

ORIGINAL

Decision No. 63849

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of LESSER WATER COMPANY to extend service to contiguous territory, to expand water system, authority to issue stock; request for ex parte.	}	Application No. 43900 Filed November 6, 1961
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O P I N I O N

Lesser Water Company, a California corporation (applicant), by the above-entitled application requests (1) a certificate of public convenience and necessity to extend from its existing service area to serve Tracts Nos. 1116-1 and 1116-2 in Ventura County, and (2) authority to issue \$41,300 of its common stock to Louis Lesser Enterprises, Ltd., a partnership.

A staff utilities engineer investigated the matter and submitted a memorandum filed herein as Exhibit No. 1.

Applicant's authorized service area consists of Tracts Nos. 1111 through 1115, Commercial Site I, Commercial Site II, and Multi-Housing R 4, comprising 197.9 acres.<sup>(1)</sup> Tracts Nos. 1116-1 (60.4 acres) and 1116-2 (54 acres) comprise a total of 114.4 acres, and the northern boundary is contiguous to the southern boundary of the presently certificated area.

Applicant estimates there will be, at full development, approximately 802 services in its presently certificated area and

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(1) From Exhibit "A" on Application No. 43900 it appears that the latter three areas are now Tracts Nos. 1311 and 1313.

408 additional in Tracts Nos. 1116-1 and 1116-2.

Applicant has 13 wells at present, including three which are capped. The wells in use produce 610 gallons of water per minute. It has two 420,000-gallon storage tanks giving total storage of 840,000 gallons. The staff engineer estimates that this supply and storage are adequate for the present and herein proposed service areas.

Applicant has a Ventura County franchise (Decision No. 61017, dated November 7, 1960, in Application No. 42742) and alleges it has a health permit for the water. Its filed tariff will be applied to the extended area.

#### Financing

Applicant has authority from this Commission to issue 2,500 shares of common stock at \$100 per share to Louis Lesser Enterprises, Ltd., for production, storage and other back-up facilities. It alleges that 1,525 of the said shares have heretofore been issued and an additional 860 are to be issued for work now in progress, which leaves 115 authorized but unissued shares. It further alleges that in order to complete Tracts Nos. 1116-1 and 1116-2, it will be required to install and finance the following:

<u>Item</u>	<u>Estimated Cost</u>
Transmission Lines from Wells Nos. 10 through 15 .....	\$ 20,000
Fittings .....	3,000
Miscellaneous .....	2,500
Meters .....	20,400
Engineering, inspection, con- tingencies .....	<u>6,900</u>
Total	\$ 52,800

Applicant requests authority to issue an additional 413 shares of its common stock at \$100 per share par value. These shares and the 115 authorized but unissued shares, totaling 528 shares, are to be issued to Louis Lesser Enterprises, Ltd., which will install the facilities referred to. The order herein will authorize such issuances.

The extensions of the water system into the two tracts will cost \$136,600, which will be advanced by the developer and refunded to him pursuant to applicant's filed main extension rule. Applicant estimates that at full development of the area financing will be over 50 percent through common stock (Exhibit K on the application).

Findings and Conclusions

The Commission has considered this matter and so finds as a fact, that:

1. Public convenience and necessity require that applicant be granted a certificate of public convenience and necessity to acquire, construct and operate a public utility water system in those portions of Ventura County, State of California, known as tentative Tracts Nos. 1116-1 and 1116-2, the legal description of which is set out in the order herein, subject to the conditions and restrictions set forth in the said order.

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 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.

2. A public hearing is not necessary.

3. Applicant should be authorized to issue not to exceed 413 shares of common stock at \$100 per share par value to Louis Lesser Enterprises, Ltd., for the purposes specified in this opinion.

4. The money, property or labor to be procured or paid for by the issuance of the stock herein authorized is reasonably required for the purposes specified, and that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income. The authorization herein granted is not to be construed as a finding of value of applicant's stock or properties, nor as indicative of amounts to be included in any future rate base for determination of just and reasonable rates.

