

Decision No. 47102

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
T. AUTRY MAYES and MABLE GRACE MAYES,)
dba LA MIRADA WATER CO.,) Application No. 33075
to operate a water distribution)
system and establish rates.)

Fris & Schutz, by Warren L. Schutz, attorney,
for applicants; James G. Lee, for the Commission
staff.

O P I N I O N

Thomas Autry Mayes and Mable Grace Mayes, individuals, doing business as La Mirada Water Company, by the above-entitled application filed January 21, 1952, seek a certificate of public convenience and necessity to operate a public utility water system in unincorporated territory about 1½ miles northwest of Buena Park, Los Angeles County. They also request the establishment of rates for water service. The area proposed to be served is more particularly delineated on the map attached to the application as Exhibit "A".

A public hearing in this matter was held before Examiner Warner on April 16, 1952, at Los Angeles.

The area for which a certificate is sought comprises about 75 acres of land in the vicinity of Luitwieler Avenue and Alondar Boulevard as shown on Exhibit "A". Approximately 10 acres in the northwest corner of the proposed service area are owned by Ben S. Hensley and water service is now being furnished to two residences in such acreage through a privately owned 2-inch

pipe line approximately 650 feet in length which is connected to applicants' distribution system. In the northeast corner of the proposed service area, water service is being furnished to Oren A. Hoehman, owner of approximately 2 acres at that location. Applicants' own household is also connected to the distribution system and a total of four consumers, therefore, now receive water service. Applicants own the remaining 63 acres in the proposed service area. They have subdivided two parcels of 3.82 acres and 3.86 acres into Tract No. 15456, Los Angeles County, comprising 14 lots, upon which construction within the near future of two new homes is anticipated.

The source of water supply consists of a well drilled on land owned by applicants, located along the north boundary of the area. The well is 470 feet in depth, is believed to be between 12 and 14 inches in diameter, and a pump driven by a 10 hp electric motor has been installed therein. The estimated production capacity of the pumping plant is 135 gallons per minute. A 2-inch pipe line extends 100 feet laterally eastward along the north boundary to serve the afore-mentioned consumer in the northeast corner of the proposed service area. The distribution system now installed also consists of 750 feet of 6-inch and 1,402 feet of 4-inch type 150 transite pipe, which extends westerly, thence southerly, thence again westerly, as shown on Exhibit "A". The water system is not fully circulating but a fire hydrant installed near the western end of the 4-inch main will be utilized for flushing purposes. Applicants intend to install fire hydrants in Tract No. 15456 and the formation of a fire district is contemplated. Applicants own another well, now used for irrigation

purposes, located near the domestic well and near the distribution system, and it could be utilized for standby purposes.

From a review of the record it appears that the source of water supply available to applicants, and the distribution system installed and proposed to be installed, are adequate to serve the proposed service area.

Exhibit "B" attached to the application is a water supply permit issued by the Los Angeles County Health Department authorities.

Pipe lines have been installed in private property owned by applicants and the record shows that easements for such installations will be obtained if such property is sold.

Applicants propose to install meters. The proposed general metered service rates include a minimum charge of \$2.50 per meter per month which includes the first 1,000 cubic feet of water usage. The quantity rate for all over 1,000 cubic feet, as proposed, is \$0.10 per 100 cubic feet of water usage per meter per month. After a careful review of the record in this proceeding and after considering the proposed operating conditions of applicant, the order herein will authorize the filing of the schedules of rates as applied for.

An appraisal of fixed capital installed, included in Exhibit No. 1 filed at the hearing by a staff engineering witness, indicates that the estimated historical cost including overhead of applicants' properties as of March 31, 1952, was \$10,190.52, that the annual straight-line depreciation annuity applicable thereto was \$316.27, and that the related depreciation reserve requirement was \$2,052.41.

Applicants submitted a personal financial statement as Exhibit "C" attached to the application which indicated their net worth, as of January 16, 1952, to be \$196,951.50.

No public utilities of like character with which applicant might compete are located in or adjacent to the proposed area in this application, and no protests to the granting of the application were entered by any party.

The Commission has considered the application of Thomas Autry Mayes and Mable Grace Mayes, individuals, doing business as La Mirada Water Company, for a certificate of public convenience and necessity to operate a public utility water system 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

Thomas Autry Mayes and Mable Grace Mayes, individuals, doing business as La Mirada Water Company, having filed the above-entitled application, 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 require the operation of a public utility water system by Thomas Autry Mayes and Mable Grace Mayes, individuals, doing business as La Mirada Water Company, in an area comprising approximately 75 acres in the vicinity of Luitwieler Avenue and Alondra Boulevard, in unincorporated territory about 1½ miles northwest of Buena Park, Los Angeles County, as more particularly delineated on the map attached to the application as Exhibit "A"; therefore,

IT IS HEREBY ORDERED as follows:

1. That a certificate of public convenience and necessity be and it is granted to Thomas Autry Mayes and Mable Grace Mayes, individuals, doing business as La Mirada Water Company, to operate a public utility water system in the area hereinabove described.
2. 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 such rates effective for services rendered on and after June 1, 1952.
3. 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 territory served, and the location of various properties of applicant.
4. That applicant shall file, coincident with the rate filing ordered herein, four copies of a tariff service area map acceptable to the 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 5th day of May, 1952.

A. J. [Signature]
 President.

James J. [Signature]

Harold T. [Signature]

[Signature]
 Commissioners.

EXHIBIT A

Schedule No. 1

GENERAL METERED SERVICEAPPLICABILITY

Applicable to all measured water service.

TERRITORY

Throughout the authorized service area comprising approximately 75 acres in the vicinity of Luitwieler Avenue and Alondra Boulevard in unincorporated territory $1\frac{1}{2}$ miles northwest of Buena Park, Los Angeles County.

RATES

Quantity Rates:	<u>Per Meter</u> <u>Per Month</u>
First 1,000 cu.ft., or less.....	\$2.50
Over 1,000 cu.ft., per 100 cu.ft.....	.10
 Minimum Charge:	
For 3/4-inch meter.....	\$2.50
For 1-inch meter.....	4.00
For 2-inch meter.....	8.00

The Minimum Charge will entitle the consumer to the quantity of water which that monthly charge will purchase at the Quantity Rates.