

Decision No. 45754

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of MIKE ABDELNOUR for permission )  
or certificate of public convenience ) Application No. 32130  
or necessity to operate a water company.)

C. F. Woolpert, attorney, for applicant;  
Frank Dallosta, Forest Whisler, and Mrs.  
R. W. Hinkle, consumers, interested  
parties;  
James F. Wilson for the Commission staff.

O P I N I O N

Mike Abdelnour, an individual, owner and operator of a water system, by the above-entitled application, filed February 8, 1951, requests a certificate of public convenience and necessity to operate said water system in the City of Coachella, Riverside County, California, and requests the establishment of rates for water service. At the hearing, the application was amended by a request that the proposed service area be enlarged from 70 acres to a total of 100 acres to include certain unsubdivided land located adjacent to the area originally included in the application as filed. The application was also amended at the hearing by a request for the establishment of meter rates, fire hydrant rates, and a flat rate for agricultural and horticultural water usage.

A public hearing on this matter was held before Examiner Warner in Indio, California, on May 9, 1951.

Applicant has been furnishing domestic, commercial and agricultural water service to three subdivisions lying within the city limits of the City of Coachella since 1946. The subdivisions contain 282 lots and are known as the Abdelnour, Ruiz, and Ellis Coachella Tracts. As of the date of the hearing, water service

was being furnished to 175 consumers located on 165 lots. There were 10 instances where separate service connections had been installed (where there was more than one consumer living on a single lot). Water service is furnished to 14 fire hydrants but no revenue is derived from such service at this time.

The subdivided territory comprises 70 acres upon which, in addition to several houses, are located a grocery store, welding shop, garage, service station, beer parlor, and a small church. The land is flat and the soil is sandy. Water is used for flowers, gardens and trees, and for house water coolers in the summer time. Such water coolers are of the drip type as contrasted to the fully circulating type. There are no groves in the proposed service area. No cattle is raised.

At the hearing, applicant requested the inclusion, within the proposed service area, of an area comprising 20 acres more or less of unsubdivided land, now agricultural, lying between the Ruiz and Abdelnour subdivisions, and also requested the inclusion of an area comprising 10 acres more or less of unsubdivided land, now agricultural, lying west of the Ellis Coachella subdivision and south of the westerly half of the Ruiz subdivision. The proposed service area, comprising the total of 100 acres more or less lies entirely within the city limits of the City of Coachella and is further delineated on the map filed at the hearing as Exhibit No. 1

The source of water supply consists of two wells. Well No. 1, located on Lot 71 of the Ruiz subdivision, has been in operation since 1946. Well No. 2, drilled in November, 1950, is located outside the proposed service area just east of State Highway U. S. 99 on property owned by applicant. Each well, the record shows, has a capacity of between 80 and 90 miner's inches<sup>1/</sup>, and has installed in it a Peerless pump

*definition*  
1/ This miner's inch is equivalent to a flow of 1/50 cubic feet of water per second.

driven by a 15 horsepower electric motor. A 3,000-gallon automatically controlled pressure tank located at Well No. 1 is set to operate at 45 pounds pressure. A 5,000-gallon automatically controlled pressure tank located at Well No. 2 will be set to operate at pressures of between 50 and 55 pounds. Applicant testified that Well No. 2 has not yet been connected to the domestic water system but that it would be so connected within 10 days.

The distribution system consists of 2,800 feet of 6-inch and 12,000 feet of 4-inch steel main installed in 1946, 1947, and 1950. The total fixed capital investment in operative properties is reported to be \$33,611 as of May 9, 1951.

From a review of the record as outlined hereinabove, it appears that the water supply available to applicant and the distribution system installed are adequate to serve the proposed area.

The record shows that the water supply has been tested at regular intervals by Riverside County Health Department officials and found to be potable.

Applicant installed the water system prior to the recording of subdivisions and the mains are laid in private easements which were reserved at the time of subdivision. Applicant has secured permits from the State of California Division of Highways, to lay mains under the state highway. No other public utilities of like character are operating within, or immediately adjacent to, the proposed area, and no protest to the granting of the application was entered at the hearing by any party.

