

ORIGINAL

Decision No. 45990

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of
PACIFIC GAS AND ELECTRIC COMPANY for
an order of the Public Utilities
Commission of the State of California
authorizing applicant to file and make
effective the attached proposed tariff
schedules (rates, rules and regulations)
applicable to water service in Amador City,
Ione, Sutter Creek, Sutter Hill and
adjacent territory in Amador County,
supplied by means of its Jackson Water
System, and to withdraw and cancel all
presently effective rates, rules and
regulations applicable to said water
service.
(Water)

Application No. 32722

FRANK J. SOLINSKY III,

Complainant,

vs.

Case No. 5299

PACIFIC GAS AND ELECTRIC COMPANY,
a corporation,

Defendant.

Ralph W. DuVal, Frederick T. Searls, John A. Sproul
by Frederick T. Searls and John A. Sproul, for
Pacific Gas and Electric Company, applicant and
defendant; Edward R. Solinsky, for Frank Solinsky III
complainant and interested party; Gard Chisholm, City
Attorney of Sutter Creek, for the City of Sutter
Creek, interested party; Miss Marion Chichizola, for
Jackson Gate Water Works, protestant; Stanley Yager,
for Ione Sanitary District, interested party;
Harry Hilbert and Josiah H. Saunders, for Water
District of Ione, interested party; John D. Reader,
for the Commission staff.

O P I N I O N

The above-entitled complaint was filed May 17, 1951.
Pacific Gas and Electric Company, on September 7, 1951, filed the
above-entitled application for an increase in rates for its Jackson

Water System in Amador County. Since the complaint involves certain rules which are a part of the rate increase application the two matters were consolidated for hearing and decision.

Public hearings, in the consolidated matters, were held before Examiner Emerson on October 29, 1951, at Sutter Creek; on October 30, 1951, at Sutter Creek and Ione; and on January 29 and 30, 1952, at Jackson, Amador County, California.

Pacific Gas and Electric Company (hereinafter sometimes referred to as Pacific) furnishes public utility water service in Amador City, Sutter Creek, Sutter Hill, Ione, and adjacent territory in Amador County at flat rates from a water system which includes a system of ditches or canals as well as a distribution system of pipes within the above-mentioned communities. In this proceeding Pacific requests authority to install water meters upon the premises of all of its water customers and to establish rates and rules for all of its water system in Amador County. In effect this proceeding will for the first time establish a complete set of tariffs for this water system.

The rates presently on file are the original rates filed for the town systems in 1912, which basically cover only domestic use in Sutter Creek, Amador City, and Ione and set forth charges for minor miscellaneous uses and for ditch system service which cover domestic, commercial, mining and irrigation uses. A rate for private fire protection service was filed by the company in 1943 and a set of rules and regulations was filed in 1947. Approximately 175 consumers are served at other than filed rates, none of the original rates having been considered applicable to such services. In Sutter Creek and Amador City the basic rate is a flat charge of \$2 per month. In Ione the basic rate is \$1.50 per month. Other charges, throughout the system, are many and varied although the

majority are at or below the so-called basic rates. Five consumers are metered and billed at a rate applicable in Pacific's Sonora District of its Tuolumne County Water System. Eight consumers are billed on a measured miner's-inch-day basis, five of them under contracts of which only four have been approved by this Commission.

Pacific's rate proposal is to cancel and withdraw all present flat rates, meter rates and contract rates, except one, a rate for power use, and to place into effect general metered rates on two bases. The first would be applicable to all water service furnished from the piped town systems for treated water therefrom. The second would be applicable to service of untreated water taken directly from the ditches. For treated water from the town systems the proposed rates are identical with those charged by the Jackson Water Works, which serves the City of Jackson, and consist of a basic minimum charge of \$1.85 per month for the first 600 cubic feet and quantity charges which range from 25 cents to 12 cents per 100 cubic feet through four additional blocks. The proposed rate for untreated water from ditches consists of a basic minimum monthly charge of \$2 plus blocked quantity charges ranging from 20 cents to 2½ cents per 100 cubic feet through five blocks. In addition to these general rates Pacific proposes a rate for resale service, applicable only to the Jackson Gate Water Works and the Jackson Water Works, two utilities now served under contracts at a primary flat rate of 50 cents per miner's-inch-day, which consists of a minimum charge of \$60 per year plus quantity charges ranging from \$1 to 45 cents per miner's-inch-day per month through five blocks. Also proposed are a discounted rate for Pacific's employees, a rate for fire hydrant service, and a rate for fire protection service. The details of these rate proposals are contained in Exhibit No. 4 in this proceeding.

