 37161, as shown on the map Appendix "A", attached to said decision).

Allegations of Applicant

Applicant alleged that it intended to apply for and obtain water from the Metropolitan Water District for its Orange County Systems in its Areas I and II as so designated on the map Exhibit No. 1 (infra); that it intended to connect said Areas I and II if the instant application were granted; that the proposed area was in the normal expansion of applicant; that by paragraph 1.(a) of Decision No. 53862 (supra), applicant was prohibited from extending its water systems outside the boundaries of Areas I and II, without further order of the Commission; that Dyke had filed its First Supplemental Application No. 37161, for authority to extend Dyke's system into a portion of the area requested by the applicant herein; that if such extension by Dyke were permitted, it would drive a wedge between the two spheres of operation and certificated areas of applicant, and would make it uneconomical for applicant to interconnect Areas I and II; that applicant is willing and able to serve the intermediate territory; that public convenience and necessity would be facilitated by this service by applicant; and that the intermediate territory could be easily and economically served by applicant in connection with its existing water systems in Areas I and II. The intermediate

territory's area is delineated by the red line on Exhibit No. 1 (infra), and it includes areas within the city limits of the City of Garden Grove and proposed annexations to said City.

Description of Applicant's Presently Certificated Areas and Its Proposed Area

Exhibit No. 1 is a reproduced section of the map Appendix "A", attached to Decision No. 53862, dated October 1, 1956, in Application No. 36592, as amended, of Pacific Water Co. which delineated Pacific's spheres of operations and certificated areas in southwestern Orange County.

The eastern portion of Exhibit No. 1 is designated as applicant's Area I (supra), which includes its Laurel Square, Silver Acres, Tract 1179, Tract 1710, Laelco, Los Palms Ranchos, and Russ Boorey systems. Exhibit No. 4 shows that applicant's presently installed total pumping plant production capacity in Area I, as of May 1, 1957, was 4,553 gallons per minute, and that water service was being furnished in said area to 1,912 consumers.

Area I is bounded on the east by the Santa Ana River, on the south by Smeltzer Avenue, on the west by Tract No. 366 between Ward and Verano Streets, and on the north, generally by Garden Grove Avenue.

The western portion of Exhibit No. 1 delineates applicant's Area II (supra), which includes its Sun Gardens and New Westminster system, in which the total pumping plant production capacity, as of May 1, 1957, was 2,125 gallons per minute, and in which water service was being furnished to 851 consumers. Area II also includes applicant's Tract No. 2469 (the so-called "Bowles Tract") in which applicant's well No. 19 is located. Exhibit No. 4 shows that said well No. 19 has a presently installed pumping plant production capacity of 1060 gallons per minute and that, as of May 1, 1957, water service was being furnished to 167 customers in Tract No. 2469.

Area II is bounded on the east, generally, by the easterly limits of Tract No. 2469, on the south, generally, by Hazard Avenue, on the west by Cedarwood, and on the north by Garden Grove Avenue.

The intermediate territory between Areas I and II constitutes applicant's proposed area herein being considered.

The maps, Exhibits Nos. 1 (supra) and 1-A, show the locations of applicant's wells, and applicant's engineering witness testified that the water systems in Areas I and II are interconnected within each area, except for the water system in Tract No. 2469, in which applicant's well No. 19 is located. Said well is not connected with the water system in Area II.

Exhibit No. 1-A shows the locations of Tract No. 2661, which is contiguous to and north of Tract No. 2469, and Tract No. 2522, which is contiguous to and east of Tract No. 2661, each in Area II. The record shows that Dyke is furnishing water service in said Tracts Nos. 2661 and 2522, both of which are outside the spheres of Dyke's boundaries established by Decisions Nos. 53858 and 53862 (supra).

