

Decision No. 50559**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of HAROLD R. EBRIGHT, JR. )  
 and CHARLES B. EBRIGHT, co-partners )  
 doing business under the name of ) Application No. 35614  
 CASCADE WATER COMPANY for a Certifi- )  
 cate of Public Convenience and )  
 Necessity. )

Harold R. Ebright, Jr., and Charles B.  
Ebright, in propria personae.  
W. B. Stradley, for the Commission staff.

O P I N I O N

Harold R. Ebright, Jr., and Charles B. Ebright seek a certificate of public convenience and necessity authorizing the operation of a public utility water system in Cascade Properties and Tallac Manor, El Dorado County, and further seek authority to file rates for such service.

A public hearing was held before Examiner Carl Silverhart at Tahoe Valley on August 4, 1954, on which date the application, which was unopposed, was submitted.

The proposed service area contains 46 lots, the dimensions of which are set forth in maps in evidence herein. Such maps show the boundaries of said area and the location of the tanks and pipelines.

Water is obtained from Cascade Creek and distributed by means of gravity through approximately 2,500 feet of 4-inch pipe. Applicants propose to install three metal storage tanks, each of 5,000-gallon capacity and, in addition, 300 feet of 4-inch pipe and 1,000 feet of 1-inch pipe.

It is estimated that the cost of the system when entirely completed will be approximately \$12,500.

The record indicates that a county franchise is not required. It appears that there is no other public water supply available to serve the proposed area.

Applicants propose to charge a flat rate of \$40 for the period extending from May 1 through October 31 each year.

The map submitted by applicants shows certain pipelines to have been installed across subdivision lots presently owned by them. Applicants are cautioned to reserve pipeline easements across such lots when sold or, preferably, to relocate such pipelines in easements along public roads or highways.

Applicants propose to finance the cost of the system from their own funds except as to the issuance of a non-negotiable promissory note in the sum of \$5,000, without interest and due date, to Kate Duer Ebright in payment for the water system as it presently exists. Such note is payable in annual installments of a sum equal to one half the net revenue applicants derive from water service supplied by the proposed water system.

The record shows that applicants possess the requisite financial ability to institute the proposed service and to develop the system as further public need requires.

We conclude from the evidence of record that applicants should be granted the requested certificate and that they should be authorized to issue the promissory note hereinabove described for the purpose hereinabove mentioned.

Applicants' proposed rate has been modified to provide a rate more nearly comparable with that authorized by this Commission for other water utilities rendering service generally under similar conditions. The rate set forth in Appendix A attached to the following order is hereby found to be reasonable and will be authorized.

The certificate of public convenience and necessity 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 applicants in Cascade Properties and Tallac Manor, El Dorado County, California, within the area delineated on maps marked Exhibit 1 in this proceeding; therefore,

IT IS HEREBY ORDERED:

1. That a certificate of public convenience and necessity be and it is hereby granted to Harold R. Ebright, Jr., and Charles B. Ebright to construct and operate a public utility water system, to be known as Cascade Water Company, for the distribution and sale of water within the territory hereinbefore described.

2. That applicants shall:

- (a) File in quadruplicate the rates set forth in Appendix A attached to this order, to be effective on or before the date service is first 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.
- (b) File, within forty days after the system is placed in operation, four copies of a comprehensive map, drawn to an indicated scale

not smaller than 200 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.

- (c) Notify this Commission in writing of the completion of the system for which this certificate is granted, within thirty days thereafter.
- (d) Base the accruals to 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.
- (e) File with this Commission, within sixty days after the date when the system has been acquired or constructed and is placed in operation under the rates, rules and regulations authorized herein, 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 their completion.

3. Applicants are authorized to issue their unsecured non-negotiable promissory note to the person named, in the amount shown, payable in the manner indicated and for the purposes mentioned in the opinion preceding this order, it being the opinion of the Commission that the money, property or labor to be procured or paid for by the issuance of such promissory note is reasonably required by applicants for the purposes stated herein, and that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income.

4. Applicants shall file with the Commission reports as required by General Order No. 24-A, which order, in so far as applicable, is made a part of this order.

5. The authority herein granted to issue the above-referred-to note will become effective when applicants have paid the minimum fee prescribed by Section 1904 of the Public Utilities Code, which fee is \$25.

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

Except as otherwise hereinabove provided, this order will become effective twenty days after the date hereof.

Dated at San Francisco, California, this 21st day of September, 1954.

Robert E. Mitchell  
President

Justin D. Caswell

Benjamin Pottel

Warne Roggins

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Commissioners

Commissioner Ray E. Untereiner being necessarily absent, did not participate in the disposition of this proceeding.

PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA

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By Leo Rank

APPENDIX A

Schedule No. 1

SEASONAL FLAT RATE SERVICE

APPLICABILITY

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

TERRITORY

Cascade Properties and Tallac Manor subdivisions located in the unincorporated area between State Highway 89 and Lake Tahoe, near Cascade Lake, El Dorado County.

RATE

	<u>Per Season</u>
For each single family residence including premises .....	\$36.00

SPECIAL CONDITION

Service under this schedule will be rendered only during the summer season, May 1 to October 31, inclusive, and no water service will be furnished during the remainder of the year.