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Decision No. _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 LINCOLN OAKS WATER CO., INC., a)
 California corporation, for a certi-)
 ficate of public convenience and)
 necessity authorizing Applicant to)
 furnish public utility water service)
 in a certain portion of Sacramento)
 and Placer Counties, California,)
 and to exercise franchise rights in)
 connection therewith.)

Application No. 43517
(Filed June 19, 1961)

O P I N I O N

Applicant requests a certificate of public convenience and necessity to construct and operate a public utility water system in Placer and Sacramento Counties. It also seeks authority to exercise franchises granted by each of these counties.

An engineer from the Commission staff made a field investigation and his report will be included in the record as an exhibit.

The area will be called "Sabre City" and will occupy the Northeast 1/4 of Section 18, Township 10 North, Range 6 East, Mt. Diablo, B. & M. It lies partially within each of Sacramento and Placer Counties, and contains approximately 160 acres. Units Nos. 1 and 2, containing about 117 lots and a planned shopping center, will occupy about 70 acres in Placer County and will be developed first. The remaining area lies in Sacramento County. The nearest public utility water system to the area requested herein is that of applicant, Lincoln Oaks Water Co., in Highland Manor, approximately 1½ miles southwest of the area requested to be certificated.

Eventually, the water system as proposed will consist of 8,100 feet of 8-inch, 17,200 feet of 6-inch, and 1,000 feet of 4-inch diameter Class 150 asbestos-cement pipe. The water supply is to be obtained from four wells to be located within the area requested.

One of these wells is existing and a second well is planned to be drilled and equipped before service is furnished to the public. Each of the wells will be equipped with a pump and pressure tank, the sizes of which are to be determined after the second well has been drilled. The cost of the facilities necessary to serve the area and the detail as to the portions to be advanced by the subdivider and that to be borne by the utility is shown in Exhibit C attached to the application.

The system as proposed to be constructed appears to be designed to meet at least the minimum requirements of this Commission's General Order No. 103, and is adequate to serve the area requested.

The application includes a request for rates presently on file for Lincoln Oaks Water Co., Inc., (except for those specifically applicable only to its Arlington Tariff Area) to be authorized for use in the area for which a certificate is now being requested.

Upon consideration of the evidence, the Commission finds and concludes as follows:

1. Public convenience and necessity require that the application be granted as set forth in the ensuing order.
2. Applicant possesses the financial resources to construct and operate the water system.
3. Applicant's water supply and distribution facilities will provide reasonable service for the proposed certificated area provided at least two wells are developed at the time service is first rendered to the public.
4. That applicant's rates, presently on file, (except for those specifically applicable to its Arlington Tariff Area) are fair and reasonable rates for its Sabre City System.
5. That up to the date of the Commission's engineering inspection permits from the appropriate public health authorities had not been obtained.

6. Public convenience and necessity require the exercise by applicant of the rights and privileges granted in the franchises conferred by Ordinance No. 490 of the Board of Supervisors of the County of Placer and No. 540 of the Board of Supervisors of the County of Sacramento.

The certificate of public convenience and necessity herein granted is subject to the following provision of law:

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

A public hearing is not necessary.

O R D E R

Application having been filed and the Commission basing its decision on the findings and conclusions set forth in the foregoing opinion,

IT IS ORDERED that:

1. The engineering report dated August 24, 1961 and relating to this water system be, and it is, included in the record as Exhibit No. 1.
2. A certificate of public convenience and necessity be, and it is, granted to Lincoln Oaks Water Co., Inc., to extend, construct and operate a public utility system for the distribution and sale of water within the NE 1/4 of Section 18, T I O N, R 6 E, M.D.B. & M.
3. Applicant shall not extend service outside of the territory certificated to it, without authority first having been obtained from this Commission.
4. Applicant is authorized to apply, after the effective date of this order, its presently effective tariff schedules, except for

those specifically applicable only to its Arlington Tariff Area, to the areas certificated herein.

5. If the authority herein granted is exercised, applicant is authorized to revise, after the effective date of this order, in conformity with General Order No. 96 and in a form acceptable to this Commission, such of its tariff schedules, including tariff service area maps, as are necessary to provide for the application of its tariff schedules, other than those specifically applicable only to its Arlington Tariff Area, to the area certificated herein. Such revised tariff sheets shall become effective upon five days' notice to the Commission and to the public after filing as hereinabove provided.

6. Prior to the date service is first rendered to the public under the authority granted herein, applicant shall:

- a. Apply to the health authority having jurisdiction for a water supply permit for the proposed system, and report to the Commission, in writing, that application has been made for such permit.
- b. Dedicate to public utility purposes the lot or area on which the wells, pumps, tanks or other related water system facilities are located, and any easements or permits where water mains will be located other than in public streets; and shall file with the Commission one copy of each appropriate document showing such dedication, easement or permit.
- c. Install and place in operation at least two wells, each of which will provide an adequate supply of water for Unit No. 1 of Sabre City, and shall report to the Commission, in writing, the tested capacity of such wells.

7. Applicant shall notify this Commission, in writing, of the date service is first rendered to the public under the rates and rules authorized herein, within ten days thereafter.

8. Applicant shall file, within thirty days after the system is placed in operation under the rates and rules authorized herein, four copies of a comprehensive map, drawn to an indicated scale not smaller than 400 feet to the inch, delineating by appropriate

markings the tract of land and territory served; the principal water production, storage and distribution facilities; and the location of the various water system properties of applicant.

9. That a certificate of public convenience be, and it is granted Lincoln Oaks Water Co., Inc. to exercise the rights and privileges granted by the County of Placer in Ordinance 490, adopted May 9, 1961 and by the County of Sacramento in Ordinance No. 540, adopted July 25, 1956 in the area certificated herein.

10. The authorization herein granted will expire if not exercised within one year after the effective date of this order.

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

Dated at San Francisco, California, this 17th day of OCTOBER, 1961.

Cornell W. Rose
President
W. E. ...
E. ...
Fredrick B. Halbachoff

Commissioners