

ORIGINAL

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Decision No. _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of the SOUTHERN CALIFORNIA WATER)
COMPANY for an order granting a)
deviation from applicant's filed)
Main Extension Rule.)

Application No. 44440
Filed May 10, 1962

OPINION AND ORDER

By this application, Southern California Water Company seeks authority to deviate from its filed Main Extension Rule in two respects:

First, it seeks authority to enter into a contract with and thereby require an advance for construction from and by Claraboya Enterprises, Inc. The terms of said contract are set forth in Exhibits C and D attached to the application, which exhibits are Letters of Intention dated February 14 and April 25, 1962, respectively, approved by Claraboya on February 28 and April 27, 1962, respectively.

Secondly, applicant seeks authority to execute refund agreements with Claraboya and other individual subdividers of properties being developed by Claraboya providing for refund of prorated portions of the amounts advanced by Claraboya for special facilities, such refunds to be included with refunds of the costs of individual in-tract water system installations to be advanced in accordance with applicant's main extension rule. Claraboya will assume the responsibility for securing the advances necessary for special pressure facilities from the individual subdividers. Applicant alleges that Claraboya may, from time to time, assign or convey all or part of its interest in the area being developed by Claraboya

to others and, therefore, certain of the refund agreements entered into relating to the area being developed may provide for refund payments to parties other than Claraboya, as hereinafter outlined.

As to the first portion of the application, Claraboya is the owner of the land and the developer of approximately 729 lots within applicant's Claremont service area in unincorporated territory of Los Angeles County north of the City of Claremont. Said area is delineated on the map, Exhibit A, attached to the application. The proposed contract between applicant and Claraboya will be in the ultimate total amount of \$556,146 to be advanced by Claraboya, of which the amount of \$236,786 will cover the estimated cost of special facilities, to-wit: transmission line, reservoirs and booster pumps to serve the development which is at a higher elevation than applicant's service area. The location of booster stations and storage tanks is shown on the map, Exhibit B, attached to the application, which also shows the area covered by the proposed Tracts Nos. 27104 and 27202. Water service will not be required by the developer until the area has been annexed to the City of Claremont.

Applicant's Main Extension Rule No. 15, in paragraph C-1, provides that "if additional facilities are required specifically to provide pressure or storage exclusively for the service requested, the cost of such facilities may be included in the advance upon approval by the Commission."

As to the second portion of the application and as noted hereinbefore, refund agreements may be executed from time to time with subdividers covering the cost of individual in-tract water

system installations and covering, for each connection, 1/729th of the cost of special facilities advanced by Claraboya. The cost of such facilities to be advanced by individual subdividers will be \$325 per service connection in each subdivision. This amount will be added to the refund agreement executed with each subdivider. Thus, the total cost of the special facilities will be spread, without disparity, over the entire 729 lots.

As an example of the methods proposed by applicant for the receiving of advances for construction from Claraboya for both in-tract facilities and special facilities and for the making of refunds to Claraboya or to individual subdividers, page 2 of Exhibit C shows that the estimated cost of connecting a line from applicant's existing system to Tract 27104 (Unit No. 1) will be \$14,332 and the estimated cost of pressure facilities will be \$8,754, for a total estimated cost for Unit No. 1 of \$23,086. The estimated cost of distribution mains within Unit No. 1 will be \$18,410; the estimated cost of 52 service connections in said Unit will be \$2,669; and the estimated cost of fire hydrants therein will be \$2,370, for a total estimated cost of in-tract facilities of \$23,449. The total amount to be advanced by Claraboya for Unit No. 1 will be \$46,535, of which \$16,900 will be refunded under a separate agreement with the subdivider of Unit No. 1 at the rate of \$325 per service connection for 52 such connections.

By a memorandum dated May 28, 1962, a Commission staff engineer recommended that the utility be authorized to carry out the terms of the proposed agreement between the applicant and Claraboya.

The Commission finds that a public hearing is not necessary and that the granting of the application, both as to the seeking of the approval of the agreement between applicant and Claraboya which provides for the advances for construction and as to the proposed methods of refunding of said advances to Claraboya or to an individual subdivider, would not be adverse to the public interest; therefore,

IT IS ORDERED:

1. Southern California Water Company is authorized to deviate from its Main Extension Rule No. 15 and to enter into a contract with Claraboya Enterprises, Inc., providing for advances for construction by the latter pursuant to the terms set forth in the Letters of Intention attached to the application as Exhibits C and D; and to deviate from its Main Extension Rule No. 15 and to enter into refund agreements with individual subdividers of the properties developed by Claraboya Enterprises, Inc., described in the preceding opinion and to include in such refund agreements 1/729th of the cost of special facilities, or \$325, for each water service connection in the particular subdivision.

2. When the contract with Claraboya Enterprises, Inc., providing for advances by it is executed, applicant shall within ten days thereafter file two certified copies thereof with the Commission, and when each agreement with Claraboya or an individual subdivider providing for a refund is executed, applicant shall, within ten days thereafter, file two certified copies thereof with the Commission.

3. Applicant shall file with this Commission, within 180 days after the effective date of this order and in conformity with General Order No. 96-A, the summary required by that general order listing all contracts and deviations, including the agreement herein authorized. Such list shall become effective upon five days' notice to the Commission and to the public after filing as hereinabove provided.

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

Dated at San Francisco, California, this 28th day of August, 1962.

George T. Grover
President

E. L. Fox

Conrad W. R. ...

Frederic B. ...

Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.