

ORIGINAL

Decision No. 76826

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )

AZUSA VALLEY WATER COMPANY,  
a corporation,

for authority to exercise rights  
and privileges under a water pipe-  
line franchise issued by the  
County of Los Angeles.

Application No. 51619

(Filed January 9, 1970)

In the Matter of the Application of )

AZUSA VALLEY WATER COMPANY,  
a corporation,

for authority to exercise rights  
and privileges under a water pipe-  
line franchise issued by the  
City of West Covina.

Application No. 51620

(Filed January 9, 1970)

In the Matter of the Application of )

AZUSA VALLEY WATER COMPANY,  
a corporation,

for authority to exercise rights  
and privileges under a water pipe-  
line franchise issued by the  
City of Azusa.

Application No. 51621

(Filed January 9, 1970)

O P I N I O N

By the above-entitled applications, Azusa Valley Water Company seeks an order authorizing it to exercise the rights and privileges granted under a water pipeline franchise issued to it by the County of Los Angeles' Ordinance No. 9859, adopted by said County on September 10, 1969, extending and

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continuing (for a period of 25 years) applicant's rights to use the public streets and highways in unincorporated territory of said County; to exercise the rights and privileges granted under a water pipeline franchise issued to it by the City of West Covina's Ordinance No. 1033, adopted by said City on April 8, 1968, extending and continuing (for a period of 25 years) applicant's right to use said City's streets; and to exercise the rights and privileges under a water pipeline franchise issued to applicant by the City of Azusa's Ordinance No. 853, adopted by said City on September 7, 1965, permitting the applicant to use said City's streets to lay and use pipes for transmitting and distributing water for any and all purposes, for an indeterminate term. Each franchise requires applicant to pay the County and cities, respectively, two percent of the gross annual receipts of the applicant arising from the use, operation, or possession of the franchises. However, in no event shall the payment be less than one percent of the annual gross receipts of the applicant derived from the sale of water within the limits of the cities which granted the franchises.

Copies of the franchises granted are attached to Application No. 51619 as Exhibit A, together with a map, Exhibit B, showing the franchise area in the County of Los Angeles; to Application No. 51620 as Exhibit A, together with a map, Exhibit B, showing the franchise area in the City of West Covina; and to Application No. 51621 as Exhibit A, together with a map, Exhibit B, showing the franchise area in the City of Azusa.

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The Commission has given consideration to these matters and finds that Azusa Valley Water Company has been transmitting and distributing water and furnishing public utility water service in the unincorporated territory of Los Angeles County and within the city limits of West Covina and Azusa for many years and that said County and said Cities have granted franchises by Ordinances Nos. 9859, 1033 and 853, respectively, to use the County highways and city streets for transmitting and distributing water for any and all purposes as a public utility. The Commission also finds that public hearing is not necessary.

The Commission concludes that public convenience and necessity require that these applications should be granted, subject to the following provisions of law:

1. The Commission shall have no power to authorize the capitalization of the franchises involved herein or the certificates of public convenience and necessity or the right to own, operate or enjoy such franchises or certificates of public convenience and necessity in excess of the amount (exclusive of any tax or annual charge) actually paid to the State or to a political subdivision thereof as the consideration for the grant of such franchises, certificates of public convenience and necessity or right.
2. The franchises involved herein shall never be given any value before any court or other public authority in any proceeding of any character in excess of the cost to the grantees of the necessary publication and any other sums paid by them to the municipality therefor at the time of the acquisition thereof.

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O R D E R

IT IS ORDERED that Applications Nos. 51619, 51620 and 51621 are granted, and Azusa Valley Water Company is authorized to exercise the rights and privileges granted by Ordinance No. 9859 of the County of Los Angeles, adopted by said County on September 10, 1969; Ordinance No. 1033 of the City of West Covina, adopted by said City on April 8, 1968; and Ordinance No. 853 of the City of Azusa, adopted by said City on September 7, 1965, subject to the provisions of law set forth in the preceding opinion.

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

Dated at San Francisco, California.  
this 20th day of FEBRUARY, 1970.

William J. Smith  
President

James L. Sturgeon  
Commissioners

Commissioner A. W. Gatev, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.