

ORIGINAL

Decision No. 68076

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

APPLICATION OF JURUPA HILLS WATER CO. )  
TO INCREASE ITS SERVICE AREA )

Application No. 46627  
(Filed May 11, 1964)  
(Amended September 4  
& 16, 1964)

Robert O. Hunter, for applicant.  
Jerry J. Levander and C. Strelinski,  
for the Commission staff.

O P I N I O N

Jurupa Hills Water Co. seeks authority to extend its public utility water system in unincorporated territory of Riverside County in the Rubidoux area west of Riverside to serve two parcels, one designated as Tentative Tract No. 3080, and a 97-acre portion of the NE 1/4 of Section 19, T2SR5W, S.B.B.SM. By letter, dated September 4, 1964, the latter 97-acre parcel was withdrawn by applicant, and at the hearing, the application was amended to include a 300-foot-wide strip along the easterly boundary of Section 19 from the northerly boundary of said Section, southerly to applicant's present service area, containing approximately 10 acres.

By Decision No. 60502, dated August 2, 1960, in Application No. 40932, applicant's predecessor, Thomas L. Clay, doing business as Jurupa Hills Water Co., was granted a certificate, but was restricted from extending his water system operations outside of the certificated area without further order of the Commission.

By Decision No. 64259, dated September 19, 1962, in Application No. 44668, applicant was authorized to acquire the Clay water system properties, to increase the service area, and to issue stock. Said Decision ordered applicant to effect certain improvements to the water system, and to make an engineering study for the purpose of developing a master plan to provide adequate water service, with cost estimates and a timetable for completion.

By its letter, dated September 16, 1964, applicant seeks permission to serve six addresses, to wit, 4950 and 8100 Limonite Avenue, and 4898, 4896, 4894 and 4810 Riverview Drive, Riverside, which are outside the certificated area, are accessible to applicant's lines, were not being served pursuant to applicant's tariffs prior to Decision No. 60502, supra, and which are now being served without authority for such service.

Public hearings were held before Examiner Warner on September 14, 1964, at Riverside, and September 22, 1964, at Los Angeles. The second hearing was necessitated by applicant's last-minute amendments which, because of applicant's tardiness, could not be and had not been investigated by the Commission staff. One letter from a customer within applicant's presently certificated area protested the application unless applicant improved service conditions.

Exhibit No. 6-A is a report on the application submitted by a Commission staff engineer. Said Exhibit shows that applicant's presently certificated area comprises 555 acres located about two

miles east of the community of Pedley; contains a golf course; has an ultimate potential of 800 residential lots; and varies in elevation from 720 to 1,208 feet. Water service is furnished to 237 customers, all metered, except the golf course as noted hereinafter. Said Exhibit also shows that applicant's president and his wife are its stockholders; he is the principal subdivider in the present and proposed certificated areas; he has a substantial interest in the golf course, which is served free water by applicant. The record shows that he is an officer and stockholder in three adjoining mutual irrigation companies.

Applicant's president admitted excessive water service pressures exceeding 125 psi and below 25 psi in certain sections of the presently certificated service area. He testified, however, that applicant's proposal to serve the requested area, because such service would require the installation of additional storage tanks and booster pumps, together with transmission mains, would improve and alleviate the existing poor service conditions.

The record shows that applicant has operated at an annual loss, and has paid no dividends on its common stock. Applicant's president has bought up subdividers' main extension contracts and holds them, and refunds due thereunder are in arrears. Applicant must pay Thomas L. Clay \$75,000 by 1971 for the water system applicant acquired in 1962.

Considerable dispute is of record as to the adequacy of applicant's sources of water supply for the ultimate development, not only of the presently certificated area, but of the area sought

herein to be certificated. It appears that although the sources are adequate, the presently installed booster pump, storage, transmission and distribution facilities either do not meet the standards prescribed by General Order No. 103, or they have not been installed.

The record shows that the engineering study ordered by Decision No. 64259, supra, has not been made.

The record shows that applicant has not obtained a Water Supply Permit from the State Department of Health. In the past, Riverside County Health Department has supervised applicant's operations and makes bacteriological analyses and has found no fault. However, when the number of customers reached 200 during 1963, State Department of Health regulations became effective.

The Commission finds as follows:

1. Applicant is a public utility water corporation under the jurisdiction of the Commission furnishing water service to some 237 customers in unincorporated territory of Riverside County in the Rubidoux-Pedley area west of Riverside.

2. Applicant has violated the Order in Decision No. 60502 by extending its service to six additional customers outside its certificated area without securing authority.

3. Applicant has not engineered its present water system, and has not submitted a study of present and proposed water system requirements to the Commission.

4. Applicant is furnishing free water to a golf course in violation of its tariffs.

5. Water service within the presently certificated area is deficient, both as to excessive and deficient pressures.

6. Applicant does not hold a State Department of Health Water Supply Permit.

7. Public convenience and necessity have not been shown to require the granting of the application.

The Commission concludes that the application should be denied, except that the restrictions imposed by Decision No. 60502 should be lifted with respect to the six additional customers now being served by applicant outside its presently certificated area. It would not be in the public interest to cut off service to those customers now being served.

When applicant has engineered its water system for the purpose of developing a master plan to provide adequate water service and submitted a study thereof, together with cost estimates and a timetable for its completion; when water service deficiencies existing within the presently certificated area have been corrected; when applicant has obtained a permit from the State Department of Health; when applicant has properly applied its tariffs; in short, when applicant has put its house in order, then, and only then, will the Commission entertain an application to extend.

Applicant is placed on notice that it must comply with the provisions of Decision No. 64259, otherwise penalties will be assessed against it.

O R D E R

IT IS ORDERED that the application is denied, except that restrictions imposed by Decision No. 60502 are lifted to the extent that applicant is authorized to serve 4950 and 8100 Limonite Avenue, and 4898, 4896, 4894, and 4810 Riverview Drive, Riverside. Otherwise, the restrictions imposed by said Decision shall remain in full force and effect.

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

Dated at San Francisco, California, this 20<sup>th</sup> day of OCTOBER, 1964.

Frederick B. Halasoff  
President

Walter R. [unclear]

George T. Trover

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