

ORIGINALDecision No. 71699

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of ROSSMOOR WATER COMPANY, a corporation, for an Order to Extend and Furnish Water Service outside its certificated area, for a Certificate of Public Convenience and Necessity authorizing Applicant to construct and operate an extended system in said area sought to be served in Orange County, California, and for approval of Main Extension Contracts.

Application No. 48704
(Filed August 12, 1966)

O P I N I O N

By the application herein applicant, which is prohibited from extending service outside the boundaries of the El Toro Water District, requests permission to extend its service area into the Moulton Niguel Water District located east of Interstate Highway No. 5 (San Diego Freeway), west of The Atchison, Topeka and Santa Fe Railway Company main line, and south of the El Toro Water District boundary, near La Paz Road, in Orange County.

Alscot Development Company is developing approximately 138 acres of land which will be divided into an estimated 500 residential and commercial lots, a portion of which land is in applicant's service area, and a portion of which development extends from applicant's certificated area into the Moulton Niguel Water District. As of September 27, 1966, grading operations for the construction of homes in the portion of the land area outside the certificated area of applicant were under way, and water service

is required for buildings to be constructed therein. The Moulton Niguel Water District has agreed to supply applicant with the water required for the requested area through a connection to its existing main on La Paz Circle.

Engineering specifications comply with the requirements of General Order No. 103 of this Commission.

Applicant has executed a main extension contract with Alscot (Exhibit D on the application). Amounts to be advanced by Alscot and subject to refund under main extension agreements total \$199,165, additional facilities to be provided by the applicant within the requested area will cost \$28,505, and long range storage and booster facilities not immediately required will cost an additional \$240,000, and are to be provided by the applicant at the time of ultimate development.

The initial main extension contract between Alscot and applicant (Exhibit D) is in the amount of \$12,645 and is to extend service into the proposed service area in the Moulton Niguel Water District to serve model homes. The agreement is subject to refund pursuant to Section C.2. of the utility's main extension Rule No. 15.

Applicant will file its presently filed rates for water service for all customers in the requested area.

Applicant's estimated utility plant, depreciation reserve and advances as of July 1, 1966, including the \$12,645 on Exhibit D, will result in approximately a 25 percent ratio of advances to net plant.

The Commission finds that:

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

2. Rossmoor is restricted against extending service outside the boundaries of the El Toro Water District without further authority from this Commission.

3. Alscot Development Company is developing land, part of which is in the El Toro Water District and part of which is in the Moulton Niguel Water District. It has requested that the applicant seek authority to serve a model home area in the Moulton Niguel Water District.

4. The proposed model home area is contiguous to the existing certificated area of applicant and there is no public utility water company available to serve the area.

5. Except for the restrictions against extending its water service area, applicant could provide water service to the proposed area under Section 1001 of the Public Utilities Code without specific authority from this Commission.

6. Public convenience and necessity require that restrictions imposed by Decision No. 70115 be lifted to the extent that applicant be granted a certificate of public convenience and necessity as requested.

7. Applicant's proposal to apply its existing tariffs to the extended area is reasonable.

8. Applicant should be permitted to execute the proposed main extension agreement in the form of Exhibit D in the application.

9. A public hearing is not necessary.

Based on the foregoing findings, the Commission concludes that the application should be granted.

The certificate herein 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. A certificate of public convenience and necessity is granted to applicant, Rossmoor Water Company, authorizing it to extend its water system and operate as a public utility in the vicinity of El Toro, Orange County, within the area of Moulton Niguel Water District lying between Interstate Highway No. 5 and the Santa Fe Railway as delineated on Exhibit "A" to the application herein.

2. After the effective date of this order applicant shall file revised tariff sheets including revised tariff service area maps 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 on the fourth day after the date of filing. The authority granted herein shall expire unless the designated tariff sheets are filed within one year after the effective date of this order.

3. Within sixty days after the effective date of this order, applicant shall file two copies of a comprehensive map of the area certificated herein drawn to an indicated scale of not more than 400 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 various water system properties of applicant. Such map shall be brought up to date by the filing of revised maps every six months until the development of the area has been completed, at which time the final map shall so note.

4. Except for the authorization granted herein, the restrictions against extension of service imposed by Decision No. 65273 and modified by Ordering Paragraph No. 2 of Decision No. 70115 shall remain in full force and effect.

5. Applicant is hereby authorized to enter into the main extension agreement with Alscot Development Company, dated August 3, 1966, a copy of which is Exhibit "D" to the application.

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

Dated at San Francisco, California, this 13th day of DECEMBER, 1966.

[Signature] President
George J. Grover
Fredrick B. Hubloff
[Signature]
William McFinnell
Commissioners