

ORIGINAL

Decision No. 590001

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
PACIFIC WATER CO., under provisions of
Section X B of General Order No. 96
for approval of lease of water facilities
from municipal corporation and
furnishing of water through such
leased facilities.

Application No. 41200

Moss, Lyon & Dunn, by George C. Lyon, for applicant.

Elsie Clark, William W. Ely, A. J. Fresonke,
Mrs. Felix Alarcon, Mrs. Arthur L. Hart,
and R. A. Brock; protestants.

James E. Black, City Administrator, for the City
of Westminster; Howard W. Crooke, Secretary-
Manager, for Orange County Water District;
and Tom Wood, Managing Editor, for The Daily
News; interested parties.

Karl K. Roos for the Commission staff.

O P I N I O N

A public hearing was held in this matter before Examiner Grant E. Syphers on August 11, 1959, at Westminster, California. On this date evidence was adduced and the matter submitted subject to the filing of a late-filed exhibit. This now has been filed and the matter is ready for decision.

The applicant operates a public utility water system in various areas in Orange County, which areas include portions of the City of Westminster. This city, by its Ordinance 1091, requires that all water lines, appurtenances, and meters which are installed in connection with new construction shall be dedicated to the City of Westminster. This ordinance went into effect on March 2, 1959.

The instant application requests authority for the applicant to enter into a lease agreement with the City of Westminster under the terms of which the applicant will lease for \$1.00 per year the water distribution systems of various new subdivisions in the city and operate them in a manner similar to the way it operates its other public utility properties. However, the applicant will not pay for major repairs which may be necessary for these leased facilities. The lease is for a period of one year, and thereafter it may be renewed for bimonthly periods.

At the present time there are seven tracts which are proposed to be covered by such lease agreements. Tract No. 2211 presently has ten homes constructed and occupied and when it is completed there will be twenty homes therein. The water supply for this tract comes from Wells Nos. 22 and 23 which are owned by applicant, and according to the testimony there is ample water to provide any demands of this tract.

The other six tracts are located in another portion of the city and five of them are merely in the planning stage. Some construction is being started in Tract No. 3339 and at the present time applicant is furnishing construction water thereto. The tract numbers and the number of lots planned to be located on each of them are as follows:

<u>Tract No.</u>	<u>No. of Lots</u>
2639	69
2718	48
2897	73
2898	35
3339	19
3473	35

These six tracts are to receive water from Well No. 19 of applicant. This well is capable of producing approximately 1,140 gallons

per minute which, according to this record, is more than adequate for any immediate foreseeable needs. If all of the tracts become completely occupied, then, according to the applicant's estimates based on the requirements of General Order No. 103, they will need a supply of 1,350 gallons per minute. The applicant plans to develop an additional well, and as a matter of fact it has secured a well site on the right of way of the Southern California Edison Company. It was testified that the surveys indicate a well located on this well site will produce about the same amount of water as Well No. 19.

The evidence discloses that certain unusual circumstances exist which occasion the lease arrangements. The City of Westminster, by its ordinance, requires subdivision water mains to be dedicated to the city. The city has no water sources and no transmission mains although it does have a water department and a water superintendent. The seven tracts concerned are all located in the certificated area of applicant and there is a need for water service thereto.

The applicant proposes to conduct the operations of these leased systems with its present personnel. The rates charged will be the same as the existing rates in the area.

Applicant further proposes to pay the expenses of installing water mains to connect its Well No. 19 to the tracts herein concerned. These expenses amount to \$9,169.05.

While there were several protestants who entered appearances and presented testimony at the hearing, their protests were concerned with alleged inadequate service in other areas now served by applicant. In substance, it was the position of these protestants

that applicant should be required to correct its present service inadequacies before entering new areas. A witness for applicant testified that that company would look into each of these complaints which were chiefly concerned with low pressures and inadequate water supplies.

