

**ORIGINAL**

Decision No. 69358

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

SUNSET-NELSON, INC., a Corporation,  
Complainant

vs.

SUBURBAN WATER SYSTEMS, a Corporation,  
Defendant.

Case No. 8156  
(Filed March 31, 1965)  
(Answered April 16, 1965)

Walter E. Kinsman and Kenneth Torbiner,  
for complainant.  
Arthur D. Guy, Jr., and Walker Hannon,  
for defendant.  
Jerry J. Levander, for the Commission  
staff.

O P I N I O N

Complainant alleges that it is in the business of building and operating shopping center properties not for resale; on or about August 1, 1964, it requested 1½-inch water meter service by defendant for a liquor store at 9137 Slauson Avenue, an accountant's office at 9137-A, a cleaning establishment at 9139, and a barber shop at 9141, and 2-inch meter service for a laundromat at 9143 Slauson Avenue, Pico Rivera; all of said shops were part of a new shopping "service" center at that time under construction; it was advised by defendant that the latter would be required to bring new water lines to complainant's property at complainant's expense; it was advised by defendant that a water

line supplying the properties was over 50 years old and not adequate for commercial development and it would be necessary to advance \$1,900 to bring in water lines; on or about October 12, 1964, a water main extension agreement, Exhibit A attached to the complaint, was executed and the amount of \$1,900 was advanced to defendant; and water service for construction purposes was furnished by defendant through a 2½-inch steel main located in the alley at the rear of complainant's properties north of Slauson and west of Serapis Avenues. Complainant maintains that it is defendant's business to upgrade its system to supply new developments, and requests an order that defendant reimburse it in the amount of the \$1,900 supplied by complainant for the costs of upgrading the system.

Public hearing was held before Examiner Warner on May 26, 1965, at Los Angeles.

Defendant, while admitting the existence of its 2½-inch steel main in the alley, contended that the character of complainant's development had caused a change in water service requirements to the properties and, therefore, constituted new customer requirements, and that whether the installation upgraded the system or not did not shift the responsibility from complainant, requesting extraordinary service, to defendant for assuming the initial investment under the main extension rule.

Defendant installed 268 feet of 8-inch and 130 feet of 12-inch asbestos cement, Class 100 pipe, 105 feet of 16-inch steel encasement, one 6-inch fire hydrant, one 1½-inch copper

service, and one 2-inch galvanized service in Slauson Avenue and in Serapis Avenue, as shown on the map, Exhibit A, attached to the answer. The total cost was \$10,741.48.

Based on the evidence, we find that:

1. The record supports complainant's allegations.
2. Defendant misinterpreted its main extension rule under the existing circumstances.
3. The terms of the main extension agreement, dated October 12, 1964, are not in accord with defendant's filed tariff.

We conclude that the relief prayed for should be granted. The water service requested by complainant should have been furnished by defendant without payment of a construction advance by complainant; the main extension agreement is not in accord with defendant's filed tariff; and the amount of \$1,900 advanced by complainant should be refunded, with six per cent interest from October 12, 1964, to date of refund.

O R D E R

IT IS ORDERED that:

1. Suburban Water Systems shall furnish water service, without requiring a construction advance, to Sunset-Nelson, Inc., a corporation at the latter's properties at 9137, 9137-A, 9139, 9141, and 9143 Slauson Avenue, Pico Rivera, pursuant to the latter's request for a 1½-inch meter to all but the latter address, and for a 2-inch meter at the latter address, in conformance with General Order No. 103 and in conformance with its filed tariffs.

2. Defendant shall, within ten days after the effective date hereof, refund to complainant \$1,900 plus interest at six per cent from October 12, 1964, to the date of refund, and shall, within five days thereafter, report in writing to the Commission its compliance herewith.

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

Dated at San Francisco, California, this 7<sup>th</sup> day of JULY, 1965.

Fredrick B. Hallock  
President

Walter E. Fisher

George H. Grover

Augustin

William L. Lewis  
Commissioners