

ORIGINAL

Decision No. 29467

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
HERCULES WATER COMPANY,  
a corporation,  
for authorization to discontinue and  
abandon water service in certain area  
now served by applicant and to dispose  
of certain physical property.

Application No. 20769

Pillsbury, Madison & Sutro by Hugh Fullerton,  
for applicant.

Harold Raines, for East Bay Municipal Utility  
District.

BY THE COMMISSION:

O P I N I O N

In this application Hercules Water Company, a corporation, asks for authority to discontinue public utility water service on approximately three and one-half miles of its former transmission main from San Pablo to a point near the Town of Pinole in Contra Costa County and further requests permission to take up and dispose of the pipe lines involved.

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

Hercules Water Company supplies water as a public utility to the towns of Pinole and Hercules, to the Hercules Powder Company, and at wholesale to the utility serving the Town of Rodeo. The water company formerly obtained its water supply from its own wells

located at San Pablo and pumped this water several miles to its distribution reservoirs. For many years these wells have been abandoned and all water has been purchased under contract from East Bay Municipal Utility District<sup>(1)</sup>. The original contract delivery point was near the wells at San Pablo but the District just recently has completed and placed in operation a new 24-inch pipe line installed primarily to deliver water to a large sugar plant at Crockett and which closely parallels, from San Pablo to Pinole and Hercules, the transmission main of the Company. An agreement has been entered into by and between these two parties above in which, among other things, the point of water delivery has been changed to a location near the Company's Hercules Reservoir and the District has agreed to take over and supply with water all those consumers which the Company now serves, or is obligated to serve, from San Pablo to the westerly boundary line of its main service area just outside of the city limits of Pinole.

The evidence shows that the section of the Company's former transmission line which it desires to take out of service consists of 8- and 6-inch pipe over thirty years old and now costing in excess of five hundred dollars per year for maintenance and repairs alone. This line serves only fifteen consumers and, as it is no longer required for the transmission of the water supply, places a very heavy and unnecessary financial burden upon the Company and the remaining water users.

One-third of the consumers affected are within the Dis-

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1. Hercules Water Company hereinafter will be called the "Company" and East Bay Municipal Utility District will be referred to as the "District."

trict, the remainder being outside. The rates charged by the District to those within the boundaries are practically the same as the Hercules consumers now pay; however, those outside will pay from one-third to one-half more. The connection charge of twelve dollars (\$12.00) made against new outside domestic users will not be required from these consumers. The agreement with the District provides that no connection charges will be made against any of the Hercules consumers for cutting-over their service pipes to the District's 24-inch line. Considering the fact that the Company must purchase all its water from the District, together with the maintenance cost of the pipe line, it is clear that the revenues derived from the present consumers are not sufficient to warrant a continuation of this service when the same water will be substituted by the District at its regular rates.

The Company has asked that, if discontinuance of service be approved, it be allowed to take up and use or otherwise dispose of the 18,300 feet, more or less, of pipe involved. In authorizing discontinuance of water service along this section of the former transmission line, it is necessarily inferred that this pipe may be taken out of service, removed and used or disposed of as the owner desires without any further or specific order and direction to such effect.

The Company has on hand a few deposits made by some of its consumers along this section of the transmission main, subject to refund, and has agreed to return all such deposits to the consumers entitled thereto immediately upon authorization of discontinuance as requested.

O R D E R

Hercules Water Company, a corporation, having applied to

this Commission for an Order authorizing it to discontinue certain public utility water service, a public hearing having been held thereon, the matter having been duly submitted and the Commission being now fully advised in the premises,

IT IS HEREBY ORDERED that Hercules Water Company, a corporation, be and it is hereby authorized to discontinue, within sixty (60) days from and after the date of this Order, all public utility water service to consumers on and along its San Pablo transmission pipe line extending from a point at or near the Town of San Pablo to a point on a north-south line 3,100 feet more or less west of the westerly limits of the Town of Pinole, a distance of about 18,300 feet, subject to the following terms and conditions:

1. Within ten (10) days from the date of this Order, Hercules Water Company, a corporation, shall notify, in writing, each consumer now being supplied with water from said San Pablo transmission pipe line of the authority granted herein to discontinue water service and shall make such arrangements as may be necessary with East Bay Municipal Utility District for said District to provide each such consumer with water service within sixty (60) days from and after the date of this Order.
2. Transfer of service from Hercules Water Company, a corporation, to East Bay Municipal Utility District shall be made without cost therefor to any consumer.
3. Within sixty (60) days from the date of this Order, Hercules Water Company, a corporation, shall refund to all consumers whose water service is to be discontinued in accordance with the provisions of this Order all amounts, if any, due such consumers arising from deposits made to guarantee payment of water bills, or for main extensions, meters, service connections and/or any other purpose whatsoever.

4. Within seventy (70) days from the date of this Order, Hercules Water Company, a corporation, shall file with this Commission a certified statement indicating that it has duly complied with paragraphs 1, 2, and 3 of this Order and shall state furthermore in said certified statement the date upon which Hercules Water Company has finally ceased delivering water and East Bay Municipal Utility District has assumed service to consumers on said San Pablo transmission pipe line as hereinabove provided.

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 28<sup>th</sup> day of December, 1936.

M. B. Lewis  
Leon C. Caldwell  
Walter W. ...  
Frank R. ...  
Commissioners.