

ORIGINAL

Decision No. 47320

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
DESERT WATER COMPANY, a California)
corporation, (a) for Certificate of)
Public Convenience and Necessity to)
Operate Public Utility Water System)
under Section 50 of the Public)
Utilities Act, and (b) for Order)
Fixing Rates for such Water System)
under Section 32 of the Public)
Utilities Act.)

Application No. 33230

Moss, Lyon and Dunn, by Charles B. Smith,
for applicant; James G. Lee, for the
Commission staff.

O P I N I O N

Desert Water Company, a corporation, by the above-entitled application filed March 19, 1952, seeks a certificate of public convenience and necessity to operate a public utility water system, to be known as its Victorville Water System No. 4, in Tract No. 3459, San Bernardino County, located north of Bear Valley Cutoff Road between Lucerne Valley and Victorville. The area is delineated on the map attached to the application as Exhibit "B", and comprises a subdivision of the Southwest quarter of Section 34, Township 5 North, Range 3 West, S. B. B. & M. The establishment of rates is also requested.

A public hearing in this matter was held before Examiner Warner on May 28, 1952, in San Bernardino.

Desert Water Company operates three water systems in the vicinity of Victorville, a system in Morongo Valley, and a system

in Rimforest in the San Bernardino Mountains. It furnishes water service to approximately 360 consumers under various certificates of public convenience and necessity granted by this Commission.

The area for which a certificate is requested herein comprises about 160 acres of the Mojave Desert which have been subdivided into 5-acre lots. The subdivider, Omart Investment Company, plans to divide these into 1-acre desert resort and chicken ranch lots. Lots are being sold and homes are being built. As of the date of the hearing there was one consumer.

The source of water supply for the area is a well and pump located on property owned by applicant on Lots 3, 7, 8 and 9 of Tract No. 3459 located in the extreme southerly, central portion of the proposed area just north of Bear Valley Cutoff Road. The well is 10 inches in diameter, 272 feet deep, and the presently installed pumping plant has a production capacity of 200 gallons per minute. Applicant has installed 1,200 feet of 4-inch welded steel pipe and proposes to install additional distribution system pipe lines as and when the area develops. Four fire hydrants have been installed.

The record shows that the water supply has been tested by the San Bernardino Health Department authorities and found to be potable. A 1,000-gallon pressure tank maintains operating pressures of 30 to 50 pounds per square inch.

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

Applicant requests the establishment of a monthly flat rate of \$3 per month for a single family residence on a lot not to exceed 10,000 square feet in area, and other flat rates. It also

requests the establishment of general metered service rates which include a minimum charge of \$3 per meter per month, and quantity charges of \$0.25 per 100 cu. ft. for the first 1,000 cu. ft., \$0.20 per 100 cu. ft. for the next 3,000 cu. ft., and \$0.15 per 100 cu. ft. for all over 4,000 cu. ft.

An appraisal of the system installed, including overhead, was included in Exhibit No. 1 filed at the hearing by a Commission staff engineering witness. This appraisal shows the estimated historical cost of the system to be \$6,309 and accrued depreciation on such plant to be \$231.93.

No other public utility of like character with which applicant might compete operates in, or in the vicinity of, the proposed area and no objection to the granting of the application was entered at the hearing by any party.

The Commission has considered the application of Desert Water Company for a certificate of public convenience and necessity to operate a public utility water system in Tract No. 3459, San Bernardino County, 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

Desert Water Company, a corporation, having filed the above application for a certificate of public convenience and necessity to operate a public utility water system to be known as its Victorville Water System No. 4, in Tract No. 3459, San Bernardino County, located north of Bear Valley Cutoff Road between Lucerne Valley and Victorville, and comprising the Southwest quarter of Section 34, Township 5 North, Range 3 West, S. B. B. & M., 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 that Desert Water Company, a corporation, be granted a certificate of public convenience and necessity to operate a public utility water system in the area hereinbefore described, and as more particularly shown on the map attached to the application as Exhibit "B"; therefore,

IT IS HEREBY ORDERED as follows:

1. That a certificate of public convenience and necessity be and it is granted to Desert 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 August 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.

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

Dated at San Francisco, California, this 24th day of June, 1952.

A. T. [Signature]
President
Justice J. [Signature]
Harold A. [Signature]
[Signature]
[Signature]
Commissioners.

EXHIBIT A
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Schedule No. 1

MONTHLY FLAT RATEAPPLICABILITY

Applicable to all unmeasured water service.

TERRITORY

Throughout the authorized service area comprising approximately 160 acres, and including Tract No. 3459, being a subdivision of the Southwest quarter of Section 34, Township 5 North, Range 3 West, S.B.B.&M., San Bernardino County, California.

RATES

Monthly
Flat Rates

For single-family residence on a lot not to exceed 10,000 square feet, through a 3/4-inch service.....	\$3.00
For each additional family unit on a single lot.....	2.00
For each additional 100 square feet of lot area.....	0.03
For each store, market or shop (service connection not to exceed 3/4-inch).....	3.00
For each service station (service connection not to exceed 3/4-inch).....	4.00

SPECIAL CONDITIONS

1. All service not covered by the above classifications will be furnished only on a metered basis.
2. Meters may be installed at option of utility or customer for above classifications in which event service will thereafter be rendered only on the basis of Schedule No. 2 - General Metered Service.

EXHIBIT A
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Schedule No. 2

GENERAL METERED SERVICEAPPLICABILITY

Applicable to all measured water service.

TERRITORY

Throughout the authorized service area comprising approximately 160 acres, and including Tract No. 3459, being a subdivision of the Southwest quarter of Section 34, Township 5 North, Range 3 West, S.B.B.&N., San Bernardino County, California.

RATES

Quantity Rates:	<u>Per Meter</u> <u>Per Month</u>
First 1,000 cu.ft., per 100 cu.ft.....	\$0.25
Next 3,000 cu.ft., per 100 cu.ft.....	.20
Over 4,000 cu.ft., per 100 cu.ft.....	.15
Minimum Charge:	
For 5/8 x 3/4-inch meter.....	\$3.00
For 1-inch meter.....	4.00
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 minimum charge will purchase at the Quantity Rates.

In the event meters are not available when customers apply for service, the proper size connection will be made and the customer charged the minimum meter rate per month for the size meter required.