Protest of the City of Garden Grove

The city attorney of the City of Garden Grove, on behalf of its city council, protested the granting of the instant application, insofar as it applied to areas within the City of Garden Grove or proposed annexations thereto. He testified that, although the City had no water department of its own nor any plans therefor, it was contemplating effecting some arrangement for water service with Orange County Water Works District No. 3, a water works district under the general managership of the Orange County Board of Supervisors; that said Water Works District had a connection with the Metropolitan Water District; that said Water Works District had indicated that it had an ample water supply therefrom; that

the City proposed to acquire 40 acres of land from the General Services Administration of the United States Government in the area bounded by Westminster Avenue on the south, Cannory Street on the west, Trask Avenue on the north, and Wright Street on the east; that the Garden Grove Union High School District had already acquired 40 acres from the United States Government in the same area; that the City had before it three proposed annexations of areas south of Westminster Avenue, which were routine, non-inhabited, annexable areas, and that another proposed annexation of an inhabited area in Tract No. 856 was scheduled for election on September 4, 1957, also south of Westminster Avenue in the vicinity of Wright Street. Exhibit No. 3 shows the locations of said proposed annexations.

The city attorney testified that the City of Garden Grove was incorporated on June 19, 1956; that it now had a population in excess of 58,000; that its charter was being tested before the State Supreme Court; that both Dyke and Pacific were furnishing water service within the city limits; and that no public convenience and necessity existed for water service by Pacific within the city limits as affected by the instant-captioned application.

Protest of Dyke

Dyke protested the instant application on the grounds that it was already and had been for some time, furnishing water service within the proposed area; that it had filed its First Supplemental Application No. 37161,^{2/} covering tentative Tracts .

^{2/} By its Second Supplemental Application No. 37161, filed June 4, 1957, Dyke seeks authority to extend its water system to Tract No. 2524, and a tract of land known as the Tibbets Tract or Tract No. 1040; the Bolsa School; and numerous commercial establishments and home owners in the territory bounded by Cannery Street on the West, Ward Street on the east, Hazard Avenue on the north, and Sugar Avenue on the south, in unincorporated territory of Orange County. Original hearing on this matter is pending.

Nos. 2880, 3010, and 3043, the Ferguson School grounds and three consumers in the vicinity of its well No. 14, all within Pacific's proposed area, on March 18, 1957; that the matter had been submitted for decision after hearings on May 15, 16, and 17, 1957, at Santa Ana; and that the decision thereon was pending.

Dyke's president testified that said company had installed a water system in Tract No. 2524, at the northeast corner of Bolsa Avenue and Cannery Street, comprising 175 lots, in the year 1955, but that it had no certificate or authority from the Commission for such installation; that it had installed a water system in Tract No. 739 at the four corners of Bolsa Avenue and Wright Street about 60 or 90 days ago; that it was furnishing water service to three consumers at the northwest corner of Bolsa Avenue and Wright Street; that it had no authority from the Commission for such service; that it had expended some \$50,000 for transmission mains throughout the territory to supply water to the water system installations in Tracts Nos. 2524 and 739.

Exhibit No. 6 is a map submitted by Dyke's witness which shows the locations of Dyke's water system installations in and adjacent to the area requested to be certificated by Pacific in the instant application. Said Exhibit shows that none of the tracts, school grounds, or consumers in which Dyke has installed a water system or to which Dyke is furnishing construction or domestic water service within Pacific's requested area are contiguous to any area certificated to Dyke, and that none of said tracts, school grounds, or consumers are within Dyke's sphere of operations as shown on Appendix "A" of Decision No. 53858 (supra).

Dyke's protest on the grounds that it was already, and had been for some time, furnishing water service within the proposed area was disallowed by the presiding Commissioner who ruled that said protest was based on what appeared to be illegal operations and water system extensions by Dyke in violation of Section 1001 of the Public Utilities Code and Decision No. 53858 (supra). Said ruling is now sustained.

It was admitted for the record that Dyke was ready, willing and able to serve the requested area, although Dyke's financial condition was questioned; that Dyke had been granted a certificate of public convenience and necessity covering the area generally bounded by Wright Street on the west, Verano Street on the east, Trask Avenue on the north, and Westminster Avenue on the south, by Decision No. 50041, dated May 11, 1954, in Application No. 35205; that said area was included in Dyke's sphere of operations and certificated area on Appendix "A" of Decision No. 53858 (supra); and that said area was contiguous to a portion of the area requested by Pacific herein on both the north and the east thereof.

