

Decision No. 39536

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of AUGUST DENTENTER, for a Certificate of Public Convenience and Necessity to operate a public utility water system; and to establish rates for water service in the unincorporated area known as Yuba Gardens.

Application No. 27566

Manwell and Manwell, by E. T. Manwell, for Applicant.

O P I N I O N

August Dententer has applied to the Railroad Commission for a certificate of public convenience and necessity to operate a water system to serve residents of Yuba Gardens Tract, an unincorporated area located across the Feather River about one mile south of the City of Marysville, Yuba County. The Commission is also requested to establish flat and metered rates for water services in this territory.

A public hearing in this matter was held in Marysville before Examiner MacKall.

A portion of the Yuba Gardens Tract No. 8 for which a certificate is requested herein, consists of approximately 80 acres. Mr. August Dententer originally installed the water system to supply this property in 1938. The present distribution system consists of approximately 11,970 feet of mains varying in size from 3/4 to 6 inches in diameter. The source of water supply is two deep wells, producing a total of 1,200 gallons per minute. Well No. 1 is 10 inches in diameter and 317 feet deep; No. 2 is a 12-inch well, 195 feet deep. Each is equipped with a five-horsepower electrically-driven deep well centrifugal pump. There are two 650-gallon pressure tanks which automatically operate at working pressures of 18 to 30 pounds per square inch. There are 120 consumers now being supplied with water, 65 of which are metered. Applicant submitted a statement showing the total fixed capital of the water system to be \$20,796.

Mr. Dententer has a franchise from the Board of Supervisors of Yuba County, duly passed and approved on the 4th day of March, 1946, granting him the right, privilege, and franchise of operating and maintaining pipe lines along and under certain of the public highways, streets, and roads in the County of Yuba for the purpose of conveying and supplying water to the general public.

The schedule of rates now charged is as follows:

<u>Flat Rates:</u>	<u>Per Month</u>
Residence, first two years	\$2.50
Residence, after first two years	2.00
Extra house on lot	1.00
For trailer on lot60

<u>Meter Rates:</u>	<u>Per Meter</u>
<u>Minimum Monthly Charges:</u>	<u>Per Month</u>
For 5/8 x 3/4-inch meters, first two years	\$2.50
For 5/8 x 3/4-inch meters, after two years	1.50

The Minimum Monthly Charges will entitle the consumer to the quantity of water which that minimum monthly charge will purchase at the following monthly quantity rates:

<u>Monthly Quantity Rates:</u>	
First 1,000 cubic feet, per 100 cubic feet	\$0.25
Next 2,000 cubic feet, per 100 cubic feet20
Over 3,000 cubic feet, per 100 cubic feet10

During the course of the hearing several of the consumers protested against charging under meter rates, claiming that the presence of abnormally large quantities of gas in the water created an excessively high and unfair meter registration. Consumers residing on Poplar and Almond Avenues testified that the pressure was poor at all times because of the small diameter of the water mains in said streets. Other consumers residing in various sections of the tract complained of poor pressure during the periods of peak demand.

It is the intention of Mr. Dententer to install larger water mains replacing the inadequate small diameter pipe in certain streets as soon as the necessary pipe becomes available. This he will be expected to do as soon as conditions permit.

The record in this proceeding clearly indicates that the large amount of gas produced in both wells creates a serious meter problem under the present method of pumping directly into the mains through pressure tank control. By so doing, the gas has no means of escape but is delivered by compression throughout the distribution mains causing over-registration of the meters and not accurately indicating the true volume of water delivered. This gas must be eliminated by aeration or free exposure which will require initial discharge into an overhead tank or sump from which it must be repumped into the distribution mains by suitable booster pumping equipment. In view of the existing difficulties prevailing in securing the necessary equipment for this change in operating methods, applicant will not be directed to install these improvements at this time. It is recommended however that such changes be made as soon as facilities are available. Under the circumstances, it would be unfair to the consumers to be charged under the meter schedule while the gas content may cause incorrect meter registrations. In view of the impracticability of establishing any workable ratio of gas to water as a corrective factor for a fair adjustment of meter readings, applicant will not be permitted to charge under the meter rate until further order of this Commission. Such order will be issued, however, upon request of applicant as soon as the high gas content has been eliminated in a manner approved by the Commission.

