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Decision No. 78377

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SQUIRREL MOUNTAIN WATER COMPANY, a
California corporation, for authority
to extend service. }

Application No. 51018

SUPPLEMENTAL ORDER

Ordering paragraph (8) of Decision No. 76347 dated October 28, 1969, in Application No. 51018, provides, "Applicant shall not extend its facilities or offer to provide service outside of Kern County Tracts 2074, 2103, 2542 and 3106 without further order of the Commission". Applicant provides water service to approximately 90 metered customers in Squirrel Valley, Kern County.

By letter dated November 13, 1970, applicant requested authority to provide water service to 10 acres located adjacent to Lot No. 7 in Tract No. 2542 in Kern County.

Applicant states that Charles P. Marvin, owner of Lot 7, Tract No. 2542, has requested water service to this lot for a home and has requested service to the 10 acres adjacent to Lot No. 7 where he intends to keep horses. Applicant has enclosed an executed Main Extension Contract for an individual with Mr. Marvin for the amount of \$2,500 to cover the estimated cost of 1,000 feet of 4-inch transite pipe, a booster pump and a 10,000-gallon storage tank. The contract does not conform to applicant's filed tariff in that there is no 50-foot free footage allowance and the cost of special facilities (booster pump, storage tank) were included. Applicant states that Mr. Marvin will pay the power costs for the booster pump pending development of a future subdivision adjacent to the present service area.

A Commission staff engineer has reviewed the request and concludes that applicant's water supply was adequate to meet the demands in its existing service area and for the proposed service.

Applicant's operation is marginal financially. In Decision No. 76347 as a precondition to authorizing applicant to extend to Tract No. 3106, the Commission required that an assignment of refunds on the Main Extension Contract to applicant be made and that applicant set up a loss reimbursement fund to meet out-of-pocket losses. The contemplated demands for service to the new parcel will not generate any sizeable revenues. Therefore, the deviation in the Main Extension Contract submitted by applicant should be authorized and the customer should be responsible for payment of the power bills on the booster pump until such time as the future subdivision is developed.

The Commission finds that service by applicant to the 10-acre parcel adjacent to Lot No. 7 in Tract No. 2542, Kern County, would not be adverse to the public interest and concludes that the request should be granted; therefore,

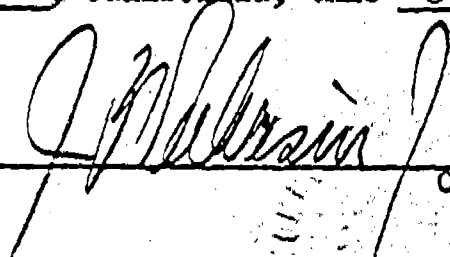
IT IS ORDERED that:

1. Squirrel Mountain Water Company is authorized to carry out the terms of the Main Extension Contract attached to its letter of November 13, 1970.
2. Squirrel Mountain Water Company is authorized to provide service to the 10-acre parcel adjacent to Lot No. 7, Tract 2542, Kern County, in accordance with its filed tariff rate schedule providing that the customer served pays the power bill on the booster pump used in supplying the parcel pending the development of future subdivisions served from the same facilities. This extension is authorized for the sole purpose of providing water service for a home on Lot 7, Tract 2542, and to enable the homeowner to raise horses on the adjacent 10-acre parcel.

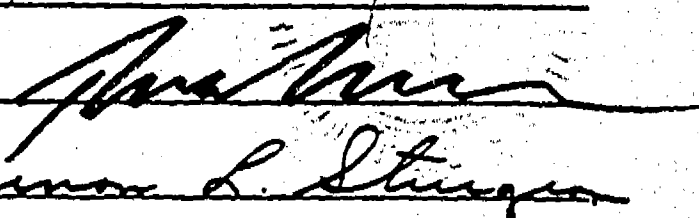
3. The utility is directed to provide the applicant for water service with a copy of this decision, and to notify him that if, in the future, this acreage is further subdivided, that the applicant may be required to provide the utility with a loss reimbursement fund.
4. After the effective date of this order and prior to commencing service to the 10-acre parcel, applicant shall file a revised tariff service area map and an executed agreement with the customer requesting the service providing for payment of power bills for the booster pump by the customer. 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.

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


Dated at San Francisco, California, this 2nd
day of MARCH, 1971.



Chairman



Vernon L. Stinson



Commissioners

Commissioner William Symons, Jr., being necessarily absent, did not participate in the disposition of this proceeding.