

Decision No. 32548

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of JOSEPH HERRING and CALIFORNIA WATER SERVICE COMPANY, a corporation, for (1) an order authorizing the transfer from Joseph Herring to California Water Service Company of the water system now serving Sunnyside Addition, and (2) a certificate that public convenience and necessity require the extension of the plant and system of California Water Service Company now serving water to the City of Stockton and vicinity to Sunnyside Addition.

ORIGINAL

Application No. 22464.

Carl F. Mau, for Applicants.

R. T. Drummond, for certain Consumers.

BY THE COMMISSION:

O P I N I O N

Since 1925, Mr. Joseph Herring has been operating a public utility water system serving Sunnyside Addition, a subdivision adjoining the City of Stockton in San Joaquin County. California Water Service Company is a public utility corporation engaged in the business of selling and distributing water for domestic and other purposes in various cities including the City of Stockton. In this proceeding, Joseph Herring and California Water Service Company* jointly make application as entitled above, requesting the Railroad Commission (1) to authorize Joseph Herring to convey to the Company the properties and system now serving water to Sunnyside Addition, which said water system is commonly known as the "Sunnyside Water Works," and (2) to certify that public convenience and necessity

Note:*Hereinafter referred to as the Company.

require the extension of the Company's plant and system to serve Sunnyside Addition with water at the rates and subject to the rules and regulations of said applicant now in force in the City of Stockton, or that may be in force therein hereafter.

A public hearing in this matter was held before Examiner M. R. MacKall in Stockton.

The Sunnyside Water Works was installed about 1912 to supply water for domestic use to residents of Sunnyside Addition, a small subdivision adjoining Stockton at its northeasterly boundary. Water for the system is pumped from a 10-inch cased well 192 feet deep located on Lot 6, Block No. 1 of Sunnyside Addition, elevated into a 10,000 gallon redwood-stave storage tank erected upon a 35 foot wooden tower, and from whence the water is distributed by gravity through approximately 4,455 feet of distribution mains varying from 4 inches to 3/4 inch in diameter. There are now about 102 active services on the system, none of which are metered. Joseph Herring has entered into an agreement with applicant Company to sell the said water system for \$4,250.

The Company serves water to the entire City of Stockton and vicinity and has adequate facilities for the furnishing of water for fire protection purposes which Mr. Herring cannot afford to do. The Company already has a 4 inch main passing through and across Sunnyside Addition.

Decision No. 8400 in Application No. 6178 established the schedules of flat and measured rates now authorized for water delivered by Sunnyside Water Works, which have been in effect since January 1, 1921. There being no meters on the system, at the present time, all consumers are charged on the flat rate basis, practically all of them paying the minimum residential rate of \$1.50 per month.

The Company serves water only on a metered basis and would place meters on all services in the Sunnyside section at an early date in the event the transfer is made. Following is the schedule of rates for water served on a measured basis, effective since March 1, 1937, in the Stockton system of the Company and which will apply in Sunnyside Addition if the extension as requested is granted:

MONTHLY METERED RATES

Schedule "A"

Schedule "A" shall apply to water consumed in the months of January, February, March, October, November and December of each calendar year.

0 to	2,700	cubic feet	at	\$.186	per	100	cubic	feet
2,700 to	6,700	"	"	.112	"	"	"	"
6,700 to	40,000	"	"	.074	"	"	"	"
40,000 to	66,600	"	"	.068	"	"	"	"
All over	66,600	"	"	.045	"	"	"	"

Schedule "B"

Schedule "B" shall apply to water consumed in the months of April, May, June, July, August and September of each calendar year.

0 to	1,300	cubic feet	at	\$.16-2/3	per	100	cubic	feet
1,300 to	2,700	"	"	.14	"	"	"	"
2,700 to	6,700	"	"	.112	"	"	"	"
6,700 to	40,000	"	"	.074	"	"	"	"
40,000 to	66,600	"	"	.068	"	"	"	"
All over	66,600	"	"	.045	"	"	"	"

MONTHLY MINIMUM CHARGE

For meters one inch and under.....\$1.00

For all meters of over one inch in size, the minimum rate shall be Fifty Cents (50¢) for each one-half inch per month.

Comparison of charges based on the above meter rates with the charges which have been made to residents of Sunnyside Addition on the basis of the flat rates now in effect, discloses that a consumer would be charged more than \$1.50 per month whenever his monthly consumption of water is greater than 806 cubic feet for any of the winter months of October to March, inclusive, or

over 900 cubic feet for any of the summer months of April to September, inclusive. However, for monthly consumptions of water less than those respective quantities, the consumer would be charged less than the \$1.50 per month now paid. It appears that the Company's rates on the average should be less.

