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Decision No. <u>67178</u>

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application) of STATE WATER COMPANY and CONEJO) VALLEY WATER COMPANY, both California corporations, for a certificate of public convenience and) necessity authorizing applicants,) or either of them, to furnish) water service in the vicinity of) Thousand Oaks, Ventura County,) California, and other matters) related thereto.

Application No. 43124

Bacigalupi, Elkus & Salinger, by <u>William G. Fleckles</u>, for Conejo Valley Water Company, applicant. Vaughan, Brandlin, Robinson & Roemer, by <u>James H. Lyons</u>, for Committee for Fair Water Service, and Cohen & Alexander, by <u>Charles W. Cohen</u>, for Eton Square Subdivision, interested parties. <u>Jerry J. Levander</u>, for the Commission staff.

CPINICN AND ORDER

By petition filed January 22, 1964, Conejo Valley Water Company requested orders lifting all restrictions upon the rendition of water service within its certificated area and upon the expansion of - service area in accordance with the applicable provisions of the Public Utilities Code.

Decision No. 62474, dated August 23, 1961, in Application No. 43124, granted to Conejo Valley Water Company and State Water Company¹ a certificate to serve certain areas located near Thousand

¹ By authority granted in Decision No. 62784, dated November 14, 1961, in Application No. 43827, State Water Company was merged into Conejo Valley Water Company, and hereinafter applicants will be referred to as Conejo.

Oaks in Ventura County, which were outside of petitioner's original certificated area and because of the critical water situation in the area said decision imposed certain restrictions upon Conejo including the following as set forth in ordering paragraphs 2 and 7:

- "2. State Water Company and Conejo Valley Water Company, and their survivor or successor, are hereby directed to refrain from delivering water for construction purposes other than directly from wells not usable as sources of domestic water supply until further order of this Commission."
- "7. Conejo Valley Water Company shall not extend its water system outside the areas certificated herein and in Decisions Nos. 60906, 59865 and 57727."

In April 1962, rehearing was held to determine Conejo's ability to serve adequate supplies of potable water to the areas which previously it had been authorized to serve. Decision No. 64763 issued January 8, 1963, on the rehearing, found that the public health, convenience and safety required that Conejo be restrained from serving any additional customers and ordered as follows:

"1. Pending further order of this Commission, Conejo Valley Water Company shall not accept applications for new water service connections to any premises not served prior to the effective date of this order, nor shall it serve such premises, unless the actual physical construction of the facilities for which the new service is desired was commenced prior to the effective date of this order."

Subsequently the water situation became even more critical with the result that Conejo found it necessary to ration water for approximately three months. Further hearings were held and additional orders imposed further restrictions concerning Conejo's rendition of water service.²

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² Decision No. 65916 dated August 20, 1963, and Decision No. 66401 dated December 3, 1963.

Throughout these proceedings it has been indicated that Conejo's water problems would be alleviated when imported MWD water is obtained, and in Decision No. 64763, supra, we stated:

> "The order herein will be interim in nature, submission will be set aside and the matter reopened so that consideration may be given to the timely lifting of service restrictions upon presentation of evidence that the total water supply, as augmented by imported water, will enable Conejo to serve potable water to its present and prospective customers."

Hearing on the petition was held before Examiner Patterson in Los Angeles on March 25, 1964, and the matter was submitted upon receipt of late filed Exhibits 3-P and 4-P.

According to testimony presented by petitioner's witness, conejo began receiving MMD water from Calleguas Municipal Water District on February 27, 1964. Such water is presently being received from the Calleguas line on Moorpark Road through a 6-inch connection at Avenida de los Arboles, and through an 8-inch connection at Gainsborough Road. The capacity of the Arboles connection is 1100 gpm and of the Gainsborough connection is 1900 gpm, making a total capacity of 4,320,000 gallons per day. There is also a 10-inch connection at Los Flores Drive, having a capacity of 4,300,000 gallons per day, which will be available when additional water is required. Petitioner's witness testified that the water available from the 6- and 8-inch connections exceeds the estimated peak-day requirement for 1964 of approximately 3,000,000 gallons per day, and will be sufficient to meet Conejo's water demands including the new development of 42 lots in Eton Square, 108 lots being developed by the Julian Weinstock Corporation in Tracts Nos. 1075, 1076, and 1077, and the development of 100 acres known as Starlight Ranchos, part of which is outside of but contiguous to Conejo's presently certificated area. Testimony by witnesses for

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the respective developers as to the status of the construction in each of these new developments disclosed that about 40 houses have been almost completed. From the testimony it is evident that completion and sale of these houses and additional construction cannot proceed until water is made available.

The evidence is uncontroverted that Conejo now has sufficient water from the Calleguas Municipal Water District source alone to meet the service demands in its certificated service area and in contiguous areas which may be served in accordance with provisions of the extension rule. At the time of the hearing Conejo was serving MND water exclusively without blending. It is Conejo's plan to blend MND water with water from its own wells. It is clear from the evidence throughout these proceedings that water from Conejo's wells is of inferior quality which, in many instances, will not meet the requirements for even a temporary permit from the State Department of Public Health.

Late-filed Exhibits 3-P, 4-P and 4-P Supplemental were received as evidence of the potability of Conejo's water supplies and particularly of the blended and treated product.

Exhibit 3-P shows that a sample of the MWD water taken on March 18, 1964 had 776 parts per million of total dissolved solids (TDS). Samples from Conejo's own wells, obtained on that same date, had TDS counts ranging from 749 to 2,906.

Exhibit 4-P, requested by the staff, was to present results of tests of the physical characteristics of turbidity, color, taste and odor of three samples of blended water. Exhibit 4-P as received presented the results of two samples, one of which, obtained on April 1, 1964, from the hydrant in front of Conejo's treatment plant, had a turbidity of 6 parts per million, which exceeds the

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recommendation in the United States Public Health Service Drinking Water Standards for 1962 of a maximum of 5 parts per million.

Exhibit 4-P Supplemental presented the results of a test of a blended water sample for dissolved solids rather than for the physical characteristic requested.

Whether or not the blending and treatment process proposed by Conejo will result in a blend of water which is potable is at issue in another proceeding involving Conejo, Application No. 45442, now pending before the Commission. The issue will be resolved by the decision in that matter.

We find that all restrictions on Conejo's water service should be lifted, provided that, pending the Commission's decision in Application No. 45442, no local water should be blended with MWD water.

We conclude that the petition should be granted to the extent set forth in the following order.

IT IS ORDERED that:

1. All restrictions upon Conejo Valley Water Company's service as imposed by prior Commission orders are lifted, subject to the provision that no local water will be blended with water obtained from Calleguas Municipal Water District unless authorized by the order in Application No. 45442.

2. The limitation of expansion set forth in Rule No. 15A.2.a. of Conejo Valley Water Company shall remain in full force and effect.

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The effective date of this order shall be the date hereof. Dated at <u>San Francisco</u>, California, this <u>574</u> day of <u>May</u>, 1964. <u>Manual</u> <u>President</u> <u>President</u> <u>Autitul</u> <u>Commission</u> <u>Treflerick B. Holsoff</u> <u>Commissioners</u>