Decision No. 42382

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of D. R. PLUNKETT for order, authorization, permission or certificate to organize, operate and maintain a water company.

Application No. 29458

Weberg and Landis by <u>Carroll Weberg</u> for applicant; <u>Walter M. Brown</u> for the Water Commission, City of Long Beach.

<u>O P I N I O N</u>

D. R. Plunkett asks the Commission for a certificate of public convenience and necessity to operate a water system serving a parcel of land located about one-half mile east, and one and one-half miles north of Lakewood Village in Los Angeles County. The Commission is also asked to establish a schedule of flat and metered rates.

A public hearing in this matter was held before Examiner Warner in Los Angeles on December 7, 1948.

Applicant is the owner of two parcels of unsubdivided land comprising approximately 30 acres lying north of 14th Street in the County of Los Angeles, between Woodruff Avenue on the east and the Southern California Edison Company right of way on the west, extending across Rose and Cedar Avenues, which are just north of the northerly limits of the City of Long Beach, a 100-foot wide strip of which bisects applicant's property, and the property leading to, and on which are situated, Wells Nos. 1 and 2. Applicant also owns Lots 13 and 37 in Tract No. 10317, lying just south of 14th Street, and is negotiating for purchase of Lot 14 in the same tract. This service area property

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is more particularly shown in the map filed as Exhibit 2 in this proceeding.

There are 12 consumers and three fire hydrants now being served, and applicant estimated the number of customers might increase to 150 within the next few years. Applicant testified that he does not intend to sell any property, but will rent residencés as they are constructed; lot sizes will be of a 5,000-square-foot minimum. He does not intend to serve water for agricultural irrigation purposes.

Mr. Plunkett testified that a plentiful supply of potable ' water for the water system exists and is obtainable from three wells designated as Nos. 1, 2, and 3. Well No. 1, with a ten-inch casing, 250 feet deep, which applicant estimates to have a capacity of 1,500 gallons per minute, now contains a 900-gallon-per-minute capacity pump, driven by a 15 hp electric motor. This well is now furnishing water for irrigation, but for applicant's private use only. Well No. 2, with a six-inch casing, 200 feet deep, which applicant estimates to have a capacity of 750 gallons per minute, has no pump installed at the present time. These wells are about ten feet apart and are located in the northernmost section of the property near Ramona Avenue. Well No. 3, with an eight-inch casing, 120 feet deep, which applicant estimates to have a capacity of 750 gallons per minute, contains a 5 hp Berkeley pump with a capacity of 6,000 gallons per hour. This well discharges into a 1,500-gallon pressure tank and from there into the mains. There is no interconnection between Wells Nos. 1 and 2 and Well No. 3, although one is planned in the development of the area. Applicant testified that such interconnection would require about 800 additional feet of main and would take about 30 days to install. Applicant also testified that a verbal agreement exists between him and Ideal Petroleum Company for possible emergency interconnection which, in the event of necessity, could be effected in about 30 minutes.

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Distribution mains now installed consist of four-inch, standard, galvanized steel and four-inch, cement-lined, cast iron pipe extending from Well No. 3 to Ibbetson Avenue (an undedicated street) and northerly along Ibbetson Avenue to Rose Avenue; a three-inch galvanized steel pipe extending southerly along Ibbetson Avenue and thence across 14th Street to Lots 13 and 37, and 2½-inch golvanized steel main extending easterly on 14th Street. The system installations are more particularly shown in Exhibit 2.

From evidence, it appears that the water supplies available to applicant and the distribution system installed and to be installed by the applicant, are ample to render service to the proposed area.

Applicant testified that the wells and distribution system are installed in property owned by him and, therefore, no county franchise is required from Los Angeles County at this time, but the applicant stated he was willing to apply for such franchise in the future if necessary.

Two private water companies and a mutual water company serve adjacent areas, and, in fact, Lots 13, 37, and 14 in Tract 10317 are in the service area of Ideal Petroleum Company, but although notices of the application in this hearing were served on each of these companies, none made an appearance or filed any objection.

As adequate records of historical cost of applicant's properties were not available, Engineer R. E. Sutherland, of the Commission's staff, introduced an appraisal of the properties as of November 22, 1948, which showed an estimated historical cost of 410,488.

The proposed rates as set forth in the application were amended at the hearing by applicant. From the facts available and the evidence upon this record, the schedule of rates as set forth in this order as Exhibit A are reasonable and will be authorized.

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The Commission has considered this request for a certificate of public convenience and necessity, and is of the opinion that it should be granted, 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 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.

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The above-entitled application having been considered, a public hearing having been held, the matter having been submitted, and now being ready for decision,

IT IS HEREBY FOUND AS A FACT that public convenience and necessity will require the construction and operation of a public utility water system by D. R. Plunkett in Los Angeles County in the area set forth in the map marked Exhibit 2 in this proceeding.

IT IS HEREEY ORDERED that a certificate of public convenience and necessity be and it is granted D. R. Plunkett to construct and operate a public utility system for the distribution and sale of water within the territory hereinbefore described, subject to the following conditions:

- 1. Rates set forth in Exhibit A attached to this order shall be filed to be effective on or before February 1, 1949, together with rules and regulations and tariff service area map acceptable to this Commission and in accordance with the requirements of General Order No. 96.
- 2. Applicant shall within thirty (30) days after the effective date of this order file four copies of a comprehensive map, drawn to an indicated scale of not less than 400 fect to the inch, delineated correctly by appropriate markings of the various tracts of land and territory served and the location of the various properties of applicant.

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Schedule No. 1

FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate water service.

TERRITORY

Within the entire service area which includes approximately 30 acres lying north of 14th Street west of Woodruff Avenue in the County of Los Angeles.

RATES	Per Service Per Month
For each 3/4-inch service or less per single family residence, including the irrigation or sprinkling of 1,500 square feet of area	3 2.59
For each additional 100 square feet of irrigated or sprinkled area	_02
For each additional family residence on same lot	1.25
For each trailer connected to water on same lot	.75

Schedule No. 2

METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Within the entire service area which includes approximately 30 acres lying north of 14th Street and west of Woodruff Avenue in the County of Los Angeles.

RAT	<u>ES</u> Quantit:	Rates:	,	Per Meter Per Month
	Next	,000 cubic feet or less		\$ 2.00 _15 _10
	Minimum For 5, For	harge: x 3/4-inch meter		2.00 2.50
	For For For	l-inch meter.	•	3.50 6.00 10.00

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

Meters will be installed at the option of the utility or upon request by the customer.

3. The authorization herein granted will be void if not exercised within one (1) year from the date hereof.

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The effective date of this order shall be twenty (20) days from and after the date hereof. -/

39 th day Dated at San Francisco, California, this or <u>December</u> 194<u>8</u>.

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Commissioners.