

Decision No. 59028**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 CITIZENS SUBURBAN COMPANY, a California
 corporation, for a certificate of public
 convenience and necessity authorizing
 applicant to furnish public utility
 water service in a certain portion of
 Sacramento County, California, and to
 exercise franchise rights in connection
 therewith.

Application No. 41155
 (Amended)

Orrick, Dahlquist, Herrington & Sutcliffe, and
 Warren A. Palmer, by Warren A. Palmer, for applicant.
Alfred V. Day, for the Commission staff.

O P I N I O N

By the above-entitled application filed with this Commission on May 21, 1959 and amended by filing of June 29, 1959, applicant seeks authority to extend its water service to additional territory in the vicinity of Sacramento.

A public hearing was held by Examiner E. Ronald Foster, at Sacramento, on July 23, 1959, at the conclusion of which the matter was submitted subject to the receipt of two late-filed exhibits which have since been filed, and the matter is now ready for decision. No appearance was made in protest to the authority sought.

By Decision No. 53807, dated September 25, 1956, in Application No. 38126, the Commission granted applicant a certificate of public convenience and necessity to construct a water system in an unincorporated area of approximately 400 acres, located east of the community of Perkins in Sacramento County. Said certificate was subject to the condition that applicant could make no extension into other territory, whether contiguous or not, without first having obtained authority of the Commission. By Decision No. 56600, dated

April 29, 1958, applicant was authorized to exercise a county franchise, also made subject to the condition that extensions beyond the certificated area be made only with prior Commission authority.

Applicant now requests authority to extend its service to an area consisting of approximately 160 acres lying directly south of, and contiguous to, applicant's presently certificated area known as the Rosemont District (Exhibit No. 1). All of the proposed additional service area lies within applicant's franchise area.

The record shows that applicant has received a request from Fletter Realty for water service to be rendered to a portion of the said area, consisting of approximately 100 acres, to be known as the Rosedale Subdivision. Fletter Realty has advised applicant that it contemplates the immediate construction of homes in Unit No. 1 of the Rosedale Subdivision, containing 46 lots (Exhibit No. 2), lying about 600 feet south of Middle Jackson Road and bounded on the west by Manlove Road. The subdivider intends to proceed in the Spring of 1960 to construct homes in Unit No. 2, containing 48 lots, lying adjacent to and south of Unit No. 1. These two units total approximately 30 acres in area. The subdivider has further signified its intentions of proceeding with the construction of some 256 homes in Units Nos. 3, 4, 5 and 6, comprising about 70 acres, lying in the southern portion of the area requested to be certified. This subdivider contemplates that the homes to be constructed in the several units will be completed in the Spring of 1962. Fletter Realty is presently negotiating with owners of the remaining 60 acres located between the projected Rosedale Subdivision and the existing Rosemont Subdivision, and anticipates that development of this additional acreage will take place within the comparatively near future.

Applicant intends to supply the Rosedale Subdivision by means of 8-inch water main extensions from its existing Rosemont

water system with 6-inch laterals as required. The total cost of the distribution facilities required to serve Units Nos. 1 and 2 of the Rosedale Subdivision is estimated to be \$25,000, all of which amount will be advanced by the subdivider, subject to refund payments based on the 22-percent-of-revenue option under applicant's main extension rule No. 15. Any individual customers served by such extensions would be added under the 65-foot free extension rule.

The source of supply for the Rosemont Subdivision currently consists of two wells. As pointed out in a memorandum prepared by the Commission staff engineer and introduced as Exhibit No. 4, construction of houses and other buildings requiring water service in the Rosemont Subdivision is progressing at a rate which will require the installation of a third well in order to provide peak water requirements for the full development of the Rosemont Subdivision plus Units Nos. 1 and 2 of the Rosedale Subdivision. Not later than the time of completion of the construction in Units Nos. 1 and 2 of the Rosedale Subdivision, applicant plans to install a third well in one of two alternate locations in the Rosedale Subdivision. The cost of this new well, pump, hydropneumatic system and sodium fluoride injector will be borne by applicant.

After consideration, the Commission is of the opinion and so finds that public convenience and necessity require the construction, operation and maintenance of a public utility water system in the proposed area, and also requires that applicant exercise within said area the franchise granted by the County of Sacramento by Ordinance No. 542.

The certificate of public convenience and necessity issued herein 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 issuance of such franchise, certificate of public convenience and necessity or right.

O R D E R

The above-entitled application having been considered, a public hearing having been held, the matter having been submitted and now being ready for decision,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to Citizens Suburban Company to construct, operate and maintain a public utility water system for the distribution and sale of water in the area consisting of approximately 160 acres lying south of and contiguous to its existing Rosemont service area, as shown on Exhibit No. 1, filed in connection with this proceeding.

IT IS FURTHER ORDERED that:

1. Applicant is authorized to apply, after the effective date of this order, its presently effective tariff schedules to the area certificated herein, except that Schedules Nos. CO-1 and CO-2R applicable to its Cordova Towne Tariff Area shall not be made so applicable.

2. Applicant shall, after the effective date of this order, revise its presently filed tariff schedules, including a tariff service area map, in accordance with the procedure prescribed by General Order No. 96 and acceptable to this Commission, to provide for the application of said tariff schedules as hereinabove authorized for water service in the area being certificated by this order, such

revised tariff sheets to become effective on or before service is first furnished to the public under the authority herein granted. The hereinabove-mentioned tariff sheets shall become effective upon five days' notice to the Commission and to the public after filing as hereinabove provided.

3. Applicant shall notify this Commission, in writing, of the date service is first rendered to the public, under the authority herein granted, within ten days thereafter.

4. Applicant shall file, within one hundred and eighty days after the system is placed in operation under the rates and rules authorized herein, four copies of a comprehensive map, drawn to an indicated scale not smaller than three hundred feet to the inch, delineating by appropriate markings the various tracts of land and territory served for which this certificate is issued; the principal water production, storage and distribution facilities; and the location of the various water system properties of applicant.

5. Applicant shall not make any extensions into other territory, whether or not contiguous to its certificated area, without first having obtained permission from this Commission.

6. Applicant is authorized to exercise, in the area certificated herein, the franchise granted by the County of Sacramento, by Ordinance No. 542, and certificated by this Commission in Decision No. 56600, dated April 29, 1958.


7. Applicant shall not exercise the franchise granted by Ordinance No. 542 for the purpose of serving water in those portions of Sacramento County not heretofore included under its certificated


area or the area covered by the certificate herein granted without first having obtained permission from this Commission.


The authority herein granted will expire if not exercised within one year from the date hereof.

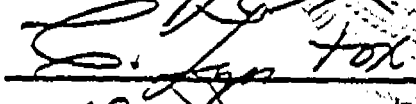
The effective date of this order shall be twenty days after the date hereof.

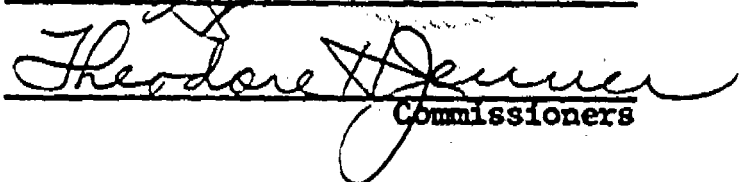
Dated at San Francisco, California, this 22nd day of September, 1959.



President








Commissioners