

ORIGINAL

Decision No. 52621

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

AL ANDERSON, Complainant,

vs.

YUCCA WATER COMPANY, LTD., a corporation,
Defendant

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)
) Case No. 5516
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)

Investigation on the Commission's own
motion into the operations, practices,
contracts, rules, regulations, charges,
and service of Yucca Water Company, Ltd.,
a public utility water corporation, oper-
ating in Yucca Valley, San Bernardino
County, California.

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) Case No. 5518
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)

Application of Yucca Water Company, Ltd.,
a California corporation, for a certifi-
cate of public convenience and necessity,
to extend its water service and system to
additional areas.

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) Application No. 35274
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In the matter of the application of
AL ANDERSON for a certificate of public
convenience and necessity for the oper-
ation of a water system as a public
utility, San Bernardino County,
California.

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) Application No. 36203
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S. B. Kaufman and Robbie Kaufman, Gibson, Dunn & Crutcher by Max Eddy Utt, for Al Anderson, complainant in Case No. 5516, applicant in Application No. 36203 and interested party in Case No. 5518 and Application No. 35274;
John E. Sisson for Yucca Water Company, Ltd., respondent in Cases Nos. 5516 and 5518, applicant in Application No. 35274, and protestant in Application No. 36203;
Hal F. Wiggins for the Commission staff.

INTERIM OPINION

The proceedings herein concerned are four in number, (1) a complaint of Al Anderson, an individual, against the Yucca Water Company, a corporation, operating as a public utility "water corporation," (2) an investigation on the Commission's own motion relative to the Yucca Water Company, Ltd., (3) an application for extension of territory filed by the Yucca Water Company, Ltd., and (4) an application of Al Anderson, an individual, for a certificate of public convenience and necessity to operate a public utility "water corporation."

The original complaint, No. 5516, was filed December 18, 1953, and contains two causes of action. In the first, it is alleged that Anderson and the water company entered into a contract for the furnishing of water to certain properties which Anderson owns or controls and that pursuant thereto Anderson erected a water tank of a capacity of 10,500 gallons on these properties. A disagreement arose as to the size, type, and quality of the tank and the Commission is requested to resolve that controversy. In the second cause of action, Anderson, who also is a stockholder in the Yucca Water Company, Ltd., sets out fourteen instances in which that company allegedly exacted unlawful charges for the installation of water service in violation of its rules and regulations relative to extensions. The complaint requests that if it be determined that unlawful charges have been made, the company be ordered to make refunds.

Under date of January 18, 1954, in Case No. 5518, this Commission issued an order of investigation directed against the Yucca Water Company, Ltd., for the following purposes:

1. To determine the area within which respondent has undertaken to furnish public utility water service.
2. To determine whether respondent's service, source of supply, transmission, distribution, storage or other facilities are improper, inadequate, or insufficient, and whether respondent should be directed to make extensions, repairs, improvements or changes in or additions to its existing system, or to erect new structures in order to secure adequate facilities and service.
3. To determine whether any of respondent's practices, operations, or contracts relating to main extensions to new customers, or to serve tracts or subdivisions, have been or are in violation of respondent's filed tariff rules applicable to such extensions.
4. To determine whether respondent has demanded, charged, collected or received charges other than those specified under respondent's applicable filed tariff rates and rules, including, but not limited to, Rule 5 relating to establishment and re-establishment of credit, Rule 6 relating to deposits, Rule 12 relating to meters and appliances, and Rule 18 relating to extension of water service, cost and ownership on private property.
5. To determine whether respondent should be ordered to make appropriate refunds of all charges that may have been collected or received other than those applicable under respondent's filed tariff rates or rules.

6. To determine whether respondent has omitted or failed to make proper refunds on deposits made with respondent, and whether respondent should be ordered to make such refunds and pay such interest on deposits as may be due under respondent's applicable filed tariff rates and rules.

7. To enter any other order or orders that may be appropriate in the lawful exercise of the Commission's jurisdiction in the premises.

Subsequently, on March 19, 1954, the Yucca Water Company, Ltd., filed an application, No. 35274, to extend its service into certain surrounding areas; and thereafter, on November 12, 1954, Al Anderson filed an application, No. 36203, for a certificate of public convenience and necessity in certain areas. It should be noted that the application of the Yucca Water Company, Ltd., sets out that applicant has constructed extensions in certain contiguous areas and that the application is for the purpose of securing authority to embrace the territories covered by these extensions. The two applications in part cover the same territory in that both desire to serve the major part of Section 1 and part of Section 36. The application of Yucca Water Company, Ltd., excludes the major part of Section 2 as well as portions of Sections 34 and 35, whereas the application of Anderson includes that portion of Section 2 which is excluded by the water company's applications and also includes all of Sections 1 and 36.

Public hearings were held before Examiner Grant E. Syphers at Yucca Valley on March 2, 29, 30, 1954, January 17 and February 8, 1955, and at Los Angeles on May 3, 24, September 20 and December 7, 1954, January 18 and 19, and March 14, 15, 16, 17 and 18, 1955.

At these hearings evidence was adduced and on the last-named date the matter was submitted subject to the filing of briefs by the parties. Briefs now have been filed and the matter is ready for decision. The two applications and the two cases were consolidated for purposes of hearing and decision.

A brief resume of the history of the parties concerned, as it relates to these matters, will be helpful to the determination of the issues herein.