Protest of Richard Haster

A protest against the granting of the instant-captioned application, insofar as said application applied to the westerly 160 acres of the area bounded on the north by Trask Avenue, on the west by Cannery Street, on the south by Westminster Avenue, and on the east by an extension of Buchard Street, was entered by Richard Haster, who testified that he had been the former owner of all of said property; that said property had been condemned by the United States Government in 1943, for use as an emergency airfield during

World War II; that he had been attempting to recover said property from the Government; that the Government had returned 10 acres to him; that said 10 acres comprised the location of his home; that the Division of Highways of the State of California had condemned said 10 acres for use as a freeway; that the Government had sold 40 acres to the Garden Grove Union High School District for a school; that the Government had offered some 40 acres for sale to the City of Garden Grove for a park; that the remaining parts of his property were to be offered for sale at public auction; that he claimed a first right of purchase of said remaining properties; that he was proposing to file or had filed suit against the Government for recovery of said remaining portions of said property; that there were no occupants on the property and that he had no immediate plans for its development; that he did not wish to have any public utility water company certified at this time to furnish water service thereto; that he had no immediate demand for water service therein; that it was his opinion that no public convenience and necessity existed which required the furnishing of water service to said property; and that he, in fact, did not own the property. The witness, Haster, submitted a letter, dated July 9, 1957, at the July 10, 1957 hearing, by messenger, claiming to own the property hereinbefore described and requesting that the property be excluded from any certificate which might be granted. The receipt of said letter was acknowledged on the record in the instant proceedings.

Other Evidence

Exhibits Nos. 1 and 1-A (supra) are maps of the area sought by the applicant herein to be certificated to it.

Exhibit No. 2, submitted by applicant, is a general report, dated May, 1957, showing applicant's corporate composition, management organization, and its general history, operations, and financial condition as of December 31, 1956. The comparative balance sheets as of January 1, 1956, and December 31, 1956, included in said exhibit as Table 3-A, the testimony and cross-examination relating thereto, and the surplus, income account, operating expenses, and revenues' statements contained in said exhibit as Tables 4-A, B, C, and D, indicate that applicant during the twelve months ending December 31, 1955, and twelve months ending December 31, 1956, had experienced some financial difficulty and operating loss, not only in its system-wide operations, but in its Orange County systems, which include the systems comprising Areas I and II, as hereinbefore noted. The record shows, however, that applicant secured substantial financial capital gains from the sales of its Twentynine Palms and Bakersfield water systems; that special deposits had been established in trust accounts for the liquidation of consumers' advances for construction in said water systems disposed of; that of such deposits, applicant had experienced substantial cancellations of obligations thereunder and discounting of such agreements which had provided and would continue to provide applicant with sums of cash; that applicant's "open end" trust indenture for its bonds with an insurance company would enable applicant to increase its bonded indebtedness from \$740,000 as of December 31, 1956 to approximately \$950,000 subject to approval of and acceptance by the insurance company; that such additional funds that might be secured in this manner would be available for capital expansion; that applicant had

applied for increases in rates in all of its systems except Orange-wood in Los Angeles County, and its Victorville systems in San Bernardino County;^{3/} and that if such rate increases were granted, either in whole, or in part, applicant's general financial condition would be improved.

Exhibit No. 3 (supra) is a map of the city limits of the south boundary of the City of Garden Grove, and the proposed annexations Nos. 19, 20, and 22, which are shown as uninhabited areas, and the proposed annexation No. 17, an inhabited area, all as hereinbefore referred to. Said Exhibit shows that portions of the instant-captioned application covers areas within the city limits of Garden Grove and its proposed annexations as of April 6, 1957.

Exhibit No. 4 is a tabulation of applicant's pump specifications, including gallons per minute of presently installed pumping plant capacities, and horsepowers of pump motors, and number of consumers in Areas I and II.

