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Decision No. <u>68516</u>

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SOUTHWEST WATER COMPANY, for authority to contiguously extend public utility water service to a 12 acre parcel of land adjacent to its La Sierra District.

Application No. 46952 (Filed September 2, 1964) (Amended October 28, 1964)

OPINION AND ORDER

Southwest Water Company seeks the lifting of the restrictions against extending its water service system beyond the boundaries of its existing service area known as its La Sierra District imposed by Decision No. 54649, dated March 12, 1957, in Application No. 38576, and by Decision No. 61458, dated February 7, 1961, in Applications Nos. 42273 and 42348, so that it may provide water service to a 12-acre parcel of land located on the southwest side of Arlington Avenue outside of and contiguous to its La Sierra District on the northwest extremity thereof, all in the City of Riverside. Water service to three customers in the area is proposed.

A memorandum, dated September 30, 1964, from a Commission staff accountant, to which is attached a copy of a memorandum financial report on applicant in connection with its Application No. 46832, to acquire the assets of La Mirada Water Company, which said application was granted by Decision No. 68333, dated December 15, 1964, is received as Exhibit No. 1 in this proceeding.

-1-

Exhibit No. 1 does not state any objections to the granting of the instant application, but calls attention to applicant's common equity which, as shown in Table A attached to said Exhibit, is approaching a very low level.

A report on the results of his investigation of the application dated December 23, 1964, has been submitted by a Commission staff engineer, and is received in evidence as Exhibit No. 2. Said Exhibit shows that the City of Riverside does not object to the instant application. It shows that applicant furnishes water service to approximately 13,600 metered customers in four districts including 5,100 customers in its La Sierra District most of which has been annexed by the City of Riverside.

Applicant proposes to apply its existing La Sierra tariff schedules to the proposed area. In this connection the staff engineer recommended that applicant's tariff sheets should be revised to reflect the annexation of the territory in its La Sierra tariff area to the City of Riverside and elimination of the La Sierra Community Services District.

By the amendment, applicant seeks authority to execute a refund contract under Rule No. 15-C and refund one-third of the total amount to each of the three individuals. The staff engineer, in Exhibit No. 2, states that the main extension agreement should be executed under Section B, Extensions to Serve Individuals, of the Main Extension Rule, since the proposed development will not constitute a bona fide subdivision. He recommended that a pressure survey be made in the summer of 1965 and that applicant should continuously operate its booster station supplying the

-2-

upper operating zone where the proposed area is. He concluded that if the application is granted the restriction against further extensions by applicant outside its La Sierra District certificated area imposed by Decisions Nos. 54649 and 61458, which were imposed because of limited water supplies, and the condition of applicant's distribution facilities, should remain in force because applicant is still in the process of replacing substandard facilities.

The Commission finds that:

1. Southwest Water Company is a duly certificated public utility water corporation under the jurisdiction of this Commission.

2. Southwest Water Company is restricted from extending its water service outside its certificated area in its La Sierra District without further order of this Commission.

3. There is a public demand for water service to three customers in a 12-acre parcel in Southwest's La Sierra District in the City of Riverside.

4. The 12-acre parcel is contiguous to Southwest's La Sierra District service area on the northwest.

5. Except for the restrictions against extending its water service imposed by Decisions Nos. 54649 and 61458, Southwest could provide water service to and in the 12-acre parcel under Section 1001 of the Public Utilities Code without specific authority from the Commission.

6. Public convenience and necessity require that the restrictions imposed by Decisions Nos. 54649 and 61458 be lifted to an extent that will allow Southwest to extend its water system to serve the 12-acre parcel.

-3-

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7. Applicant's proposal to apply its La Sierra District tariffs to water service in the 12-acre parcel is reasonable.

8. The staff recommendations in Exhibit No. 2 are reasonable.

9. Public hearing is not necessary.

It is concluded that the application should be granted in the manner set forth in the order which follows.

IT IS ORDERED that:

1. The restrictions against Southwest Water Company extending its water service outside its certificated La Sierra District service area boundaries imposed by Decisions Nos. 54649 and 61458, are lifted to the extent that authorization is granted to Southwest Water Company to extend its water system to operate a public utility water system in the 12-acre area shown on the map Exhibit A attached to the application.

2. Applicant shall provide service to the individuals in the area which applicant is herein authorized to serve under Section B of its main extension rule. Applicant will bear the additional cost entailed because of installation of a main larger than 6 inches in diameter.

3. Within one year after the effective date of this order applicant shall file revised tariff sheets, including a revised tariff service area map to provide for the application of its present La Sierra tariff schedules to the area authorized to be served herein. Such filing shall be in conformity with General Order No. 96-A, and the revised tariff sheets shall be effective upon the fourth day after having been filed.

4. Within thirty days after the system is placed in operation, applicant shall file four copies of a comprehensive map of its La Sierra system, drawn to an indicated scale of not more than

-4-

600 feet to the inch, delineating by appropriate markings the various tracts of land and territory served, the principal water production, storage and distribution facilities, and the location of the water system properties of applicant.

5. Within thirty days after the system is placed in operation, applicant shall submit to this Commission, in writing, a report setting forth the facilities installed, with itemized cost and size of facilities, including statement of the free footage allowance, and the basis of apportionment of costs of oversized facilities between applicant and the three customers.

6. Applicant shall continuously operate its booster station No. 611.B1.

7. Except for the authorization herein granted, the restrictions against the extension of service imposed by the order in Decisions Nos. 54649 and 61458 shall remain in full force and effect.

The effective date of this order shall be the date hereof. Dated at <u>San Francisco</u>, California, this <u>22md</u> day of <u>JANNARY</u>, 1965.

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Commissioners

-5-

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