

Decision No. 36186

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of Marshall and/or Ethel Gibson for a certificate of public convenience and necessity to operate a public utility water system and for authority to charge consumers for domestic service.

Application No. 25250

Marshall A. Gibson, for Applicants.

CRAEMER, COMMISSIONER:

O P I N I O N

In this proceeding Marshall Gibson and Ethel Gibson, his wife, ask the Railroad Commission for a certificate of public convenience and necessity to operate a public utility under the fictitious firm name of Gibson Water Supply, for the purpose of furnishing water for domestic and other uses to the inhabitants of certain unincorporated territory consisting of two adjoining subdivisions known as Rexland Acres and Garden Acres, both located in the north half of Section 20, Township 30 South, Range 28 East, M.D.B. & M., in Kern County, about five miles south of Bakersfield. The Commission is also requested to establish schedules of metered and flat rates to be charged for the water service to be rendered.

A public hearing in this matter was held in Bakersfield.

The subdivision known as Rexland Acres lies on the east side of U.S. Highway No. 99, also known as Union Avenue, and south of the county highway known as Pacheco Road which coincides with the northern boundary of said Section 20. It comprises about 90 acres and was subdivided in 1938 into five blocks containing a total of 28 lots having an average width of about 200 feet and approximately 600 feet deep. Garden Acres, comprising about 50 acres of land and lying

immediately to the south of and adjacent to Rexland Acres, was subdivided in 1939 into six blocks containing a total of 64 lots averaging about 100 feet in width by 270 feet in depth. Many of the original lots have been resubdivided and there are now some 112 houses constructed in the area, most of which are occupied.

The subdividers installed a water distribution system in each tract before completion of the street construction and water was supplied to Rexland Acres for a year or so from a private well and pumping plant located on the lot at the northeast corner of U.S. Highway No. 99 and Rexland Drive. This pumping plant is still physically connected to the water main on Rexland Drive, but it is not owned by Applicants and serves only as a possible emergency supply. In 1939 Applicants acquired possession of the water distribution mains and assumed responsibility for service of water to all residents within both subdivisions. A centrally located pumping plant was constructed that year and necessary connections made to the two distribution systems. Some of the mains have subsequently been extended and services have been installed to houses as built from time to time.

The present source of water supply is a 10-inch cased well, 135 feet deep, equipped with a deep-well turbine pump driven by a $7\frac{1}{2}$ -horsepower electric motor. Water is pumped into a 7,000-gallon pressure tank at pressures now automatically regulated between 20 and 40 pounds per square inch. The distribution system comprises some 12,000 feet, more or less, of pipe mains ranging from 5-inch to $3\frac{1}{4}$ -inch in diameter. The services to the houses are mostly of $3\frac{1}{4}$ -inch pipe, none of which are metered.

Continuing the practice begun by the previous operator, Applicants have charged all consumers, with minor exceptions, a flat rate of \$2.50 per month. On this basis, the annual revenues for the past two years have averaged slightly over \$2,500. During this period, however, there were fewer houses completed and occupied than at present. It is estimated that the number of premises served will remain constant at about 110 for some time to come, most of which are single-family residences surrounded by lawns, shrubs and more or less extensive vegetable

gardens. Some of the residents keep horses, cows, sheep and chickens, and a growing number of the houses are equipped with window-type coolers. Therefore, it is necessary that a more comprehensive schedule of flat rates be established in order to make the charges on a more equitable and nondiscriminatory basis in accordance with the estimated use of water. It is the declared intention of Applicants to install meters, when procurable, on only those services where the probable consumption of water is difficult to determine or to curb careless use and unnecessary waste of water.

At the hearing, a report was presented by E. Ronald Foster, one of the Commission's Hydraulic Engineers, containing a detailed appraisal of the properties totalling \$7,480, on the basis of the estimated original cost, as of January 15, 1943, and showing the corresponding depreciation annuity to be \$139, computed by the sinking fund method at 5 per cent. He also estimated that the normal annual maintenance and operation expenses for the immediate future will be \$1,925.

Complaint was made by a few of the consumers that the system pressure is too low, particularly during periods of maximum demand in the summer months. With the subdivisions more fully developed and the increasing use of water for "Victory Gardens," it is feared that the water service during the coming summer season will become inadequate unless remedial measures are undertaken. To this end, the Applicants will be required to increase the system pressure to the highest practicable limits and it is further recommended that certain small mains be replaced with larger ones as soon as feasible. In particular, it is strongly recommended that Applicants either install or procure the use of another pumping unit to be added to the system, and to be of adequate capacity to serve as a stand-by unit in the event of failure of the existing plant, and as an auxiliary unit for peak demands.

From the evidence submitted, it appears that Applicants are financially able to make additions and improvements as needed; that in the operation of said system, Applicants will compete with no person, firm or corporation in serving this area with water; and that it is for the best interests of this community that a

certificate of public convenience and necessity be granted.