Pacific's Amador County water system comprises four separate distribution systems supplied by means of a long system of ditches or canals within the county. The ditches originally were used to supply water to gold mines scattered throughout the area. Water for the supply of the entire system is obtained from the North Fork of the Mokelumne River after first serving a series of Pacific's hydroelectric plants. In 1948, following completion of a tunnel constructed in connection with hydroelectric developments, several miles of ditch and flume at the river end of the canal system were abandoned. Since that time, the water, via the tunnel, enters Tabeaud Reservoir at an elevation below that of the original canal and is pumped from the reservoir back up to the canal level where it is conveyed by gravity through about 25 miles of the Amador Canal to Tanner Reservoir and a junction with other canals. The tunnel and pumps are capitalized as a part of Pacific's electric system and none of the expenses of transporting water from the river to the Amador Canal at Tabeaud Reservoir are charged to the water system. Since 1948, therefore, the water system plant has commenced in the Amador Canal at Tabeaud Reservoir.

The Amador Canal has a capacity of 30 cubic feet of water per second. About 17 miles down ditch from Tabeaud Reservoir is a regulating and standby reservoir known as New York Reservoir which has a storage capacity of about 49 acre-feet of water. At Tanner Reservoir about 8 miles down ditch from New York Reservoir, the water in the Amador Canal is divided three ways. One portion is treated and placed in Tanner Reservoir, which has a capacity of about 12 acre-feet, for use in City of Sutter Creek and in Sutter Hill. One portion is discharged into the Jackson Canal and travels about 3 miles before it is taken for use by the utilities serving the community of Jackson Gate and the City of Jackson. The third

portion discharges into the Amador City Canal which, with its extension known as the Fremont Canal, is somewhat over 6 miles in length. En route and about 2 miles down ditch from Tanner Reservoir, water for use in Amador City is treated and stored in the Amador Reservoir, which has a capacity of about 8 acre-feet. At a point where a syphon carries the Amador City Canal across Sutter Creek, about 1 mile down ditch from Tanner Reservoir, water is discharged into the Ione Canal whence it travels through about 18 miles of ditch to Ione. The Ione Canal has a designed capacity of 4 cubic feet per second but has an actual present capacity of 2.53 second-feet at its intake and 1.33 second-feet at its lower end. At Ione the canal water is treated and stored in two reservoirs having an aggregate capacity of 212,000 cubic feet, or about 5 acre-feet.

Pacific serves a total of about 1,050 consumers all but approximately 125 of which receive treated water from piped systems within the towns. The 125 ditch customers are served untreated water from individual outlets along the ditches. In the area comprising Sutter Hill and the City of Sutter Creek there are about 475 consumers. About 60 consumers are served in Amador City and approximately 390 in Ione.

The pipe system for distribution within Amador City consists of approximately 10,150 feet of main varying in size from 8 inches to 1½ inches in diameter. Water is fed the system by gravity from the Amador Reservoir. Service elevations vary from about 290 to 300 feet below the reservoir water level which thereby produce pressures of about 125 pounds per square inch. No pressure regulation is provided. A dry gas type chlorinator for the treatment of water is located at the entrance of the Amador Reservoir.

The piped system for Sutter Creek consists of about 35,650 feet of mains varying in size from 15 inches to 1½ inches in diameter.

Water is fed into the pipe system by gravity from Tanner Reservoir, which reservoir has a dam crest at elevation 1,720 feet. Service elevations run from 1,420 feet to 1,195 feet thus requiring a pressure regulator for the supply mains in Sutter Creek. A dry gas type chlorinator for treatment of water is located at the entrance of Tanner Reservoir.

