

Decision No. 85466

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

PARK WOODS HOMEOWNER'S ASSOCIATION, INC.,

Complainant,

vs.

FARK-WOODS MUTUAL WATER COMPANY, INC.,

Defendant.

Case No. 9337 (Filed March 2, 1972)

Jack B. Millis, for Park Woods Homeowner's Association, Inc., complainant. Bruce B. Bruchler, Attorney at Law, for Park-Woods Mutual Water Company, Inc., defendant. J. E. Johnson, for the Commission staff.

## FINAL OPINION

On May 25, 1971, by Decision No. 78732 in Case No. 9133, this Commission found that Park-Woods Mutual Water Company, Inc. was a public utility within the meaning of Section 216 of the Public Utilities Code. Ordering Paragraph 6 of Decision No. 78732 stated:

> "6. Park-Woods Mutual Water Company shall not, without further order of this Commission, extend its water system."

After hearing on Case No. 9337 which alleged that the Park-Woods' system was poorly designed and maintained, the Commission by Decision No. 81131 dated March 13, 1973 issued, among others, the following Aftering Delegraphs;

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- "3. Defendant shall immediately deposit into an interest-bearing escrow account the sum of \$7,000.
- "4. Until defendant has provided proof in a form satisfactory to the Commission that the \$7,000 escrow account has been established, defendant shall in no manner provide water service to any person not being supplied water service on the effective date of this order.
- "5. Disbursements from the escrow account shall only be made to provide funds for the installation of new mains and the removal and/or abandonment of existing mains in the vicinity of 12th and 13th Streets together with associated service work."

On June 10, 1975, by Decision No. 84520 in Application No. 55587, this Commission authorized the sale of Park-Woods Mutual Water Company to California-Cities Water Company, and included the following ordering paragraph:

"8. Relief requested from restrictions imposed by Ordering Paragraph 6 of Decision No. 78732 is denied without prejudice."

A field investigation in June 1974 by Commission staff engineers determined that Ordering Paragraphs 3, 4, and 5 of Decision No. 31131 had been complied with, and that the water mains between Country Club Drive and Bush Street on 12th and 13th Streets had been replaced. There was no evidence of leakage, and customers contacted stated that the water service had been improved. The staff engineers, however, did not recommend removal of the restrictions, one of the reasons being the necessarily limited supply of water available through the 2-inch matered connection to California-Cities Water Company, which was the only source of supply. Additional connections would have caused deterioration in service to existing customers. C. 9337 eak

A field investigation by a staff engineer in July 1975 determined that the new owner, California-Cities Water Company, planned the early removal of the 2-inch metered connection and replacement with a 6-inch pipe connection. The staff engineer found that the new owners also had plans for other early improvements, including looping the Park-Woods' system into its own original system, to provide better flow.

The staff engineer therefore recommended that all restrictions on the number of customers served be removed when the 2-inch meter is replaced with the 6-inch pipe connection.

California-Cities Water Company reported to the Commission staff on July 31, 1975 that the 2-inch mater had been removed and the 6-inch connection had been made. This was further confirmed by telephone on August 14 and by letter dated August 15, 1975, which also reported that the operating problems caused by opening the line, e.g., dirty water, numerous new leaks, and loss of a section of water main, had been corrected; that the system had settled down, the main replaced, and all leaks had been taken care of. On August 8, 1975, the Commission staff requested a leak and pressure survey. The looping of the system, scheduled for accomplishment after the summer crowds had left the area and personnel could be made available, has been accomplished. Other improvements, which are presently unscheduled, will be accomplished as necessary to maintain adequate service.

The Commission staff now recommends that the restrictions cited above be removed and Case No. 9337 be closed on the basis that an adequate supply of water is now reasonably assured, that certain necessary improvements have been accomplished, and that the present owner is willing and capable of additionally improving and maintaining the system in an acceptable condition.

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## Findings and Conclusions

California-Cities Water Company has now provided an adequate supply of water to its existing customers in the territory of the Park-Woods Mutual system and is capable of continuing such adequate service to its existing customers as well as to any new customers in the territory served by Park-Woods Mutual Water Company. We conclude, therefore, that the restrictions contained in Decisions Nos. 78732 and 81131 should be lifted.

## FINAL ORDER

IT IS ORDERED that:

1. The restrictions on serving new customers contained in Decisions Nos. 78732 and 81131 are hereby lifted, and California-Cities Water Company may hook up new customers in the territory served by its integrated system in accordance with its filed tariff.

2. Case No. 9337 is dismissed.

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

\_\_\_\_, California, this \_18 Th Dated at \_\_\_\_\_ San Francisco day of \_\_\_\_\_ FEBRUARY\_\_\_\_, 1976.

Commissioners