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 being now fully advised in the premises,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require and will require the operation of a public utility water system by Marshall Gibson and Ethel Gibson, his wife, doing business under the fictitious firm name and style of Gibson Water Supply, in two adjoining subdivisions known as Rexland Acres and Garden Acres, which territory is located approximately five miles south of the center of the city of Bakersfield, in Kern County, as shown on the map marked Exhibit No. 3, filed in this proceeding, and which is hereby made a part of this Order by reference, and which territory is more particularly described as follows:

Beginning at the northwest corner of Section 20, T.30 S., R. 28 E., M.D.B.& M., which is approximately the point of intersection of the center lines of Union Avenue or U.S.Highway No. 99 and the county highway known as Pacheco Road; thence, proceeding easterly along the northerly boundary of said Section 20, being the center line of said Pacheco Road, a distance of 3,340 feet, more or less, to the westerly line of the Central Branch of Kern Island Canal; thence southeasterly and south-westerly following a meandering course along the westerly line of said canal a distance of 2,200 feet, more or less, to the southerly boundary of Garden Acres Tract No. 1093 which is a line approximately parallel with and three-eighths of a mile south of the northerly boundary of said Section 20; thence, westerly a distance of 3,442 feet, more or less, along the southerly boundary of said Garden Acres Tract extended to the center line of said U.S.Highway No. 99; thence, northerly along said center line of U.S.Highway No. 99 a distance of about 661 feet to the extended northerly boundary of said Garden Acres Tract; thence, easterly along the northerly boundary of Garden Acres Tract a distance of approximately 1,314 feet to the center line of Carl Street, also known as Garber Way; thence, northerly along the said center line of Carl Street or Garber Way a distance of about 661 feet to the center line of Rexland Drive; thence, westerly along the said center line of Rexland Drive a distance of approximately 1,314 feet to the center line of said U.S.Highway No. 99; thence northerly along said center line of U.S.Highway No. 99 a distance of about 661 feet to the point of beginning; containing a total area of 140 acres, more or less.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to Marshall Gibson and Ethel Gibson, his wife, doing business under the fictitious firm name and style of Gibson Water Supply, to operate a public utility for the sale and distribution of water within the territory hereinbefore described.

IT IS HEREBY FURTHER ORDERED that it is a condition of this Order that Marshall Gibson and Ethel Gibson, his wife, doing business under the fictitious firm name and style of Gibson Water Supply, shall never claim before this Commission or any other public body an amount for the certificate of public convenience and necessity granted herein in excess of the actual cost of acquiring it.

IT IS HEREBY FURTHER ORDERED that said Marshall Gibson and Ethel Gibson, his wife, operating under the fictitious firm name and style of Gibson Water Supply, be and they 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 water service rendered to their consumers subsequent to the first day of March, 1942, which schedule of rates is hereby found to be just and reasonable for the service to be rendered:

RATE SCHEDULES

Schedule No. 1

GENERAL SERVICE AT FLAT RATES

APPLICABILITY

Applicable to service of water for general household, garden, cooling and commercial purposes.

TERRITORY

Within the entire area defined as Rexland Acres and Garden Acres subdivisions.

RATESPer Month

1. For one dwelling, house or other single unit of five (5) rooms, or less, and bathroom, including reasonable and necessary quantities of water for an irrigated area of not over 5,000 square feet of lawns, gardens, shrubbery and trees, \$1.75
2. For each additional dwelling unit of five (5) rooms, or less, and bathroom, taking service through same connection, 1.00
3. For each additional room over five (5) in any dwelling unit, .10
4. For irrigation of grounds planted to lawns, gardens, shrubbery and trees in excess of the 5,000 square feet included in the dwelling rate, per 100 square feet, payable six months of the year (May to October, both inclusive) .02
5. For irrigation of orchard trees not interplanted so as to require irrigation of entire area, in excess of the 5,000 square feet included in the dwelling rate, per tree, payable six months of the year (May to October, both inclusive) .02
6. For each window-box type air cooling unit, in addition to the dwelling rate, a charge will be made during months of use which will be considered as the months of May, June, July, August and September, except where the consumer notifies the Company as to the months during the above period in which the unit will not be in service, provided the unit is disconnected during such months, subject to inspection by Company's representatives.
 - Circulating type, .25
 - Noncirculating type, .50
7. Auto courts, stores and uses not otherwise classified, to be charged for water at metered rates.

Schedule No. 2GENERAL METERED SERVICEAPPLICABILITY

Applicable to all domestic and commercial water service, at option of either the consumer or the Company.

TERRITORY

Within the entire area defined as Rexland Acres and Garden Acres subdivisions.

RATES

<u>Minimum Charges:</u>	<u>Per month</u>
For 5/8-inch meter	\$1.75
For 3/4-inch meter	2.00
For 1-inch meter	2.50
For 1-1/2-inch meter	3.50
For 2-inch meter	5.00

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

<u>Quantity Charges</u>	<u>Per Month</u>
First 900 Cubic Feet; or less	\$1.75
Next 4,100 Cubic Feet; per 100 cubic feet..	.15
Over 5,000 Cubic Feet, per 100 cubic feet..	.10

IT IS HEREBY FURTHER ORDERED that Marshall Gibson and Ethel Gibson, his wife, operating under the fictitious firm name and style of Gibson Water Supply, be and they are hereby directed as follows:

- (1) Within thirty (30) days from the date of this Order, to submit to this Commission for its approval quadruplicate 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 approximately 8 1/2 inches in size, delineating thereupon in distinctive markings the boundaries of the authorized service area and the location thereof with reference to the surrounding territory; provided, 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) Within sixty (60) days from the date of this Order, to file with this Commission 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 correctly by appropriate markings the various tracts of land in the territory for which the certificate is granted herein. This map should be reasonably accurate, show the source and date thereof, and include sufficient data to determine clearly and definitely the location of the various properties comprising the entire utility area of service; provided, however, that such map 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.

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

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 Los Angeles, California, this 23rd day of February 1943.

Francis P. Havenor
J. H. H. H.
Arthur J. Cullen
Richard T. Lachse
Francis Dean
 COMMISSIONERS.