

Decision No. 51069**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of D. B. STUTSMAN to)
 operate a water system in Shasta)
 Terrace Subdivision, Shasta County;) Application No. 35870
 and to establish rates.)

Carlton and Shadwell by Daniel S. Carlton,
 for applicant.
W. B. Stradley, for the Commission staff.

O P I N I O N

D. B. Stutsman, doing business as Shasta Terrace Water System, seeks a certificate of public convenience and necessity to operate a public water system in Shasta Terrace subdivision, Shasta County, and to have a schedule of rates established for such service.

A public hearing was held before Examiner Carl Silverhart at Redding on December 21, 1954, and the matter, which was unopposed, was submitted on such date.

The subdivision contains 148 lots, and is located approximately two miles south of Redding. It is contemplated that construction of 125 residential units therein will be commenced in the near future. A map attached to the application as Exhibit "C" sets forth the location of the well, tank and mains.

The water supply for this system will be obtained from a well located about 500 feet south of the area to be served. The well is situated on a parcel of land 112 feet square, title to which will be conveyed to applicant. It is proposed that a 25 h.p. electric motor directly connected to a deep well turbine pump will be installed in the well. The well is expected to deliver about 300 g.p.m. against a system pressure of 40 pounds per square inch which will be maintained by a 10,000-gallon pressure tank located on a portion

of Lot 25, title to which will be vested in applicant.

To date the distribution facilities have not been installed in the subdivision but the map attached to the application indicates the system will consist of about 5,000 feet of 6-inch and 2,000 feet of 4-inch dipped and wrapped welded steel pipe.

The cost of the system is estimated by applicant at \$37,840.00, exclusive of contingencies. Applicant will finance the system from his own funds. The record shows that he possesses the requisite financial ability so to do and to develop the system as further public need requires.

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

The rates proposed by applicant have been modified to provide rates more nearly comparable with those authorized by the Commission for other like water utilities rendering service under generally similar conditions. The rates set forth in Appendix A attached to the following order are hereby found to be reasonable and will be authorized.

We conclude from the record herein that the requested certificate should be granted, subject, however, to the following provisions 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 applicant at Shasta Terrace Subdivision, Shasta County, California, in the area delineated on the map attached to the application as Exhibit "C", therefore,

IT IS HEREBY ORDERED:

That a certificate of public convenience and necessity be and it is hereby granted to D. B. Stutsman to construct and operate a public utility water system to be known as Shasta Terrace Water System for the distribution and sale of water within the territory hereinbefore described.

IT IS HEREBY FURTHER ORDERED as follows:

1. Applicant is authorized to file after the effective date of this order 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 tariff service area map acceptable to this Commission and in accordance with the requirements of General Order No. 96. Such rates, rules and tariff service area map shall become effective upon five days' notice to the Commission and to the public after filing as hereinabove provided.
2. Applicant shall 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 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 applicant.
3. Applicant shall notify this Commission in writing of the completion of the system for which this certificate is granted, within thirty days thereafter.

- 4. Applicant shall 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. Applicant 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 after the effective date hereof.

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

Dated at San Francisco, California, this 1st day of February, 1955.

John E. [Signature]
 President
Justin J. [Signature]
Paul [Signature]
[Signature]

Commissioners

APPENDIX A

Schedule No. 1

GENERAL METERED SERVICEAPPLICABILITY

Applicable to all metered water service.

TERRITORY

Shasta Terrace Subdivision located in unincorporated territory about 1/2 mile west of U.S. Highway 99 and 2 miles south of the City of Redding, Shasta County.

RATES

Quantity Rates:	<u>Per Meter per Month</u>
First 600 cu.ft. or less	\$3.00
Next 1,400 cu.ft., per 100 cu.ft.....	.35
Next 3,000 cu.ft., per 100 cu.ft.....	.25
Over 5,000 cu.ft., per 100 cu.ft.....	.15
 Minimum Charge:	
For 5/8 x 3/4-inch meter	\$ 3.00
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

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