

ORIGINAL

Decision No. 48146

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application )  
of )  
WARREN C. 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. )

First Supplemental  
Application No. 33519

Cyril Saunders, for applicants;  
J. W. Jackson, for Crescent City Water Co.,  
protestant;  
John D. Reader and Bernard Corden, for  
the Commission's staff.

O P I N I O N

By Decision No. 47795, issued October 7, 1952, following a hearing at Crescent City, the Commission denied without prejudice the original application herein, as amended, upon the ground that the water system installed by the Hunters, which differed substantially from that proposed in the application, was inadequate for its intended purpose.

The present supplemental application recites that applicants are causing to be installed in Block 94, Crescent City, a 4-inch cast-iron water main at a minimum depth of 30 inches, with a 1-inch take-off to each lot abutting the easement in which the main is laid; that the present installation will pump 5 gallons per minute per customer and that storage facilities will provide in excess of 40 gallons per customer; that a chlorinator has been installed at the request of the local Board of Health; that the installations are acceptable

to the Federal Housing Authority, which is expected to carry loans on residences constructed on Block 94.

Public hearing was held before Examiner Gregory at San Francisco on December 5, 1952.

The record shows that the installation of the system was completed on or about November 1, 1952. The facilities now in place consist of a 12-foot by 12-foot frame pump and tank house on a 12-foot by 12-foot concrete slab; a 24-foot dug well cased with concrete pipe 4 feet in diameter with the top 14 feet sealed; a Universal pump directly connected to a 2-horsepower motor and to a 524-gallon pressure tank; a Proportioners, Inc. Chlorofeeder; 200 feet of 4-inch 10-gauge dipped and wrapped steel pipe; 10 one-inch galvanized standard screw services, averaging approximately 70 feet long, including valves. Total cost of depreciable plant installed is estimated at \$3,684.60. A flat rate of \$2.50 per month, payable in advance, is proposed for a single-family dwelling including premises not exceeding 2,500 square feet of irrigated area. There are 10 homes under construction or completed on the block.

Crescent City Water Company, a public utility which supplies water for domestic and commercial purposes in Crescent City and vicinity, objected to the grant of a certificate to the Hunters upon the ground that a competitive service in the area might jeopardize plans for financing rehabilitation of its system. The company would be willing to serve the dwellings on Block 94 by extending a 4-inch connection 320 feet from its main to the Hunters' system for about \$528, pay the Hunters \$500 for their facilities and refund the total sum of \$1,028 to the Hunters over a period of 10 years, provided the Hunters would execute a line extension agreement pursuant to the company's

rules and regulations. The Hunters are unwilling to do this. Meanwhile, they have sold some of the dwellings and are furnishing water service on a gratuitous basis pending disposition of this application.

The financial returns from such a limited system are likely to be meager. The Hunters, however, appear to have sufficient resources with which to inaugurate the service and are willing to provide it for those who have purchased or will purchase homes in the block and who need it. The proposed flat rates appear to be reasonable for the service to be supplied, except that the flat rate of \$2.00 per month for a small residence without bath or use of water for garden irrigation appears unnecessary and it will be omitted from the schedule of rates being ordered herein. Accordingly, a certificate will be granted, subject, however, 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.

O R D E R

The above-entitled application having been considered, 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 construction and operation of a public utility water system by Warren G. Hunter and Marie Hunter, his wife, in Crescent City, Del Norte County, California, in the

area set forth in a map marked "Exhibit A", attached to the first supplemental application herein; therefore,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted Warren G. Hunter and Marie Hunter, his wife, to construct and operate a public utility system for the distribution and sale of water within the territory hereinbefore described.

IT IS HEREBY FURTHER ORDERED that applicants shall:

1. File the rates set forth in Exhibit A attached to this order, to be effective on or before the date service is rendered to the public, together with rules and regulations and tariff service area map acceptable to this Commission and in accordance with the requirements of General Order No. 96.
2. File within forty (40) days after the system is placed in operation four copies of a comprehensive map, drawn to an indicated scale of approximately 400 feet to the inch, delineating by appropriate markings the various tracts of land and territory served and the location of the various properties of applicant.

The authorization herein granted will lapse if not exercised within one (1) year from the date hereof.

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

Dated at San Francisco, California, this 13<sup>th</sup> day of January, 1953.

R. J. [Signature]  
President.

Harold A. Kula

[Signature]  
[Signature]

Commissioners.

Commissioner Justus F. Graemer, being necessarily absent, did not participate in the disposition of this proceeding.

EXHIBIT A

FLAT RATE SERVICE

APPLICABILITY

Applicable to unmetered domestic water service.

TERRITORY

Within Block 94, Crescent City, California.

RATES

	<u>Per Month</u>
For each residence including premises not exceeding 2,500 square feet of irrigated area .....	\$2.50
For each additional 100 square feet of irrigated area of premises in excess of 2,500 square feet during each of the months of May through October, inclusive .....	.05
For each additional residence on premises served from the same service connection .....	2.00
Fire hydrant on 1- $\frac{1}{2}$ " to 2" main	2.00
Fire hydrant on 4" main	3.00
Fire hydrant, private, 2" main	2.25

SPECIAL CONDITIONS

Flat rate charges are payable monthly in advance.