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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 tariff filed by Advice) Letter No. 250 of Citizens Utilities) Company Sacramento-Lincoln Oaks) District, in Sacramento County.)

(I&S) Case 87-12-024 (Filed December 17, 1987)

<u>OPINION</u>

Procedure

This case represents the third in a series of advice letter filings by Citizens Utilities Company of California (CUCC) in its Sacramento-Lincoln Oaks District, in Sacramento County, each of which has been protested by Northridge Water District (Northridge).

Advice Letter 244, suspended by the Commission on May 13, 1987, was withdrawn by CUCC after public hearing led to a proposed decision finding Northridge to be the more natural entity to provide water service to the disputed area (Decision (D.) 87-12-032, December 9, 1987).

Advice Letter 248, suspended by the Commission on July 29, 1987, was placed into immediate effect following public hearing by D.88-02-024, February 10, 1988. This decision was modified and Northridge's petition for rehearing denied by D.88-04-029, April 13, 1988.

Advice Letter 250, the present case, was suspended on December 17, 1987, and this matter has been held in abeyance until the final Commission decision on Advice Letter 248 at the request of Northridge, which states that the outcome of the earlier filing may be relevant to whether water service from CUCC or Northridge in the area covered by Advice Letter 250 would best satisfy public convenience and necessity.

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Record Adopted

The property covered by Advice Letter 250 has contiguous boundaries with the CUCC service area extension approved in Advice Letter 248 and with previously approved CUCC service areas. We noted this fact in D.88-02-024, stating as follows (page 2):

> "CUCC's maps and testimony show an integrated program to establish a natural and logical service area coextensive with its franchise territory. Sacramento County allocated franchise rights to CUCC in a fashion so as to not overlap the service area of Northridge or other water purveyors in the county. CUCC currently serves customers in another extension of its service area, called Driver Ranch, to the west of the area before us in this decision. On the day before hearing in this matter, the utility filed a map to incorporate the intervening land from Driver Ranch to the area before us, again at the request of the developer."

We think Northridge's suggestion that our decision in Case (C.) 87-07-039 may control the outcome of C.87-12-024 is well taken. In order for Northridge to prevail in the instant case, we would be required to find that the public interest would be served by allowing an outside water purveyor to construct a water system directly between two existing CUCC service areas.

We take official notice of the record in C.87-05-021 and C.87-07-039. A public hearing is not required.

Findings of Fact

1. In response to a written request for the extension of water service, CUCC filed an advice letter and map for the purpose of including a contiguous area within its Sacramento-Lincoln Oaks tariff service area.

2. Northridge protested the extension of service on the ground that it was ready, willing, and better able to serve the subdivisional property with an adequate supply of potable water.

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3. CUCC's service area is contiguous to the proposed service area extension at both its eastern and western boundaries.

4. CUCC is better able to serve the subdivision property with an adequate supply of potable water.

5. CUCC's extension in this proceeding is in compliance with General Order 96-A.

6. CUCC, in constructing or extending its line, plant, or system, will not interfere with the operation of any line, plant, or system of Northridge.

7. As this extension of service territory is immediately needed to facilitate the developer's construction schedule, this order should be effective on the date that it is signed.

Conclusions of Law

1. Public convenience and necessity require that CUCC extend service to the disputed area.

2. The tariff sheets of Advice Letter 250 are reasonable and lawful.

3. This order of investigation should be discontinued and the proposed tariff sheets of Advice Letter 250 should be effective immediately. C.87-12-024 ALJ/OIW/vdl

ORDER

IT IS ORDERED that:

1. Citizens Utilities Company of California's Advice Letter 250 tariff sheets are effective immediately.

2. C.87-12-024 is discontinued.

This order is effective today.

Dated JUN 17 1988 , at San Francisco, California.

STANLEY W. HULETT President DONALD VIAL FREDERICK R. DUDA G. MITCHELL WILK JOHN B. OHANIAN Commissioners

I CERTIFY THAT' THIS DECISION WAS APPROVED BY THE ABOVE COMMISSIONERS TODAY

Victor Weisser, Executive Director