

**ORIGINAL**

Decision No. 48785

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of JOHN F. BERRYMAN, )  
 B. M. BERRYMAN, CARL L. DAMSEN )  
 and LAURA J. DAMSEN of Visalia, )  
 California, to operate a water )  
 system near the City of Visalia, )  
 County of Tulare, State of )  
 California; and to establish )  
 rates. )

Application No. 34112  
 (Amended)

Robert E. Mook, for applicants.  
Halver J. Haddock, for County of Tulare,  
 interested party; Chesley G. Ferguson,  
 for California Water Service Company,  
 interested party; Clark Jones, in pro-  
 pria persona, interested party;  
Edward Mollan, in propria persona,  
 interested party.  
Martin Abramson, for the Commission staff.

O P I N I O N

On February 20, 1953, applicants filed their application for a certificate of public convenience and necessity to construct and operate a public utility water system in the proposed service area in a subdivision known as Tract No. 179 in Tulare County, about 1 mile west of Visalia. On May 16, 1953, an amendment was filed which also included within the proposed service area Lots Nos. 1 to 9 and 11 in the subdivision known as Tract No. 112, which lots are just across Grand Avenue to the north of Tract No. 179, and the property immediately contiguous to Tract No. 179 to the east and between said tract and the county road. The legal description of the proposed service area is set forth in the application and the amendment thereto. Said area is shown on the map attached to the application which has been introduced into evidence as Exhibit No. 4.

A public hearing was held before Examiner W. E. Cline at Visalia on May 21, 1953.

Description of System

There are 47 lots in Tract No. 179 and 10 lots in Tract No. 112 included in the proposed service area. Four residences are located on the property east of Tract No. 179. When the area is fully developed the water system may be required to serve approximately 75 consumers.

The source of water supply is a 12-inch cased well 150 feet deep. The well is equipped with a 15-hp electric motor directly connected to a deep-well turbine pump. The water from the well will be pumped into a 2,200-gallon pressure tank and thence distributed to the consumers through 2,300 feet of 4-inch transite pipe. The record shows that the supply of water is adequate for the system and that satisfactory pressure can be maintained in the distribution mains.

Applicants have spent approximately \$9,300 of their own funds in the development of the system to date.

The Tulare County Health Department and the Twining Laboratory of Fresno have tested the water and found it to be potable.

California Water Service Company is presently serving Visalia, but its representative, Mr. Chesley G. Ferguson, stated that this company did not wish to extend its mains to serve the proposed service area. No other public utility is in a position to offer service.

Land

Applicants originally contemplated having the water system operated by a mutual water company, and for that purpose organized the Berrysen Mutual Water Company, a California corporation. After

some of the lots in Tract No. 179 had been sold, applicants learned that the Federal Housing Administration would not approve loans in the tract if the water system were to be operated by a mutual water company. Therefore, applicants have filed this application.

At the time of the hearing title to a portion of Lot 1 of Tract No. 179 on which the well and pumping facilities are located had been conveyed by applicants to the Berrysen Mutual Water Company. At the hearing, however, applicants stated that the Berrysen Mutual Water Company would reconvey the parcel to applicants. Late-filed Exhibit No. 2 which is the deed of reconveyance was received in evidence May 29, 1953.

#### Franchise

Applicants have reserved the necessary easements to enable them to lay mains in the streets of their own subdivision, and applicants intend to obtain whatever franchise or permit may be required to enable them to lay mains in the county roads so that they can serve other consumers within the proposed service area. At the hearing applicants amended their application to request the Commission to make an order declaring that after applicants have obtained such franchise, the Commission, upon a supplemental application being filed, will issue a certificate authorizing the exercise of such franchise upon such terms and conditions as it may designate.

#### Rates

Applicants propose to establish a residential flat rate for 3/4-inch service of \$4 per month plus 50 cents per month per 1,000 square feet of irrigated area in excess of 2,000 square feet and 30 cents per month (during the months May through October) for each noncirculating type evaporative cooler. Applicants also propose to serve water on a measured basis at a monthly minimum charge

for 5/8 by 3/4-inch service of \$3.50 for 1,000 cubic feet and at quantity charges reduced through two blocks to 15 cents per 100 cubic feet for all water in excess of 3,000 cubic feet. The other proposed monthly minimum charges range from \$4 for 3/4-inch service to \$12 for 2-inch service.

As the system at present is serving only one customer applicants submitted no estimates of operating results.

There is nothing in the record respecting operating experience to support the rates proposed by applicants. Such evidence will only become available as this system is developed. The rates set forth in Exhibit A generally compare favorably with rates which this Commission has authorized other water utilities in the area to charge. These rates are hereby found to be reasonable and applicants will be authorized to charge the rates set forth in Exhibit A.

#### Financial Ability

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

#### Conclusion

The Commission has considered the request of applicants for a certificate of public convenience and necessity to construct and operate 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.

The Commission is also of the opinion that public convenience and necessity require it to make an order declaring that upon applicants' filing a supplemental application to which is attached a copy of whatever franchise or permit may have been issued to enable them to lay mains in the county roads, the Commission will issue a certificate of public convenience and necessity authorizing applicants to exercise such franchise upon such terms and conditions as the Commission may designate.

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 within the territory described in the amended application on file herein.

1. IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to John F. Berryman, B. M. Berryman, Carl L. Damsen and Laura J. Damsen to construct and operate a public utility water system for the distribution and sale of water within the territory hereinbefore described.
2. IT IS FURTHER ORDERED that upon the filing by applicants of a supplemental application to which is attached a copy of such franchise or permit as may then have been issued to applicants, the Commission will issue a certificate of public convenience and necessity authorizing applicants to exercise such franchise or permit upon such terms and conditions as the Commission may designate.
3. IT IS HEREBY FURTHER ORDERED that applicants shall:
  - a. 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 one day's notice to the public and this Commission, make said rates, rules and regulations effective for all water service rendered on or after the effective date of this order.

- b. 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 applicants.

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 7th day of July, 1953.

R. J. [Signature]  
President

[Signature]  
[Signature]

Commissioners

Justus F. Craomer

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

EXHIBIT A  
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Schedule No. 1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

In Tract No. 179 and adjacent territory located approximately 1 mile west of the city limits of Visalia, Tulare County.

RATES

	<u>Per Meter</u> <u>Per Month</u>
Quantity Rates:	
First 800 cu.ft. or less .....	\$ 2.80
Next 2,200 cu.ft., per 100 cu.ft. ....	.25
Over 3,000 cu.ft., per 100 cu.ft. ....	.15
Minimum Charge:	
For 5/8 x 3/4-inch meter .....	\$ 2.80
For 3/4-inch meter .....	3.05
For 1-inch meter .....	4.55
For 1½-inch meter .....	7.30
For 2-inch meter .....	10.30

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

Schedule No. 2

RESIDENTIAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all residential water service furnished on a flat rate basis.

TERRITORY

In Tract No. 179 and adjacent territory located approximately 1 mile west of the city limits of Visalia, Tulare County.

RATES

	<u>Per Month</u>	
	<u>Per 3/4-inch Service Connection</u>	<u>Per 1-inch Service Connection</u>
For each residence, including premises not exceeding 10,000 square feet in area	\$4.00	\$5.00
For each additional 100 square feet of area of premises in excess of 10,000 square feet .....	.02	.02
For each additional residence on premises served from the same service connection	2.00	2.50
For each noncirculating type evaporative cooler, in addition to regular flat rates, during months of May, June, July, August, September and October .....	.30	.30

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 thereafter will be rendered only on the basis of Schedule No. 1, General Metered Service.