ORIGINAL

Decision No. 47795

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of WARREN G. HUNTER and MARIE HUNTER, his wife, doing business as Hunter Water Company, for a certificate of Public Convenience and Necessity to operate a public utility water system in Blocks 93 and 94 Crescent City, Del Norte County and to establish rates for the service.

Application No. 33519, As Amended

<u>Warren G. Hunter</u> and <u>Marie Hunter</u>, in propria persona <u>J. W. Jackson</u>, for Crescent City Water Company, protestant.

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Applicants seek a certificate to operate a public utility water service, for domestic use, in Blocks 94 and 111^{-1} in Crescent City. The application was opposed by Crescent City Water Company, a public utility which renders domestic and commercial water service in portions of the city and its environs, including territory near that which applicants propose to serve. The application was submitted at a public hearing held before Examiner Gregory at Crescent City on September 18, 1952.

The application, as amended at the hearing, recites that the proposed water system, designed to serve 20 consumers, would comprise a well, located about 115 feet west of Wendell Street, a pumping plant and a 4-inch distribution main, estimated to cost about \$3,500. An exhibit attached to the application, showing the

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I/ The application refers to Blocks <u>93</u> and <u>94</u>. Hunter has relinquished an option to purchase Block <u>93</u> and has substituted Block <u>111</u>, located northeast of Block <u>94</u>, as an area to be served in addition to Block <u>94</u>.

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proposed installations in Block 94, indicates that distribution lines ranging from 4 to 2 inches would be laid in the streets surrounding three sides of the block with a 1-inch service line running to each residence. No lots had been sold as of June 24, 1952, the date the application was filed. A minimum flat rate of \$2 per month is proposed for domestic service for a single family. Easements for water service extensions would be reserved in sales contracts and deeds covering the lots. It is also alleged that applicants have been unable to arrange satisfactory terms with Crescent City Water Company for water service.

The evidence shows that the Hunters and officials of the Crescent City Water Company, between October, 1951 and May, 1952, were negotiating for extension of water service by the company to Hunter's property; that they were unable to agree, among other things, on who was to pay for increasing the size of the company's main in order to extend the service; that on May 31, 1952, the company cancelled its offer to construct the extension for approximately \$1,800. The Hunters thereupon filed this application for a certificate (June 24, 1952) to operate their own system and proceeded to install a well, pumping plant and distribution lines in Block 94, to serve an initial group of 10 residences which were either constructed or were under construction on the day of the hearing.

The company's position, at the hearing, was that it stood ready to extend service to the Hunters or to any one else if application were made pursuant to its established rules and regulations on file with this Commission. The Hunters were unwilling to sign the usual agreement for such a line extension.

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The system installed by the Hunters, at a total cost for land, materials, laborand overhead of approximately \$2,500, is substantially different from that described in the application. It consists of a dug, concrete lined well about 24 feet deep, a Universal pump of 40 gallons per minute capacity directly connected to a 2 hp Robbins and Meyers electric motor, a chlorination unit, and a 500-gallon pressure tank with a 2-inch outlet through 12-inch pipe, all in a concrete floored house located on a 20-by 40-foot plot midway between Wendell and Taylor Streets on the south side of Block 94. The distribution system comprises about 200 feet of 2-inch, plastic pipe with standard galvanized fittings and 1-inch plastic services. The 2-inch pipe is laid 18 inches deep in a private right-of-way along the center line of the block. An extension of approximately 200 feet is proposed for Block 111. A six-hour test in July, 1952, developed pumping capacity of approximately 3,000 gallons per hour. A water analysis report in evidence, based on semples received by a San Francisco Laboratory on September 5, 1952, indicates that while the water possesses the chemical characteristics typical in general of ground water in the vicinity and is of satisfactory quality, it, nevertheless, contains a high proportion of iron and manganese which, with chlorination, can be expected to result in staining and discoloration. These effects can be overcome, however, by continuous chemical treatment designed to hold the iron and manganese in solution. No bacteriological report was made available for the record.

The record further shows that the present installation of plastic pipe is unacceptable to the federal agency which is expected to advance loans for construction of residences and that applicants have under consideration plans for substituting 4-inch galvanized pipe and other improvements necessary to meet objections of the loaning agency.

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Full consideration of the application and of the evidence of record leads us to conclude that applicants' water system, as presently installed, is not adequate for the purpose for which it is intended. If applicants' plans for improving the system mature, they may present a supplemental application in the present proceeding for the Commission's consideration.

The application will be denied without prejudice.

<u>ORDER</u>

Public hearing having been held in the above entitled and numbered application, the matter having been submitted for decision, the Commission now being fully advised and basing its order upon the findings and conclusions contained in the foregoing opinion,

IT IS ORDERED that the application of Warren G. Hunter and Marie Hunter, his wife, doing business as Hunter Water Company, be and it hereby is denied without prejudice.

The effective date of this order shall be twenty (20) days after the date hereof \checkmark , \bigcirc

Pated at Man Rancesen, California, this

day of Vatales 1952.

Commissioners