

**ORIGINAL**Decision No. 65759

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application for certificate of  
 public convenience and necessity  
 by R. W. LAND CO., a California  
 corporation, successor to  
 WORKMON HOMES, INC., to extend  
 its existing water system.

Application No. 45604  
 (Filed July 18, 1963)

O P I N I O N

By this application, R. W. Land Co. seeks a certificate of public convenience and necessity authorizing it to construct an extension of its present water system in Stockton, San Joaquin County.

Applicant's present service area consists of two adjacent subdivisions, San Ramon Terrace and El Dorado Village, Unit No. 1, located at the northeast extremity of the Stockton city limits. It includes approximately 60 acres of land, subdivided into some 300 lots. Applicant was authorized to serve the initial two subdivisions by Decision No. 52576, dated February 7, 1956, in Application No. 37266; and Decision No. 62972, dated December 27, 1961, in Application No. 43266. The original decision prohibited further extensions without Commission authorization.

The additional area proposed to be served by applicant consists of a new subdivision, El Dorado Village, Unit No. 2, located immediately east of El Dorado Village, Unit No. 1; and a school site adjacent to, and south of, the new subdivision. Unit No. 2 includes approximately 18 acres of land, subdivided into 89 lots. The school site is a ten-acre parcel.

Applicant proposes to finance the main extension to serve the additional territory by means of construction advances, as provided in its filed main extension rule. The estimated cost of construction is \$19,537 which, when added to present outstanding advances, would result in a total of about \$32,000. This total would constitute some 34 percent of depreciated utility plant, well below the 50 percent limitation of applicant's main extension rule, above which special authorization would be required for applicant to extend its distribution mains. Applicant estimates that sufficient revenue will be produced from the new customers to cover both out-of-pocket incremental expenses and refunds of advances.

Applicant's Exhibit F is a copy of the main extension agreement which applicant proposes to enter into with the subdivider. It differs in many respects from the agreement form prescribed by applicant's filed tariffs and, further, it deviates from some of the provisions of the filed main extension rule. Applicant is placed on notice that it may not make effective any contract at variance with its filed tariffs unless it first justifies each deviation and obtains authorization therefor from this Commission. An application and showing of necessity may be made by advice letter, in accordance with General Order No. 96-A.

The application avers that there is no other water service available for the area herein requested; that the proposed extension will be provided by the installation of 6-inch, 8-inch and 10-inch diameter asbestos-cement water mains, 3/4-inch diameter copper service lines to the subdivision lots, and a 4-inch service line to the school site; and that the present wells have ample capacity to serve the requested area in addition to the original two tracts. Applicant proposes to apply its present rates to the entire service area.

Construction on the school site is planned to start between August 1 and August 15, 1963. Inasmuch as that site will be served by the mains to be installed pursuant to the authority requested herein, applicant requests an early decision on this matter.

The Commission finds that:

1. Public convenience and necessity require the construction of facilities to serve the areas requested herein.

2. Applicant possesses the financial ability to acquire and operate the proposed facilities.

3. Applicant's presently effective 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 meet the minimum requirements of General Order No. 103.

5. Unrestricted further expansion of applicant's service area could conflict with the service areas of other water purveyors in the general vicinity.

The Commission concludes that the requested certificate should be granted, but that the presently effective restriction against unauthorized expansion should not be removed. A public hearing is not necessary in this matter.

#### O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to R. W. Land Co., authorizing it to construct an extension of its public utility water system to serve El Dorado Village, Unit No. 2, and the school site adjacent thereto, in Stockton, San Joaquin County, as such areas are delineated on the maps, Exhibits A and B to this application.

2. Applicant shall not extend service outside of its certificated areas without authority first having been obtained by further order of this Commission.

3. Within one year after the effective date of this order, applicant is authorized to file revised tariff sheets, including tariff service area maps, to provide for the application of its present tariff schedules to the area certificated herein, and revised general rules and copies of printed forms to be used in dealing with customers. Such filing must comply with General Order No. 96-A, and the revised sheets, if acceptable to this Commission, shall become effective on the fourth day after the date of filing.

4. Prior to the effective date of the tariff sheets to be filed in compliance with paragraph 3 of this order, applicant shall not furnish service to the public within the area certificated herein. Compliance with paragraph 3 shall constitute acceptance, and lack of compliance shall constitute rejection, by applicant of the right and obligation to furnish public utility water service within said area.

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

Dated at San Francisco, California, this 30<sup>th</sup> day of JULY, 1963.

*William W. Burnett*  
 President

*George T. Trover*  
 Commissioner

*Frederick B. Holdhoff*  
 Commissioner