The request of applicant to place in effect a sliding scale of rates, placing a higher initial charge on new consumers over a period of the first few years, amounts to an unreasonable and unfair discrimination and will not be approved.

No objection was made by consumers present at the hearing held in this matter to the granting of a certificate to applicant. The certificate of public convenience and necessity granted herein is subject to the following provisions of law:

"That the Commission shall have no power to authorize the capitalization of this certificate of public convenience and necessity or the right to own, operate or enjoy such certificate of public convenience and necessity in excess of the amount (exclusive of any tax or annual charge) actually paid to the State as the consideration for the issuance of such certificate of public convenience and necessity or right."

ORDER

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, and will require, the operation of a public utility water system by August Dententer in that certain subdivided tract known as Yuba Gardens Tract No. 8, located approximately one mile southerly of the City of Marysville, in the County of Yuba, California, comprising 80 acres, more or less, and more particularly delineated on the map of Linda-Olivehurst filed as Exhibit No. 3 in this proceeding, which map is hereby made a part of this Order by reference, and finds as a fact that the schedules of rates prescribed herein are just and reasonable for the service to be rendered.

IT IS HEREBY ORDERED as follows:

1. That a certificate of public convenience and necessity be and it is hereby granted to August Dententer to operate a public utility for the distribution and sale of water within the territory hereinbefore described.
2. That August Dententer is hereby authorized and directed to file in quadruplicate with this Commission, within thirty (30) days from the date of this Order, in conformity with the Commission's General Order No. 96, a schedule of rates identified as Schedule No. 1, Flat Rates, to be charged for all water service rendered to his customers, to become effective for all service rendered on and after the first day of November, 1946.
3. That August Dententer is authorized, upon the issuance of a supplemental order in this proceeding, to file and make effective a schedule of meter rates, designated herein as Schedule No. 2.

Schedule No. 1

FLAT RATES

Applicability:

Applicable to all unmeasured water service.

Territory:

In the subdivision known as Yuba Gardens Tract No. 8, Yuba County.

Rates:

Per Month

For each residence, including reasonable and necessary quantities of water for an irrigated area of not over 500 square feet of lawns, gardens, shrubbery, and trees	\$2.00
For each additional dwelling unit on same premises	1.00
For each trailer house60
Sprinkling or irrigation of lawns, gardens, shrubbery, and trees in excess of 500 square feet for each resident, per 100 square feet	0.05

Schedule No. 2

METER RATES

Applicability:

Applicable to all domestic, commercial, and industrial metered water service.

Territory:

In the subdivision known as Yuba Gardens Tract No. 8, Yuba County.

Rates:

Per Meter

Per Month

Minimum Monthly Charges:

For 5/8 x 3/4-inch meter	\$1.50
For 3/4-inch meter	3.50
For 1-inch meter	5.50

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

Monthly Quantity Rates:

0 to 1,000 cubic feet, per 100 cubic feet	\$0.25
Next 2,000 cubic feet, per 100 cubic feet20
Over 3,000 cubic feet, per 100 cubic feet10

Schedule No. 2 - Continued

METER RATES

Special Conditions:

- (1) Metered service is available to any customer upon request.
 - (2) A meter may be installed by the utility where the customer use of water on flat rate service is abnormal or wasteful.
4. That August Dentener, within sixty (60) days from the date of this Order, shall submit to this Commission for its approval four sets of rules and regulations governing relations with its consumers, each set of which shall contain a suitable map or sketch, drawn to an indicated scale upon a sheet 8 1/2 x 11 inches in size, delineating thereupon in distinctive markings the boundaries of its present service area, and the location thereof with reference to the immediate 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.
 5. That August Dentener, within sixty (60) days from the date of this Order, shall file with this Commission four copies of a comprehensive map, drawn to an indicated scale of not less than 600 feet to the inch, upon which shall be delineated by appropriate markings the territory presently served. 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 property 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.

IT IS HEREBY FURTHER ORDERED that 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 15th day of October, 1946.

Harold P. Kuls
Justus J. Obermeyer
Geo. H. Powell
G. F. [unclear]
 Commissioners.