

**ORIGINAL**Decision No. 59357

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 CALIFORNIA WATER SERVICE COMPANY, a )  
 corporation, for an order approv- )  
 ing and authorizing an agreement )  
 between applicant and Edw. T. Haas, )  
 R. M. Haynie and Utah Construction )  
 Company for the extension of serv- )  
 ice by applicant to real property )  
 of the foregoing. )

Application No. 38682

McCutchen, Thomas, Matthew, Griffith & Greene,  
 and McCutchen, Doyle, Brown & Enersen by  
A. Crawford Greene, Jr., for California Water  
 Service Company, applicant.  
 Vaughan, Paul & Lyons by Reginald L. Vaughan and  
Varnum Paul, for Advance Land Company,  
 Foremost Land Company, Colonial Land Co.,  
 doing business as The Millshore Company  
Carl S. Brown, for Associated Home Builder  
 Inc., and Adam Musto, for Haas and Haynie,  
 interested parties.  
Verner R. Muth and Parke L. Boneysteele, for the  
 Commission staff.

FIRST SUPPLEMENTAL OPINION AND ORDER

The California Water Service Company filed an application with the Commission for an order approving and authorizing an agreement between the applicant and Edw. T. Haas, R. M. Haynie and the Utah Construction Company for the extension of water service by the applicant to real property belonging to the Messrs. Haas and Haynie and the Utah Construction Company.

It was alleged in this application that the real property in question was located on filled land which was formerly part of a marsh area near San Francisco Bay. Due to the alleged hazard of damage to facilities which might result from subsidence and the increased possibility of earthquake damage by reason of the installation of facilities on filled land, the agreement in question

deviated from the applicant's filed main extension rule in that it provided that no refunds were to be made to the subdivider of the amount of the deposit which had been adjusted to the installed cost of the facilities. Likewise, under the terms of the agreement in question, the subdivider was to indemnify the applicant against specified amounts of damage to facilities resulting from subsidence within five years from the date of signing the agreement, and for earthquake damage which might occur within 20 years from that date.

On February 19, 1957, the Commission issued Decision No. 54549 on this application wherein it granted the authority requested in the application to carry out the terms and conditions of the agreement. On February 28, 1957, the Advance Land Co., Foremost Land Co. and Colonial Land Co., doing business as The Hillshore Co., filed a petition with the Commission for a rehearing of Decision No. 54549 and for an order instituting investigation by the Commission upon its own motion. On March 11, 1957, the California Water Service Company filed with the Commission a certified copy of the agreement authorized by Decision No. 54549. Subsequent thereto, on April 2, 1957, the Commission in Decision No. 54767 denied the petition for rehearing but reopened Application No. 38682 for the purpose of determining whether Decision No. 54549 should be rescinded, altered or amended.

Public hearings were held on May 22, 1957, June 24 and 25, 1957, at which time this matter was consolidated for hearing with Application No. 38854. This latter application, which will be disposed of by a separate decision, was an application of the California Water Service Company for an order settling a dispute between the applicant and The Hillshore Company with respect to the extension of water service by the applicant. A further hearing on Application No. 38682 was held on September 14, 1959, at which time another

application numbered 39166, which will likewise be disposed of in a separate decision, was consolidated for hearing with Applications Nos. 38682 and 38854.

Immediately prior to the hearing of September 14, 1959, the applicant filed an amendment to its Application No. 38682 wherein the applicant requests the Commission to issue its order amending Decision No. 54549 by authorizing the execution by the applicant of an amendment to the agreement authorized by Decision No. 54549.

The effect of this amendment to the agreement in question, will be such that the amended agreement will conform in all material respects to the applicant's standard form Subdivision Extension Agreement on file with the Commission. The applicant pointed out at the hearing of September 14, 1959 that since the date of the previous hearing applicant has determined that no extraordinary hazard to its facilities exists by reason of their installation in the industrial subdivision in South San Francisco which was the subject of the agreement in question. The request of the applicant for authority to execute the amendment to the agreement in question as set forth in its amendment to Application No. 38682 was joined in by Utah Construction and Mining Co. which has succeeded to all right, title and interest of the Utah Construction Company, Edw. T. Haas and R. M. Haynie under the agreement in question. The request for authority to execute the amendment was also joined in by The Hillshore Company.

O R D E R

The above-entitled application having been filed, public hearings having been held, the matter having been submitted and now being ready for decision; therefore,

IT IS ORDERED:

1. That the California Water Service Company, a corporation, be and it is authorized to carry out the terms and conditions of the AMENDMENT OF AGREEMENT, dated September 1, 1959, with Utah Construction & Mining Co., a Delaware corporation, which is set forth as Exhibit 1 on Amendment to Application No. 38682 filed September 14, 1959 with the Commission.

2. The applicant shall file with the Commission, within thirty days after the effective date of this order, two certified copies of the AMENDMENT OF AGREEMENT, as executed, together with a statement of the date on which the AMENDMENT OF AGREEMENT is 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 24th day of December, 1959.

Ernest H. Ringe  
President  
Walter H. Ringe  
Walter H. Ringe  
Walter H. Ringe  
Walter H. Ringe  
Theodore Jenner  
Commissioners