Based upon all of the evidence in this proceeding we now find that there is an adequate water supply to serve the seven tracts herein concerned. The water distribution systems in these tracts have been or will be installed by the subdividers and the applicant will install the connecting mains to furnish water thereto. These new tracts are not connected with the older areas from which the complaints as to service were voiced at the hearing. There is no other source of water for these new tracts and this record discloses no reason why applicant should not be permitted to serve them on a temporary basis as proposed. It should be noted that the City of Westminster intends to eventually develop its own water system.

Therefore, we now find that approval of the proposed leases for the seven tracts herein enumerated will not be adverse to the public interest. While the applicant requested approval for any and all such tracts which may be developed within its service area in the City of Westminster, the approval herein granted will be limited to the seven tracts above enumerated.

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 to be not adverse to the public interest,

IT IS ORDERED that Pacific Water Co. may enter into lease agreements, in the form attached to the application herein, to provide water service to Tracts Nos. 2211, 2639, 2718, 2897, 2898, 3339 and 3473, in the City of Westminster.

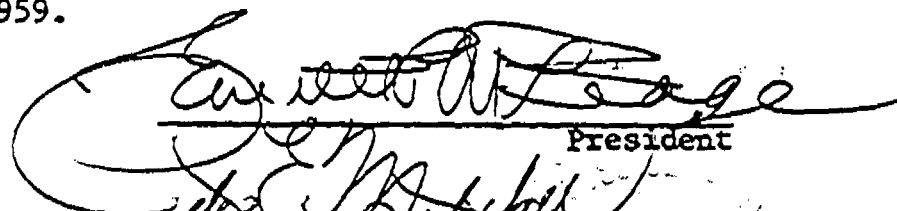
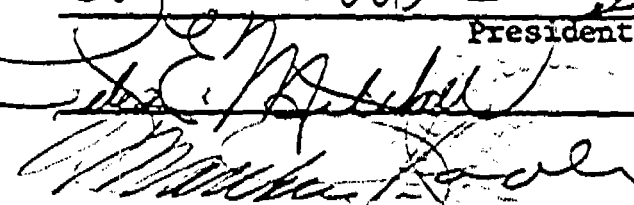
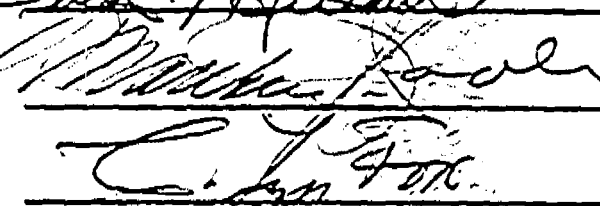
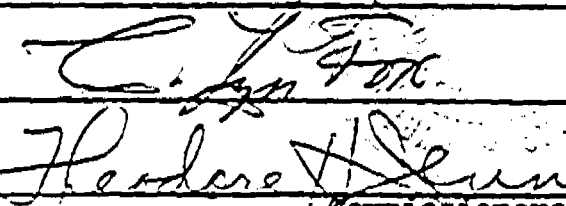
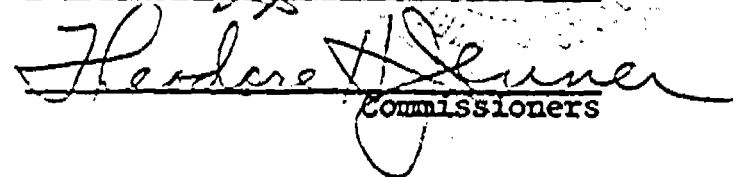
IT IS FURTHER ORDERED that applicant shall:

1. File with this Commission within thirty days after the effective date of this order two certified copies of the agreements as executed, together with a statement of the date on which the agreements are deemed to have become effective.

2. Notify this Commission of the date of termination of said agreements within thirty days from and after said date of termination.

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

Dated at San Francisco, California, this 1st day of October, 1959.


President




Commissioners