

ORIGINAL

Decision No. 79785

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Suspension and)
Investigation on the Commission's)
own motion of tariffs filed under)
SAN JOSE WATER WORKS Advice Letter)
No. 93 extending service into an)
area outside the filed area.)

Case No. 9281
(Filed October 19, 1971)

Norman E. Andrews, for San Jose Water Works, respondent.
David H. Adams, City Attorney, and Lee Yarborough,
for City of Cupertino, petitioner.
Paul W. Avery, for the Commission staff.

O P I N I O N

San Jose Water Works filed by Advice Letter No. 93 a tariff service area map, which would extend service into an adjacent area shown on plat sheet 2310 and described as an area at the corner of McClellan Road and Bubb Road and within the City of San Jose, but surrounded on three sides by the City of Cupertino. The area is being developed as a planned unit development by MacKay Homes, a division of Kaiser-Aetna.

The City of Cupertino, by letter received September 27, 1971, has requested suspension of the tariff filing in view of a dispute between the City of Cupertino and San Jose Water Works regarding which entity should serve the area in question.

Advice Letter No. 93 was suspended by the Commission, hearing was held December 10, 1971 at Cupertino before Examiner Porter on which date the matter was submitted.

Evidence was produced at the hearing showing that the City of Cupertino has water mains along two sides of the property involved and is presently serving water to the developer for construction purposes. The San Jose Water Works has a 10-inch main that ends

across the street from the property. The area will contain some 95 structures when completed. Both water systems are equally capable of serving the area. The area in question is outside the city limits of Cupertino. Service rendered beyond the city limits of Cupertino is double the rate. Rates charged by the San Jose Water Works for the service would be less.

The staff's Exhibit No. 1 based on San Jose Water Works' Schedule No. 1, General Metered Service, water rates, and the City of Cupertino Water Service Rates shows the following:

San Jose Water Works Schedule No. 1

Service Charge:

	<u>Per Meter Per Month</u>
5/8 x 3/4-inch	\$ 2.25
3/4-inch	2.50
1-inch	3.35
1 1/2-inch	4.70
2-inch	6.10
3-inch	11.30
4-inch	15.35

Quantity Rate:

First 30,000 cu.ft., per 100 cu.ft.....	\$ 0.328
Over 30,000 cu.ft., per 100 cu.ft.....	.289

City of Cupertino Water Service Rate

	<u>City Rate</u>	<u>Outside Rate</u>
First 500 cu. ft.	\$3.30	\$6.60
501 to 2,000 cu.ft., per 100 cu.ft.....	.46	.92
2,001 to 5,000 cu.ft., per 100 cu.ft.....	.41	.81
5,001 to 10,000 cu.ft., per 100 cu.ft.....	.31	.62
10,001 to 20,000 cu.ft., per 100 cu.ft.....	.30	.60
Over 20,000 cu.ft.....	.25	.50

Assuming that clusters of six houses will be served from one 2-inch meter and that each cluster will share equally in the meter charge for one 1-inch meter used for irrigation of the open area,

and assuming further that the use of water per cluster including irrigation of the open area would amount to 30,000 cubic feet per month, the San Jose Water Works charge would be \$104.71; the charge by the City of Cupertino at outside of city rates would be \$185.70.

These assumptions and calculations were not controverted.

Based on the evidence, the Commission finds that the mere desire of the City of Cupertino to serve the area in question versus the substantial saving in water service rates to the ratepayer does not justify denial of the proposal of San Jose Water Works to serve the area as shown on P.U.C. Sheets Nos. 252-W and 253-W which were filed under Advice Letter No. 93.

The Commission concludes that the proposed extension by San Jose Water Works should be authorized.

O R D E R

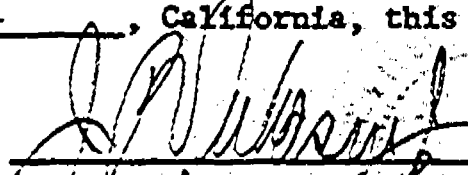
IT IS ORDERED that:

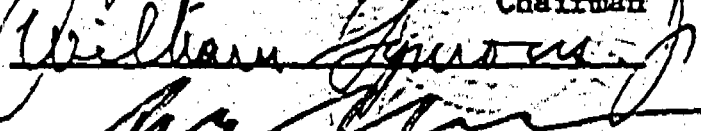
1. The Commission order in Case No. 9281, suspending Advice Letter No. 93, is hereby terminated and San Jose Water Works may extend service as proposed.

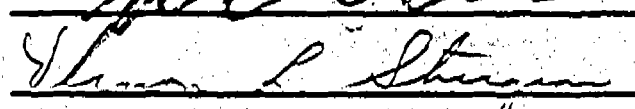
2. San Jose Water Works is authorized to resubmit its proposal by a new advice letter and tariff sheets in accordance with Section V.D. of General Order No. 96-A.


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

Dated at San Francisco, California, this 17th
day of 1 MARCH, 1972.



Chairman






Commissioners