

ORIGINAL

Decision No. 59843

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of  
the Southern California Water Company  
for an order approving and authorizing  
an agreement between Applicant and the  
Barstow Heights Community Services  
District for the operating by Applicant  
of water property owned by the Barstow  
Heights Community Services District.

Application No. 41959

OPINION AND ORDER

Southern California Water Company<sup>1</sup>, a corporation, by the above-entitled application filed February 16, 1960, seeks authorization from this Commission to carry out the terms of an agreement dated January 6, 1960, with Barstow Heights Community Services District<sup>2</sup>.

The agreement, a copy of which is attached to the application as Exhibit A, provides that Utility is to furnish water to District and also operate and maintain the complete water system of District in the same manner as Utility's own system. Utility is to read meters, bill and make collections as well as to handle District's customer relations and complaints. In addition, Utility is to perform routine maintenance, inspections, testing and repairs. Utility is also to perform major repairs on a time and material basis at a schedule of labor rates set forth in the agreement and at the average inventory costs of materials to Utility plus 10 per cent. Upon authorization of District's Board of Directors, Utility may make capital improvements on the basis of actual cost of the improvement plus 15 per cent for engineering and supervision.

<sup>1</sup>Sometimes herein called Utility.

<sup>2</sup>Sometimes herein called District.

Water is to be delivered to District through a 6-inch meter and billed at Utility's filed rates for general metered service. In addition, Utility is to receive each month \$100 plus 75 cents per District customer. It is estimated that there will be approximately 80 services connected at the time of completion of the system and an ultimate development of 1,000 services.

District's system is contiguous to Utility's system serving the City of Barstow. It is alleged that District is unable to obtain sufficient water from wells in or near its own system and, therefore, has requested Utility to furnish water for the system as well as to operate and maintain the system. Utility does not anticipate that any additional personnel will be required at present in order to operate District's system; however, substantial growth in the number of services may, in the future, require additional personnel.

The agreement is to be effective for a period of five years after final authorization of the Commission, but may be terminated by either party upon sixty days' written notice. Included in the agreement is a provision that it shall, at all times, be subject to change or modification by this Commission in the exercise of its jurisdiction.

The Commission in Application No. 41010, previously considered a similar agreement between Utility and City of Norwalk for the operation of that municipality's water system by Utility. A public hearing was held, and, after fully considering all the evidence adduced, the Commission in Decision No. 59449, dated December 29, 1959, found that authorization of that agreement would not be adverse to the public interest. The issues in that matter do not appear to differ significantly from those at hand and we find the proposed contract not to be adverse to the public interest.

Southern California Water Company and Barstow Heights Community Services District are hereby placed upon notice that this Commission will exercise continuing jurisdiction over this contract

and the operations covered by said contract, and that the continued operation pursuant to authority herein granted shall be deemed a consent to such jurisdiction.

The Commission having considered the request of applicant and being of the opinion that the application should be granted and that a public hearing is not necessary; therefore,

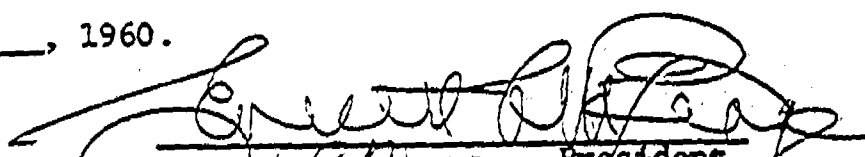
IT IS HEREBY ORDERED that Southern California Water Company be and it is authorized to carry out the terms and conditions of the written agreement dated January 6, 1960, with Barstow Heights Community Services District, Exhibit A of the application, and render the service described therein under the terms, charges and conditions stated therein.


IT IS HEREBY FURTHER ORDERED that Southern California Water Company shall:


1. File with the Commission within thirty days after the effective date of this order, two certified copies of the agreement as executed, together with a statement of the date upon which the agreement is deemed to have become effective.
2. Notify this Commission of the date of termination of said agreement within thirty days from and after said date of termination.

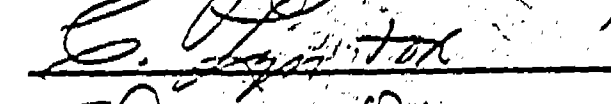
The effective date of this order shall be twenty days after the date hereof.

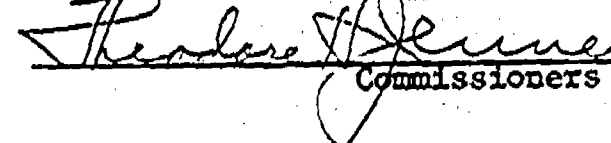
Dated at San Francisco, California, this 29th day of March, 1960.

  
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 President

  
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