

**ORIGINAL**

Decision No. 49744

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )	
F. H. EATON and GEORGIA M. EATON, his )	
wife, for a certificate of public con- )	
venience and necessity under the pro- )	Application No. 34948
visions of Section 1001 of the Public )	
Utilities Code to operate a water )	
system in Brentwood Village, Yolo )	
County. )	

Russell Millsap, attorney, for applicants.  
Hugh Hart, for Yolo County Health Department,  
interested party.  
W. B. Stradley, for the Commission staff.

O P I N I O N

Applicants, F. H. Eaton and Georgia M. Eaton, his wife, filed their application on December 9, 1953, for a certificate of public convenience and necessity to construct and operate a public utility water system in the proposed service area which consists of property owned by applicants situated approximately three-eighths of a mile northwest of the City of Woodland in Yolo County. The proposed service area is set forth on the map attached to the application and on the map introduced into evidence as Exhibit No. 1. Exhibit No. 1 shows that Brentwood Village subdivision, which is included in the proposed service area, has been reduced in size and in the number of lots but the extent of the proposed service area remains the same as shown on the map attached to the application. The system will be known as Brentwood Water Co.

A public hearing in this proceeding was held before Examiner Cline at Woodland on January 27, 1954.

Description of System

The proposed service area consists of approximately 20 acres, a portion of which has been subdivided into 58 residential

lots. When the area is fully subdivided and developed, the water system will be required to serve approximately 70 residential consumers.

The sources of water for the system are two wells which are designated Well No. 1 and Well No. 2. The water from Well No. 1 is produced by a deep well turbine-type pump operated by a 10-hp electric motor. Well No. 2 is equipped with a jet-type pump powered by a 3-hp electric motor. Witness Eaton states that he intends to replace this installation with a deep well turbine pump driven by a 10-hp motor. The record shows that the water supply is adequate to meet the requirements of the system. The water is pumped from the wells into a 500-gallon pressure tank from whence it will be distributed at from 40 to 60 pounds pressure. The 500-gallon pressure tank is to be replaced with a 5,000-gallon pressure tank. Applicants propose to install 6-inch dipped and wrapped No. 10 gage steel water mains as shown on Exhibit No. 1, from which 1-inch service connections are to be provided.

Applicants have already invested approximately \$10,000 in the water system, and witness Eaton states that he can arrange the necessary financing to provide the balance of \$14,000 required to complete the system without encumbering the utility properties.

Exhibit No. 6, which is a letter from Hugh G. Hart, Chief Sanitarian of the Yolo County Health Department, dated January 21, 1952, states that the water supply will not be approved until such time as a septic tank drain which runs close to one of the wells has been moved. Witness Eaton states that the septic tank drain referred to in this letter has been moved as directed. Witness Hart testified that if the system is installed as proposed it should be able satisfactorily to meet the sanitary standards of the County Health Department. He stated that the County Health Department would much

prefer to have the area served by a public utility water system than by private wells inasmuch as a public utility water system will be checked regularly to see that it continues to meet the standards imposed by the County Health Department. The water tastes satisfactory. Chemical analyses show that water in the vicinity contains very little iron and sulphate.

The record shows that there is no other public utility willing to serve the proposed area and that the City of Woodland is not in a position to do so at the present time. Witness Ferns, City Manager of Woodland, suggested that cast iron mains rather than dipped and wrapped steel mains should be installed, as in the event the City of Woodland extends its city limits to include the proposed service area it would rather acquire a system with cast iron mains. Cast iron mains last longer than the steel mains proposed to be installed but the cost of installing the steel mains is less and they are considered adequate for this proposed water system. Applicants have already placed their order for the steel mains and might suffer damages from a cancellation of the order. Under the circumstances, applicants will not be required to install cast iron mains but may use the dipped and wrapped steel mains as proposed.

#### Rate

Applicants propose to charge a flat rate of \$4 per month per outlet for water service. As the system is not fully in operation, the estimates of revenues and expenses submitted by applicants are subject to much conjecture. Witness Eaton's estimates of depreciation expense were based on estimated lives of the mains of 20 years. He later testified that he estimated that the actual lives of the mains would be more nearly 40 to 50 years. The rate of \$3.50 per 1-inch service connection as set forth in Appendix A hereto is hereby found to be reasonable and applicants will be authorized to charge said rate.

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.

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 by F. H. Eaton and Georgia Eaton, his wife, in Yolo County, in the area shown on the map attached to the application and on Exhibit No. 1 introduced in evidence in this proceeding; therefore,

1. IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to F. H. Eaton and Georgia M. Eaton, his wife, doing business as Brentwood Water Co.,

to construct and operate a public utility system for the distribution and sale of water within the territory hereinbefore described.

2. IT IS HEREBY FURTHER ORDERED as follows:

a. Applicants are authorized to 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 Appendix 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 April 1, 1954.

b. Applicants shall notify this Commission in writing of the completion of the system for which this certificate is granted, within thirty days thereafter.

c. Applicants shall file with this Commission, within forty days after the system is in operation, four copies of a comprehensive map, drawn to an indicated scale not smaller than 100 feet to the inch, delineating by appropriate markings the various tracts of land and territory served; the principal water production, storage and distribution facilities; and the location of the various properties of applicants.

d. Within sixty days after the date when the system has been constructed and placed in operation under the rates and rules and regulations authorized herein, applicants shall file with this Commission a copy of each and every journal or other entry used to record the original installed cost of the major items of property acquired or constructed as parts of the system devoted to rendering service to the public. All important acquisitions or installations made within a period of one year from the effective date hereof shall likewise be reported within sixty days after completion.

e. Applicants shall base the accruals for depreciation upon spreading the original cost of the plant, less estimated net salvage and depreciation reserve, over the estimated remaining life of the property. Applicants shall review the accruals when major changes in plant composition occur and for each plant account at intervals of not more than five years. Results of these reviews shall be submitted to this Commission.

The authorization herein granted will expire 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 24th day of March, 1954.

A. F. Johnson  
 President

Justus J. Greene

Benjamin Pottel

J. E. Mitchell

Jerrold Higgins  
 Commissioners

APPENDIX A

Schedule No. 1

RESIDENTIAL FLAT RATE SERVICE

APPLICABILITY

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

TERRITORY

In Brentwood Village Subdivision located in unincorporated territory approximately 3/8 mile northwest of the City of Woodland, Yolo County.

RATE

Per 1-inch  
Service Connection  
Per Month

For a single family residence on one sub-division lot .....	\$3.50
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