

ORIGINAL

64205

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 Certificate of Public Convenience and Necessity to construct or extend its plant or system to render service in certain territory in Orange County.

Application No. 44502  
(Filed June 1, 1962)

O'Melveny & Myers, by Donn B. Miller, for applicant.  
Rutan, Lindsay, Dahl, Smedegaard, Howell & Tucker, by H. Rodger Howell, for Yorba Linda County Water District; and Preston Turner, for the City of Anaheim, interested parties.  
Jerry J. Levander, for the Commission staff.

O P I N I O N

This application was heard before Examiner Kent C. Rogers at Los Angeles on August 23, 1962, on which date it was submitted. Copies of the application and the notice of hearing were served in accordance with the Commission's procedural rules.

As originally filed, applicant requested a certificate of public convenience and necessity to construct a public utility water system in Tracts Nos. 4181 and 4397, and Tentative Tract No. 4693 in unincorporated territory in Orange County, California. Due to the fact that a portion of Tract No. 4693 is in the boundaries of the Yorba Linda County Water District and the tract is not yet ready for development, the portion of the application relative to Tentative Tract No. 4693 was withdrawn. The remaining area for which a certificate is sought consists

of Tracts Nos. 4181 and 4397. Tract No. 4181 contains 129 residential lots and Tract No. 4397 contains six lots. Each lot in each tract contains approximately 7,200 square feet and the land in each tract is approximately level.

The water system in Tract No. 4181 is shown on Exhibit E, page 1, in the application and consists of 4-, 6-, and 8-inch transite mains. The system in Tract No. 4397 is shown on Exhibit E, page 2, in the application and consists of an 8-inch transite main. There are eight fire hydrants in place and each system is constructed in accordance with General Order No. 103 of this Commission. The water supply will be from two wells in Tract No. 4181, one in Lot 26 and one in Lot 85, and each well based upon tests is estimated to produce 750 gallons of water per minute.

Applicant alleges it has a public health permit from the State Department of Public Health.

The applicant alleges it has the financial ability to operate the system. The estimated cost of the construction in the two tracts is as follows:

Land	\$ 4,000
Wells	9,500
Pumping Facilities	<u>26,000</u>
Total Water Supply	\$ 39,500
Distribution Mains	49,500
Services	15,400
Hydrants	13,500
Meters	<u>10,000</u>
Total Cost	\$127,900

The applicant will furnish the land, wells, pumping facilities, and meters. The subdivider has agreed to enter into a main extension agreement, whereby he will pay for the mains, services,

and hydrants, and will be repaid said sum on the basis of 22 per cent over 20 years, pursuant to applicant's filed main extension rule.

The subdivider testified that several of the homes are completed and that the financing companies are demanding that the purchasers be permitted to assume possession thereof. Orange County will not permit any occupancy until the water system is connected.

The staff engineer made a report on the proposed system (Exhibit No. 4). It was his conclusion that the applicant has a potential supply of potable water adequate to meet the peak demands of the area for which the certificate is requested and that the water system designed meets the minimum requirements of General Order No. 103. The rates proposed to be charged customers within the service area and for fire protection service are the same as applicant's rates in its Placentia area, Schedules Nos. PA-1 and PA-5 (Exhibit G, pages 1 through 5, First Amendment to the application).

Due to the urgency of the situation, applicant requests that the order herein be made effective immediately.

#### Findings

Upon consideration of the evidence, the Commission finds 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 proposed water system.
3. The proposed rates are fair and reasonable for the service to be rendered.

4. Applicant's water supply and distribution facilities will provide reasonable service for the proposed certificated area and will meet the minimum requirements of General Order No. 103.

The certificate hereinafter granted shall be 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.

O R D E R

A public hearing having been held and based on the evidence therein adduced,

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Southern California Water Company, a corporation, to acquire, construct, and operate a public utility water system for the distribution and sale of water within Tracts Nos. 4181 and 4397, Orange County, California.

2. Applicant is authorized to apply the rates presently effective in its Placentia area (Schedules Nos. PA-1 and PA-5) and its presently effective rules to the area certificated herein.

3. Applicant shall file with the Commission, in conformity with General Order No. 96-A and in a manner acceptable to the Commission, such revised tariff sheets, including a tariff service area map, as are necessary to provide for the application of its

tariff schedules to these tracts. Such revised tariff sheets shall become effective upon one day's notice to the Commission and to the public after filing as hereinabove provided.

4. 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.

5. Within thirty days after the system is first placed in operation under the rates and rules authorized herein, applicant shall file four copies of a comprehensive map drawn to an indicated scale not smaller than 400 feet to the inch, delineating by appropriate markings the tracts of land and territory served, the principal water storage and distribution facilities, and the location of the various water system properties of the applicant.

The certificate granted herein and the authority to render service under the rates and rules authorized thereby will expire if not exercised within sixty days after the effective date of this order.

The effective date of this order shall be the date hereof.

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

George G. Grover  
President

[Signature]

Conrad O. W. Ruge

Fredrick B. Holluff

Commissioners