

**ORIGINAL**

Decision No. 61458

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of )  
SOUTHWEST WATER COMPANY, a corporation, )  
for a certificate of public convenience )  
and necessity to extend its La Sierra )  
District. )

Application No. 42273

In the matter of the application of )  
SOUTHWEST WATER COMPANY, a corporation, )  
for a certificate of public convenience )  
and necessity to extend its La Sierra )  
District. )

Application No. 42348

Arthur D. Guy, Jr., Walker Eamon, and John C. Luchin, for applicant.

Chester O. Newman and R. R. Entwistle, for the Commission staff.

O P I N I O N

Southwest Water Company, by the above-entitled applications filed May 18 and June 13, 1960, respectively, seeks authority to extend its water system in its La Sierra District, Riverside County, into Tracts Nos. 2047 and 2048 in the areas shown on the maps Exhibit A attached to each application, and as further delineated on the map Exhibit No. 1 filed at the hearing.

The matters were consolidated for public hearing with the reopened proceeding on Application No. 40273, Amended, in which said latter application, Decision No. 58138, was issued March 17, 1959, and which was reopened for further hearing by an order dated October 18, 1960.

A public hearing was held before Examiner Stewart C. Warner on November 30, 1960, at La Sierra. No protests were entered, although notices of the hearing were published and were sent to all parties in the original proceedings on Application No. 40273, Amended. The matters were submitted for decision subject to the receipt of late-filed Exhibits Nos. 4 and 5 on or before December 9, 1960. Said Exhibits have been received, and the matters are ready for decision.

Tract No. 2047 is being developed by O. T. Laho and is known as Western Hills Estates Nos. 5 and 2 (partially). Of the approximate 75 acres, of which said Tract is a portion, for which water service is requested by the developers, approximately 50 acres are required to be served entirely outside of the applicant's certificated service area. The present Tract comprises approximately 7 acres, consisting of 19 lots. The estimated cost of the water-system installation to serve Tract No. 2047, as shown in Exhibit No. 4, is \$6,813.29, including engineering and supervision.

Tract No. 2048 comprises about 170 acres and it is proposed that it will consist of 428 residential lots. It is being developed by Burton W. Tilden and lies entirely outside of but contiguous to the applicant's certificated service area, on the west thereof. The estimated cost of the proposed water system installation within the tract is \$174,228, including engineering and overhead,

and off-site facilities will cost an additional \$18,060; all as shown in Exhibit No. 5.

By Decision No. 54649, dated March 12, 1957, in Application No. 38576 the applicant was restricted, because of limited water supply and because of the condition of its distribution facilities, to the installation of its water system within its certificated service area boundaries except upon further order of the Commission. The reopened proceeding on Application No. 40273, Amended, was for the purpose of determining whether the applicant had complied with the provisions of ordering paragraphs Nos. 4 and 5 of Decision No. 58138 which required the applicant to carry out a water system improvement program and to submit to the Commission an engineering study setting forth a program for the further improvement of the water system in its La Sierra District. A separate decision on the reopened proceeding on Application No. 40273, Amended, will be issued.

Exhibit No. 6 is a Commission staff engineering report on the results of an investigation of the applicant's La Sierra water system operations including number of customers, potential growth, water supply, water requirements, comparison of supply and demand, distribution facilities, and new facilities. Said exhibit contains four specific recommendations, to wit, that applicant should:

(a) Be required to increase its present water supply by at least 1,050 gallons per minute by July 1, 1962.

(b) File four copies of a comprehensive map of the areas designated in the instant applications drawn to an indicated

scale not smaller than 600 feet to the inch, delineating by appropriate markings the area served, the principal water production, storage, and distribution facilities, and the location of the various properties of the applicant in these areas.

(c) Revise its presently effective La Sierra District tariff schedules, including a tariff service area map acceptable to the Commission, to provide for the application of its rates and rules in the total area certificated, and

(d) Should not extend its water system beyond the boundaries of its present service area and the additional area to be certificated without further order of the Commission.

Exhibit No. 6 indicated that the recommendations therein were based upon the applicant's intention to build a reservoir of approximately 500,000 gallons capacity in the Tilden Tract (Tract No. 2048). At the hearing, however, the applicant's witness stated that the reservoir would not be installed until needed and that the size of the reservoir had not yet been determined. In order that the authorization of additional certificated areas will not further aggravate the deficiency in the existing storage capacity indicated by Exhibit No. 6, applicant will be required by the order herein to construct an additional reservoir with a capacity of at least 200,000 gallons.

#### Findings and Conclusions

The Commission finds as a fact and concludes that public convenience and necessity require that the applications of Southwest Water Company for a certificate of public convenience and necessity to extend its La Sierra District should be granted, and the order hereinafter will so provide.

It is further found as a fact and concluded that the staff recommendations contained in Exhibit No. 6 are reasonable and that the applicant should be directed to effect them, and the order hereinafter will so provide.

The certificate of public convenience and necessity hereinafter granted shall be subject to the following provisions 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.

O R D E R

Applications as above entitled having been filed, a public hearing having been held on a consolidated record with the reopened proceeding on Application No. 40273, Amended, the matters having been submitted, and now being ready for decision,

IT IS HEREBY ORDERED as follows:

(1) That Southwest Water Company, a corporation, be and it is granted a certificate of public convenience and necessity to extend, construct, and operate a public utility water system in Lots Nos. 70 to 88, inclusive, of Tract No. 2047 of Western Hills Estates in the area shown on the map attached to Application No. 42273 as Exhibit A, and as shown on the map attached to Exhibit No. 4 filed at the hearing, and to 428 lots comprising Tract No. 2048 in the area shown on the map attached to Application No. 42348 as Exhibit A, and as shown on the map attached to Exhibit No. 5 filed at the hearing, all in the applicant's La Sierra District, Riverside County.

(2) That applicant shall increase its present water supply by at least 1,050 gallons per minute by July 1, 1962, and shall report to the Commission in writing on or before said date of its compliance herewith.

(3) That applicant shall construct and place in operation by July 1, 1962 an additional reservoir with a capacity of at least 200,000 gallons so as to make water available from said reservoir to the distribution system at pressures in conformity with the requirements of General Order No. 103, and shall report to the Commission in writing on or before said date of its compliance herewith.

(4) That applicant shall, within 180 days after the date hereof, file with the Commission four copies of a comprehensive map of the areas certificated herein, drawn to an indicated scale not smaller than 600 feet to the inch, delineating by appropriate markings the area served, the principal water production, storage, and distribution facilities, and the location of the various properties of the applicant in these areas.

(5) 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 and acceptable to this Commission, such of its tariff schedules, including the tariff service area map for its La Sierra District, as are necessary to provide for the application of its La Sierra District tariff schedules to the areas certificated to it herein. Such revised tariff sheets shall become effective upon five days' notice to this Commission and to the public after filing as hereinabove provided.

(5) That applicant shall not extend its water system beyond the boundaries of its present service area and the areas certificated herein without further order of the Commission.

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

Dated at San Francisco, California, this 7<sup>th</sup> day of FEBRUARY, 1961.

*Ernest B. ...*  
 President

*...*

*...*

*George H. Hoover*

*Fredrick B. Holbrook*  
 Commissioners