Exhibit No. 5 is a memorandum of an investigation in connection with the instant application, submitted by a Commission staff engineering witness. Said Exhibit, and the testimony in connection therewith, shows, among other things, that within the requested area, subdivisions have been approved and plans completed for the construction of 987 residences within the next twelve months; that tentative maps have been prepared for subdivisions in the area containing 5,000 lots designed for residential purposes; that of all of said tentative maps and lots, some represent an overlapping, which may reduce the number of lots to 2,000 or 3,000. Said Exhibit corroborates applicant's showing with respect to plant data as of May 1, 1957,

^{3/} By its Application No. 38402, filed September 11, 1956, as amended March 23, 1957, applicant seeks authority to increase its rates for water service in its Orange County systems and seeks the establishment of a uniform rate for such water service. Original hearing on this matter was held on July 24, 1957.

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including pumping plant capacities, sizes of principal mains, and number of consumers. Said Exhibit further shows that in Areas I and II combined, applicant, as of May 1, 1957, had 18 wells, with a total production capacity of 7,747 gallons per minute, and that water service was being furnished therefrom to a total of 2,930 consumers.

Importation and Utilization, by Applicant, of Metropolitan Water District Water

Applicant's witness testified that applicant had, since 1953, been studying the economic feasibility of importing Metropolitan Water District water and utilizing it in its water systems in southwestern Orange County; that, upon receipt of Decision No. 53862 (supra), which severed applicant's certificated areas and spheres of operation in Orange County into two major areas and denied applicant's Application No. 36592 as amended (supra), for a substantially larger area in southwestern Orange County, such plans for using Metropolitan Water District water were dropped because they appeared to be uneconomical for application to Areas I and II as separated; that the territory encompassed by Areas I and II and the area requested herein, would constitute an economically sound water system operating territory for the utilization of Metropolitan Water District water, in consideration of the fact that such source of water supply must be contracted for on a firm basis and ordered at least 48 hours in advance of delivery from the La Habra distributing point of the Metropolitan Water District, and the cost of treated Metropolitan Water District water was \$23 per acre foot, and a large storage reservoir would be required to be constructed at the point of intake by applicant from the Metropolitan source in order to equalize the distribution of said water throughout applicant's distribution and transmission system. This witness testified that applicant intended to proceed with the formulation of its plans for the complete utilization of Metropolitan Water District water in southwestern Orange County, and to effect such plans as soon as applicant's water system requirements exceeded or began to exceed

the water production capacities of its local wells. Applicants consulting engineering witness testified that he had not advised and would not advise applicant to attempt to utilize its ground water sources of supply from local wells at their maximum production capacity. He testified that such advice was given by him to applicant after he had taken into consideration the needs for conservation of ground water supplies in Orange County, as well as the need for applicant to obtain maximum operating efficiencies from its wells, pumps, and motors.

Applicant's Metering Program

The record shows that applicant in paragraph 1.(c) of Decision No. 53862 (supra) was ordered to institute a program of metering of water service in its spheres of operations and certificated areas shown on the map Appendix "A" (supra), and to report the progress to the Commission every 90 days, for a period of 4 years; that applicant's water systems in Areas I and II are approximately 30% metered; that meters are being installed at the rate of about 100 per month; that applicant expected said systems to be completely metered within 2 years; and that it would not object to an order hereinafter that it meter all water services in the area covered by the instant application.

Findings and Conclusions

It appears that applicant's sources of water supply, its presently installed and proposed transmission and distribution mains, and storage facilities in its Areas I and II, its plans for interconnecting such areas and supplying water service therein, and its tentative plans of record in this proceeding for the importation and

utilization of Metropolitan Water District water are adequate for the area requested in the instant application. It further appears that applicant's ground water sources of water supply are adequate for the time being, at least, to serve the proposed area.

The record shows also that since the issuance of Decision No. 53862 (supra), Pacific has faithfully complied with the order therein restricting any extension of its water system outside its certificated area.

The record shows also that applicant's financial condition has substantially improved since December 31, 1955, and has continued to improve since December 31, 1956; that its management policies and operating practices in Orange County have improved in accordance with the provisions of Decision No. 53862 (supra).

