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Decision No. 65630

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of ROSA WATER COMPANY, a corporation, for a certificate of public convenience and necessity authorizing applicant to furnish water service to Tract 1483-2 and others in the vicinity of Santa Susana, California.

Application No. 45445 (Filed May 20, 1963) (Amended June 10, 1963)

## OPINION

Rosa Water Company (applicant) furnishes domestic water to customers in Simi Valley, California. By the application herein, it seeks authority to extend service to six parcels of land shown on Exhibit "A" attached to the application. All parcels are in the vicinity of tracts heretofore served by applicant. 1483-2 is contiguous to a parcel of land presently served by applicant and is surrounded on three sides by a parcel it seeks by this application to serve known as the Appleton Ranch. The subdivider of Tract 1483-2 requests that Rosa be granted authority, ex parte, The applicant alleges that the tract conto serve said tract. tains 40 acres and will be divided into 155 lots. The subdivider states that reservations have been taken for 146 of these lots and that the developers have anticipated occupancy within four to five months from June 11, 1963. There is no other water company serving either the Appleton Ranch or Tract 1483-2.

Applicant alleges that it could not estimate at the time the application was filed the costs of the necessary facilities

other than to state that in the past in this area in-tract facilities, other than meters, have varied between \$200 and \$300 per lot.

The proposed rates are applicant's rates on file with this Commission, which rates it is alleged produce an average annual revenue per consumer of approximately \$65 at an average annual expense per consumer of \$35, including depreciation but excluding income taxes.

Exhibit "C", attached to the application, shows that applicant has sufficient water from its existing supplies to meet its present commitments, plus Tract 1483-2, at least until the Metropolitan Water District's Calleguas main feeder line is connected in the spring of 1964.

Applicant will finance the installation of the in-tract facilities under its main extension rule (22% of the revenues). It alleges that at present its advances for construction are less than 50% of its utility plant, less depreciation reserve.

Applicant alleges that certain back-up facilities will be required to enable it to provide service to the six tracts referred to in the application and that such back-up facilities will cost an estimated \$51,430 which it proposes to include in the subdivider's advances if permitted by this Commission, and eventually repay by the issuence of 5% preferred stock, a portion of the total amount authorized by Decision No. 65121, dated March 19, 1963, in Application No. 44721.

The records show that no public utility water company, or any nonpublic utility water company, serves in or around Tract No. 1483-2 except applicant.

## 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 a water system.
- 3. Applicant's rates presently on file with this Commission are fair and reasonable for the services to be rendered.
- 4. The applicant's water supply and distribution facilities in place and proposed will provide reasonable service for the area to be certificated herein.
- 5. A public hearing is not necessary for service to Tract 1483-2, but will be held relative to the remaining tracts specified in the application herein.

The certificate herein granted shall be subject to the following provision of law:

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.

## <u>ORDER</u>

## IT IS ORDERED that:

1. (a) A certificate of public convenience and necessity is granted to Rosa Water Company, authorizing it to extend, construct, and operate its public utility water system in Tract No. 1483-2, as described in the application herein.

- (b) Applicant is authorized to apply its presently filed tariffs to the area certificated herein.
- (c) Applicant is authorized and directed to revise, within thirty days after the effective date of this order, and in conformity with General Order No. 96-A, such of its tariff sheets, including a tariff service area map acceptable to this Commission, as are necessary to provide for the application of its tariff schedules to the area certificated herein. Such tariff sheets shall become effective upon five days' notice to the public and to the Commission after filing as hereinabove provided.
- 2. Applicant shall not extend service outside of the territory certificated to it without further order of this Commission.
- 3. 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.
- 4. Applicant shall file, within thirty days after the system is first placed in operation under the rates and rules authorized herein, four copies of a comprehensive map drawn to an indicated scale of not more than 400 feet to the inch, delineating by appropriate markings the tracts of land and territory served, the principal water production, storage, and distribution facilities, and the location of the various water system properties of applicant.
- 5. The undetermined portions of this application shall be heard at a time and place determined by this Commission.

6. 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 Zud day of Salue, 1963.

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Commissioners