ORIGINAL

Decision No. <u>76916</u>

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's own motion into the contracts, transactions, operations, practices and rates of BYRON J. WALTERS, doing business as TAHQUITZ LAKE WATER COMPANY; COACHELLA VALLEY SAVINGS AND LOAN ASSOCIATION, a corporation; CEDAR GLEN DEVELOPMENT ASSOCIATION, a corporation; HELEN B. NELSON, DONALD MENG, and CHARLES A. HOFFMAN.

Case No. 8556

Application of BYRON J. WALTERS, DBA TAHQUITZ LAKE WATER CO., for Certificate of Public Convenience and Necessity to Operate a Water System, for Authorization of Water Rates, and for Establishment of Rules and Regulations.

Application No. 41904

Byron J. Walters, for petitioner.

J. L. McSwiggen, for Pine Cove

County Water District and Owners
of Certain Lots in Forrest Lake
Estates Unit No. 3; Ray T.
Sullivan, Jr., County Counsel,
by Richard J. Lawrence, Deputy
County Counsel, for County of
Riverside, and State Mutual
Savings and Loan Association,
protestants.

William D. Figg-Hoblyn, Counsel,
for the Commission staff.

OPINION AND ORDER ON REHEARING

Decision No. 76642, dated January 6, 1970, granted rehearing of the above-entitled matters pursuant to the Petition for Rehearing of Order Revoking Certificate of Public Convenience

and Necessity, filed December 9, 1969, by Byron J. Walters, doing business as Tahquitz Lake Water Company. Said Order Revoking Certificate, Decision No. 76445, was issued November 18, 1969, and was not stayed by said Petition. Said revoked certificate had originally been issued by Decision No. 60879 in the above-entitled application on October 11, 1960.

Walters alleged in his Petition, among other things, but principally, that he was entitled to rehearing because (1) the Order had been issued ex parte; (2) areas belonging to him affected by the Order included a golf club and golf course, a proposed motor hotel, a proposed gasoline station and service garage, eight golf residential frontage lots, and much valuable residential property lying in an area east of the golf course, including a planned multiple apartment house, all outside the boundaries of Pine Cove County Water District; and (3) the water wells and pumps belonging to him were included within the boundaries of his lands affected by the Order, but not within the service area of Pine Cove County Water District.

Rehearing was held before Examiner Warner on January 29, 1970, at Los Angeles.

Ordering paragraph 1.a. of Decision No. 60879, which was revoked by Decision No. 76445, granted a certificate to Walters to construct and operate a public utility water system in Units Nos. 1, 2 and 3, in Forrest Lake Estates, in unincorporated territory of Riverside County; excluded the service to the golf course applied for; specifically delineated applicant's

service area; restricted his service area to said Units Nos. 1, 2 and 3; and prohibited Walters from extending his water system outside the boundaries of his certificated area without further order of the Commission.

Decision No. 76445 found that the portion of Walters' public utility water system in Units Nos. 1 and 2 had been transferred to Pine Cove County Water District pursuant to authorization granted by Decision No. 75425, dated March 11, 1969, in Application No. 50932. Further, Decision No. 76445 found, among other things, that "No customers or dwellings exist in the remaining portion of Walters' certificated area, namely, Forest Lakes (sic) 1/ Estates Unit No. 3. Said Unit No. 3 lies within the boundaries of Pine Cove County Water District.

"There does not appear to be need for Walters' remaining, but dormant, operating authority; therefore,

"IT IS ORDERED that "

The testimony of Walters at the rehearing confirmed the statements in the above-quoted portion of Decision No. 76445.

There is no development of Unit No. 3; the wells and pumps of Walters' water system are still the subject of litigation and are inoperable by Walters; all of the properties mentioned in Walters' Petition are peripheral to his former certificated area; no application to extend to such peripheral properties has been made by Walters; and no lifting of the restrictions against extending Walters' water system outside the boundaries of Unit No. 3 has been authorized.

^{1/} Should be Forrest Lake Estates.

The record on rehearing further shows that Pine Cove County Water District is ready, willing and able to serve Unit No. 3; no public convenience and necessity for public utility water service by Walters exists in Unit No. 3; and there is no reason to suspend or rescind the Order Revoking Certificate, Decision No. 76445, therefore,

IT IS ORDERED that the Order Revoking Certificate, Decision No. 76445, dated November 18, 1969, is affirmed.

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

	Dated at		San Francisco	, California,
this	10 7/1	day of	MARCH +	_, 1970,
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