Sutter Hill is served by means of a piped system consisting of 5,900 feet of cast-iron and transite mains varying in size from 6 inches to 3 inches in diameter. This system is also served treated water from Tanner Reservoir.

The pipe distribution system at Ione consists of approximately 26,600 feet of mains varying in diameter from 10 inches to 1½ inches. In Ione the two reservoirs are located about 500 feet apart and at different elevations. Two distribution systems are therefore in effect. Pressures vary from approximately 25 to 40 pounds per square inch for the lower system which serves the main portion of the town of Ione. A dry gas type chlorinator is also located at the entrance to the upper reservoir, thus both reservoirs contain treated water for service in the community of Ione.

Early in the hearings, the City Attorney of the City of Sutter Creek objected to the introduction of any evidence on the grounds that Pacific had not complied with this Commission's rules of procedure respecting a statement of the original cost of the system, and claimed a jurisdictional requirement was involved. At the conclusion of the second day's hearing the City Attorney moved for dismissal on the same grounds. We find the matter not to be jurisdictional and that the receipt of evidence by the Examiner was proper. The motion for dismissal is denied.

In these proceedings nine witnesses were heard on rate matters and seven on the complaint matter. The City of Sutter Creek,

as represented by its City Attorney, participated in extensive cross-examination of witnesses throughout the hearings. Approximately 98 consumers were in attendance, 58 in Sutter Creek, 32 in Ione, and 8 in Jackson.

Pacific claims, and in fact the evidence presented in this proceeding clearly shows that its Jackson Water System has been operating at an out-of-pocket loss. Its proposed new rates and rules are presented for the purpose of enabling Pacific to diminish the annual losses resulting from the conduct of its water business in Amador County, and to reduce to a minimum expenditures for enlargement or replacement of properties and facilities necessary to meet the present peak demands as well as projected increased demands of water customers. Testimony respecting the operation of the Amador County system of Pacific was presented both by the applicant and by the Commission's staff. Pacific, by Exhibit No. 5 in this proceeding and by supporting testimony, presented results of its operations for the years 1946 to 1950, inclusive, as recorded, together with estimates for the years 1951 and 1952. The Commission's staff, by Exhibit No. 12 and testimony by two engineers of the staff, presented results of operations for the year 1950 and the estimated years 1951 and 1952. The respective testimony clearly indicates that from the period 1946 to date Pacific has had an operating deficit for its

operations of the Amador County water system. A summary of the material presented covering the period 1946-1950 is shown in the following tabulation:

Revenues, Expenses and Net Revenue

Item	1946	1947	1948	1949	1950
Gross Operating Revenues	\$27,074	\$30,223	\$29,988	\$30,243	\$31,945
<u>Operating Expenses</u>					
Before Taxes	47,853	47,137	51,797	54,354	67,217
Taxes	6,163	7,595	9,815	7,001	7,254
Subtotal before Depr.	54,016	54,732	61,612	61,355	74,471
Depreciation	5,779	4,108	4,082	3,747	2,868
Total Operating Expenses	59,795	58,840	65,694	65,102	77,339
Net Operating Revenues	(32,721)	(28,617)	(35,706)	(34,859)	(45,394)
Net, Excluding Depreciation	(26,942)	(24,509)	(31,624)	(31,112)	(42,525)
	(Red Figure)				

From the above tabulation it will be noted that the company operated at a loss varying from \$28,617 in 1947 to a high of \$45,394 in 1950 as recorded on the books of the company. These sums include an amount or amounts for depreciation. However, neglecting depreciation it will be noted that the company still operated at a substantial loss during that period. Expenses of operating and maintaining the canal system alone totaled \$22,618 in 1950.

