

Decision No. 43116

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of NORTH FORK DITCH COMPANY, a corporation, for an Investigation by the Public Utilities Commission of the Reasonableness of its Rates and Charges, and for an Order Establishing Just and Reasonable Rates and Charges, and for an Order Ex Parte Granting an Immediate Interim and Emergency Increase in Rates and Charges.

Application No. 30411

INTERIM OPINION AND ORDER

North Fork Ditch Company, a corporation, engaged in the business of supplying water for irrigation and domestic purposes within an area of approximately 15,000 acres, located in Sacramento and Placer Counties, asks the Commission for an interim order, pending final determination of the matter, authorizing an increase of \$2.75 per miner's inch per day to its wholesale consumers and \$1 a month to its domestic consumers for the delivery of a chlorinated water supply.

Applicant's water supply is obtained by diversion from the North Fork of the American River and heretofore it has delivered raw, or untreated water for all purposes, but on March 25, 1949 the Health Officer of Sacramento County, under the provisions of the Health and Safety Code of the State of California, directed that the water used for domestic purposes be chlorinated or deliveries discontinued.

The heaviest density of domestic water use is located within the areas served by applicant's wholesale consumers, Fair Oaks Irrigation District, Citrus Heights Irrigation District, and Orangevale Water Company, a mutual organization. The water for these three consumers is delivered through pipe lines from applicant's Penstock Reservoir. One of applicant's irrigation pipe lines also supplies some domestic service and receives water from the same reservoir.

Pursuant to the demand of said County Health Officer, applicant installed at its Penstock Reservoir an Emergency chlorination plant that has, since April 1, 1949, treated all of the water delivered from the reservoir. Applicant now proposes to construct a permanent chlorination plant at that point at an estimated cost of \$9,500. It estimates the annual cost of operating the plant at \$5,689.

In order to avoid the cost of installing and operating separate chlorination plants, each of the three wholesale consumers has agreed to advance the sum of \$2,000 to applicant to aid in the construction of a single plant which will be owned and operated by applicant, said advance payment to be refunded in ten consecutive annual payments without interest by credits on subsequent charges for water delivered to these consumers. Applicant will use its own funds for the remaining cost of installation.

The added cost of furnishing 2,025 miner's inches of treated water to the three wholesale consumers is estimated to be \$2.79 per miner's inch per year. The said wholesale consumers have agreed to pay a tentative additional rate of \$2.75 per miner's inch to cover this cost, subject, however, to modification if it develops that the treated water can be supplied at a lower cost. The additional charge will raise the existing rate to the wholesale users from \$28.75 per miner's inch per year to \$31.50.

There are 83 of applicant's domestic consumers who also receive water through a pipe line from the reservoir, the quantity of water so used constituting a relatively small proportion of the total deliveries. However, applicant asks that the present minimum monthly charge of \$2, be increased to \$3 to cover the additional costs incurred in treating this water.

Applicant alleges that it is expending approximately \$500 per month in operating the emergency chlorination plant from funds

obtained from current revenues. It asks that the additional charges be made effective immediately to provide revenues to meet this expense. The three wholesale consumers have agreed to pay the charges requested. It appears, therefore, that the interim rate for wholesale delivery should be granted pending investigation and a hearing in the matter and subsequent decision by the Commission in so far as said rates apply to these consumers. The request for an increase in the rate for the treated water directly served to applicant's domestic consumers will be deferred pending the hearing and further order herein.

INTERIM ORDER

Application as entitled above having been filed with the Public Utilities Commission of the State of California and it appearing that by reason of mutual agreement between the three wholesale customers and applicant, a public hearing is not necessary in order to provide the interim relief requested and the Commission finding that the increased rate for chlorinated water delivered to the wholesale consumers is justified and should be authorized on an interim basis pending a hearing and further order by this Commission in the matter,

IT IS HEREBY ORDERED that North Fork Ditch Company, a corporation, be and it is hereby authorized to charge its wholesale consumers for the delivery of chlorinated water \$2.75 per miner's inch per year over and above the established rate of \$28.75 per miner's inch per year for untreated water, as set forth in the agreement attached to the application and marked Exhibit E, said rate to remain in full force and effect pending a hearing thereon and further order by this Commission.

IT IS HEREBY FURTHER ORDERED that North Fork Ditch Company, a corporation, shall file with the Commission, within thirty (30) days

from the date of this order, two certified copies of said agreement marked Exhibit E.

This order shall become effective twenty (20) days after the date hereof.

Dated at San Francisco, California, this 12th day of July, 1949.

R. J. Morrison
Justin J. Casper
Robert L. ...
Harold H. ...
Wm. H. ...
Commissioners.