

Decision No. 40056

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of the
BUBBLING WELL WATER SYSTEM for permission
to operate a Public Utility Water
Company.

Application No. 27922

Lucien Hubbard, for Applicant.

O P I N I O N

Lucien Hubbard and Alice H. Hubbard, husband and wife, doing business under the fictitious firm name of Bubbling Well Water System, have applied to the Public Utilities Commission of the State of California for a certificate of public convenience and necessity to operate a water system serving the west one-half of the east one-half of Section 5, Township 3 South, Range 5 East, S.B.B. & M. This property, comprising 160 acres, more or less, is located in Riverside County, about two miles southeast of the unincorporated community of Desert Hot Springs.

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

The applicants are the owners of the territory for which a certificate of public convenience and necessity is requested herein and have developed Unit No. 1, known as Bubbling Well Subdivision, in the central portion of the area. This subdivision consists of some 30 acres and is divided into 70 residential lots and 20 business lots. It is the intention of the owners to develop additional units as soon as the lots of the present subdivision are sold. At the present time all the streets are paved and the subdivision has been accepted by the Planning Commission of Riverside County.

The water supply is obtained from a recently drilled well located on high ground in the northeast corner of the property. The well is cased with eight-inch

pipe to a depth of 130 feet and six-inch pipe for an additional 22 feet. Static water level in the well is 14 feet below ground surface. The pump delivers 50 gallons per minute with a drawdown of 15 feet and discharges into a 31,500-gallon steel storage tank located on a knoll between the well and the subdivision. Water is delivered to the subdivision by gravity flow from the storage tank at a minimum pressure of 40 pounds per square inch. A laboratory analysis of a sample of the water made December 22, 1946, indicated the water to be suitable for domestic purposes. A study of the domestic and commercial water needs of the subdivision made by an engineering firm showed that the present pumping plant installation can provide about two and one-half times the quantity of water needed for the first unit of the subdivision. Testimony at the hearing indicated that the pumping capacity can be increased when necessary and other wells drilled when an additional water supply is required.

The distribution system has been installed and consists of 2,010 feet of six-inch and 4,921 feet of four-inch welded steel mains. These mains are laid in easements reserved for that purpose and are installed in such a manner that no dead ends exist. Riverside County uses the permit system in the authorization of water main installation in dedicated streets and alleys. Testimony shows that such a permit has been obtained for the present tract construction work and further permits can likewise be secured for future extensions of the distribution system.

The entire water system has been installed new at a cost, estimated by Mr. James F. Wilson, one of the Commission's engineers, to be \$10,073. The following tabulation shows the estimated original cost of the water system as now constructed and the annual depreciation expense calculated by the sinking fund method at 5 per cent.

: Account :	Item	: Original Cost :	: Depreciation Expense :
C-1	Organization	\$ 150.00	
C-5	Landed Capital	400.00	
C-10	Wells	1,003.20	\$ 21.02
C-14	Pumping Equipment	1,037.82	31.38
C-18	Distribution Mains	5,667.13	171.39
C-19	Distribution Tank	1,760.00	36.88
C-21	Services	55.00	1.66
	Total	\$10,073.33	\$262.33

There are no public utility water systems operating in or adjoining the proposed service area. An application by Desert Hot Springs Water Company for a certificate of public convenience and necessity to serve an area about two miles northwest of applicants' subdivision is now pending before the Commission. There is no possibility of conflicting interests involved however.

The schedule of rates proposed by the applicants is based upon a charge of \$2.00 per month for the first 500 cubic feet or less, with reduced charges per 100 cubic feet through two blocks to 15 cents per 100 cubic feet for all use over 5,000 cubic feet. These rates appear to be fair and reasonable for the service to be rendered and will be established in the following Order.

The certificate of public convenience and necessity granted herein is subject to the following provision 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."

O R D E R

Application as entitled above having been filed with the Public Utilities Commission of the State of California, a public hearing having been held thereon, the matter having been duly submitted and the Commission now being fully advised in the premises,

THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA HEREBY, DECLARES that public convenience and necessity require, and will require, Lucien Hubbard and Alice H. Hubbard, husband and wife, doing business under the fictitious firm name of Bubbling Well Water System, to construct, maintain and operate a public utility water system in the area comprising 160 acres, more or less, located in the west one-half of the east one-half of Section 5, Township 3 South, Range 5 East, S.B.B. & M., in Riverside County.

IT IS HEREBY ORDERED as follows:

1. That a certificate of public convenience and necessity be and it is hereby granted to Lucien Hubbard and Alice H. Hubbard to construct, maintain and operate a public utility for the production, distribution and sale of water for domestic, irrigation, commercial and other purposes within the territory hereinabove described.
2. That Lucien Hubbard and Alice H. Hubbard be and they are hereby authorized and directed to file in quadruplicate, within thirty (30) days from the date of this Order, in conformity with this Commission's General Order No. 96, the following schedules of rates to be charged for all water service rendered to its consumers on and after the first day of April, 1947, which schedules of rates are hereby found to be just and reasonable for the service to be rendered:

Schedule No. 1

GENERAL METER SCHEDULE

Applicability:

For all domestic, irrigation, commercial and other water service.

Territory:

West one-half of the east one-half of Section 5, Township 3 South, Range 5 East, S.B.2. & M., Riverside County.

Rates:

Per Meter
Per Month

Minimum Monthly Charges:

For 5/8 x 3/4 inch and 3/4-inch meters	\$2.00
For 1 inch meters	2.50
For 1 1/2 inch meters	5.00
For 2 inch meters	7.50
For 3 inch meters	15.00
For 4 inch meters	25.00

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:

First 500 cubic feet or less	\$2.00
Next 500 cubic feet, per 100 cubic feet25
Next 4,000 cubic feet, per 100 cubic feet20
Over 5,000 cubic feet, per 100 cubic feet15

3. That Lucien Hubbard and Alice H. Hubbard, 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 their consumers, each set of which shall contain a suitable map or sketch, drawn to an indicated scale upon a sheet 8½ 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.

4. That Lucien Hubbard and Alice H. Hubbard, 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.

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 11th day of

March, 1947.

Harold Huls
Justice J. O'Connell
Just R. Russell
A. J. ...
H. H. Potter
 Commissioners.