

ORIGINAL

Decision No. 67812

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of PALM SPRINGS WATER COMPANY, a)
corporation, for a certificate)
of public convenience and neces-)
sity to extend its water corpora-)
tion operations in the vicinity)
of Palm Springs, Riverside County,)
California.)

Application No. 46701
(Filed June 8, 1964)
(Amended July 2, 1964)

Knapp, Gill, Hibbert & Stevens, by
Wyman C. Knapp, for applicant.
Robert C. Durkin, for the Commission
staff.

O P I N I O N

Palm Springs Water Company (applicant) seeks a certificate of public convenience and necessity to construct and extend its public utility water system into 40 acres of Section 14, T3S:R3E, SBB&M, to serve the depot and stationmaster's house of Southern Pacific Company (Railroad) therein; also into Section 34, T3S:R4E (214 consumers); also into T4S:R4E as follows: Section 10 (20 consumers); Section 22 (no consumers, but service to a proposed subdivision requested); Section 25 (8 consumers); Section 35 (165 consumers including seven apartment housing projects or multiple unit condominiums); also into T4S:R5E as follows: Section 20 (no consumers); Section 28 (one trailer park); Section 29 (102 consumers); Section 30 (one consumer of 51 units); Section 32 (77 consumers); also into Section 1 (one consumer) and Section 2 (one consumer), T5S:R4E; for a total of 592 active consumers outside of applicant's presently certificated area as of March 30, 1964,

all as shown in Exhibit No. 2. The areas sought to be certificated are delineated on the map Appendix A attached to the application as amended. Except for the area in the vicinity of the depot all areas sought to be certificated are contiguous to applicant's presently certificated service area on the fringes thereof, and applicant has heretofore filed Advice Letters Nos. 9, 10, 11, 12, 15, and 17 with the Commission. Said letters have been accepted by the Commission. They show applicant's service to such areas and make them a part of applicant's filed tariffs. The record shows that applicant is also furnishing water service to a trailer park in the E½ of the N½ of Section 28, T4S:R5E, SBB&M, outside of but contiguous to the area in said section sought herein to be certificated. Applicant proposes to continue such service. The application as originally filed included the N½ of Section 28, but was revised to exclude all but a portion thereof upon advice by Coachella Valley County Water District (District) by its letter to the Commission, dated June 30, 1964, copy of which was sent to applicant, that if such exclusion were effected District would not protest the rest of the application.

Public hearing was held before Examiner Warner on August 4, 1964, at Palm Springs. No protests were entered. District's assistant general manager was present at the hearing.

Exhibit No. 1 shows that as of June 30, 1964, applicant was furnishing water service to 8,014 active consumers. Exhibit No. 4 shows that applicant's supply from its ten actively producing wells was 13,580 gpm of minimum production capacity, and its surface

supply from Snow, Falls, and Chino Creeks was 1,287 gpm; for a total of 14,867 gpm of available water supply. Two other wells with minimum production capacities of 128 gpm and 226 gpm, respectively, are not presently in use but can be activated by connecting electrical equipment.

Exhibit No. 3 is a copy of an Agreement, dated July 30, 1963, between Railroad and applicant pursuant to which applicant acquired Railroad's pipelines, chlorinating plant, and sand and weir box in Snow Creek Canyon for \$4,600, and an easement for \$180, and agreed to furnish water service to Railroad pursuant to applicant's filed tariffs. A previous Agreement, dated December 24, 1934, together with Supplemental Agreements, dated August 10, 1939, May 2, 1945, and March 28, 1955, respectively, which covered the appropriation, transportation and chlorination of water diverted from Snow Creek and tributaries, was canceled and Railroad retained its right, if any, to use up to 2 cubic feet of water per second from Snow Creek and its tributaries.

Exhibit No. 5 is a service area map of applicant's basic grid system of 6-inch, and larger, lines.

Exhibit No. 6 shows that for the period January 1 through December 31, 1963, the cost to applicant of delivering water was \$1.51 per 1,000 cf, based on total water sales of 436,834,500 cf (10,028 af) and 7,612 average active customers.

Exhibit No. 7 is a schedule of taxes levied by Riverside County on applicant's property, which shows that, for the tax year 1960-61, total assessment was \$605,410, with taxes of

\$38,951.66 thereon; and for the tax year 1963-64, total assessment was \$699,250 with taxes of \$51,281.94 thereon.

Exhibit No. 8 is applicant's earning statement for the six months' period January 1 to June 30, 1964, which shows total operating revenues of \$398,428.83; total expenses of \$282,791.42; and net operating profit of \$80,960.41.

The Commission finds that public convenience and necessity require that the application be granted.

The certificate hereinafter 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. Palm Springs Water Company is granted a certificate of public convenience and necessity to construct, extend, and operate its public utility water system in the areas delineated on the map Appendix A attached to the application as amended.

2. Within one year after the effective date of this order, applicant is authorized to file such additional and revised tariff sheets, including tariff service area maps, as are necessary to provide for the application of its tariff schedules to the areas certificated herein. Such filing shall comply with General Order

No. 96-A, and the additional and revised sheets shall become effective on the fourth day after the date of filing.

The effective date of this order shall be ten days after the date hereof.

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

Frederick B. Halduff
President
George H. Grover

Commissioners

Commissioner Peter L. 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.