

Decision No. 33417

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
O. C. CONNELLY and ALICE CONNELLY,)
husband and wife, for a Certificate)
of Public Convenience and Necessity)
to operate a water system and)
Establishment of Rates for a Sub-)
division known as Alisal Heights,)
near the City of Salinas, Monterey)
County, State of California.)

ORIGINAL

Application No. 23601

Garth V. Lacey, for Applicants

BAKER, COMMISSIONER:

D E C I S I O N

By and through the above designated Application No. 23601, O. C. Connely and Alice Connely, husband and wife, request from the Railroad Commission a certificate of public convenience and necessity authorizing them to operate a water system in Alisal Heights, a subdivision located east of the City of Salinas, County of Monterey, State of California. A request is also made for the establishment of a schedule of rates for the service proposed.

A public hearing on the said application was held at the said City of Salinas on the 14th day of August, 1940, at which time the matter was submitted for decision.

Alisal Heights, a subdivision consisting of 243 building lots, is located approximately one mile from Salinas in an easterly direction in what is known as the Alisal District. This tract, comprising 64.29 acres, was subdivided in 1934 by the applicants. At the time of laying out such subdivision, a well was drilled and a water distribution plant installed whereby

to serve the southerly end of the said subdivision. As the said tract became more and more developed, the water system was extended, with the result that by the early part of 1940 mains had been laid to serve all the lots. In 1937 an additional well was drilled to supplement the existing source of supply. At the present time water is obtained from two 12-inch wells, the first being 182 feet deep and the second having a depth of 190 feet with water levels ranging from 40 to 45 feet below the surface and each well being equipped with electrically driven deep-well turbine pumps. Pressure tanks of 1,000 gallons and 750 gallons capacity, respectively, are equipped with automatic controls whereby to maintain a pressure between 20 and 40 pounds per square inch. The distribution system includes 2,711 feet of 3-inch G.I. pipe and 9,467 feet of 2-inch G. I. pipe. The mains are inter-connected in such a manner as to produce a fairly compact grid.

Nevertheless, it is apparent that at such time as the subdivision becomes more fully occupied the present distribution system will lack adequate carrying capacity. The Order in this decision, therefore, will require the utility to inter-connect the "dead ends," so that all lines will be fed from two directions, and thereby provide complete circulation and eliminate the possibility of a bad taste developing in inactive water at the ends of the lines. It will also be ordered that additional tank capacity be provided at well No. 2.

Water service in the Alisal District, in which the Connely subdivision is located, as aforesaid, is being furnished by various utilities. The Pacific Gas and Electric Company serves Salinas, together with an area extending to an arbitrarily selected limit which coincides with the western boundary of Alisal Heights subdivision. The Acacia Park tract, situate easterly from Alisal Heights, is served by the Acacia Park Water and Improvement Association, an incorporated mutual company, and the greatest part of the remainder of the Alisal District

is served by the Adcock Water Company, a public utility. No one of such designated service areas of these companies conflicts with that of the applicants herein.

At the present time there are 145 consumers connected with the pipe lines of the Connely system, each of whom is subject to the same flat rate of \$1.50 per month. Through their application as filed, the said applicants sought merely authority for a monthly flat rate of \$1.75 per consumer. Upon the hearing, however, their application was amended to include a schedule of rates for meter service. The record in this proceeding clearly shows that there is no justification for any increase in rates over those now being charged. Accordingly, the present flat rate, together with a schedule of meter rates corresponding to those which obtain in the vicinity of the said subdivision, will be established by the Order issued herein.

There is insufficient data available whereby to determine the amount of capital actually invested in the said water system, and no records of the cost of operation have been kept. A report submitted by J. C. Luthin, one of the Commission's engineers, shows the estimated original cost of the water system, as of August 6, 1940, to be the sum of \$10,710.00, including overhead. The future annual operating expenses were estimated to be \$1,688.00, including an allowance for depreciation annuity in the sum of \$288.00.

The following form of Order is recommended.

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 having been duly submitted, and the Commission now being fully advised in the premises,

The Railroad Commission of the State of California hereby declares that public convenience and necessity require the operation of a water system by O. C. Connely and Alice Connely, his wife, in Alisal Heights subdivision, as shown on a map filed with the County Recorder of Monterey County, on page

96 of Volume 3, of Cities and Towns, and as also shown on a map attached to the application herein marked Exhibit A and made a part hereof by reference.

IT IS THEREFORE ORDERED that a certificate of public convenience and necessity be, and it hereby is, granted to O. C. Connely and Alice Connely, his wife, to operate a public utility for the sale and distribution of water within Alisal Heights subdivision as hereinabove described.

IT IS FURTHER ORDERED that O. C. Connely and Alice Connely, his wife, are hereby authorized and directed to file, in quadruplicate, with this Commission within thirty (30) days from the date of this Order the following schedule of rates to be charged for all service rendered to the consumers subsequent to the 31st day of August, 1940.

RATE SCHEDULE

FLAT RATES

For each residence including irrigation of lawns and gardens on the lot occupied by the residence, per month \$1.50

METER RATES

<u>Monthly Minimum Charges</u>	<u>Per Month</u>
5/8 inch meter	\$1.50
3/4 inch meter	2.00
1 inch meter.....	2.50
1-1/2 inch meter.....	3.50
2 inch meter.....	5.00

Each of the foregoing "Monthly Minimum Charges" will entitle the consumer to the quantity of water which that monthly minimum charge will purchase at the following "Monthly Quantity Rates":

<u>Monthly Quantity Rates</u>	
First 1,000 cubic feet, per 100 cubic feet.....	\$0.20
Next 2,000 cubic feet, per 100 cubic feet.....	.15
All over 3,000 cubic feet, per 100 cubic feet.....	.10

IT IS FURTHER ORDERED as follows:

1. That within thirty (30) days from the date of this Order, O.C. Connely and Alice Connely, his wife, be and they are hereby directed to submit to this Commission for its approval four sets of rules and regulations governing relations with their consumers, each set of

which shall contain a suitable map or sketch, drawn to an indicated scale, upon a sheet 8½" x 11" in size, delineating thereupon in distinctive markings the boundaries of the authorized service area hereinabove described and the location thereof with reference to the surrounding territory, provided further, however, that such map or sketch shall not thereby be considered by this Commission or any other public body as a final or conclusive determination or establishment of the dedicated area of service, or any portion thereof.

2. That O. C. Connely and Alice Connely, his wife, shall file with this Commission, within sixty (60) days from the date of this Order, four copies of a comprehensive map, drawn to an indicated scale of not less than 400 feet to the inch, upon which shall be delineated by appropriate markings the various lots in the territory for which the certificate is granted herein; this map should be reasonably accurate, show the source and date thereof, and sufficient data to determine clearly and definitely the location of the various properties comprising the entire utility area of service.
3. That the certificate granted herein shall terminate on the 1st day of July, 1941, unless O. C. Connely and Alice Connely, his wife, install or have installed, as part of the said water system, pipelines of not less than 2 inches in internal diameter connecting all "dead end" lines, and also a pressure tank at well No. 2 which will provide an additional capacity of at least 2,000 gallons, said installations to be approved by this Commission.

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

The foregoing Decision and Order are hereby approved and ordered filed as the Decision and Order of the Railroad Commission of the

State of California.

Dated at San Francisco, California, this 20th
day of August, 1940.

Ray & Riley
James L. Devlin
Robert J. ...
J. J. ...
Justin J. ...
Commissioners.