

SW /hjh

ORIGINAL

Decision No. 76000

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 HESPERIA WATER COMPANY, a corpora-
 tion, for a certificate of public con-
 venience and necessity to extend its
 distribution facilities to serve
 Tract 8019.

Application No. 51071
(Filed May 12, 1969)

OPINION AND ORDER

By this application, Hesperia Water Company seeks authority to extend its water service facilities to serve Tract 8019, San Bernardino County, consisting of approximately 92 acres to be subdivided into 358 lots in the territory delineated on the map, Exhibit C, attached to the application. Except for a restriction imposed by Decision No. 59281, dated November 17, 1959, in Case No. 6159 (continued in force by subsequent decisions, the latest being Decision No. 71936, dated January 31, 1967, in Application No. 49006), applicant could extend in the normal course of business pursuant to Section 1001 of the Public Utilities Code.

A Commission staff engineer has investigated the application and has submitted a report, dated July 18, 1969, on the results thereof. Said report is received as Exhibit No. 1. It contains a recommendation that the application be granted, subject to certain conditions.

As of December 31, 1968, Exhibit No. 1 shows, approximately 18 percent of the water system serving Hesperia was owned by applicant and the remaining 82 percent by Kayem Investment Corporation. Applicant operates the water system properties as an integrated system. By Decision No. 66209, dated October 22, 1963, in Case No. 6159, the respondents therein, Hesperia and Kayem, were directed to continue the process of merging and to report to the Commission in writing, on or before January 15, 1964, and every 90 days thereafter, until merged, their progress. No progress reports have been filed with the Commission since January 15, 1965, and one of the conditions recommended in Exhibit No. 1 is that prior to extending service to Tract 8019, applicant and Kayem shall submit to the Commission a written report on the progress of their merger and report annually to the Commission in writing their progress toward a merger until they are merged.

Another condition recommended by the Commission staff is that a plan be submitted for reducing excessive pressures in Tract 8019 to meet the requirements of General Order No. 103.

The Commission finds that public hearing is not necessary; public convenience and necessity require the extension of Hesperia's water system to serve Tract 8019 subject to the terms of the main extension agreement attached to the application as Exhibit A, but before such extension is made, Hesperia shall have filed with the Commission a report on the progress of its merger with Kayem Investment Corporation, and shall have filed a plan to reduce the operating pressures within the proposed area to meet the requirements of General Order No. 103.

We conclude that the application should be granted subject to the conditions hereinbefore outlined. Therefore,

IT IS ORDERED that:

1.a. A certificate of public convenience and necessity is granted to Hesperia Water Company, subject to the conditions of this order, authorizing it to construct an extension of its system to serve Tract 8019, San Bernardino County, in the territory delineated on the map, Exhibit C, attached to the application.

b. Prior to extending service to Tract 8019, applicant shall submit a revised plan for reducing excessive pressure in Tract 8019, together with a plan and rescheduling for its implementation, so as to meet the pressure requirements set forth in General Order No. 103 in its existing Zone IV.

c. Prior to extending service to Tract 8019, Hesperia Water Company and Kayem Investment Corporation shall submit to the Commission a written report on the progress of their merger negotiations and shall, thereafter, report to the Commission in writing, annually, their progress toward a merger until they are merged.

d. Ordering paragraph 1 of Decision No. 66209 is rescinded by reason of the modifications contained herein.

e. Except for the departures authorized herein, the restriction against extension of service imposed by Decision No. 59281 shall remain in full force and effect.

2. Applicant is authorized to enter into a main extension contract for special facilities in the amount of \$35,000 for service to 358 lots in Tract 8019, and a main extension contract

for in-tract facilities in Tract 8019 in the estimated amount of \$80,000 each, pursuant to the agreement, copy of which is attached to the application as Exhibit A.

3. After the effective date of this order, applicant is authorized to 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. The effective date of the revised tariff sheets shall be four days after the date of filing.

4. Within ten days after the date service is first rendered to the public under the rates and rules authorized herein, applicant shall submit written notice thereof to this Commission.

5. The authority granted herein shall expire unless the designated tariff sheets are filed within one year after the date hereof.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California,
this 5th day of AUGUST, 1969.

William J. ...
President
...
...
...
Commissioners