Testimony with respect to operations during 1951 and 1952 clearly indicates that if present rates are to continue in effect Pacific will continue to be in a position of not collecting in revenues amounts sufficient to meet its total operating expenses. In these years, as well as those in the past, substantial operating losses will have occurred even neglecting any depreciation expense. With respect to operations under the proposed rates, both the applicant and the Commission's staff presented estimates which show that even with the increased rates in full effect for 1951 and 1952 the company would still not clear operating expenses before

provisions for depreciation are made. Their respective estimates under both present and proposed rates are shown in the following tabulation:

Revenues, Expenses and Return

Item	Year 1951				Year 1952			
	Present Rates		Proposed Rates		Present Rates		Proposed Rates	
	Pacific	Staff	Pacific	Staff	Pacific	Staff	Pacific	Staff
Revenues	\$31,535	\$32,100	\$68,600	\$70,850	\$32,880	\$32,650	\$70,840	\$71,600
<u>Expenses</u>								
Before Taxes	70,134	69,210	72,824	69,310	67,879	68,020	70,569	68,120
Taxes	9,882	10,329	10,613	10,329	10,348	11,300	11,050	11,300
Subtotal Exp.	80,016	79,539	83,437	79,639	78,227	79,320	81,619	79,420
Net Revenues (Excl. Deprec.)	(48,481)	(47,439)	(14,837)	(8,789)	(45,347)	(46,670)	(10,779)	(7,820)

(Red Figure)

From the above it will be noted that neither under present rates nor under proposed rates will Pacific's revenues meet its operating expenses. It is apparent that Pacific in this proceeding is not requesting that it be made whole or that it be enabled to earn a return on the value of its properties devoted to serving water in Amador County. In considering this entire rate proposal, therefore, no determination of the fair value of its properties will be undertaken. The books of the company, however, show fixed capital for this system of \$640,694 as of December 31, 1950, of which \$343,808 represents investment in canals.

Pacific's General Superintendent of its water systems testified in this proceeding that the total quantity of water available is adequate to supply the system with reasonable demands. However, under the uncontrolled demands experienced in recent years, particularly during the summer season, there are parts of the system which are not adequate. Increases in the sizes of certain of the distribution mains in the town of Amador City and Sutter Creek, as well as Ione, are believed to be necessary. In addition and perhaps

of primary importance is the present inadequacy of the Ione Canal which, as above-mentioned, has an actual outlet capacity of only 1.33 second-feet as compared to its 4 second-feet design capacity. According to the company, the cost of enlarging the Ione Canal would exceed \$60,000. This figure resulted from a study made by the company in June of 1950 and was determined as the cost necessary to enlarge the canal to meet the demands that then existed and that the company contemplated would exist in the future. The company determined that the necessity for such cost could be eliminated by the installation of meters on the entire Amador County water system. Experience on other systems operated by Pacific indicated that upon the installation of meters a marked decline in demands would be immediately forthcoming, hence the approach to the problem of the Amador County system is that the company by installing meters would reduce the demand to such point that enlargement of its canals or its mains would not be necessary.

According to the figures contained in Exhibit No. 5 in this proceeding, the cost of installing meters on all of Pacific's customers on this system would approximate \$58,400. Because this would be a lower capital cost than would enlargement of its pipe and ditch facilities, Pacific apparently adopted the method of installing meters as the solution of the problem of uncontrolled demands. The record in this proceeding, however, clearly indicates to us that the inadequacy of the Ione Canal is the only unusual problem faced by the company on this particular system. Enlargement of distribution mains from time to time in order to take care of increased business, either resulting from an increase in the number of customers served or increased demands of customers, is not unusual and is to be expected on a system of this magnitude.

The Ione Canal serves about 37.2% of the total customers on the Amador County system. To install meters on the entire system in order to reduce the demands made upon the Ione Canal, in our opinion, is not equitable. Assuming that the capital cost of installing meters varies in a straight-line ratio, it would appear that the expenditure of some \$21,600 in capital for meters in the Ione area might result. This would be a more economical approach than the expenditure of some \$60,000 for enlargement of the Ione Canal.

