

ORIGINAL

Decision No. 59594

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
BANNING WATER COMPANY, a public utility,
for a certificate of convenience and
necessity to extend its service area,
under certain conditions.

Application No. 41329
Amended

George G. Grover, for applicant.
Archibald E. Main, for the Public Utilities
Commission's staff.

O P I N I O N

A public hearing was held in this matter on October 8, 1959, before Examiner Grant E. Syphers, at Banning, California, at which time evidence was adduced and the matter submitted subject to the filing of late-filed exhibits. These exhibits now have been filed and the matter is ready for decision.

The Banning Water Company is a California corporation conducting public utility operations as a water corporation, under authority granted by this Commission, in the City of Banning and vicinity. In the instant application it requests authority to extend its service into an area described as follows:

Bounded on the west by Highland Springs Road, on the north by Eighth Street (also known as Wilson Street), on the east by applicant's present service area boundary along Sunset Avenue, and on the south by applicant's present service area and the Southern Pacific Railroad.

And, in addition thereto, an area known as Highland Estates No. 1 which is a subdivision located in the south half of the Southeast $\frac{1}{4}$ of Section 1, Township 3 South, Range 1 West, San Bernardino Base & Meridian.

It is proposed to serve the above-described territory on a so-called "unconditional" basis.

Applicant also proposes to serve additional territory on a "conditional" basis, which territory is described as follows:

Section 1, Township 3 South, Range 1 West, excluding Highland Estates No. 1 as hereinabove described, and the East $\frac{1}{2}$ of the South $\frac{1}{2}$ of the South $\frac{1}{2}$ of Section 6, Township 3 South, Range 1 East, San Bernardino Base & Meridian.

The proposed limitation on service in the portions of Sections 1 and 6, as above described, consists in the fact that applicant proposes to serve these areas from new water sources to be developed and not from existing sources in Banning Canyon or Whitewater River.

Among the reasons advanced for this proposed extension, it was testified that a company known as the DCS Development Company, a California corporation, plans to develop Highland Estates No. 1, and a proposed agreement between DCS Development Company and applicant was submitted as Exhibit No. 2. This agreement, as finally executed, was filed as Exhibit No. 9. Another reason for the proposed extension is to extend service into an area conforming to the city limits of the City of Banning. It was the opinion of a witness for the company that the area in which the proposed unconditional extension is requested, is the area where the logical growth of the city will take place. This opinion was also expressed for the balance of the area in Section 1 and that portion of Section 6 for which conditional authority is requested.

There is no existing public utility water service in either of these areas.

A consulting engineer testified as to the water supply and distribution system of the Banning Water Company. Exhibit No. 3 is a chart showing the profile of the territory served and the water table as it was in 1948, 1952, and 1959. It was pointed out that the water table is going down about $3\frac{1}{2}$ feet per year. At the present time the wells are at a depth of approximately 300 feet and, in the opinion of the engineer, the water supply will be sufficient for many years to come. Exhibit No. 5 shows the present water supply and distribution system of the applicant company. The applicant has approximately 3,500 domestic users and a water supply of about 6,500 acre-feet per year. Its present service area is 5,063 acres. The new area it proposes to serve unconditionally consists of 411 acres.

It was the opinion of the witness that additional water supplies can be developed.

The owner of the West $\frac{1}{2}$ of the South $\frac{1}{2}$ of the South $\frac{1}{2}$ of Section 6 testified that this area of 80 acres is planned for development. The balance of Section 1 is also, in the opinion of the witnesses, in an area where logical growth will take place.

The proposed installation of facilities in Highland Estates No. 1 will cost approximately \$39,500. Exhibit No. 9, supra, includes, among other things, several deviations from applicant's filed main extension rule. Approval of such deviations does not appear justified and the agreement as set forth in Exhibit No. 9 will not be authorized. This installation should be made under applicant's filed main extension rule.

The rates proposed to be charged are the existing rates of applicant.

It should be finally noted that there is in the area, a water district known as the Beaumont Irrigation District. This District has entered into an agreement with applicant under the terms of which the boundary line between the service areas of the two utilities has been fixed along Highland Springs Road, except as to such parcels as lie east of Highland Springs Road and within the boundaries of the District. This agreement was submitted as Exhibit No. 12.

A consideration of all of the evidence adduced herein leads us to now find that public convenience and necessity require the extension of applicant's service into the area which it proposes to serve "unconditionally". However, there is insufficient evidence on this record to warrant the granting of a certificate into the so-called "conditional" service area. No such need for such service has been shown and no water supply has been developed therein. Furthermore, it would be an unusual and perhaps unwise authorization to permit conditional service of these areas. Therefore, that portion of the application will be denied.

O R D E R

Application as above entitled having been filed, a public hearing having been held, and the Commission having made the foregoing findings,

IT IS ORDERED:

1. That Banning Water Company, a corporation, be and it hereby is granted a certificate of public convenience and necessity

to construct and operate a public utility water system in the area outlined in blue (Exhibit No. 11) as an extension of its existing service area and further described as follows:

Bounded on the west by Highland Springs Road, on the north by Eighth Street (also known as Wilson Street), on the east by applicant's present service area boundary along Sunset Avenue, and on the south by applicant's present service area and the Southern Pacific Railroad, excepting therefrom those parcels east of Highland Springs Road which are within the Beaumont Irrigation District as delineated in Exhibit No. 12.

And, in addition thereto, an area known as Highland Estates No. 1 which is a subdivision located in the south half of the Southeast $\frac{1}{4}$ of Section 1, Township 3 South, Range 1 West, San Bernardino Base & Meridian.

2. That extension of water service to the area certificated herein, including Highland Estates No. 1 Subdivision, shall be in accordance with the provisions of applicant's filed main extension rule.

3. That applicant is authorized to apply, after the effective date of this order, its presently effective tariff schedules to the area certificated herein.

4. That if the authority herein granted is exercised, applicant shall file in quadruplicate with this Commission, after the effective date of this order and in conformity with General Order No. 96, revised tariff schedules acceptable to this Commission, including tariff service area maps, to provide for the application of said tariff schedules to the area certificated herein, such revised tariff sheets to become effective on or before the date 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.

5. That applicant shall file, within forty days after the revised tariff schedules authorized herein become effective, four copies of a comprehensive map of the area certificated herein drawn to an indicated scale not smaller than 1200 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 various properties of applicant in said area.

6. That in all other respects the application, as amended, be and it is hereby denied.

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

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

Dated at San Francisco, California, this 1st day of FEBRUARY, 1960.

Everett R. Payne
President

Walter J. ...

Walter J. ...

Walter J. ...

Theodore ...
Commissioners