

Decision No. 44801

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

JOHN W. CLARK	}	Complainants
HOMER A. LOOMIS		
BILLY J. MORGAN		
VS.		
ACNES ARMENTROUT	}	Defendant

Case No. 5120

R. M. Chenoweth, for defendant.O P I N I O N

John W. Clark and 63 other residents of Cottonwood filed a formal complaint against Agnes ArmentROUT, owner of the Cottonwood Water Works supplying water to the residents of the town of Cottonwood, Shasta County, California. The complainants alleged that the water system is not large enough to supply the town with sufficient water and that there is no set rule for charging for water service nor for billing. Complainants requested that a new company be authorized to take over the water system immediately.

A public hearing in this matter was held before Examiner Edwards at Cottonwood on July 14, 1950.

Water is obtained from a dug well and pumped into a 25,000-gallon elevated storage tank 40 feet above ground level, which maintains a pressure of 20 pounds per square inch. The distribution system consists of 11,500 feet of mains, varying from 3/4 inch to 3 inches in diameter, serving 96 customers of which nine services are metered.

The defendant answered the complaint by generally denying the allegations of complainants. Defendant alleges that the charges for service have been in accordance with the flat rates or meter rates

filed with the Commission, but that she has not maintained set rules for billing customers. Instead, she has made a practice of calling personally and collecting money. However, this method has proved unsatisfactory, and she intends to adopt a system of billing all users through the mail and furnishing a return-addressed envelope.

At the hearing, the three complainants listed above gave testimony with regard to the low water pressure during the summer season and indicated that proper bills were not sent each month by the utility, for water service. For example, Mr. Loomis has had no bill for two years. Some complaint also was made with regard to rust and sand appearing in the water. Several other residents present at the hearing, gave testimony corroborating the statements of the three main complainants.

A survey of the water system was made by W. E. Moltke, an engineer in the Hydraulic Division of the Commission, and he was present at the hearing to give the results of his survey. His report, admitted in evidence as Exhibit No. 1, indicates that the water supply, pumping equipment, and storage facilities are adequate to provide the present service requirements of the community. The principal difficulty is that the distribution mains are too small in size. Of some 11,500 feet of mains, approximately 40% are 1 inch in size or smaller. He pointed to specific places where the small mains should be replaced with mains of 2-inch size or larger. He also recommended that the utility install meters to prevent wasteful and extravagant use of water.

The defendant testified that under the recommendations of the Commission engineers, she had installed 516 feet of 2-inch pipe and will lay 225 feet more in the near future; however, she has difficulty in finding a laborer to install the pipe. She has complied with the State Board of Health rules, and late last fall installed a new

roof on the tank. She stated that there is no objectionable mineral content in the water, nor odor, and the rust and sand conditions are caused by maintenance work on changing pipes in connection with the highway relocation.

With regard to billing practice, defendant indicated that approximately 85% of the customers come to her house and pay the bills. The other 15% she collects intermittently by calling at their residences. This method of billing has saved expense and helped the utility to hold its prewar rate levels. While this is an economical way to handle the billing problem, we believe the customers in Cottonwood would be better satisfied if they were presented monthly with bills and the utility could arrange for some regular office hours when payments would be received. While this practice may add to the expenses of running the business, it is a proper expense and a service practice which is necessary to avoid discrimination.

The defendant promised to take steps to have an engineering survey made, in order to determine the need for increased sizes of pipes in the distribution system, and file a copy of such survey within 15 days, as Exhibit No. 5 in this proceeding. Such a survey has not been received. Service conditions require immediate action in making improvements.

In making improvements, we believe the utility should be guided by present-day standards. In replacing or reinforcing mains, the maximum unsupported lengths of pipe from last point of connection to distribution grid system or network should be as follows:

<u>Pipe Size</u>	<u>Maximum Unsupported Length</u>
2-inch	300 feet
4-inch	1,300 feet
6-inch	2,100 feet

It may be possible to continue in use a portion of the present small pipe if an adequate system of cross-connections or reinforcements is added. The first step is to increase the 3-inch main pipe from the tank to a size of 8 inches, or equivalent. The next step is to provide main feeds in two or three directions from the base of the tank of a total area equal to the 8-inch pipe and form a grid system in the main part of Cottonwood, or replace the mains in this area with 6-inch pipes. Additional steps must be planned by defendant.

Evidence was put in the record by defendant to show that the residents obtain water. Pictures of certain residences, presented as Exhibits Nos. 2, 3, and 4, showed flowers and trees around the houses and did not indicate a lack of water for growing flowers and sprinkling lawns during some period of the 24 hours in a day. Undoubtedly, during the peak-use hours, the pressure drops and it is this condition which the defendant must correct. A reasonable rehabilitation program, together with the installation of meters, could improve service to the point where it is satisfactory. Such work should be undertaken immediately and completed by May 1, 1951.

These improvements must be made and it may be necessary for the defendant to borrow money to complete them within the next few months. These improvements may not prove remunerative, but the question of rates is not involved in this proceeding. It appears appropriate to require the utility to render reports from time to time on the progress of this work. In conclusion, the Commission does not feel justified on this record in canceling the utility's right to operate, as requested by complainants. We believe the defendant should be given time to carry out the improvement program.

O R D E R

The above-entitled complaint having been filed with this Commission, a public hearing having been held, and the matter having been submitted for decision,

IT IS HEREBY ORDERED that Agnes Armentrout, owner of the Cottonwood Water System, shall take the following steps to improve water service in Cottonwood and vicinity:

1. On or before October 31, 1950, file with this Commission a program of distribution system improvements, in accordance with the recommendations in the opinion, and a schedule covering installation of meters.
2. File with this Commission, progress reports on installation of system improvements as of December 1, 1950, February 1, 1951, and April 1, 1951, within ten (10) days following such dates.
3. File in quadruplicate with this Commission, within fifteen (15) days after the effective date of this order, in conformity with General Order No. 96, a standard form of application blank and bill for service.

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

Dated at San Francisco, California, this 19th day of September, 1950.

R. J. Duran
Justus F. Goewen
W. H. Howell

 Commissioners.