Water served to the town of Ione has a chalky appearance in the reservoirs. Such condition of the water appears to be due to soil conditions on a portion of the ditch near Ione. The condition is objectionable to Pacific's customers because the service pipes are often clogged after a few years of service. Recognizing such problem the company intends to install a treatment plant in order to clarify the water. Such treatment plant might conceivably consist of two processes, the first being one of coagulation and the second one of filtration. The costs of installing, operating and maintaining such a plant were not included in any of the estimates presented in this proceeding. However, it is expected that such cost would be substantial. The size of the plant, and therefore its cost, would be dependent upon the demands of the consumers in the Ione area. The installation of meters for the Ione customers would thereby decrease demands and permit a smaller and less expensive coagulation and filtration plant to be installed. This would be of benefit to the Ione customers.

The rates to be authorized hereinafter will provide for the installation of meters and the establishment of a meter rate for the customers on the Ione portion of Pacific's system. Increased revenues, being necessary from the balance of the system as well as

lone, will be provided by authorizing increases in flat rates for both the town and ditch system customers. The Mayor of Sutter Creek indicated that the people of Sutter Creek would willingly pay flat rates several times those now charged but plead for the continuance of flat rate schedules. The installation of meters on commercial and industrial users, irrespective of their location on the Amador County system, will also be authorized.

Pacific's proposed increase in rates for water supplied its two resale customers would amount to a present over-all increase of about 63% for Jackson Gate Water Works and 13% for Jackson Water Works. Prior to 1948 these two systems received water from Pacific at rates of 25 cents and 20 cents per miner's-inch-day, respectively. Since 1948 both have been charged at the rate of 50 cents per miner's-inch-day. We are of the opinion that the proposed further increase is disproportionate and unreasonable. However, these two customers must bear their proper share of the total increased revenues needed by Pacific. We shall authorize, therefore, a rate based upon a charge of 75 cents per miner's-inch-day, which rate we find to be reasonable.

For many years Pacific has been providing fire hydrant service without charge. It now proposes a schedule of charges ranging from \$1 per month, where the public agency owns and maintains the hydrant and its fittings, to \$5 per month, where the company supplies all facilities. The proposed rates are in line with those generally applicable throughout the state and will be authorized.

The authorized rates, which are designed to produce approximately the same revenues which Pacific's proposed rates were estimated to yield, should produce gross revenues of approximately \$69,000 based upon 1951 customers and usage.

Pacific stated that it was its intent, if meter rates were authorized, to place all contract customers on regularly filed rates with the exception of power service supplied to the Knight Foundry. This foundry does not consume water but utilizes water flow as a means of mechanical power. The present charge of \$60 per month does not appear to be unreasonable and may be continued. However, this special service should be a matter of contract subject to this Commission's approval and Pacific will be expected to negotiate such a contract. Other large users of water and the remaining contract customers shall be placed upon the meter schedules hereinafter authorized.

Pacific in this proceeding proposed a complete new set of rules applicable to its services in the Anador County system. Except in certain minor particulars, the proposed rules do not differ materially from the presently effective rules. In general, the proposed rules directly follow those ordinarily filed by water companies in this state. In the main, they appear to be acceptable. However, two of them we believe require special comment. Rule No. 2, which is a description of service, contains in Paragraph B (3) a statement that water supplied by the company from its ditch system is not claimed to be potable and is not intended or offered for human consumption. It further provides that the customer when using such water must take all necessary precautions to make such water potable and must assume all risks and liabilities in connection with the nonpotability of the water. This Rule No. 2 is intimately a part of the complaint matter in this proceeding and will be discussed below.

Proposed Rule No. 15 covers water main extensions in town systems and differs from the present comparable rule in that the free footage allowance has been reduced from 100 feet per customer to

75 feet. A new provision has been included entitled "Exceptional Cases". The costs of water main extensions in Pacific's entire water department as well as in the Amador County system were studied both by the company and by the Commission's staff and figures relating to the length of main which the company could afford to install without cost to the customer are summarized in Exhibit No. 7 and Exhibit No. 12. The results of these studies clearly indicate to us that the present allowance of 100 feet per customer is too liberal on this particular system and results in making extensions which are not compensatory. Extension of water mains of a length greater than 75 feet per applicant will be built, owned, and maintained by the company provided the applicant advances to the company an amount equal to the estimated cost of that portion of the total extension which is in excess of 75 feet per applicant. Adjustment of any substantial differences between the estimated and the reasonable actual cost will be made within 60 days after completion of the installation. In the event of any disagreement or dispute between the applicant and the utility the matter would be referred to this Commission. In the section on "Exceptional Cases" provision is made whereby in unusual circumstances or when the application of the provisions of the rule appear impracticable or unjust to either party, or in the case of an extension which has cost-to-revenue ratio in excess of 15 to 1, the company or the applicant for service may refer the matter to this Commission for special ruling. The proposed Rule No. 15 appears to be reasonable and equitable and will be authorized.

