MRM/GEE

Decision No. 23/196

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

SAN LORENZO VALLEY CHAMBER OF COMMERCE, an unincorporated association,

Complainant

vs.

PUBLIC UTILITIES CALIFORNIA CORPORATION,

Defendant

Case No. 3095.

Rittenhouse & Snyder, by Bert B. Snyder, for Complainant. Orrick, Palmer & Dahlquist, by Christopher M. Jenks, for Defendant.

BY THE COMMISSION:

## <u>O P I N I O N</u>

In its amended complaint as filed herein, the San Lorenzo Valley Chamber of Commerce, an unincorporated association, alleges that for a period of several months during the past summer season the supply of water furnished by Public Utilities California Corporation for the domestic use of its consumers in the communities of Boulder Creek, Brookdale and Ben

Lomond has been grossly inadequate for their needs and the request is made that the Commission require said defendant to immodiately augment and improve its existing sources of water supply to the end that a proper and satisfactory water service be provided for said communities.

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In its answer defendant Public Utilities California Corporation denies generally all the allegations of the complaint and states that originally the water systems supplying the communities of Boulder Creek, Brookdale and Ben Lomond were separately owned and operated utilities, each with independent sources of supply; that, although the systems serving the above summer-resort communities were purchased by Santa Cruz County Utilities and subsequently by defendant, they have continued to be operated as independent units except to the extent that recently a physical connection was made between the Ben Lomond and the Brookdale systems providing to some extent additional water for Ben Lomond consumers. Defendant alleges further that the only other practicable source of water supply available for Ben Lomond is from Cool Creek and Pea Vine Creek on the Boulder Creek system, which would require the interconnection of a pipe line between the Boulder Creek distribution mains and those supand Ben Lomond plying Brookdale/necessitating the construction of approximately three miles of pipe line at an estimated cost of from ten thousand to twelve thousand dollars. In the event such an expenditure is found necessary to relieve the service conditions complained of, defendant asks that its present schedule of rates be increased to insure a more reasonable return upon its total capital investment.

A public hearing in this matter was held before Examiner Johnson at Ben Lomond.

The evidence shows that early in the season of 1931 a water shortage on these three water systems was indicated by the unusually low flow of the creeks providing the sources of supply and, as the summer advanced, it became necessary for defendant

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to request all consumers to cease the irrigation of lawns and gardens in order to conserve the available water for strictly household and sanitary uses. The testimony shows that during the latter part of June and in July, 1931, when the use of water in these summer-resort communities was at the peak, considerable inconvenience was suffered by consumers from insufficient water and poor pressures in Brookdale and Ben Lomond, more particularly the latter. Considering the fact that the summer of 1931 was one of the driest years of record in California, the service in Boulder Creek cannot be considered reasonably the subject of complaint. The relief from a possible water shortage here was due to the action of the company bringing in to the Boulder Creek system an additional supply from Pea Vine Creek about July, 1931. Water from this source had not heretofore been required since the exceedingly dry year of 1924.

Analysis of the evidence relating to the water supply of these systems and the service conditions existing thereon indicates that the consumers in Ben Lomond and Brookdale are reasonably entitled to a more adequate water service during the summer months and that this can be easily accomplished by making available the surplus waters of the Boulder Creek system through the simple expedient of installing a trunk line of approximately three miles of pipe not less than six inches in diameter connecting the Boulder Creek system with the Brookdale and Ben Lomond plants. The interconnection of these three units was suggested by this Commission several years ago to the operators of the former Santa Cruz County Utilities and, had it been acted upon at that time, the present complaints would have been avoided.

It is the duty of a public utility water company to sup-

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ply proper and adequate service to its consumers and, where such is not being rendered, it is likewise the duty of this Commission to order the installation of whatever improvements may be reasonably necessary under existing circumstances to provide proper and adequate service. Should compliance with these orders result in a utility thereafter being forced to operate at less than a fair net return upon its operative, useful properties, it is entitled to a readjustment in rates upon the filing of the necessary application therefor. There is nothing in the record of this proceeding either warranting or justifying the granting of such an increased rate to defendant at this time.

## <u>order</u>

San Lorenzo Valley Chamber of Commerce having filed a formal complaint against Public Utilities California Corporation as entitled above, a public hearing having been held thereon, the matter having been submitted and the Commission being now fully advised in the premises,

IT IS HEREEY ORDERED that Public Utilities California Corporation be and it is hereby directed to file with this Commission, within sixty (60) days from the date of this Order and subject to the approval of the Railroad Commission, detailed plans and specifications for the installation of a pipe line not less than six inches in internal diameter to connect the Boulder Creek distribution mains with the mains of the Brookdale and Ben Lomond systems in Santa Cruz County, said installation to be completed and in operation in a manner satisfactory to this Commission on

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or before the first day of May, 1932.

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IT IS HEREBY FURTHER ORDERED that on or before the first day of May, 1932, Public Utilities California Corporation Shell file with this Commission a detailed statement setting forth the full and complete cost of the installation of the pipe line directed to be installed by the Order herein.

Dated at San Francisco, California, this 14th day erember, 1931. of