

**ORIGINAL**

Decision No. 60314

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Aztec Water Company, Inc., a California Corporation, for a certificate that the present and future public convenience and necessity require and will require the extension of the water system and service lines of applicant into adjacent and adjoining areas in the unincorporated community known as Apple Valley, in the County of San Bernardino, State of California, under Section 1001 of the Public Utilities Code of the State of California.

Application No. 42038

OPINION AND ORDER

Aztec Water Company, Inc., a corporation, by the above-entitled application, filed March 14, 1960, seeks a certificate of public convenience and necessity to extend its water system and construct and operate a water system in the W $\frac{1}{2}$  of Section 5, T5N, R3W, SBB&M, in the area shown on the map, Exhibit A, attached to the application.

On January 12, 1960, the Commission instituted an investigation on its Own Motion, as Case No. 6407, into applicant's operations, service and practices, and into the adequacy of applicant's finances, water supply, and facilities. Following public hearing on said case before Examiner Stewart C. Warner on March 16, 1960, at Apple Valley, Decision No. 60,000, dated April 26, 1960, was issued.

The record developed in Case No. 6407, supra, shows that the applicant is furnishing water service to three tracts in the W $\frac{1}{2}$  of Section 4, T5N, R3W, SBB&M: in Tract No. 4286 of 83 lots with 10 water service connections; in Tract No. 5678, immediately contiguous

on the north to Tract No. 4286; of 48 lots with 9 water service connections; and in Tract No. 5436, immediately contiguous on the south to Tract No. 4286, of 45 lots with 5 water service connections. Said water service is being furnished pursuant to a certificate granted to the applicant by Decision No. 50858, dated December 14, 1954, in Application No. 35681, to furnish water service in Tract No. 4286 in unincorporated territory of San Bernardino County in the vicinity of Apple Valley. Said latter Tract, subsequent to the issuance of said latter Decision, was subdivided differently than as set forth in said latter Application, and now comprises recorded Tracts Nos. 4286 and 5436, supra. The recorded Tracts comprise different boundaries than the certificated area and are approximately 3.5 acres smaller than such area.

The record in Case No. 6407 also shows that the applicant has extended its water system outside its certificated area one-half mile westerly and into Yuma Road to a point northwesterly beyond its intersection with Serrano Road between Tracts Nos. 5745, a recorded tract of 64 lots with 3 water service connections including a 2-unit apartment house, and 5746 which has not been recorded and in which no water service is furnished.

Applicant's present source of water supply is a well located at the northeast corner of Tract No. 4286. The presently installed pumping plant capacity of this well is 68 gallons per minute from a pumping level of 102 feet. Water is discharged into a 60,000-gallon surface tank and is boosted therefrom by a 15-HP pump with a rated capacity of 300 gallons per minute into a 3,000-gallon pressure tank for distribution. The tested capacity of applicant's well, which is its present sole source of water supply, is 221 gallons per minute.

In the instant application, applicant seeks authority to furnish water service in the entire  $W\frac{1}{2}$  of Section 5, including Tracts Nos. 5745 and 5746. For immediate service to said Tracts, a booster pump is proposed to be installed at the southeast corner of Lot 61, Tract No. 5745. This pump will be a 10-HP single suction centrifugal close-coupled installation intended to deliver 140 gallons per minute, with a 200-foot discharge head calculated to provide a residual pressure at the highest point in Tract No. 5745 of 25 psi.

For the ultimate development of the  $W\frac{1}{2}$  of Section 5, applicant proposes to utilize a well drilled on Lot 93 of Tract No. 3787 just north of the northeast corner of the  $W\frac{1}{2}$  of Section 4; to install a 10-inch pipe line about  $1\frac{1}{2}$  miles westerly along Waalew Road, thence southwesterly in Corwin Road, and thence southerly to a proposed storage tank on a mountain top. Also proposed was the installation of a 6-inch main in Sago Road approximately  $\frac{7}{8}$  of a mile southerly from Waalew Road to connect with the applicant's presently installed water system at the intersection of Sago and Yuma Roads, all as shown in purple crayon on the map, Exhibit A attached to the instant application.

The record in Case No. 6407 shows that the applicant's president, and major stockholder, also owns the  $W\frac{1}{2}$  of Section 5; that said owner has no immediate plans for the development or the subdivision of the  $W\frac{1}{2}$  of Section 5 except Tracts Nos. 5745 and 5746; and that except for the installation of the booster pump, the installation of distribution pipe lines in said Tracts, the furnishing of water service to said Tracts through applicant's present water system, and the ownership of Lot 93 and the possible development of a well located thereon, the applicant's president has no definite plans for the

installation of the proposed pipe line in Waalew and Corwin Roads, for the installation of a storage tank on a mountain top, or any other real estate or water system development in the W½ of Section 5.