Included in Exhibit No. 4 in this proceeding, such exhibit containing the proposed rates and rules of Pacific, is a copy of an agreement covering the sale of untreated water to certain distributors for resale. No testimony was presented in this proceeding relative

to such an agreement. We are not, therefore, at this time indicating approval or disapproval of any such agreement. Contracts of this nature must come before this Commission in separate applications covering the particular instance under which the contract is to be negotiated.

As above mentioned, the matter of complaint by Mr. Solinsky directly involves the proposed Rule No. 2. Said Rule No. 2 will replace the presently effective Rule No. 25. Rule No. 25 was filed on December 1, 1947 and was approved and became effective on regular statutory notice on December 31, 1947. Both require that the customer assume all risks or liabilities in connection with the receipt of untreated water from the ditch system, and further that the customer must save the company harmless from all damage or liabilities that may result from use of such water by himself or by third parties to whom he may offer it. In this latter respect the company has in recent years required applicants for, and customers of, service from the ditch system to sign an agreement to the effect that they acknowledge notification that the untreated water supplied is from open ditches, canals, and conduits and is not intended or offered for domestic service and that Pacific does not represent or guarantee that any water delivered under the contract or from the ditch is potable, or of a quality suitable for human consumption. By signing the agreement the applicant or customer further agrees that should he use the water or make it available or offer it to others for human consumption he shall take all necessary precautions to make the same potable and shall assume all risks and liabilities in connection therewith and shall save Pacific harmless from all damage and liabilities that may result therefrom. Such agreement is the basis for the complaint from Solinsky. It is clear that no presently effective rule of the company requires such agreement.

It is apparent, from the review of the tariff filings relating to the water system in question, that prior to the filing in December of 1947 there were no regulations of any nature pertaining to service from the ditch systems in Amador County. It is of record that the earliest filing of rates for this system, as filed April 20, 1912, by C. R. Downs, provided for domestic use including sprinkling of lawns and streets, irrigation, watering of stock and fire protection. The same rate sheet provided a charge for hotels, stables, and a power rate for water which is returned to the ditch. Such rate sheet is still in effect. The rates for service from the ditches were filed by Pacific Gas and Electric Company with some early electric rates in 1912 and also provide for service to domestic users. Such rates are also still in effect.

Testimony in this proceeding indicates that the company has placed signs along the ditch between Tabeaud and Tanner Reservoirs which state that the water in the canal is used for domestic purposes. Such signs further state that bathing or washing of clothes in the ditch should not be done nor should the water be contaminated in any way. These signs, to the knowledge of complainant have been in place for a period of not less than 10 years. One of complainant's witnesses testified to the effect that about four years ago he obtained water supply from a pipe connected to the ditch and serving a subdivision of five 1-acre residential plots located below the ditch. Another witness testified that for a period of 46 years his family had used ditch water for all of its home and farm purposes. Prior to the time when farm homes were piped with water service, water for domestic use was carried from the ditch in buckets to the household. The use of water directly from the ditches and for domestic uses in this system, therefore, may be considered to be one of long standing and common usage.

We have no record in this proceeding that water from the ditch system was restricted to nonhuman use or consumption prior to the filing by Pacific of its rule in such regard in December, 1947. Nor does the record indicate that the matter of potability was of any particular concern to the company until approximately three years after the filing of the rule above referred to, when Pacific began requiring that ditch customers, both old and new, sign a contract which would relieve the company from liability. Apparently nine customers, one of which was complainant, refused to sign the contract. Under date of April 21, 1951, Pacific notified complainant by letter that in order to continue water service to customers along the ditches it would be necessary for ditch customers to sign the agreement. The implied threat to discontinue service, should the agreement not be signed, is clear.