Certain consumers expressed at the hearing the desire to have the Commission delay its action upon this application in order that they might have an opportunity to purchase the system and operate it as a mutual water works. The Commission has since been informed by the Water Users Committee that the residents of the Tract have been unable to raise the necessary funds or to formulate any organization whereby they might acquire the property.

From the evidence, it appears that the people residing in Sunnyside Addition will receive from the Company a more dependable supply of water of good quality, at a considerably higher pressure than at present. They will also have fire protection service not now available to this district. For which reasons, the application will be granted as requested.

O R D E R

Application as entitled above having been filed with the Railroad Commission, a public hearing having been held thereon, the matter being ready for decision, and the Commission being now fully advised in the premises,

IT IS HEREBY ORDERED that Joseph Herring, operating under the fictitious firm name and style of Sunnyside Water Works, be and he is hereby authorized to transfer to California Water Service Company, a corporation, his right, title and interest in and to the water distribution system used by him in supplying water to Sunnyside Addition adjoining the City of Stockton, San Joaquin County, as set

forth in the application herein and that thereupon said Joseph Herring be and he is hereby relieved of all further public utility obligations and liabilities in connection with said water system, subject to the following terms and conditions:

1. The authorization herein granted shall apply only to such transfer as shall have been made on or before the 15th day of December, 1939, and a certified copy of the final instrument of conveyance shall be filed with this Commission by Joseph Herring.
2. Within ten (10) days from the date on which said Joseph Herring shall actually relinquish control and possession herein authorized to be transferred, he shall file with this Commission a certified statement indicating the date upon which such control and possession were relinquished.
3. On or before the 15th day of December, 1939, Joseph Herring shall refund all amounts for deposits made for main extensions, meter or service connections, and/or any other purposes.
4. On or before the 20th day of December, 1939, Joseph Herring shall file with this Commission a certified statement to the effect that the terms and conditions under Paragraph 3 have been complied with.
5. The consideration for a transfer herein authorized shall not be argued before this Commission or any other public body as a finding of valuation for rate fixing or any purposes other than the transfer herein authorized.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

HEREBY DECLARES that public convenience and necessity require that California Water Service Company, a corporation, extend its plant and system, now supplying the City of Stockton and in the vicinity thereof, to serve water for domestic and other purposes in the area commonly known as Sunnyside Addition as shown upon the map entitled "Sunnyside Addition" filed for record May 6, 1912, in Volume 6 of Maps and Plats, Page 18, San Joaquin County Records, said territory being delineated upon that certain map attached to the application herein and marked Exhibit "C" which is hereby made a part herein by reference; and,

IT IS HEREBY FURTHER ORDERED that a certificate of public convenience and necessity be and it is hereby granted to said California Water Service Company, a corporation, to operate a water system in the subdivision of land described above, being the territory now served by Joseph Herring.

IT IS HEREBY FURTHER ORDERED that within thirty (30) days from and after the date of this Order, California Water Service Company, a corporation, shall file with the Railroad Commission the following schedule of rates to be charged for all water service rendered its consumers in the territory indicated above on and after the first day of January, 1940:

MONTHLY METERED RATES

Schedule "A"

Schedule "A" shall apply to water consumed in the months of January, February, March, October, November and December of each calendar year.

0 to	2,700	cubic feet	at	\$.186	per	100	cubic feet		
2,700 to	6,700	"	"	.112	"	"	"	"	"
6,700 to	40,000	"	"	.074	"	"	"	"	"
40,000 to	66,600	"	"	.068	"	"	"	"	"
All over	66,600	"	"	.045	"	"	"	"	"

Schedule "B"

Schedule "B" shall apply to water consumed in the months of April, May, June, July, August and September of each calendar year.

0 to	1,300	cubic feet	at	\$.16-2/3	per	100	cubic feet		
1,300 to	2,700	"	"	.14	"	"	"	"	"
2,700 to	6,700	"	"	.112	"	"	"	"	"
6,700 to	40,000	"	"	.074	"	"	"	"	"
40,000 to	66,600	"	"	.068	"	"	"	"	"
All over	66,600	"	"	.045	"	"	"	"	"

MONTHLY MINIMUM CHARGE

For meters one inch and under.....\$1.00

For all meters of over one inch in size, the minimum rate shall be Fifty Cents (50¢) for each one-half inch per month.

IT IS HEREBY FURTHER ORDERED that within thirty (30) days from and after the date of this Order, California Water Service Company, a corporation, be and it is hereby directed to submit rules and regulations governing relations with its consumers in the territory indicated above to become effective only upon approval by this Commission.

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 14th day of November, 1939.

Raymond W. Brown
Joseph P. Brown
Raymond C. Clegg
W. H. H. H.
Justin J. Caseman
COMMISSIONERS.