

ORIGINAL

Decision No. 67648

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SAN DIMAS-CHARTER OAK DOMESTIC WATER)
COMPANY, a California corporation, for)
authority to contiguously extend)
public utility service to Tract No.)
28776 pursuant to Section 1001 of the)
Public Utilities Code, and for ex)
parte handling.)

Application No. 46621

(Filed May 8, 1964)

In the Matter of the Application of)
SAN DIMAS-CHARTER OAK DOMESTIC WATER)
COMPANY, a California corporation, for)
authority to contiguously extend)
public utility service to Tract No.)
27843 pursuant to Section 1001 of the)
Public Utilities Code, and for ex)
parte handling.)

Application No. 46725

(Filed June 15, 1964)

O P I N I O N

By Application No. 46621, San Dimas-Charter Oak Domestic Water Company seeks authority to extend its public utility water system and service to Tract No. 28776 consisting of 271 lots in San Dimas Canyon at the northerly extremity of and within La Verne city limits. By Application No. 46725, authority is sought to furnish water service to Tract No. 27843 consisting of 173 lots just outside the La Verne and San Dimas city limits and in San Dimas Canyon, contiguous to and north and west of Tract No. 28776. Copies of the applications were served on the Cities of La Verne and San Dimas and on Los Angeles County. A contiguous extension from applicant's presently certificated area could be made to serve

Tract No. 28776, and from there to serve Tract No. 27843, but by Decision No. 66739, dated February 4, 1964, in Application No. 45254 of applicant and Application No. 45465 of Suburban Water Systems, applicant was ordered not to extend its mains and not to furnish water service outside its then certificated area without further order of the Commission.

The locations of Tracts Nos. 28776 and 27843 are shown, respectively, on the map, Exhibit A, attached to each application. Applicant alleges that subdividers have requested it to extend its facilities and to serve said Tracts. No protests have been received.

A Commission staff engineer has investigated the applications and has submitted a report of the results thereof. This report is received as Exhibit No. 1. Said exhibit shows that there are no other water purveyors in the immediate vicinity who could render water service to the tracts, and it further shows that applicant has available the quantity of water which will be required to serve the requested areas. Granting of the applications is recommended.

The staff engineer estimated in Exhibit No. 1 that at the end of the year 1964 there would be 6,820 residential customers in the present service area and that the sources of water supply to applicant, with adequate storage facilities, would be capable of supplying an ultimate development of 20,000 customers. This number of customers fairly represents the ultimate development of the present service areas and the potential development of the San Dimas Canyon area for which certificates are now requested.

Extensions are proposed to be made under applicant's filed main extension rule, and the costs of boosting facilities of adequate capacity and of a 500,000-gallon reservoir are to be included in the subdividers' advances. The costs of these facilities will be allocated between subdividers based upon development of the 575 residential lots presently contemplated within San Dimas Canyon. In-tract pipeline facilities will vary in size from 4 inches to 12 inches in diameter. The costs of in-tract facilities are estimated to be \$42,500 for the initial 101 lots of Tract No. 28776 and \$67,120 for the 173 lots of Tract No. 27843.

Exhibit No. 1 shows that as of the end of the year 1963, applicant's advances for construction amounted to approximately 38 percent of depreciated utility plant. As applicant's present areas become developed, advances might exceed 50 percent of the total depreciated utility plant if applicant does not terminate existing contracts as permitted by the filed main extension rule. If applicant consolidated with the several mutual water companies, in which San Dimas Water Company owns stock, and also with the latter, the ratio of advances in relation to depreciated plant would be reduced.

Applicant proposes to apply its present tariffs to the proposed areas.

Notice is taken of the finding in Decision No. 66739, supra, that although applicant was ready, able, and willing to serve Stages I and II of the development proposed in Application No. 45254, supra, which said stages included Tract No. 27929, on the north side of the San Bernardino Freeway at Via Verde Avenue, consisting of 116 lots, and the initial installation to serve Forest Lawn Cemetery on the south side of the San Bernardino Freeway at said avenue, neither the adequacy, availability nor dependability of its sources of water supply nor its financial ability to serve Stages III through VII, comprising the balance of the approximately 2,900 acres contained in the application, had been established. Said application covering said latter stages was denied without prejudice to applicant's showing the Commission its ability to further extend its system. Plans to consolidate or merge applicant with its parent San Dimas Water Company, a mutual water company, into a surviving public utility were made a condition of a loan to applicant, secured by the properties of the mutual and applicant, by Pacific Mutual Life Insurance Company in 1959 and such plans were then pending. No further information is contained in the instant applications.

Based on the sworn allegations of the applications and the evidence, we find that:

1. Requests for water service have been made to applicant by subdividers of two tracts containing a total of 444 lots; one tract located in the City of La Verne and the other in unincorporated territory of Los Angeles County.
2. Applicant has adequate water supplies available to it to serve the proposed areas.
3. Subdividers will advance the cost of in-tract and backup facilities pursuant to applicant's main extension rule.

4. Applicant's ratio of advances to net utility plant was 38 percent as of the end of the year 1963, and the entering into of main extension agreements covering the proposed water system installations will not cause that ratio to exceed 50 percent.

5. The granting of the applications will not unduly burden either applicant's water supply or its finances.

6. Public convenience and necessity require the granting of the application.

7. A public hearing is not necessary.

Based on the foregoing findings the Commission concludes that the applications should be granted.

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.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to San Dimas-Charter Oak Domestic Water Company to extend its water system and operate a public utility water system in Tracts Nos. 28776 and 27843 in La Verne and in unincorporated territory of Los Angeles County in the areas shown on the maps, Exhibit A, attached to each application.

2. Within one year after the effective date of this order, applicant may file revised tariff sheets, including a revised tariff service area map, to provide for the application of its tariff schedules to the tracts and areas certificated herein. Such filing shall be in conformity with General Order No. 96-A and the revised tariff sheets shall become effective upon the fifth day after having been filed.

3. Except for the authorization herein granted, the restrictions against extension of service imposed by the order in Decision No. 66739 shall remain in full force and effect.

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

Dated at San Francisco, California, this 4th day of August, 1964.

Frederick B. Hallock
President
George J. Hoover

Commissioners

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

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.