Primarily because of the building of homes along and above the ditches, conditions along the ditches have changed from those in which human pollution of the ditch water was either very rare or non-existent to those in which present-day occupancy of the area easily may contaminate the ditch water. Covering the canals or piping them through their many miles of length is impractical and not economically feasible. Individual chlorinators can be installed for each ditch connection and perhaps should be, but we believe the installation and responsibility therefor should rest upon the consumer. While the company should make every reasonable effort to prevent pollution of its ditch waters it cannot be expected to guarantee that water taken directly from the ditch, without treatment of any kind, will henceforth and at all times be potable. Notification to the public that the water is not guaranteed as potable should be given and the bills rendered individual customers receiving water directly from the ditches might well carry a notation or reference

to the filed rule which states that the water is not guaranteed to be potable or suitable for direct human consumption. However, we are of the opinion that a contract by which the consumer would save the company harmless from all damage and liabilities is not proper as a condition precedent to, or the continuation of, receiving service. The order herein will so provide.

With respect to the effective date of increased rates Pacific indicated that it was its intent after installing meters, to inform each metered consumer as to the amount of water used in each billing period but to bill at flat rates for several months. By this mode of operation the consumer could regulate or adjust usage of water, repair his own facilities in order to stop wastage, and generally become accustomed to metered service. At the end of several months under such conditions Pacific would start regular billing in accordance with its meter rates. Pacific's intent will be recognized and the effective date authorized herein will be set in accordance therewith.

O R D E R

Public hearings having been held on the above-entitled matters, the Commission having been fully informed thereon and the matters having been submitted for decision,

IT IS HEREBY FURTHER FOUND that the increases in rates and charges authorized herein are justified and that present rates and charges, in so far as they differ therefrom, are unjust and unreasonable, therefore,

IT IS HEREBY ORDERED that Pacific Gas and Electric Company is authorized to file in quadruplicate with this Commission, after the effective date of this order and in conformity with General Order No. 96, the schedules of rates and rules set forth in Exhibits A and

EXHIBIT A
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The tariff sheets set forth in Exhibit No. 4 in this proceeding are authorized to be filed as specifically approved or modified hereinafter:

Preliminary Statement

Approved without change.

Service Area Maps, Ditch System Map

Add statement that map is not a conclusive determination or establishment of the dedicated area of service or any portion thereof.

Schedule No. 5, General Metered Service, Treated Water

Change Character of Service and Territory to read:

"Applicability and Territory:

This schedule is applicable to service of treated water to any and all customers within the town system shown on the Ione Water Service Area Map and to the service of treated water for all except domestic customers within the town systems of Amador City, Sutter Creek and Sutter Hill as shown on the service area maps of said systems included in the tariff sheets."

Schedule No. 8, General Metered Schedule, Untreated Water

Change Character of Service and Territory to read:

"Applicability and Territory:

This schedule is applicable to service of untreated water from the company's ditch system, excluding resale service, to all customers served from that portion of the Ione Canal lying outside of and downstream from the area shown on the map of the Sutter Creek Water Service Area, and to commercial and industrial users and public agencies elsewhere on the company's ditch system as shown on the map of the Jackson District Ditch System included in the tariff sheets."

Special Condition (c) shall be changed to read as follows: "The water supplied under this schedule is untreated water from open ditches, canals, conduits and flumes. The company does not represent or guarantee that any water delivered hereunder is potable or of a quality suitable for human consumption. Any customer who uses said water or makes it available or offers it to others for human consumption shall take all necessary precautions to make same potable and shall assume all risks and liabilities in connection therewith."

EXHIBIT A
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Schedule No. 10, Resale Service, Untreated Water

Approved except for quantity and minimum charges which shall be as follows:

Quantity Charge:		<u>Per Miner's Inch Day Per Month</u>
First	20 miner's inch-days.....	\$0.75
Next	80 miner's inch-days.....	.60
Next	900 miner's inch-days.....	.50
Over	1,000 miner's inch-days.....	.45

Minimum Charge:

\$2.50 per month per miner's inch of customer's header capacity, accumulated annually, but not less than \$60 per year.

