

Decision No. 45997

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
Casitas Road Water Company for au-) Application No. 32549
thority to purchase water and offset)
cost through imposition of surcharge.)

OPINION AND ORDER

Casitas Road Water Company, a corporation, by the above-entitled application filed July 3, 1951, seeks authority to purchase water and to offset the cost of such purchase through the imposition of a surcharge for irrigation water service; such surcharge to amount to \$0.029 per 100 cubicfeet of water, to be made over and above the basic scheduled rate during the period April 15 to December 31 each year.

Applicant is a California corporation engaged in the business of distributing irrigation water in territory adjacent to the town of Carpenteria, Santa Barbara County, in accordance with a certificate of public convenience and necessity granted by Decision No. 14586, dated February 24, 1925, in Application No. 10475 and amended in Decision No. 19637, dated April 20, 1928.

At the present time irrigation water service is furnished to 12 active consumers. Since April 15, 1947, the filed rate for all water delivered has been \$0.058 per 100 cubic feet.

Applicant's source of water supply is two wells owned by applicant. Their combined estimated maximum production capacity is 44,000 cubic feet of water per day, which is distributed through approximately 13,110 feet of 8-inch and 10-inch inside diameter transmission mains to citrus groves owned by the above-mentioned consumers. Applicant alleges that during the period April 15 to

December 31 each year the demand of the consumers exceeds applicant's well capacity to supply the same. An arrangement, therefore, has been made with Fred C. McCloskey, an individual, owner of a well located in the immediate vicinity of applicant's wells with a production capacity of approximately 20 miner's inches (34,560 gallons per day), for the purchase of surplus water from the McCloskey source at a computed purchase cost to applicant of \$0.087 per 100 cubic feet. The amount of water so purchased would be approximately 40% of the total water distributed by applicant.

As shown in the Statement of Profit and Loss, attached to the application as Exhibit B, applicant sustained a net operating loss of \$828.64 for the year ending December 31, 1950. In its application, applicant alleges that approximately \$0.033 per 100 cubic feet out of the presently filed rate of \$0.058 per 100 cubic feet represents operating costs other than production costs.

It appears, therefore, that the proposed surcharge of \$0.029, representing the difference between the filed rate of \$0.058 per 100 cubic feet and the cost of the water to be purchased from McCloskey of \$0.087, is not unreasonable.

Attached to the application as Exhibit C is a consent to to the proposed surcharge filed by the 12 present consumers.

No other changes in the operations of applicant as a public utility are indicated by the application herein being considered and it appears, therefore, that a public hearing is not necessary herein, that the purchase of water from the McCloskey source and the proposed imposition of a surcharge as outlined hereinabove are not adverse to the public interest, and that the application should be granted subject to certain conditions.

IT IS HEREBY FOUND AS A FACT that the increases in rates and charges authorized herein are justified, and that present rates

EXHIBIT A

Schedule No. 1

METER RATES

APPLICABILITY

For all water service rendered on a metered basis.

TERRITORY

In that certain area consisting of some 225 acres, more or less, along Casitas Pass Road, about 1½ miles southeast of the City of Carpinteria, Santa Barbara County.

RATES

Quantity Charge:	<u>Per Meter</u> <u>Per Month</u>
January 1, through April 14, For all water delivered, per 100 cubic feet	\$0.058
April 15, through December 31, For all water delivered, per 100 cubic feet	0.087

in so far as they differ from those herein prescribed, are unjust and unreasonable, therefore,

IT IS HEREBY ORDERED that Casitas Road Water Company, a corporation, 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 the rates shown therein effective for service rendered on and after the first (1st) day of August, 1951.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 31st day of July, 1951.

A. F. Anderson
Justice J. Coleman
Harold H. Hill
Wm. W. Patten
John L. Mitchell
Commissioners.