

Decision No. 41093

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

<p>In the Matter of the Application of  C. C. COVEY and MAYME JESTER COVEY  for certificate of public convenience  and necessity to operate a water system  for the furnishing of water to the public  on the property hereinafter described.</p>	)
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Application No. 23411

ORIGINAL

C. C. Covey, for Applicants.

O P I N I O N

In this proceeding C. C. Covey and Mayme Jester Covey, husband and wife, doing business as Garnet Gardens Water Company, ask for a certificate of public convenience and necessity to operate a public utility water system in the north half of the southwest quarter of Section 11, T.3 S., R.4 E., S.B.B.& M. This property, comprising 80 acres more or less, is located in Riverside County about one mile north of the unincorporated town of Garnet.

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

The applicants are the owners of the land for which a certificate of public convenience and necessity is requested. The west half of the area, known as Garnet Gardens, is subdivided into 154 lots, and the east half is being sold in acreage plots. All the streets in Garnet Gardens are paved and the subdivision has been accepted by the Planning Commission of Riverside County.

The water supply is obtained from two wells recently drilled near the north boundary of the area proposed to be served. Well No. 1 is 8 inches in diameter and 128 feet deep, and Well No. 2 is a gravel-packed well which has an inside diameter of 8 inches and a depth of 170 feet. According to applicants' testimony, the present production of water from these wells is 35 and 52 gallons per minute, respectively. Applicants claim that the production of Well No. 2 could

be considerably increased by the installation of a larger pump. The water obtained from both wells is reported to be clear and free from disagreeable tastes and odors.

The water is discharged by the pumps into a 50,000-gallon ground-level concrete reservoir, covered and screened. Water is drawn from the reservoir by a booster pump and delivered through a 3,000-gallon steel pressure tank into the distribution system. The booster pump is automatically controlled to operate between pressures of 27 and 40 pounds per square inch.

The distribution system consists of 6,940' of four-inch 14-gauge steel casing, and 1,300' of six-inch 12-gauge steel pipe. The pipe lines are laid in easements provided for that purpose, and a service outlet is installed for each lot in the subdivision. Testimony shows that, if it becomes necessary to extend the distribution system, the necessary permits for installation in the public roads may be obtained from the County of Riverside upon application.

The entire water system was constructed during 1946. The original cost as estimated by Mr. James F. Wilson, one of the Commission's engineers, together with the annual depreciation expense, calculated on the 5% sinking fund basis, are shown in the following tabulation:

		Estimated Original Cost	Annual Depreciation Expense
C-1-4	Intangibles	\$250.00	
C-5	Landed Capital	1,050.00	
C-6	Buildings	550.00	\$ 16.63
C-10	Wells	2,162.82	45.32
C-14	Pumping Equipment	2,031.38	61.44
C-18	Distribution Mains	8,967.37	271.20
C-19	Distribution Reservoir	4,946.47	68.79
C-21	Services	556.60	16.83
	Total	\$20,514.64	\$ 480.21

The schedule of rates proposed by the applicant provides for a charge of \$2.00 per month for the first 700 cubic feet or less, with charges reduced through two blocks to 15 cents per 100 cubic feet for all consumption 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.

There are no public utility water systems operating in or near the area proposed to be served by applicant and no objection was made to the issuing of the certificate or to the establishment of the proposed rates. Under the circumstances the authority sought will be granted.

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, C.C.Covey and Mayme Jester Covey, husband and wife, doing business as Garnet Gardens Water Company, to construct, maintain and operate a public utility water system in the area comprising 80 acres, more or less, located in the north half of the southwest quarter of Section 11, T.3 S., R.4 E., 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 C. C. Covey and Mayme Jester Covey, to construct, maintain and operate a public utility for the production, distribution and sale of water for domestic, commercial and other purposes within the territory hereinabove described.
2. That C. C. Covey and Mayme Jester Covey 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 their consumers on and after the first day of February, 1948, which schedules of rates are hereby found to be just and reasonable for the service to be rendered:

Schedule No. 1

GENERAL METERED SERVICE

Applicability

Applicable to all measured water service.

Territory

In the north half of the southwest quarter of Section 11, T.3 S., R.4 E., S.B.B. & M, in Riverside County.

Rates

<u>Quantity Charge</u>	<u>Per Meter Per Month</u>
First 700 cubic feet or less.....	\$2.00
Next 300 cubic feet, per 100 cubic feet.....	.25
Next 4,000 cubic feet, per 100 cubic feet.....	.20
Over 5,000 cubic feet, per 100 cubic feet.....	.15

Minimum Charge

For 5/8 x 3/4-inch meter.....	\$2.00
For 1-inch meter.....	3.00
For 1 1/2-inch meter.....	4.00
For 2-inch meter.....	5.00

The Minimum Charge will entitle the consumer to the quantity of water which that monthly minimum charge will purchase at the Quantity Rates.

3. That C. C. Covey and Mayme Jester Covey, 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 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.
4. That C. C. Covey and Mayme Jester Covey, 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 6<sup>th</sup> day of January, 1948.

Harold P. Kula  
James F. Galles  
Frank Russell  
R. J. Anderson  
Samuel P. Potter  
 COMMISSIONERS