

Decision No. 51727

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of GEORGE W. HAYES to)  
operate a water system in the )  
Hayes Subdivision; Stanislaus )  
County; and to establish rates. )

Application No. 36881

Gilbert Moody, for applicant.  
George F. Tinkler, for the  
Commission's staff.

O P I N I O N

Applicant, George W. Hayes, seeks a certificate of public convenience and necessity to operate a public utility water system in the George W. Hayes subdivision which is located approximately two miles north of the City of Turlock.

A public hearing was held after due notice, at Turlock on June 16, 1955, before Examiner Daly. No appearance was made in protest to the authority sought.

The property which applicant proposes to serve is more specifically set forth on a map attached to the application as Exhibit A. The tract has been divided into 66 residential lots. Service is to be provided through the facilities of two 8-inch cased wells and approximately 2400 feet of 4-inch steel dipped and wrapped pipe. The nearest water service is that which is offered by the City of Turlock Water Department located about two miles and a half from the proposed area.

The cost of installing the system is estimated at \$5,725. Applicant intends to do a great deal of the installation himself and therefore did not include labor costs. He also intends to negotiate loans upon his personal credit for the purpose of financing the system.

A flat rate of \$3.25 per service connection per month is proposed. Said rate compares favorably with those of water utilities furnishing corresponding service under similar conditions.

After consideration of the evidence the Commission is of the opinion that the certificate should be granted. The rate proposed is hereby found to be just and reasonable. In addition thereto appropriate meter rates will be prescribed.

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.

O R D E R

The above-entitled application having been considered, a public hearing having been held, the matter having been submitted and 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 in the area set forth on a map attached to the application as Exhibit A in this proceeding; therefore,

IT IS ORDERED:

1. That a certificate of public convenience and necessity is hereby granted to GEORGE W. HAYES to construct and operate a public utility water system for the distribution and sale of water within the territory hereinabove described.

2. That applicant 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 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.

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

c. 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 water system properties of applicant.

d. Base the accruals for depreciation upon spreading the original cost of 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 the Commission.

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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 Los Angeles, California, this 18th day of July, 1955.

Justus J. Caswell  
President  
Paul Winters  
Markus J. Doherty  
P. H. G. J.

Commissioners

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

APPENDIX A  
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Schedule No. 1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The unincorporated area known as Hayes Subdivision, located 1½ miles north of Turlock, Stanislaus County.

RATES

	<u>Per Meter</u> <u>Per Month</u>
Quantity Rates:	
First 800 cu.ft. or less .....	\$2.80
Next 1,200 cu.ft., per 100 cu.ft. ....	.30
Over 2,000 cu.ft., per 100 cu.ft. ....	.25
Minimum Charge:	
For 5/8 x 3/4-inch meter .....	\$2.80
For 3/4-inch meter .....	4.00
For 1-inch meter .....	6.50

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

APPENDIX A  
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Schedule No. 2

RESIDENTIAL FLAT RATE SERVICE

APPLICABILITY

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

TERRITORY

The unincorporated area known as Hayes Subdivision, located 1½ miles north of Turlock, Stanislaus County.

RATE

Per 3/4-inch  
Service Connection  
Per Month

For a single family residence including premises not exceeding 10,000 sq.ft. in area .....

\$3.25

SPECIAL CONDITIONS

1. All service not covered by the above classification will be furnished only on a metered basis.

2. Meters may be installed at option of utility or customer for above classification in which event service thereafter will be furnished only on the basis of Schedule No. 1, General Metered Service.