

Decision No. 50412

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

GEORGE A. DUNHAM,

Complainant,

Vs

UNION OIL COMPANY OF CALIFORNIA,

Defendant.

ORIGINAL

Case No. 4415

Hart, Glines & Libeu by L. J. Libeu,
for Complainant.

Douglas C. Gregg for Defendant.

CRAEMER, COMMISSIONER:

O P I N I O N

In this complaint George A. Dunham alleges that Union Oil Company of California* is in the business of selling water in and about the town of Orcutt in Santa Barbara County; and that said Company has refused to furnish water service to his property at Orcutt. The Commission is asked to order Union Oil Company to supply water to his premises.

Union Oil Company in its answer states that it maintains an oil production plant in the vicinity of Orcutt; and that incidental thereto, it has a water system and has furnished surplus water therefrom to the residents of Orcutt for domestic use solely; that it has never dedicated its water service to the public nor does it intend so to do. It is alleged that complainant Dunham resides outside the town of Orcutt in an area where defendant has never supplied water; that it is not operating a public utility water works and that the

Note: *Hereinafter referred to as the Union Oil Company.

complaint should be dismissed for lack of jurisdiction.

A public hearing was held in this proceeding at Santa Maria.

The unincorporated town of Orcutt is located about seven miles south of Santa Maria in Santa Barbara County. Union Oil Company has electrically-operated deep-well turbine pumps in two wells delivering water through a 10-inch cement transmission line to a receiving tank at the Company's refining plant in Orcutt. Steam driven pumps at this location boost the water to a 15,000-gallon elevated steel storage tank from which it is delivered to approximately 200 consumers through a distribution system consisting of screw pipe ranging from two inches to four inches in diameter. All services are metered.

The testimony shows that in 1903 it was necessary for Union Oil Company to develop water for its drilling and producing operations in this locality. Water formerly was obtained from wells in Sisquoc and Harris at some distance from Orcutt but discontinued because of unsuitability for boiler feed purposes. Two wells were drilled in 1928 northwest of Orcutt in Sec. 10, T.9 N., R.34 W., S.B.B. and M., constituting the present source of supply. This location is about three quarters of a mile south of the well field used by the City of Santa Maria, for its water supply.

The land constituting the townside of Orcutt was conveyed by Union Oil Company to J. S. Torrance, who subdivided the tract and sold lots therein to the employees of the Company. All water service was provided by the Union Oil Company. Many of the homes and lots in Orcutt were acquired by outside parties; water, however, was sold for compensation to all residents without discrimination, whether employees, or not. Water also was sold to A. C. Soares, Mrs. C. Ferini, Mrs. Louise Abels, and H. D. Toy, all of whom owned ranches adjacent to

Orcutt.

The rates charged by defendant for water service are as follows:

Minimum charge.....\$1.50 per mo.

Quantity Rates

0 to 2000 cu. ft. per 100 cu. ft.....\$0.25 per mo.
2000 to 6000 cu. ft. per 100 cu. ft..... .15 per mo.
Over 6000 cu. ft. per 100 cu. ft..... .10 per mo.

Employees of the Union Oil Company are allowed 600 cubic feet of water each month without charge and are not required to pay the \$1.50 minimum; the quantity rate is applied for all water used in excess of 600 cubic feet.

In July of 1938 George A. Dunham acquired a five-acre parcel of land located on the county highway known as Pinal Road, at a point approximately 1,500 feet north of State Highway Avenue, and outside the original townside of Orcutt. He desires to build a home on the property and wants water for domestic use, since he has been unsuccessful in developing his own water supply. Application to Union Oil Company for water service was refused. Mr. Dunham testified that he could not obtain water from any other source because the ranch wells in the vicinity produce very little water.

The evidence definitely establishes the public utility status of that portion of defendant's waterworks providing domestic and commercial service to the town of Orcutt, and that to this extent at least such water operations are subject to the jurisdiction and control of the Railroad Commission.

The record presented does not contain sufficient evidence to permit the determination in this Decision of the boundaries of the domestic water service area of this system. It is clear, however, that the land of complainant Dunham is located at a considerable distance

beyond and outside the general territory in which water has heretofore been furnished by defendant, and that extension of water service to this property could not reasonably be considered as an obligation upon this waterworks. The defendant, Union Oil Company, has agreed, however, in this instance to permit complainant to have water for domestic purposes as distinguished from agricultural irrigation demand and will permit connection to its mains for such use. Complainant, therefore, will be permitted to connect his own pipe line to the nearest suitable distribution main of defendant's system. In so doing it should be distinctly understood that Union Oil Company should not thereby be considered to assume the obligation or liability of providing water service to any other parties residing outside that area heretofore or now being supplied.

In order to avoid further difficulties and controversies over territorial limitations in the future, Union Oil Company should file with this Commission, subject to its approval, a comprehensive map delineating thereupon its service area in and in the vicinity of the town of Orcutt.

In view of the circumstances defendant will be directed in the following Order to file rates for water service and rules and regulations governing the sale and distribution of water to consumers, said rates, rules and regulations to be subject also to the approval of this Commission. Said rates, rules and regulations shall eliminate all discrimination, if any, between consumers by reason of employment with the Union Oil Company, or otherwise.

O R D E R

A public hearing having been held in the above entitled proceeding, based upon the findings in the foregoing Opinion,

IT IS HEREBY ORDERED:

1. That Union Oil Company of California, a corporation,

shall file with this Commission within thirty (30) days from the date of this Order rates for water service in the town of Orcutt, together with a map setting forth thereupon the area of service of its public utility system in and in the vicinity of Orcutt, Santa Barbara County. Said service area to be subject to amendment, modification, changes, or approval of this Commission.

2. That Union Oil Company of California, a corporation, is hereby directed to submit within thirty (30) days from the date of this Order to this Commission, for its approval, rules and regulations governing the service of water to its consumers.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 2nd day of October, 1939.

Robert H. ...
Frank ...
Paul H. Rice
...
Justus F. Coe
COMMISSIONERS.