

ORIGINALDecision No. 48424

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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| Application of ELBERT A. REYNOLDS) | |
| to operate a water system in) | |
| Humboldt Hill Subdivision in) | Application No. 34039 |
| Humboldt County, California.) | |

Elbert A. Reynolds, in propria persona.
Clyde F. Norris, for the Commission staff.

O P I N I O N

Applicant, Elbert A. Reynolds, filed his application on January 23, 1953, for a certificate of public convenience and necessity to establish and operate a public utility water system, to be known as Humboldt Hill Water Service, in the proposed service area composed of a subdivision known as Humboldt Hill Subdivision and property contiguous thereto owned by applicant, all located in Humboldt County east of Fields Landing. A map of the proposed service area is attached to the application on file herein and a legal description thereof is set forth in Exhibit No. 2-A.

A public hearing in this proceeding was held before Examiner Cline at Bucksport on January 30, 1953.

Description of System

The proposed service area consists of approximately 77 acres. The part known as Humboldt Hill Subdivision has been subdivided into 67 lots and the remaining acreage is awaiting development by the owner, Elbert A. Reynolds, the applicant herein. When the area is fully developed the water system will be required to serve approximately 80 consumers.

The water for the system is obtained from three springs located in the northeast section of the service area. Last October two of the springs were tested at 100 gallons per minute each. The third spring produces approximately the same quantity of water as either of the other two. These three springs are more than adequate to supply the entire service area with water for domestic purposes.

The water runs from the springs into two settling tanks and thence into a third tank having about a 500-gallon capacity. From the latter tank the water is pumped by a 1-1/2 hp Meyer pump having a capacity of 500 gallons per hour through 2,600 feet of four-inch mains to an 18,000-gallon storage tank at the top of a hill. When the consumption of water increases the pump necessarily will be replaced with one having greater capacity. The storage tank and pump are automatically controlled to keep the water within 12 inches of the top at all times. The water will be distributed throughout the subdivision through approximately 6,000 feet of mains varying from 4 inches to 3/4 inches in diameter.

Ten acres of land at the springs and a strip of land 145 feet by 25 feet at the storage tank site will be set aside by applicant for the water system. The completed system will cost approximately \$12,000 exclusive of the cost of the land. Applicant personally will arrange for the financing of the system.

The public health department has tested the water and has found it to be satisfactory for domestic use.

The record shows that no other public water utility wishes to serve in the area requested by applicant, and that applicant does not wish to be required to serve in any area other than that for which he has requested a certificate herein.

Proposed Rates

Applicant proposes to serve water on a measured basis only. The rates proposed in the application consist of graduated rates per 1,000 gallons per month with monthly minimum charges depending on the sizes of the meters. Applicant also proposes to charge \$50 for each meter installation.

As the system is not in operation applicant submitted no estimates of operating results.

Applicant will be authorized to charge the rates set forth in Exhibit A which are set up on the basis of graduated rates per 100 cubic feet instead of per 1,000 gallons per month. No charge for the installation of meters will be authorized. The rates set forth in Exhibit A are similar in level to rates which this Commission has authorized other water utilities in like situations to charge. These rates are hereby found to be reasonable.

Applicant realizes that for some time the revenues will not be sufficient to pay operating expenses, and he is willing to provide the funds necessary for the operation of the system during the development period.

Financial Ability

The record shows that applicant has the requisite financial ability to develop the public utility water system as proposed.

Conclusion

The Commission has considered the request of applicant for a certificate of public convenience and necessity to establish a public utility water system and is of the opinion that it should be granted.

The certificate issued herein is 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.

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 will require the construction and operation of a public utility water system in the area known as Humboldt Hill Subdivision and applicant's property contiguous thereto all as described in Exhibit No. 2-A and set forth on the map attached to the application on file herein.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to Elbert A. Reynolds, doing business as Humboldt Hill Water Service, to construct and operate a public utility water system for the distribution and sale of water within the territory hereinbefore described; provided, however, that the certificate of public convenience and necessity herein granted to Elbert A. Reynolds shall be subject to the condition that he shall not make extensions into other territory contiguous to any of the certificated area hereinbefore described without authority first having been obtained from this Commission.

IT IS HEREBY FURTHER ORDERED that applicant shall:

1. File with this Commission, within thirty days after the effective date of this order, in conformance with the provisions of General Order No. 96, four copies of the schedule of rates attached hereto as Exhibit A, together with four copies of rules and regulations and tariff service area map and, on not less than five days' notice to the public and this Commission, make said rates, rules and regulations effective for all water service rendered on or after the 1st day of May, 1953.
2. File with this Commission, within forty days after the effective date of this order, four copies of a comprehensive map, drawn to an indicated scale not smaller than 100 feet to the inch, delineating by appropriate markings the tract of land and the territory served and the location of property of applicant.

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

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

Dated at San Francisco, California, this 30th day of March, 1953.

[Signature]
President

[Signature]

[Signature]

[Signature]

Commissioners

Commissioner Kenneth Potter, being necessarily absent, did not participate in the disposition of this proceeding.

EXHIBIT A

Schedule No. 1

GENERAL METERED WATER SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Within the unincorporated area known as Humboldt Hill Subdivision and vicinity near Bucksport, Humboldt County.

RATES

| | <u>Per Meter</u> <u>Per Month</u> |
|---|--------------------------------------|
| Quantity Rates: | |
| First 600 cu.ft. or less | \$2.50 |
| Next 1,400 cu.ft., per 100 cu.ft. | .35 |
| Next 3,000 cu.ft., per 100 cu.ft. | .25 |
| Next 10,000 cu.ft., per 100 cu.ft. | .15 |
| Over 15,000 cu.ft., per 100 cu.ft. | .12 |
| Minimum Charge: | |
| For 5/8 x 3/4-inch meter | \$2.50 |
| For 3/4-inch meter | 3.75 |
| For 1-inch meter | 6.00 |
| For 1-1/2-inch meter | 10.00 |
| For 2-inch meter | 15.00 |
| For 3-inch meter | 25.00 |

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