

ORIGINAL

Decision No. 60455

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

SOUTHLAND WATER COMPANY, a corporation,
Complainant,

vs.

SUBURBAN WATER SYSTEMS, a corporation,
Defendant.

Case No. 6417

J. F. Liebenguth, for Southland Water Company,
complainant.

C. H. Deitz and John C. Luthin, for Suburban
Water Systems, defendant.

Richard R. Entwistle and Robert M. Mann, for
the Commission staff.

O P I N I O N

A public hearing was held on June 3, 1960, before Examiner Grant E. Syphers in Los Angeles, at which time evidence was adduced and the matter submitted.

The complainant is a public utility water company which has advanced to the defendant the sum of \$7,216 for the installation of certain water mains and services in Tract No. 18474, Lots 1 to 56 inclusive, located on the northwest corner of Workman and Lark Ellen, in the City of West Covina.

The foregoing moneys are advanced under a refund agreement according to the terms of which 35 percent of the gross

revenue derived from said tract is to be paid annually to the complainant for a period of 10 years, or until the amount advanced has been refunded, whichever event comes first.

In this complaint it is alleged that the defendant is delinquent in making refund payments. Specifically it is alleged that the defendant has paid back in refunds the sum of \$3,654.64, leaving a balance due of \$3,561.36. As of July 1, 1959, the amount of refunds due and owing was \$960.40; as of July 1, 1960, an additional \$1,105.64 will become due.

The position of the company is that it does not dispute these payments are due but it contends it does not have the money to make them. Due to the rapid growth of the company the money necessary to pay refunds cannot be paid out of earnings, according to a company witness, but must come from additional financing. It further contends that it is endeavoring to obtain this additional financing.

The position of the complainant is that the moneys are now due and owing and that as time goes on additional amounts will be due and owing.

In the light of this evidence we now find that Suburban Water Systems is obligated to the complainant herein in the amounts heretofore indicated. This obligation arises as a result of the provisions of the tariff of this company, and in particular its predecessor's original Rule and Regulation No. 19 in effect at the time the contract was executed, pertaining to water main extensions, and also as a result of the contract obligation created by the duly executed refund contract (Rosenberg vs. Suburban Water System, Decision No. 60064, dated May 9, 1960, in Case No. 6375 and in Case No. 6386).


O R D E R

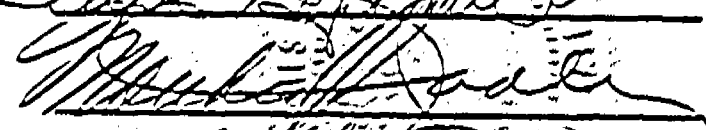
A complaint as above entitled having been filed and an answer thereto having been filed, public hearing having been held thereon and the Commission being fully advised in the premises and having made the foregoing findings,

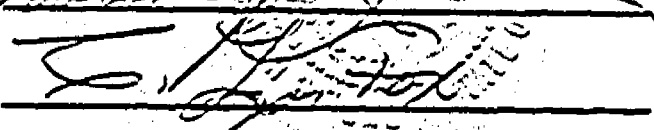
IT IS ORDERED that Suburban Water Systems, a California corporation, be and it hereby is directed to comply with its predecessor's original water main extension Rule and Regulation No. 19, and its contract obligations, and to make refunds to the complainant, Southland Water Company, a corporation, in the amount of \$960.40, and to make further refunds as they become due.

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

Dated at San Francisco, California, this 28th day of July, 1960.



President




Commissioners

Everett C. McKeage
Commissioner S. Theodore H. Jenner, being
necessarily absent, did not participate
in the disposition of this proceeding.