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Decision No. 87677

AUG 9 1977

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of SOUTHWEST SUBURBAN WATER, a  
California corporation, for  
authorization to extend water  
service under the contiguous  
extension provisions of  
Section 1001 of the Public  
Utilities Code and to perma-  
nently rescind Ordering Paragraph  
No. 3, Decision No. 58716, which  
restricts applicant from making  
contiguous extensions of service.

Application No. 57073  
(Filed February 11, 1977)

O P I N I O N

By this application, Southwest Suburban Water (Applicant) seeks authority to extend water service to a contiguous area known as Subdivision Tract No. 31111 (Subdivision), which is located contiguous to applicant's San Jose Hills service area and in the unincorporated area of Los Angeles County. Applicant further requests that Ordering Paragraph No. 3 of Decision No. 58716, dated July 7, 1959 in Applications Nos. 40628 and 40954, which restricts applicant from making contiguous extensions in the ordinary course of business (as permitted by the exemption provisions of Section 1001 of the Public Utilities Code) be permanently rescinded and that the application be granted by ex parte order.

Description

Applicant renders public utility water service to approximately 60,000 general metered customers in the Counties of Los Angeles, Orange, and San Bernardino. The Subdivision would be served by applicant's San Jose-Hills District, which includes

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areas in or adjacent to the cities of West Covina, La Puente, Industry, Glendora, Whittier, and adjacent unincorporated area in Los Angeles County.

Applicant has been requested by a developer to provide service to Subdivision, a 58.9 acre hillside development of 124 residences and a recreational facility located in the Puente Hills adjacent to applicant's San Jose Hills service area, as shown on Exhibit A attached to Application No. 57073. Domestic services are to be separately metered and subject to Tariff Sheet No. SJW-1 CPUC 490-W, General Metered Services, Tariff Area No. 3, San Jose Hills District of Southwest Suburban Water. Applicant's service zones for the subdivision would be Zones 1305 and 1175 within Tariff Area No. 3.

#### Environmental Impact

The lead agency on the environmental impact report is the Regional Planning Commission of the County of Los Angeles, which approved the environmental impact report for the residential planned development on July 15, 1976.

#### Staff Review

The staff of the Utilities Division has reviewed the application and exhibits and checked necessary engineering, required advances and contributions, and has prepared a report which sets forth its findings that the project implementation will comply with General Order No. 103 and the Public Utilities Code. The design flow for the development is 350 gpm. The fire protection demand flow to be provided is 1,250 gpm for two hours, meeting the minimum fire protection requirements set by the County of Los Angeles. Applicant's development of a new well at Plant No. 139 and maintenance of proper water levels at its existing Camille Garnier reservoir as proposed will ensure a stable source of water supply for this project. ✓

Competing Utilities

Applicant has notified two adjacent water utilities of its interest in serving this tract, the San Gabriel Valley Water Company and La Habra Heights Mutual Water Company. The competing utilities are not opposed to applicant's plans and have expressed no interests in serving the tract.

Restriction on Extensions

Applicant is restricted from extending its water service into contiguous territory as permitted under Section 1001 of the Public Utilities Code by Decision No. 58716, effective July 7, 1959. Ordering Paragraph No. 3 of the subject decision states:

"Suburban Water System shall not further extend public utility service as a water corporation outside of its presently certificated service area pursuant to Section 1001 of the Public Utilities Code or otherwise without first applying for and receiving authorization so to do from this Commission by appropriate order."

The staff of the Finance Division has reviewed the restriction contained in Ordering Paragraph No. 3 of Decision No. 58716 and finds that the financial conditions which dictated the restriction have changed. The equity to debt ratio is now within normal range and the cash flow position improved. The staff therefore recommends that the restriction be rescinded.

Findings

1. The project will provide satisfactory water service in compliance with General Order No. 103 and General Order No. 96-A.
2. The adjacent and competing utilities will not object to utility's service to the subdivision. ✓

3. The restriction imposed on applicant's water service extensions should be permanently removed as the financial situation which dictated the restriction has significantly improved.

4. Applicant shall file two copies of its revised water system maps, San Jose Hills District, with the Commission's staff in accordance with General Order No. 96-A after completion of the project.

5. A public hearing is not necessary and an ex parte order of the Commission will satisfy all interests involved in the project.

Conclusion

The Commission concludes that the application be granted in accordance with the ensuing order.

O R D E R

IT IS ORDERED that after the effective date of this order:

1. Applicant is herein granted authority to extend its water facilities and service from its San Jose Hills District into Tract No. 31111 in the unincorporated area of Los Angeles County in accordance with the utility's filed Rule 15, Main Extensions, under the contiguous extension provisions of Section 1001 of the Public Utilities Code. ✓

2. Ordering Paragraph No. 3 of Decision No. 58716 which restricts applicant from making extensions in the ordinary course of business, normally permitted by Section 1001 of Public Utilities Code, is rescinded in its entirety.

3. Applicant shall complete all intract and off-site water facilities as proposed to comply with the Commission's General Order No. 103.

4. Applicant shall file two copies of its revised water system maps, San Jose Hills District, with the Commission's staff in compliance with Paragraph 11.A.(4) of General Order No. 96-A upon completion of the project.

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

Dated at San Francisco, California, this 9<sup>th</sup> day of AUGUST, 1977.

Robert B. Brown  
President  
William Lyons, Jr.  
Alvin J. Dedrick

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Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Richard D. Gravelle, being necessarily absent, did not participate in the disposition of this proceeding.