After a careful consideration of the record in this proceeding, the Commission finds and concludes that public convenience and necessity requires that the restriction against Pacific's extending its water system beyond the boundaries of its spheres of operation delineated on the map Appendix "A" (supra) contained in Paragraph 1.(a) of the order in Decision No. 53862 (supra) be modified, and that Pacific be granted a certificate of public convenience and necessity to construct, extend, and operate its public utility water systems in the areas delineated by the red line on the map, Exhibit "A" attached to the application, 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 or to an operating subdivision thereof, as the consideration for the issuance of such certificate of public convenience and necessity, or right.

The granting of the certificate of public convenience and necessity hereinafter shall not be construed to be a finding of the value of any of applicant's water system properties affected thereby.

The Commission finds and concludes that the public interest requires that Pacific should not, without further order of the Commission, extend its water system beyond the boundaries of the area hereinafter certificated to it by the order which follows, and the area certificated to it by Decision No. 53862 (supra).

The Commission finds as a fact and concludes that the protest of Dyke on the grounds that it was already, and had been for some time furnishing water service within the area requested by the applicant herein, was predicated on illegal, unlawful, and unauthorized water extensions and operations by Dyke, in violation of Section 1001 of the Public Utilities Code and in violation of paragraph 1.(a) of Decision No. 53858 (supra). The protest of Dyke on other grounds, that it was ready, willing, and able to serve such area from another area already certificated to it by Decision No. 50041 (supra), is without merit for the reasons set forth in the denial of Dyke's First Supplemental Application No. 37161 (supra) in which the Commission is issuing a decision concurrently herewith. By said concurrent decision, Dyke is found to have violated the provisions of Section 1001 of the Public Utilities Code, and Decision No. 53858 (supra) in the unauthorized extension of its water system into and service of water in Tracts Nos. 2880, 3010, 3043, the Ferguson School grounds, and to three consumers in the vicinity of Dyke's well No. 14.

The Commission finds as a fact and concludes that Dyke had installed a water system in and had extended its water system to Tract No. 2524, comprising 175 lots, in the year 1955, without first having applied for and obtained a certificate of public convenience and necessity for such water system installation and extension from the Commission, in accordance with the provisions of Section 1001 of the Public Utilities Code; that in such extension Dyke has violated the provisions of said Section of said Code; that Dyke's protest to the granting of the instant application on the grounds of such installation 1955 should be denied.

The Commission finds as a fact and concludes that Dyke had installed a water system in and had extended its water system to Tract No. 739, in the northwest corner of Bolsa Avenue and Wright Street, about 60 or 90 days prior to the hearing dates on the instant application; that Dyke is furnishing water service to 3 consumers in said tract; that it has not obtained a certificate of public convenience and necessity from the Commission for such water system installation and extension;^{4/} that the installation and extension of such water system was in violation of Section 1001 of the Public Utilities Code and paragraph 1.(a) of Decision No. 53858 (supra); that Dyke's protest to the granting of the instant application on the grounds of such water service should be denied.

Pacific will be ordered hereinafter to certify in writing to the Commission over the signature of a responsible executive, the exact date when it is ready to and will serve water to all consumers for domestic, construction or any other purposes in Tracts Nos. 2880, 3010, and 3043, the Ferguson School grounds, the three consumers in

^{4/} See footnote 2/ (supra).

the vicinity of Dyke's well No. 14, Tract No. 2524 and Tract No. 739 (supra), then being served by Dyke. Upon the receipt by the Commission of such certification, not earlier, however, than the effective date of the order herein, the Commission will issue such further orders as may be appropriate.

Pacific will be ordered, as a condition to the granting to applicant of the certificate hereinafter, to meter all water service connections in the area certificated herein.

In order to conserve ground water supplies, the order which follows will direct Pacific to diligently pursue and consummate its plans to effect a connection with Metropolitan Water District for the importation and utilization of Metropolitan Water District water in its Areas I and II, and the area certificated herein, and to diligently pursue and consummate its plans to interconnect its spheres of operations in southwestern Orange County.

Pacific will be authorized and directed to apply its presently filed rates for its Laurel Square system to the area certificated hereinafter. Said system's rates are applicable to the majority of applicant's consumers in Orange County and are applicable to areas most representative of applicant's present and proposed operating conditions in the area. No change in applicant's present rates for water service will be authorized by the order herein.

