

Decision No. 55982**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 SOUTHERN CALIFORNIA WATER COMPANY for )  
 an order granting it a certificate of )  
 public convenience and necessity to ) Application No. 39381  
 exercise rights under the franchise )  
 granted by Ordinance No. 802 of the )  
 County of San Bernardino. )

O'Melveny & Myers, attorneys, by Charles K. Mills,  
 for applicant.

O P I N I O N

Southern California Water Company, a corporation, pursuant to Section 1002 of the Public Utilities Code, has applied for a certificate that public convenience and necessity require the exercise of a franchise from the County of San Bernardino, granted to applicant by Ordinance No. 802 of said county, adopted November 5, 1956, and effective 30 days after its adoption.

A public hearing was held in Los Angeles before Examiner Mark V. Chiesa. Proof of publication of the notice of hearing was filed at the hearing. No protests were entered.

Applicant is a public utility and producing, distributing and supplying water in certain areas within the Counties of Los Angeles, Orange, San Bernardino, Imperial, Ventura and Sacramento. It also engages in the public utility business of distributing and supplying electric energy in Bear Valley in said County of San Bernardino.

As a part of its said business of producing, distributing and supplying water applicant owns and operates water systems in various unincorporated areas in the County of San Bernardino. These

systems have been operated by applicant under various franchises granted by the County of San Bernardino. In order to consolidate these franchises into one franchise, and also to obtain from the county present franchise authorization for additional areas which applicant may from time to time hereafter serve in the county, applicant has obtained a new franchise which is county-wide in area and was granted to it by Ordinance No. 802 of this county. The new franchise is for a period of 40 years and provides for the payment annually to the county of 2 percent of gross annual receipts arising from the use, operation or possession of the franchise during its life.

Said ordinance consolidates present franchises into one new franchise encompassing all unincorporated area in said county. A copy of said ordinance is attached to the application as Exhibit "A". Based on 1956 gross receipts, payments under the franchise would have amounted to \$2,970.

Costs incurred in procuring the franchise amount to \$520 and consist of \$100 for franchise, \$50 for application fee, \$300 for advertising ordinance, \$50 legal fee and \$20 for publication of notice of hearing.

Applicant's valuation engineer testified that applicant's plant investment within the county is approximately \$1,575,000 and that its customers number 4,180, and about 162 fire hydrants located throughout the several service areas.

It is alleged that from time to time additional plant will be constructed as required to meet the demand for applicant's service in the unincorporated areas now served by it in the County of San Bernardino and in additional unincorporated areas of the county to which applicant's service may be extended. No service in any such

additional areas will be rendered by applicant, and no extension of its operative plant for the rendering of such additional service will be made until, in each case, applicant first obtains such certificate of public convenience and necessity from this Commission as may be required in the premises.

The Commission finds that public convenience and necessity require the exercise of said franchise. The application will be granted.

The certificate of public convenience and necessity herein granted is subject to the following provision of law:

That the Commission shall have no power to authorize the capitalization of the franchise involved herein or this certificate of public convenience and necessity or the right to own, operate or enjoy such franchise or 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 a political subdivision thereof as the consideration for the grant of such franchise, certificate of public convenience and necessity or right.

O R D E R

A public hearing having been held, the Commission being fully advised in the premises and having found as hereinabove set forth,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is granted to Southern California Water Company, a corporation, authorizing it to exercise the rights and privileges granted by the County of San Bernardino,

in Ordinance No. 802 adopted November 5, 1956.

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

Dated at San Francisco, California, this 16th day of December, 1957.

[Signature]  
President

[Signature]

[Signature]

[Signature]

[Signature]  
Commissioners