

Decision No. 42110

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
EUGENE B. BOUST, for a Certificate
of Public Convenience and Necessity
to Operate a Public Utility Water
System and to Establish Rates for
Water Service in an Unincorporated Area
in the County of Fresno, near Fresno,
California, known as Boust Tract.

Application No. 29355.

Crossland and Crossland, by
Robert S. Crossland, for
applicant.

O P I N I O N

Eugene B. Boust asks the Commission for a certificate of public convenience and necessity to operate a public utility water system in an unincorporated area adjacent to the north corporate limits of the city of Fresno, in Fresno County. Also, the Commission is asked to authorize a monthly flat rate charge of \$3.50 per residence for a one-inch service located on each lot.

A public hearing in this matter was held at Fresno before Examiner Ross.

At the hearing applicant asked that the application be amended to request that the Commission establish a schedule of meter rates.

The area for which a certificate is requested is shown on a map filed with the application and is designated as Tract No. 1041, Boust Tract, being a subdivision of certain portions of Lots 110 and 111, Montpelier Tract, as recorded in the Fresno County Recorder's Office. Also, a request was made to have included an adjoining area described as the south one-half of Ramona Acres, as recorded in

Book 7, page 37 of Plats, Fresno County. The proposed area includes a total of 41 acres, more or less. The 31 acres in Tract 1041 have been subdivided by the applicant into 116 lots which are 140 feet long and vary in width from 60 to 67 feet.

The water supply for the system will be obtained from a drilled well 12 inches in diameter and 150 feet deep. The well is equipped with a 10 hp electric motor directly connected to a deep-well turbine pump. Applicant proposes to drill an additional well on an adjoining lot when a larger water supply is required. Water is delivered through a 3,000-gallon steel pressure tank into the distribution system which consists of a total length of 4,730 feet of six-inch and eight-inch steel pipe. Additional mains will be extended to serve the south one-half of the Ramona Tract.

According to the testimony of applicant's witness, Mr. William P. Bowen, the investment in water facilities, including 10% for supervision of construction, will be \$12,667. The present value of land used as the site for the pumping plant is claimed to be an additional amount of \$1,250.

The intangible capital is stated to be \$250, which includes attorney fees of \$200, and \$50 required as a filing fee with the application to the Commission. The totals of the tangible and intangible capital amount to \$14,167. It was estimated by Mr. Bowen that the cost of a second well and pumping plant would be \$3,103.

Applicant submitted a copy of a permit from the Fresno County Board of Supervisors authorizing the installation of a water main in one of the streets of the subdivision. All other mains have been installed in 16-foot easements.

No water service has been furnished from this water system and there is no experience on which to base future revenues and expenses. The flat rate of \$3.50 per residence is believed to be

proper for a one-inch service connection, but excessive for a 3/4-inch service connection. Under the circumstances, the Order herein will establish both flat and meter rates which are in effect in the same general area and are deemed fair and reasonable for water service to be furnished during the development stage of the subdivision.

The area for which a certificate is requested is not served by any other public utility water system and is outside of the corporate limits of the city of Fresno. No one appeared at the hearing to object to the granting of the authority sought herein.

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 the franchise involved herein or this certificate of public convenience and necessity or the right to own, operate or enjoy such franchise or certificate of public convenience and necessity in excess of the amount (exclusive of any tax or annual charge) actually paid to the State or to a political subdivision thereof as the consideration for the grant of such franchise, certificate of public convenience and necessity or right."

O R D E R

Good cause appearing,

THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require, and will require, the construction, maintenance, and operation of a public utility water system by Eugene B. Boust, in an area comprising a subdivision known as Tract No. 1041, Boust Tract, as shown on a map submitted with the application and made a part of this Order by reference, and an additional adjoining area described as the south one-half of Ramona Acres as recorded in Book 7, page 37 of Plats, all of which is located in Fresno County and includes 41 acres, more or less.

IT IS HEREBY ORDERED as follows:

1. That a certificate of public convenience and necessity be and it is hereby granted to Eugene B. Boust to construct, maintain and operate a public utility for the distribution and sale of water within the territory hereinabove described.
2. That Eugene B. Boust be and he is hereby authorized and directed to file in quadruplicate, in conformity with this Commission's General Order No. 96, within thirty (30) days after the effective date of this Order, the schedule of rates in Exhibit A appended to be charged for all water service rendered to consumers on and after said effective date, which schedule of rates is hereby found to be just and reasonable for the service to be rendered.
3. That Eugene B. Boust, within thirty (30) days after the effective date of this Order, shall file with this Commission four sets of rules and regulations governing relations with his customers, 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 the present service area and the location thereof with reference to the immediate surrounding territory; provided, however, that such filing shall not be construed as a final or conclusive determination or establishment of the dedicated area of service or any portion thereof.
4. That Eugene B. Boust, within thirty (30) days after the effective date of this Order, shall file with this Commission four copies of a comprehensive map, drawn to

EXHIBIT A
Schedule No. 1

FLAT RATE SERVICE

APPLICABILITY

Applicable to all domestic and commercial use of water.

TERRITORY

In the unincorporated area adjacent to the north corporate limits of the city of Fresno, Fresno County, comprising Boust Tract and the south one-half of Ramona Acres.

RATES

	<u>Per Month</u>
For each 3/4-inch service located on a single lot	\$2.75
For each 1-inch service located on a single lot	3.50

Schedule No. 2

MONTHLY METER SERVICE

APPLICABILITY

Applicable to all domestic and commercial use of water.

TERRITORY

In the unincorporated area adjacent to the north corporate limits of the city of Fresno, Fresno County, comprising Boust Tract and the south one-half of Ramona Acres.

RATES

	<u>Per Meter</u> <u>Per Month</u>
Monthly Minimum Charge:	
For 5/8 x 3/4-inch meter.....	\$2.25
For 3/4-inch meter.....	2.55
For 1-inch meter.....	3.00

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

Monthly Quantity Rates:

First	900 cubic feet, or less.....	\$2.25
Next	3,200 cubic feet, per 100 cubic feet.....	.15
Next	6,000 cubic feet, per 100 cubic feet.....	.12
Over	10,000 cubic feet, per 100 cubic feet.....	.10

an indicated scale of not less than 600 feet to the inch, upon which shall be delineated by appropriate markings the territory presently to be 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; however, that such filing shall not be construed as a final or conclusive determination or establishment of the dedicated area of service or any portion thereof.

The effective date of this Order shall be twenty (20) days after the date hereof.

Dated at San Francisco, California, this 11th day of October, 1948.

R. Z. [Signature]
Justus F. [Signature]
Harold [Signature]
Kenneth [Signature]
Commissioners.