O R D E R

The above-entitled application having been filed, the Commission having made the findings set forth in its opinion herein, and based on said findings,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it hereby is granted to Lesser Water Company to construct and operate a public utility water system for the distribution and sale of water within tentative Tracts Nos. 1115-1 and 1116-2, Ventura County, California, the area comprising said tracts being described as follows:

The Casper Borchard Parcel and that portion of Parcel A as shown on the Record of Survey Map recorded in Book 23, Page 55 of Miscellaneous Records, records of Ventura County, State of California, lying southerly of the following described line:

Beginning at a point on the westerly line of said Parcel A, said point being the southwesterly corner of Lot 22, Tract No. 1114, as recorded in Book 30, Page 17 through 19, inclusive, of Miscellaneous Records (Maps), records of said County; thence easterly along the southerly boundary of said Tract No. 1114's various courses and distances to the southwesterly corner of Lot 59 of Tract No. 1113 as recorded in Book 29, Pages 35 and 36 of Miscellaneous Records (Maps), records of said County; thence easterly and northerly along the southerly and easterly boundary of said Tract No. 1113 its various courses and distances to the northeasterly corner of Lot 101, of said Tract No. 1113; thence leaving the easterly boundary of said Tract No. 1113, North  $89^{\circ} 58' 19''$  East, 256.00 feet; thence North  $05^{\circ} 29' 20''$  East, 153.32 feet; thence North  $20^{\circ} 58' 56''$  East, 146.71 feet; thence North  $53^{\circ} 48' 04''$  East, 102.39 feet; thence South  $47^{\circ} 03' 04''$  East, 113.07 feet; thence South  $20^{\circ} 01' 41''$  East, 151.63 feet; thence South  $17^{\circ} 33' 40''$  East, 79.07 feet; thence North  $69^{\circ} 58' 19''$  East, 103.40 feet; thence South  $20^{\circ} 01' 41''$  East, 19.20 feet to the beginning of a tangent curve concave southwesterly, having a radius of 270.00 feet; thence southeasterly along said curve 8.18 feet; thence along the northeasterly prolongation of a radial line to said curve North  $71^{\circ} 42' 30''$  East, 219.62 feet; thence South  $55^{\circ} 30' 40''$  East, 41.34 feet; thence North  $45^{\circ} 22' 23''$  East, 73.48 feet; thence South  $89^{\circ} 53' 42''$  East, 99.63 feet; thence South  $0^{\circ} 06' 18''$  West, 57.94 feet; thence South  $89^{\circ} 53' 42''$  East, 156.00 feet; thence North  $00^{\circ} 06' 18''$  East, 21.56 feet; thence South  $89^{\circ} 53' 42''$  East, 156.00 feet; thence North  $0^{\circ} 06' 18''$  East, 4.65 feet; thence South  $89^{\circ} 53' 42''$  East, 100.00 feet to an intersection with the East line of said Parcel A.

IT IS HEREBY FURTHER ORDERED that:

1. Lesser Water Company shall not extend service outside of the territory certificated to it without authority first having been obtained from this Commission.
- 2.(a) Applicant is authorized to apply, after the effective date of this order, its presently effective tariff schedule to the area certificated herein.
- (b) Applicant shall file in quadruplicate with this Commission, after the effective date of this order and prior to the date service is first furnished to the public under the authority herein granted, in conformity with General Order No. 96-A, and in a manner acceptable to the Commission, such revised tariff sheets, including tariff service area maps, as are necessary to provide for the application of its present tariff schedules 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 hereinbefore provided.

- 3. Applicant shall file, within 30 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 300 feet to the inch, delineating by appropriate markings the tracts of land and territory served, its principal water production, storage and distribution facilities, and the various water system properties of the applicant.
- 4. Applicant, after the effective date herein, may issue not to exceed 413 shares of its common stock at not less than \$100 per share par value to Louis Lesser Enterprises, Ltd., a partnership, for the purposes specified in the foregoing opinion.
- 5. Applicant shall file with the Commission a report or reports, as required by General Order No. 24-A, which order insofar as applicable is made a part of this order.

The authorization herein granted will expire if not exercised within one year after the date hereof.

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

Dated at San Francisco, California, this 26<sup>th</sup> day of JUNE 4, 1962.

Laurel M. Reed  
President

J. E. Britchell

George T. Weaver

Frederick B. Halbachoff

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Commissioners

Commissioner C. Lyn Fox, being necessarily absent, did not participate in the disposition of this proceeding.