

**ORIGINAL**Decision No. 70780

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of HESPERIA WATER COMPANY, a corporation, for an order authorizing applicant to extend its distribution facilities to Shell Oil Company.

Application No. 48252  
(Filed February 14, 1966)  
(Amended April 26, 1966)

O P I N I O N

Hesperia Water Company, presently operating a public utility water system in San Bernardino County, requests the issuance of a certificate of public convenience and necessity to extend service from its present system to a non-contiguous territory.

Applicant's main place of business is located at Hesperia, San Bernardino County. Pursuant to Decision No. 59281, dated November 17, 1959, in Case No. 6159 and Decision No. 66209, dated October 22, 1963, in Case No. 6159, applicant was restricted from extending its distribution facilities without further authorization of this Commission.

Applicant currently serves 2,739 customers; has pumping capacity of 3,984 gallons per minute; and has total storage capacity of 570,000 gallons. By this application authority is sought to extend service along Main Street to property of the Shell Oil Company not contiguous to applicant's service area. Applicant's nearest distribution system facility, at the corner

of Main Street and Pyrite Avenue, is a 6-inch main approximately 6,300 feet from the Shell Oil Company property. Construction cost is estimated at \$19,000. Service to said property will be under applicant's main extension rule. Applicant anticipates that additional service connections will be made directly to this main within the 10-year period during which refunds will be paid.

The annual reports of applicant on file with this Commission show that the current ratio of advances to depreciated plant is 11.75 per cent. This ratio will increase to 18.41 per cent if the proposed extension is included. The proposed rates for the service will be the same as those which applicant presently has on file with this Commission. Applicant's source of supply is adequate for its present service area and for the proposed additional area.

It is alleged that there is no other water utility in the area to provide the proposed service.

After consideration the Commission finds that a certificate of public convenience and necessity should be granted and the restriction lifted to the extent set forth in the following order. A public hearing is not necessary.

The certificate hereinafter granted shall be subject to the following provision of law:

That 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.

The action taken herein is for the issuance of a certificate of public convenience and necessity only and is not to be considered as indicative of amounts to be included in proceedings determining just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. The restriction against Hesperia Water Company making any further extension of its distribution facilities is modified to the extent that a certificate of public convenience and necessity is granted to Hesperia Water Company to extend its water system a distance of approximately 6,300 feet westerly along Main Street to the frontage road on the easterly boundary of Interstate Highway No. 15.
2. Hesperia Water Company may operate such main extension to provide water service for the Shell Oil Company at the westerly terminus of such main extension and to customers fronting on Main Street where services may be attached directly to the extension herein authorized.
3. Except for the authorization herein granted, the restriction against extension of service imposed by prior order of the Commission shall remain in full force and effect.
4. Prior to commencing construction of the proposed extension applicant shall enter into a main extension contract, or contracts, with the Shell Oil Company or other applicants for permanent water service requiring an advance pursuant to and using the contract form of applicant's filed tariff sheet No. 88-W.

5. 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 present tariff schedules to the area certificated herein. Such filing shall comply with General Order No. 96-A and the revised tariff sheets shall become effective the fourth day after the date of filing.

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

Dated at San Francisco, California, this 1st day of JUNE, 1966.

Frederick B. Hallock  
President  
George E. Grover  
Advocate

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.