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**ORIGINAL**

Decision No. \_\_\_\_\_

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
 CALIFORNIA WATER & TELEPHONE COMPANY  
 for approval of and authorization to  
 carry out the terms of certain main  
 extension contracts and for an interim  
 order authorizing Applicant to install  
 facilities and institute service  
 pursuant to said contracts pending the  
 decision on this Application.

Application No. 43471  
 (Amended)

INTERIM OPINION

California Water & Telephone Company, by application filed June 5, 1961 and amended July 5, 1961, seeks authority, on an interim basis, to carry out the terms and conditions of five water main extension contracts with subdividers of land generally above the 165-foot contour in applicant's Sweetwater District, in San Diego County. Copies of the agreements are attached to the amended application as Exhibits A to E thereof.

Four of the agreements concern subdivisions of land included in a so-called "Master" agreement (Fringe Area Master Agreement - "FAMA"), which provided for installation of necessary backup facilities to serve subdivisions to be later developed within that area, under an arrangement by which the landowners contributed, without refund, the cost of such facilities and the subdividers contributed the cost of the on-site facilities, also without refund.

The FAMA contract, and the agreements for construction of on-site facilities in subdivisions developed within the FAMA and other areas both above and below the 165-foot contour under similar arrangements (the utility obligated itself to pay a proportion of the

cost of backup facilities for lands below the 165-foot contour), have been authorized by decisions in Application No. 41117, or in a later application (Application No. 42080) filed by the company for interim authority to construct on-site facilities under agreements concluded subsequent to the hearing, in September 1959, on Application No. 41117.<sup>1</sup>

The other agreement for which interim authority is here sought (Exhibit D) relates to a subdivision (Bonita Golf Highlands) situated partly above and partly below the 165-foot contour within the boundaries of South Bay Irrigation District in applicant's Sweetwater District. Applicant alleges that a pneumatic booster pumping station, pipe, fittings and other appurtenances are required specifically to provide pressure for service to that subdivision and that the subdivider has agreed to pay the cost of both the on-site and the pressure facilities, without refund of the cost of those facilities to be installed above the 165-foot contour. The contract, it is alleged, though not supplemental to any of the master agreements referred to in Decision No. 61283, in Application No. 41117, is consistent with and supplemental to the agency contract between applicant and South Bay Irrigation District and the Joint Statement of Policy and Understanding between said parties, both of which are specifically referred to in said decision.

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<sup>1</sup> Petitions, filed by South Bay Irrigation District and the City of National City, for review of the Commission's decision in Application No. 41117 (Decision No. 61283, dated December 28, 1960), which authorized applicant to carry out the FAMA and other contracts "to the extent only that said agreements have been fully completed, or that actual construction or installation of facilities may have commenced, prior to the effective date of this order", were denied by the Supreme Court of California on June 14, 1961. A petition for rehearing, filed by South Bay Irrigation District, was also denied by that Court on July 12, 1961. (S.F. Nos. 20672, 20673). The Commission has authorized, on an interim basis, the contracts for construction of on-site facilities included in Application No. 42080 (Decision No. 60016, dated April 28, 1960 as amended by Decision No. 60144, dated May 24, 1960).

The subdividers in the four other agreements (Exhibits A, B, C, E) are successors in interest to parties signatory to the FAMA contract. They have agreed to pay the cost of on-site facilities without refund. In addition, the subdivider of View Hill Map No. 4775 (Exhibit E) has agreed to pay the cost of certain pressure facilities specifically required for that subdivision because of its elevation above levels which can be served by facilities provided for in the FAMA contract. The View Hill contract also provides that the subdivider may be reimbursed for one-half the cost of a described 6-inch main in the event that, within a period of five years, said main is used as part of the facilities necessary for service to other described lands. Except for the provisions relating to pressure facilities and the 6-inch main, the View Hill contract is identical with the 20 contracts for on-site installations in the FAMA area authorized by Decision No. 61283.

Applicant alleges that the subdividers under the agreements submitted here are ready and anxious to proceed with construction and that no facilities contemplated by the various agreements have been or will be installed without the requested authority.

This application was filed shortly before final action by the Supreme Court in review proceedings involving Decision No. 61283. As in its former application (Application No. 42080) for interim authority to construct on-site facilities with costs contributed by the subdividers, applicant has stipulated here that this application may be determined on the record of the hearings on Application No. 41117, and that a final decision herein may await the results of the review proceedings in that matter.

Hearings may be necessary in the reasonably near future, both in the instant application and in Application No. 42080, for the purpose of developing further facts upon which to base the Commission's determination of the issues raised by applicant's request for authority to deviate from its main extension rule, now that review proceedings in the underlying case have terminated. Meanwhile, there appears to be no reason why the construction called for by the contracts submitted here should not be permitted to proceed in the same manner as that involved in the agreements included in Application No. 42080.

We find that issuance of the authority here requested, on an interim basis, will not be adverse to the public interest. We conclude that such authority should be granted pending final determination of the instant application.

INTERIM ORDER

The Commission having considered the application herein, as amended, and basing its interim order upon the findings and conclusions contained in the foregoing interim opinion,

IT IS HEREBY ORDERED that:

1. California Water & Telephone Company be and it is authorized to proceed with the construction of the facilities described in the contracts with certain subdividers attached to said application, as amended, as Exhibits A, B, C, D and E thereof.
2. Authority to carry out terms and conditions of said contracts relating to payment of the costs of said construction otherwise than in accordance with the provisions of applicant's Main Extension Rule No. 19C is withheld pending further proceedings herein.

3. Because of representations to the Commission by applicant and other interested parties that construction of water facilities in the various subdivisions referred to in the application herein is a matter of urgency and no reason appearing to the contrary, this interim order will be effective when issued.

Dated at San Francisco, California, this 22nd day of AUGUST, 1961

*Charles A. B. [Signature]*  
President

*[Signature]*

*E. L. Fox*

*Frederick B. Grolhoff*  
Commissioners