As a result of the investigation, and the record developed thereon, and in view of the fact that no other public utility water system exists with which the applicant would be likely to compete in the W½ of Section 5, it appears that the hearing and record in Case No. 6407 are sufficient, and that no public hearing on the instant application is necessary or required by the public interest.

It is clear that the applicant's present water supply is only sufficient to serve its presently certificated area with the addition of Tracts Nos. 5745 and 5746. We find that the public interest requires that the applicant should be required to develop a standby source of water supply for its presently certificated area and the additional area certificated by the order which follows; also, that the public interest requires that the applicant should be ordered to install the booster pump at the southeast corner of Lot 61, Tract No. 5745, as planned. We further find that the public interest requires that applicant be prohibited from extending its system outside its certificated service area without further order of this Commission. The order following will so provide.

Upon a review of the application and the investigation on the applicant's operations, as noted herein, it is found and concluded that public convenience and necessity require that the application be granted in part and denied in part, and that Aztec Water Company, Inc., be granted a certificate of public convenience and necessity to extend its water system into and construct and operate a public utility water system in Tracts Nos. 5745 and 5746, provided, however, that within 180 days after the order herein,

applicant secures a standby source of water supply with a capacity not less than that at the present well and makes the heretofore referred to booster pump installation. It is further concluded that, in all other respects, the application should be denied.

The certificate of public convenience and necessity granted hereinafter shall be subject to the following provision of law:

That the Commission shall have no power to authorize the capitalization of this certificate of public convenience and necessity or the right to own, operate, or enjoy such certificate of public convenience and necessity in excess of the amount (exclusive of any tax or annual charge) actually paid to the State as the consideration for the issuance of such certificate of public convenience and necessity or right.

Based on the findings and conclusions hereinbefore set forth,

IT IS HEREBY ORDERED as follows:

1. a. That Aztec Water Company, Inc., a corporation, be and it is granted a certificate of public convenience and necessity to extend its public utility water system into and to construct and operate a public utility water system in Tracts Nos. 5745 and 5746, in unincorporated territory of San Bernardino County in the vicinity of Apple Valley, in the area shown and designated as such on the map, Exhibit A attached to the application.
- b. That applicant shall not extend its water system outside the boundaries of its certificated areas without further order of the Commission.
2. a. That applicant shall, within 120 days after the effective date hereof, install and place in operation a 10-HP booster pump of not less than 140 gallons per minute capacity at the southeast corner of Lot 61, Tract No. 5745, and shall report to the Commission in writing that such has been accomplished within ten days thereafter.
- b. That applicant shall, within 120 days after the effective date hereof, secure a standby source of water supply with a capacity not less than that of the present well, and shall report to the Commission in writing that such has been accomplished, within ten days thereafter.

- 3. a. That applicant be and it is authorized to apply its presently filed tariffs to Tracts Nos. 5745 and 5746.
- b. That applicant is authorized and directed to revise, within thirty days after the effective date of this order and in conformity with General Order No. 96, such of its tariff schedules, including a tariff service area map acceptable to this Commission, as are necessary to provide for the application of its tariff schedules to the areas certificated herein. Such tariff sheets shall become effective upon five days' notice to the public and this Commission after filing as hereinabove provided.
- 4. That applicant shall immediately acquire the utility plant not recorded on its books but used for water distribution in Tract No. 5745, and any other such unrecorded plant, such acquisition to be effected pursuant to the testimony of its president, Mr. George McCarthy, in the proceedings in Case No. 6407, within sixty days after the effective date hereof. Applicant shall file a report in writing with the Commission when such plant acquisition has been effected within ten days thereafter.
- 5. That applicant shall file, within thirty days after the effective date hereof, four copies of a comprehensive map drawn to an indicated scale not smaller than 200 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 the various properties of the applicant in Tracts Nos. 5745 and 5746.
- 6. That in all other respects the application be and it is denied.

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

Dated at San Francisco, California, this 28<sup>th</sup> day of June, 1960.

\_\_\_\_\_  
President

*[Signature]*

\_\_\_\_\_  
Commissioners

*[Signature]*

*[Signature]*

*[Signature]*