Schedule No. 40, Service to Company Employees

Approved without change.

Schedule No. 41, Fire Hydrant Service

Approved, as amended at the hearing, without change.

Schedule No. FP, Private Fire Protection Service

Approved without change.

Rule No. 1, Definitions

Approved without change.

Rule No. 2, Description of Service

Approved except for paragraph B3 (quality) which shall be changed to read as follows: "Water in or supplied from the company's Ditch System is not deemed or claimed to be potable or of a quality suitable for human consumption. If any person or customer uses such water or makes it available, or offers it to others for human consumption, he must take all necessary precautions to make such water potable and assume all risks or liabilities in connection therewith."

Rule No. 3, Application for Service

Approved as amended by Exhibit No. 6 in this proceeding.

EXHIBIT A
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Rule Nos. 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14

Approved without change.

Rule No. 15, Water Main Extensions

Approved with the following changes:

1. Add to Section A2: "Adjustment of any substantial difference between the estimated and actual cost will be made within sixty (60) days after completion of the installation."
2. Replace Section D with: "In unusual circumstances when the application of this rule appears impracticable or unjust to either party, or in the case of an extension which has an estimated cost-to-revenue ratio exceeding 15 to 1, either the company or the applicant for service may refer the matter to the Public Utilities Commission for special ruling."

Rule No. 16, Service Connections

Approved as amended by Exhibit No. 9 in this proceeding.

Rule No. 17, Meter Tests

Approved without change.

Rule No. 18, Supply to Separate Premises and Resale of Water

Change to read as follows:

"Where the company has adequate service facilities to supply separate premises, such separate premises, even though owned by the same customer, will not be supplied with water through the same connection or meter.

"Unless specially agreed upon, the customer shall not resell any of the water received by him from the company."

Rule No. 19, Points of Delivery

Approved without change.

EXHIBIT B
Page 1 of 2

Schedule No. _____

DOMESTIC FLAT RATES - TREATED WATER

CHARACTER OF SERVICE:

This schedule is applicable to treated water for domestic service.

TERRITORY

In the towns and certain areas adjacent to Amador City, Sutter Creek and Sutter Hill.

RATES

Per Connection
Per Month

For single family dwellings to include garden irrigation up to 7,000 sq. ft.	
Six months, May through October.....	\$4.50
Six months, November through April.....	3.25
For garden irrigation in excess of 7,000 sq. ft. during the months May through October, per 100 sq. ft.....	.05
For each additional apartment or family unit served through one service connection.....	1.50
For small house usage without garden or other water requirements.....	2.50

EXHIBIT B
Page 2 of 2

Schedule No. _____

GENERAL FLAT RATES - UNTREATED WATER

CHARACTER OF SERVICE

This schedule is applicable to untreated water service from the company's ditch system, excluding resale service.

TERRITORY

The territory adjacent to the company's Amador, Amador City, Fremont and Jackson canals.

RATES

Per Connection
Per Month

For each separate premise, including garden irrigation up to 10,000 sq. ft.	
Six months, May through October.....	\$6.00
Six months, November through April.....	3.50
For garden irrigation in excess of 10,000 sq. ft. during the months May through October, per 100 sq. ft.....	.03
For swimming pools during the months May through October.....	5.00
For premises on which not more than 1,000 sq. ft. is occupied or irrigated.....	2.00

B attached hereto and; on not less than five (5) days' notice, to make said rates and rules effective for all service rendered on and after September 1, 1952.

IT IS HEREBY FURTHER ORDERED that Pacific Gas and Electric Company shall discontinue the practice of requiring present or prospective customers to enter into any agreement of the nature complained of in Case No. 5299.

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

Dated at San Francisco, California, this 14th day of April, 1952.

President.
James F. Casper
F. Harold Kula

Francis H. Patten
John E. McLaughlin

Commissioners.