ORIGINAL

Decision No. 62743

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's own motion into the service, operations, rules and practices of Pacific Water Co., a Corporation.

Case No. 5387

MOSS, Lyon a Dunn, by George C. Lyon, for respondent.

James Black, for City of Westminster; T. G. Wood,

TOT The News; Herbert L. V. Coffey, for Westminster Chamber of Commerce; interested parties.

Franklin G. Campbell, for the Commission staff.

OBINION

Summary of the Investigation

The above-entitled investigation was instituted on November 24, 1959. Previous hearings have been held and decisions issued in this matter with respect to respondent's Victorville 2/System, Berdooco System and Lamont System. This opinion and order is concerned with the Westminster service area of respondent's Orange County System, on the operations of which public hearing was held on June 7, 1961, before Examiner James F. Haley at Westminster. Westminster Service Area

The Westminster service area lies within the city limits of Garden Grove and Westminster. It flanks both sides of Huntington Beach Boulevard from Hazard Avenue on the south to Garden Grove Boulevard on the north and extends along Hazard Avenue east to

^{1/} Decisions Nos. 60086 and 61648 dated May 9, 1960 and March 14,
1961, respectively.

^{2/} Decision No. 60331 dated June 28, 1960. 3/ Decision No. 61296 dated January 4, 1961.

Cannery Street. Pacific serves the area with three separate water systems (in Sun Gardens, New Westminster and Bowles Tract) interconnected by 3½" and 6" mains. Other water purveyors serving in and around Pacific's Westminster service area are Orange County Water Works District No. 5, City of Westminster, City of Garden Grove and Dyke Water Company.

Service Deficiencies

The record shows considerable customer dissatisfaction with the water service being provided by Pacific in the Westminster service area. The dissatisfaction stems mainly from inadequate pressures and service interruptions. Solution of the service problem will require eventual replacement of existing mains with mains of adequate size, installation of larger mains to interconnect the three systems, installation of storage facilities and installation of a standby power source. The order herein will require Pacific to prepare and submit to the Commission a master plan for thoroughly revising its distribution system and water supply facilities so to provide adequate pressures and standby service throughout the Westminster service area.

The evidence shows that the water supply to New Westminster should be increased by at least 360 gallons per minute. Pacific may accomplish this in one or more of several ways:

- 1. Drilling an additional well capable of producing at least 360 gallons per minute.
- 2. Installing transmission mains to interconnect its five wells.
- 3. Providing storage and boosters of sufficient capacity to meet peak demand.

4. Obtaining a standby connection to the 12-inch main on Westminster Boulevard of Orange County Water Works District No. 5.

The order will require Pacific, as part of its master plan, to augment its water supply for New Westminster by 360 gallons per minute no later than June 30, 1962.

Metering

By Decision No. 53362, dated October 1, 1956, in Application No. 36592, the Commission ordered Pacific to undertake a metering program. The record shows that this program has lagged behind the objectives contemplated by the Commission in that decision.

Completion of the metering program would have the effect of reducing water requirements and thereby producing an over-all improvement in service. The order herein will require Pacific to complete its metering program and to provide the Commission with monthly reports as to its progress thereon.

Pacific's Organization

In Decision No. 53862, the Commission expressed its concern over Pacific's organization and stated as follows:

"The Commission is greatly concerned over Pacific's inefficient operating record in Orange County, its lack of headquarters management organization, and its inadequate financial condition."

That decision required Pacific to make certain improvements in its organization. Some improvement resulted; however, the evidence herein and the record of Pacific's operations in Orange County indicate there is still substantial need for further improvement. The order herein will require Pacific to include, as part of its master plan, details of the organizational changes it intends to carry out in connection with the improvement of service.

Findings and Conclusions

The Commission has considered the evidence respecting Pacific's operations in its Westminster service area and finds that its organization and plant are not now providing adequate and reasonable water service and that the public interest requires Pacific to reorganize its operations, to augment its water supply, to complete its metering program and to thoroughly rehabilitate and reinforce the distribution system of its Westminster service area.

ORDER

Investigation of the Westminster service area of Pacific Water Company having been made, public hearing having been held and the matter now being ready for decision,

IT IS ORDERED that:

- 1. Respondent, Pacific Water Company, shall prepare and submit, in writing, to this Commission for approval, no later than December 31, 1961, a comprehensive master plan for the improvement of service to a reasonable and adequate level throughout its Westminster service area. Said plan shall specify in detail and by dates the program of organizational improvements and plant betterments which respondent will undertake in achieving this objective. The plan shall include, but not be limited to, augmentation of water supply and rehabilitation and reinforcement of the distribution system.
- 2. As part of said master plan, respondent shall, no later than June 30, 1962, complete the augmentation of its water supply for New Westminster by at least 360 gallons per minute.

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3. Following approval by this Commission, Pacific shall undertake the prompt execution of said master plan and shall submit written monthly progress reports thereon to the Commission no later than the fifteenth of each following month.

4. Respondent shall proceed with the completion of the metering program ordered in Decision No. 53862, such program to be completed no later than December 31, 1962. Respondent shall submit to the Commission written monthly progress reports no later than the fifteenth of each following month until completion of the metering program. Each of these reports shall include a statement of the number of services metered since the preceding report and the number of services yet to be metered.

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

Dated at San Francisco, California, this 3/st
day of Ostolia, 1961.

President