Applicant is presently charging a flat rate of \$2 per consumer per month, with a charge of an additional \$2 for each extra house located on one lot. Gross revenues amounted to \$2,687

and expenses were \$2,582 for 1950. No change in the basic flat rate is requested in the application as amended, but applicant indicated that he would be willing to have the flat rate for extra houses on the same lot somewhat reduced. He testified that although he desired the Commission to establish a meter rate, he had no intention of installing meters at the present time. He also asked that a fire hydrant rate be fixed although no arrangement as yet has been made for payment for fire protection service. He requested that the Commission establish a rate for agricultural and horticultural water use on the basis of area irrigated for those properties upon which no house is located and for those properties devoted to agricultural use. It appears from a review of the record that the request for the establishment of rates as outlined above is not unreasonable and the order herein will provide for the granting of such request.

With respect to applicant's proposed methods of operation, the record shows that he is financially able to undertake such operations. The record further shows that the water system properties are entirely owned by him without financial encumbrance. He will provide for the handling of maintenance and service matters by another person during periods when he might not be available to handle them personally. He also owns a service truck, and tools, for construction and maintenance work.

The Commission has considered the request for a certificate of public convenience and necessity to serve the area described herein 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 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.

The action taken herein shall not be construed to be a finding of the value of the property herein described.

O R D E R

The above-entitled application as amended 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 operation of a public utility water system by Mike Abdelnour, an individual, in the area delineated on the map filed at the hearing as Exhibit No. 1; therefore,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is granted to Mike Abdelnour to operate a public utility water system for the production, distribution, and sale of water within the territory hereinbefore described.

IT IS HEREBY FURTHER ORDERED that applicant is authorized to file in quadruplicate with this Commission after the effective date of this order, in conformity with the Commission's General Order No. 96, a schedule of rates shown in Exhibit A attached hereto, and, on not less than five (5) days' notice to the Commission and the public, to make said rates effective for service rendered on and after June 15, 1951.

IT IS HEREBY FURTHER ORDERED as follows:

(1) That applicant shall file, within forty (40) days after the effective date of this order, four copies of a comprehensive map, drawn to an indicated scale of not less than 600 feet to the inch, delineating by appropriate markings the various tracts of land and

EXHIBIT A  
Page 1 of 3

Schedule No. 1  
MONTHLY FLAT RATE

APPLICABILITY

Applicable to unmeasured water service for domestic, commercial and other purposes.

TERRITORY

Within the authorized service area in the City of Coachella, and contiguous areas.

RATES

	<u>Per Month</u>
For water service to a single-family residence on a single lot not exceeding 9,000 square feet in area, said service pipe not exceeding 3/4 inch.....	\$2.00
For each additional family unit on a single lot.....	1.00
For water service to adjoining lot through residential service line, for each 100 sq. ft. of cultivated area or fraction thereof.....	.02
For each store or other commercial establishment.....	2.00

SPECIAL CONDITIONS

1. All water service not covered by the above classifications will be furnished on a metered basis.
2. Meters may be installed at the option of the utility or the customer for above classifications, in which event service will be rendered on the basis of the General Metered Rates.

EXHIBIT A  
Page 2 of 3

Schedule No. 2

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all water service furnished on a metered basis.

TERRITORY

Within the authorized service area in the City of Coachella, and contiguous areas.

RATES

Quantity Rates:	Per Meter Per Month
First 1,000 cu. ft. or less.....	\$2.00
Next 1,000 cu. ft., per 100 cu. ft.....	.15
Over 2,000 cu. ft., per 100 cu. ft.....	.10
Minimum Charge:	
For 5/8-inch meter.....	\$2.00
For 3/4-inch meter.....	3.00
For 1-inch meter.....	5.00
For 1 1/2-inch meter.....	7.50
For 2-inch meter.....	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.

EXHIBIT A  
Page 3 of 3

Schedule No. 3

FIRE HYDRANT RATE

APPLICABILITY

Applicable to fire hydrants throughout the system.

TERRITORY

Within the authorized service area in the City of Coachella,  
and contiguous areas.

RATES

	<u>Per Month</u>
For each single outlet hydrant head.....	\$1.00
For each multiple outlet hydrant head.....	2.00



territory served, and the location of various properties of applicant.

(2) That applicant shall file, coincident with the rate filing ordered herein, four copies of rules and regulations, and tariff service area map acceptable to this Commission and in accordance with the requirements of General Order No. 96.

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

Dated at San Francisco, California, this 22nd day of May, 1951.

A. T. Anderson  
Justin J. Caswell  
Harold H. Kula  
John E. Whitely  
Commissioners.