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Decision No. 90374 JUN 5 1979**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of Mission Hills Utility Company, )  
a California Corporation, for )  
Authority to Extend Public Utility )  
Water Service Under the Contiguous )  
Extension Provisions of Section 1001 )  
of the Public Utilities Code. )

Application No. 57609  
(Filed October 5, 1977;  
amended August 16, 1978)

Diane E. Bradford, Attorney at Law, for applicant.  
Tim Eichenberg, Attorney at Law, for Environmental  
Defense Center, protestant.  
George P. Kading, County Counsel, and Supervisor  
Robert L. Hedlund, for County of Santa Barbara;  
John E. Sherman, for Vandenberg Village  
Association; Lloyd Nocker, Attorney at Law,  
and Roy Jaeger, for Mission Hills Community  
Council; and Donald Lewis, for himself; interested  
parties.  
William Jennings, Attorney at Law, for the Commission  
Staff.

O P I N I O N

By this application, Mission Hills Utility Company  
(applicant), a California Corporation, requests authority to extend  
its water service to Tract No. 12211 which is contiguous to its  
present service area. Public Hearing was held on a consolidated  
record with Applications Nos. 54023 and 57608 at Lompoc on August 31  
and September 1, 1978<sup>1/</sup> before Administrative Law Judge Gillanders.

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<sup>1/</sup> Separate decisions will be rendered on those matters.

At the conclusion of hearings, the staff made a motion to dismiss which was taken under submission.

Testimony was received from applicant, the president of Mesa Oaks Mutual Water Company, a user of the service, and a representative of the Environmental Defense Center (Center).

Background

Applicant was granted a certificate of public convenience and necessity by Decision No. 86147 dated July 19, 1976 in Application No. 54023. The decision described the service area and system in the following words:

"The Lompoc system is two miles north and slightly east of the north city limit of Lompoc. The southern edge of the service area parallels the north boundary of La Purisima Mission State Historical Monument. Applicant provides water for the Mesa Oaks Mutual Water Company, which is directly adjacent on the south and west border of the Mission Hills service area. During October or November of 1973, applicant agreed to extend service to 18 homes which were originally to have been served by the Mesa Oaks Mutual Water Co. On August 25, 1975 there were still only 18 connections, but the area was designated as the Mesa Oaks service area of applicant with a potential of 52 water customers (including the present 18), although only 33 lots have been cleared for homes.

"Mesa Oaks Mutual Water Company has an agreement with applicant, which requires the latter to provide a domestic water supply for a maximum of 41 lots. Service is covered by a 20-year contract which provides for water rates to be renegotiated every five years. The contract was signed on November 16, 1967.

"Santa Ynez is about 22 miles due east of Lompoc. Applicant's Santa Ynez service area is two miles northeast of the town of Santa Ynez. It is a subdivision of 92 lots, with 40 receiving water service. The areas served are single-family residential, except for two churches, an elementary school, a recreation center, and a PG&E installation; all located in the Mission Hills service area.

"Fire hydrants are installed in both systems. In the Lompoc area, a fire protection district was formed and applicant has a contract with the Santa Barbara County Fire Department to provide fire hydrant service at a flat rate of \$4 per month per hydrant. There is no fire protection district in Santa Ynez, and there is no charge for the fire hydrants.

"The Lompoc service area is supplied from two wells. Each well is equipped with a turbine pump, and the combined capacity of the two wells is 1,217 gallons per minute. A forebay tank is located at the Lompoc plant, and from this tank two booster pumps transfer water through the distribution system to the main reservoir located on a hill above the service area. The booster pumps have a combined capacity of 920 gallons per minute and are controlled by a telemetering system which is also used to operate the well pumps. Both well and booster pumps are electric. There is no standby source of power. Lompoc has another well which is not used. The casing has deteriorated and the well needs major repairs. This well has a pump with a capacity of over 400 gpm and a second booster pump. The third well has not been developed due to the expense involved in placing it in operation.