The Commission finds as a fact and concludes that the City of Garden Grove has no water department; that the City has not contractually, or otherwise, forwarded plans for the furnishing of water service to present or prospective consumers in the area

requested by applicant to be certificated to it; that to sustain the City's protest and eliminate its protested area from the certificate granted hereinafter to applicant would be adverse to the public interest in that it would deny to the area protested by the City, and proposed by applicant, an immediate source of water supply; that the City's protest is without merit and should be denied.

The Commission finds as a fact and concludes that the protest of Richard Haster is without merit for the reason that he, admittedly, is not the legal owner of the property protested against; for the reason that portions of the properties formerly owned by him have been sold to other potential water consumers; and for the reason that it would be adverse to the public interest to sustain his protest and exclude the area protested by him from the certificated area granted to applicant hereinafter.

O R D E R

Application as above entitled, having been filed, public hearings having been held, the matter having been submitted, and now being ready for a decision,

IT IS HEREBY ORDERED as follows:

That Paragraph 1.(a) of Decision No. 53862, insofar as said paragraph restricts applicant from extending its water system beyond the boundaries of its spheres of operations as delineated on the map, Appendix "A" attached to said Decision, be and it is modified, and that Pacific Water Co., a corporation, be and it is granted a certificate of public convenience and necessity to construct, extend, and operate its public utility water systems in the area delineated on the map attached to the application as Exhibit "A".

IT IS HEREBY FURTHER ORDERED:

1. That Pacific Water Co. shall not extend its water system outside the boundaries of the area for which a certificate of public convenience and necessity is granted hereinabove, without further order of the Commission.
2. That Pacific Water Co. shall immediately provide water service in Tracts Nos. 2880, 3010, and 3043, the Ferguson school grounds, to three consumers in the vicinity of Dyke Water Company's well No. 14, Tract No. 2524, and Tract No. 739, to all of which Dyke Water Company may be furnishing water service, and shall certify in writing to the Commission over the signature of a responsible executive, within 90 days after the effective date hereof, the exact date when it is ready to and will serve water to all consumers for domestic, construction, or any other purposes in said tracts, school grounds, and in the vicinity of Dyke Water Company's well No. 14, then being served by Dyke Water Company.
3. That Pacific Water Co. shall install meters on all water service connections within the area certificated herein.
4. That Pacific Water Co. shall diligently pursue and consummate its plans to effect a connection with Metropolitan Water District for the importation and utilization of Metropolitan Water District water in its Areas I and II, and the area certificated herein, and shall diligently pursue and consummate its plans to interconnect its spheres of operations in southwestern Orange County. Every ninety days after the effective date hereof Pacific Water Co. shall report progress pertaining to such plans until consummation thereof.
- 5.a. That Pacific Water Co. be and it is authorized and directed to apply its presently filed rates for water service in its Laurel Square system to the area certificated by this order. No change in applicant's presently filed rates is authorized.
- b. That Pacific Water Co. shall, within thirty days after the effective date hereof, revise its Laurel Square tariff schedules, including its tariff service area maps, to include the area certificated herein, in a manner acceptable to the Commission and in accordance with General Order No. 96. Such rates, rules and tariff service area maps shall become effective upon five days' notice to the Commission and to the public, after filing as hereinabove provided.
- c. That Pacific Water Co. shall file, within forty days after the effective date hereof, four copies of a comprehensive map drawn to an indicated scale

not smaller than 600 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 the area certificated by this order.

- 6. That Pacific Water Co. shall review annually the accruals to depreciation reserve which shall be determined for each primary plant account by dividing the original cost of plant less estimated future net salvage less depreciation reserve by the estimated remaining life of the surviving plant of the account; and the results of the reviews shall be submitted annually to the Commission.
- 7. That the protests of the City of Garden Grove, Dyke Water Company, and Richard Haster, be and they are hereby denied.
- 8. That in all other respects Decision No. 53862 shall remain in full force and effect.

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

Dated at San Francisco, California, this 5th day of AUGUST, 1957.

Ray E. Untereiner
 President

William J. ...

R. Haster

E. J. ...

Commissioners

Ray E. Untereiner
 Commissioner being necessarily absent, did not participate in the disposition of this proceeding.