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Decision No. 42812

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
W. GLENN DUNNING, 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 Known as Dunning Subdivision,
Linda Center, Yuba County, California:

Application No. 29972

Rich, Weis, Carlin and Fudge,
by H. D. Hadley, for applicant.

O P I N I O N

W. Glenn Dunning has applied to the Public Utilities Commission for a certificate of public convenience and necessity to operate a water system to serve residents of Dunning Subdivision, Linda Center, an unincorporated area located across the Yuba River about 2½ miles southeast of the city of Marysville. Applicant also requested the Commission to establish uniform flat rates for water services in this territory.

A public hearing in this matter was held in Marysville before Examiner Kimball on March 30, 1949.

At the hearing, applicant modified his original application to limit the territory for which a certificate is requested to the portion of the Dunning Subdivision designated as Lots 14, 16, and 18 to 22, inclusive. The rate of \$2.50 per month originally requested was amended at the hearing to \$2.50 per month with a limit of 500 square feet of lawn, flowers, and shrubs, with a charge of \$0.03 for each additional 100 feet in excess of 500 square feet, together with a meter rate schedule.

The measured rates provide for a monthly minimum charge of \$2 with an allowance of 666 cubic feet. The charges for excess use are reduced through three blocks to 12 cents per 100 cubic feet. The company requested that it be authorized to install a meter on any service connection, either at the request of the customer or at the option of the utility.

The portion of the Dunning Subdivision for which a certificate is requested herein, consists of approximately 20 acres. This tract was subdivided in July, 1946, and the installation of the water system was started at that time, although Mr. Dunning had installed a well and pipe in 1924 to serve his home and two additional residences.

The present distribution system consists of approximately 4,000 feet of mains varying in size from one to six inches in diameter. The sources of water supply are two drilled wells, producing a total of 150 gallons per minute. Both wells are 12 inches in diameter. One well is 80 feet deep and the other, 88 feet. One is equipped with a three-horsepower electrically driven centrifugal pump and the other with a five-horsepower pump. There is a 1,000-gallon pressure tank which automatically operates at working pressures ranging from 20 to 50 pounds per square inch. There are 43 customers now being supplied with water at a flat rate of \$2.50 per month.

Witness for applicant testified that the estimated revenues for 1949 would be \$1,150, based on an estimated average of 46 customers for the year at \$2.50 per month. The expenses, as estimated by applicant, would be approximately \$1,400 for the year 1949. The total assets of the water company as of December 31, 1948, are shown to be \$8,734 in Exhibit C attached to the application.

Mr. Clyde F. Norris, engineer of the Commission's staff, presented as Exhibit 3 a report of an investigation of the operations of the water system. In this report, the estimated normal annual expenses for the immediate future are shown to be \$1,285.

With respect to the revenues, and accepting the applicant's testimony of an average of 46 customers for the year 1949, it is apparent that additional revenue will be obtained from the charge for cultivated areas in excess of 500 square feet, since many of the lots in the subdivision are of large size. Mr. Norris also presented an appraisal of the property as of February 1, 1949, which totaled \$9,349. In view of the foregoing, it appears that the rates requested by applicant are not unreasonable and they will be authorized.

Mr. Dunning has a franchise from the Board of Supervisors of Yuba County, duly passed and approved on the 4th day of October, 1948, 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 Dunning Subdivision, Linda Center, in the County of Yuba for the purpose of conveying and supplying water to the general public.

There were no objections made at the hearing held in this matter to the granting of a certificate to applicant or to the rates requested. The record herein shows that public convenience and necessity require the exercise by W. Glenn Dunning of the right, privilege, and franchise granted to him by Ordinance No. 147 of the County of Yuba duly passed on the 4th day of October, 1948. The certificate of public convenience and necessity issued 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

The above-entitled application having been considered, and 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 operation of a public utility water system by W. Glenn Dunning in a subdivided tract known as Dunning Subdivision, Linda Center, Yuba County, in the area set forth in a map marked Exhibit 1 in this proceeding; therefore,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is granted to W. Glenn Dunning to operate a public utility system for the distribution and sale of water within the territory hereinbefore described, and said W. Glenn Dunning be and he is authorized to exercise the right, privilege, and franchise granted him by the Board of Supervisors of the County of Yuba by its Ordinance No. 147 adopted October 1, 1948.

IT IS HEREBY FURTHER ORDERED that applicant shall:

1. File rates set forth in Exhibit A attached to this order, to be effective within thirty (30) days after the effective date of this order, 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. 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 feet to the inch, delineating by appropriate markings the various tracts of land and territory served and the location of the various properties of applicant.

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

Dated at Los Angeles, California, this 26th day of April, 1949.

W. G. Dunning
Justin F. Craven
Harold P. Hills
Herbert W. Potter
Commissioners

Schedule No. 1

FLAT RATES

APPLICABILITY

Applicable to all unmeasured water service.

TERRITORY

In Lots 14, 16, and 18 to 22, inclusive, of Dunning Subdivision, Linda Center, Yuba County, as delineated on the map included in the Tariff Schedules as Map No. 1.

RATES

	<u>Rate</u> <u>Per Month</u>
For each residence and dwelling, including reasonable and necessary quantities of water for an irrigated area of not over 500 square feet of lawns, gardens, shrubbery and trees . . .	\$2.50
Sprinkling or irrigation of lawns, gardens, shrubbery and trees in excess of 500 square feet for each residence, per 100 square feet03

Schedule No. 2

METER RATES

APPLICABILITY

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

TERRITORY

In Lots 14, 16, and 18 to 22, inclusive, of Dunning Subdivision, Linda Center, Yuba County, as delineated on the map included in the Tariff Schedules as Map No. 1.

RATES

	<u>Per Meter</u> <u>Per Month</u>
Minimum Monthly Charges:	
For 5/8 x 3/4-inch meter	\$2.00
For 3/4-inch meter	3.00
For 1-inch meter	5.00

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

Monthly Quantity Rates:

First 1,000 cubic feet, per 100 cubic feet . . .	\$0.30
Next 2,000 cubic feet, per 100 cubic feet25
Over 3,000 cubic feet, per 100 cubic feet12

SPECIAL CONDITIONS

1. Metered service is available to any customer on request.
2. A meter may be installed by the utility where the customer use of water on a flat rate service is abnormal or wasteful.