"The Santa Ynez system is supplied by one well owned by the applicant. An electrically powered turbine pump produces 265 gallons per minute and discharges through the distribution system to a 250,000-gallon reservoir. There is a standby source from a well owned by an adjacent property owner.

"Distribution mains in Lompoc and Santa Ynez are of asbestos-cement, with pipes ranging from 4 inches to 12 inches in diameter. Lompoc residential service is usually 3/4 inch and 1 inch in Santa Ynez; lots served by the latter system are about 5 acres. Some customers have their own wells to provide water for pasture and irrigation. There are 33 standard size fire hydrants in the Lompoc system and 12 steamer hydrants. The 19 Santa Ynez hydrants are all standard size."

Applicant is restricted from making contiguous extensions in the ordinary course of business (as permitted by the exemption provisions of Section 1001 of the Public Utilities Code) by Finding 7 and Ordering Paragraph 10 of Decision No. 86147.

Finding 7

"7. No service should be provided for customers residing outside of applicant's three service areas, unless additional sources of water become available."

Ordering Paragraph 10

"10. Purchaser shall not extend nor furnish service outside of the area delineated in finding No. 7 unless authority is first obtained from this Commission."

According to applicant, it has been requested by Mesa Oaks Development Company to provide public utility water service to a proposed 158.9-acre development known as Tract No. 12211, which is located in the unincorporated area of the county of Santa Barbara, contiguous to the company's present Mission Hills service area.

Tract No. 12211 will be developed into 54 residential lots, 1 park, 2 future development lots, and open space area.<sup>2/</sup> There are three water purveyors in the general vicinity of the proposed development. The municipal water department of the city of Lompoc is approximately 5 miles southwest; Park Water Company - Vandenberg Division, a regulated public utility is approximately 2 miles northwest; and Mesa Oaks Mutual Water Company, a customer of Mission Hills Utility Company is directly adjacent southwest of the existing service area.

Discussion

Applicant's vice president and general manager admitted that applicant has not completed studies of the water system and has no plans on how to serve the ultimate development.

The president of Mesa Oaks and Mutual Water Company requested that before any consideration be given to refurbishing existing wells that have proven to be unreliable, consideration be given to development of a well site owned by Mesa Oaks Mutual Water Company.

A customer described the utter lack of fire hydrant repairs and maintenance.

A witness for the Center testified that according to the Environmental Impact Report for Tract No. 12211, there is now a

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<sup>2/</sup> At the hearing the developers stated that they were requesting that applicant be authorized to serve the ultimate development of the tract which would be 239 residential users.

substantial overdraft on the ground water basin which supplies water to the area. It is the Center's position that no extension of water service should occur until adequate water supplies are found.

Findings of Fact

1. Applicant is restricted from providing service outside its service area unless additional sources of water become available.
2. Applicant's requested extension of service is outside its authorized service area.
3. Applicant has not shown that it has any additional source of water.

Conclusions of Law

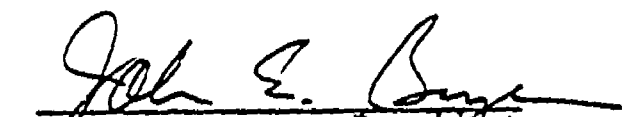


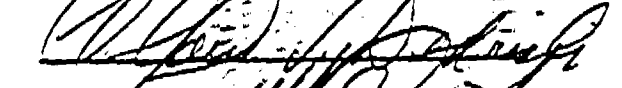
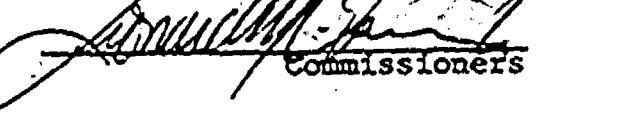
1. The restrictions placed upon applicant by Decision No. 86147 should remain in effect.
2. The staff's motion to dismiss should be granted.
3. Since this decision relates to an area in which there is a water shortage it should be made effective on the date of issuance.

O R D E R

IT IS ORDERED that Application No. 57609 is dismissed without prejudice.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 5<sup>th</sup> day of JUNE, 1979.

  
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President  
  
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Commissioners