

Decision No. 28095

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of Tanglewood Water and Development Company, of Tanglewood, County of Santa Cruz, and of Felton Water Co., of Felton, County of Santa Cruz, for such orders authorizing sale of water rights, easements and business of the Tanglewood Company to Felton Water Co., and further permitting Felton Water Co. to consolidate said Tanglewood Water system with the said Felton system and to charge for said services the same prices as may now or hereafter be authorized by your Commission.

Application No. 19684.

W.H. Glass, for Tanglewood Water and Development Company.

A.M. Anthony, for Felton Water Co.

BY THE COMMISSION:

O P I N I O N

In this proceeding Tanglewood Water and Development Company, a corporation, engaged in the business of supplying water for domestic purposes in a subdivided area known as Tanglewood, near Felton, Santa Cruz County, asks for authority to transfer its water system to the Felton Water Co., a corporation, which is also a public utility water company supplying water in and in the vicinity of Felton and joins in the application.

A public hearing in this proceeding was held before Examiner MacKall at Felton.

The evidence shows that the Tanglewood Company serves an area of fifty acres which has been subdivided into 200 lots.

There are thirty-five consumers being served at present on a flat rate basis at an annual charge of twelve dollars (\$12.00).

Water is obtained from a spring in McLellan Gulch and conveyed by gravity to a concrete reservoir of 15,000 gallons' capacity. Owing to the inadequate supply available from the spring, the consumers always receive poor service during the summer months. As the Felton Water Co. has ample water for both systems, it is proposed to transfer the property to this utility. These two systems already are interconnected but the line is inadequate for practicable operation. The purchaser proposes to enlarge the above connection and install larger mains in the Tanglewood area to eliminate the present difficulties arising from inadequate main capacity. These improvements, if properly made, should give the Tanglewood consumers a satisfactory service throughout the year.

The purchaser asks for authority to place in effect on the system to be acquired the same rates charged on its main water plant. Although this will result in an increase in rates to permanent users but a decrease for summer residents, however, as improved service will be worth the slight increase, there was no protest from this standpoint.

The rates charged by the two systems are as follows:

TANGLEWOOD WATER AND DEVELOPMENT COMPANY

Annual charge, payable in advance-----\$12.00

FELTON WATER CO.

Flat Rate Service:

For the first four consecutive months in which service is rendered during any calendar year, payable in advance-----\$ 8.00
(Service may be commenced at any time during the calendar year at this rate.)

Flat Rate Service (Cont'd.):

For each additional month over four-----\$ 1.25

Flat rate consumers may if they so desire secure service during the entire calendar year by a payment in advance of----- 16.00

For lime kilns per month----- 7.00

All other service, including hotels and other large users of water, to be at metered rates.

Measured Rate Service:

For the first four consecutive months in which service is rendered during any calendar year, payable in advance, and for water use not exceeding 500 cubic feet per month-----\$ 6.00
(Service may be commenced at any time during the calendar year at this rate.)

For each additional month over four, for water use not exceeding 500 cubic feet per month----- 1.25

Measured rate consumers may if they so desire secure service during the entire year, for water use not exceeding 500 cubic feet per month, on payment in advance of----- 14.00

For water use in excess of 500 cubic feet per month consumers shall be billed for such excess use at the following rates:

From 500 to 5,000 cubic feet, per 100 cubic feet----- .20
Over 5,000 cubic feet, per 100 cubic feet----- .15

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Protest was made against the proposed transfer by several irrigation consumers of the Felton Water Co. on the grounds that the Tanglewood system would be furnished water that otherwise would be supplied for irrigation use and deprive this class of user of water to that extent. However, there should be sufficient water for all reasonable demands by the users on these two domestic systems, neither of which was designed for providing agricultural irrigation service upon any considerable scale.

Under the circumstances, it appears that authority to transfer the Tanglewood System should be granted and that the Felton Water Co. rates be applicable as of January 1, 1936, provided this latter company has, in the meantime, made such connections, repairs and improvements as will provide the Tanglewood consumers with an adequate and dependable water service.

O R D E R

Application having been made as entitled above, a public hearing having been held thereon, the matter having been submitted and the Commission now being fully informed in the premises,

IT IS HEREBY ORDERED that Tanglewood Water and Development Company, a corporation, be and it is hereby authorized to sell and transfer to Felton Water Co., a corporation, and said Felton Water Co., a corporation, be and it is hereby authorized to purchase the public utility water system of the said Tanglewood Water and Development Company, such sale and transfer to be made under substantially the same terms and conditions set forth in the proposed Deed marked Exhibit No. 6, attached to the application herein and hereby made a part of this Order by reference.

IT IS HEREBY FURTHER ORDERED that Felton Water Co., upon coming into legal control and possession of the Tanglewood system hereby authorized to be transferred and completing the connections, replacements, repairs and improvements necessary to provide sufficient and adequate water service to the consumers of said Tanglewood system at all reasonable times, be and it is hereby authorized to charge the effective rates and apply the effective rules and regulations of said Felton Water Co. for service rendered to consumers on the Tanglewood system only upon

receiving written approval from this Commission of the installation of the above improvements and the service thereby rendered and upon receiving written permission from this Commission to place said rates of Felton Water Co. in effect on a date to be specifically fixed.

The authority herein granted is subject also to the following conditions:

1. The authority herein granted shall apply only to such transfer as shall be made on or before the first day of January, 1936, and a certified copy of the final instrument of conveyance shall be filed with this Commission by Felton Water Co. within thirty (30) days from the date on which it is completed.
2. Within thirty (30) days from the date of this Order, Felton Water Co. shall file with this Commission a statement indicating the date upon which it assumed control and possession of the property herein authorized to be transferred.
3. The consideration for the transfer herein authorized shall not be urged before this Commission or any other public body as a finding of value for rate-fixing or any purpose other than the transfer herein authorized.

For all other purposes, the effective date of this Order shall be twenty (20) days from and after the date hereof.

Dated at San Francisco, California, this 5th day of July, 1935.

Leon Whiteley
M. B. Harris
Commissioners.