Chronologically, the first entity to be noted was a partnership composed of ten individuals and doing business under the name of Yucca Village. Two of the partners were Al Anderson, complainant herein in Case No. 5516, and applicant in Application No. 36203, and Fred A. Storey, the present secretary and a one-third owner of the Yucca Water Company, Ltd. In about December, 1945, this partnership purchased the land in Sections 1, 3 and 11, together with a well located on lot 135, Tract 2865, in Section 3.

By Decision No. 39919, dated January 28, 1947, in Application No. 27592, this Commission issued a certificate of public convenience and necessity to this partnership authorizing operations as a public utility water system in Tracts 2865 and 3004 of Section 3.

Subsequently, by Decision No. 40221, dated April 29, 1947, on Application No. 28349, the partnership was authorized to sell the public utility water system to Theodore W. Jurling for a consideration of \$7,000. Exhibit No. 17, in evidence in this proceeding, sets out the agreement covering that transaction.

By Decision No. 41538, dated May 4, 1948, on Applications Nos. 29057 and 29284, Jurling was authorized to transfer the

certificate of public convenience and necessity and the properties of the water company to a corporation which had been formed and named Yucca Water Company, Ltd. This corporation, by the same decision, was authorized to issue \$60,000 of par value capital stock. Exhibit No. 19 in these proceedings is a copy of the Articles of Incorporation and discloses that the original directors were Guy G. Richards, Fred A. Storey and Theodore W. Jurling. Likewise these three individuals were the subscribers to one share of capital stock each, which was all of the capital stock issued at that time. Later, Guy G. Richards disposed of his interest in the corporation; and at the time of these proceedings the stockholders in this corporation are three in number, Fred A. Storey, Theodore W. Jurling and Al Anderson, each holding 200 shares of the 600 shares of common stock which are outstanding.

Under date of January 12, 1949, the corporation entered into an agreement with Al Anderson, which agreement is Exhibit A attached to the complaint in Case No. 5516, and received in evidence in these proceedings as Exhibit No. 42. This agreement is one of the points of controversy and, if necessary to a determination of this matter, will be construed according to its terms. However, for purposes of this historical background it may be stated that the agreement generally provides that the water company will furnish water for domestic purposes to all consumers within Section 1. As consideration therefor Anderson agrees to install and construct all water lines within the land to be served and to install a reservoir of size and specifications acceptable to the water company. Likewise, Anderson agrees to connect with the present water system at his own expense; the details of such

connection being set out in the agreement. The water to be furnished by the water company is to be charged for according to the rates of that company on file with this Commission and subject to the rules and regulations applicable thereto. Anderson further agrees that when the installation is completed, he shall transfer it to the water company for the sum of \$1.00.

Pursuant to this agreement, Anderson caused to be erected in Section 1 a water tank of a capacity of 10,500 gallons, together with connecting pipelines. At the time of these proceedings the physical facilities of the Yucca Water Company, Ltd., consisted of two wells, Well No. 1 located in Section 3, and Well No. 2 in Section 34; a 125,000-gallon reservoir and a 12,000-gallon tank, both in service, and a 20,000-gallon tank which is not being used, all in Section 3; and pumping facilities and main line and connection pipes in Sections 2, 3, 4, 34 and 35. The physical facilities under the control of Anderson, relative to these proceedings, consist of the 10,500-gallon tank in Section 1, a well in Section 36, a 3,000-gallon auxiliary tank, certain pumping facilities, and main line and connecting pipe in these two sections.

A careful analysis of all of the evidence presented in these matters discloses four principal issues. The first concerns the activities of two of the owners of the Yucca Water Company, Ltd., Fred A. Storey and Theodore W. Jurling, in supplying water to various consumers outside of the service area of the water company and the charges which they collected for pipe connections and other services in connection therewith. The second issue concerns the application of the Yucca Water Company, Ltd., for a certificate of public convenience and necessity in certain areas,

but excluding other areas in which it now supplies water service. The third issue concerns the application of Al Anderson for a certificate of public convenience and necessity, and the fourth issue, which is probably related to the second and third issues stated above, concerns the question as to whether or not a 10,500-gallon tank and the connecting pipes and other facilities which have been installed by Anderson are adequate.

The evidence (Exhibit 70) discloses that as of December 31, 1954, the Yucca Water Co., Ltd., was furnishing water to 477 consumers. Of these, 118 were within the company's certificated area and the remainder outside. Seventy-one of the 359 consumers outside the certificated area were in Section 1, which section is served through the facilities installed by Al Anderson. It is the position of the company that the consumers outside of its certificated area are being served surplus water, and, in this connection, the record is clear that the water company has never had a shortage of water. This outside service is metered except for a few consumers in Sections 1 and 3. The meters are owned by the Yucca Water Company, Ltd., and bills for the water service are paid to that company. There was particular testimony in this record from users of the water service as to numerous instances where Mr. Storey, and occasionally Mr. Jurling, made arrangements to provide water service to consumers outside of the service area and where charges were made for such water connections. These charges normally would amount to \$100 or \$200, although there are instances in the record of greater charges. In addition, these consumers paid a meter charge of at least \$15 each. It was the testimony of Mr. Storey that these transactions were private ventures and did

not concern the water company. However, the evidence clearly shows that all of these transactions were to furnish water from the water company system and that, for most of them, an accounting was made between Fred Storey, Theodore Jurling and Al Anderson. Exhibits Nos. 15 and 16 show the receipts and the costs of these ventures during the period from October, 1948, to April 28, 1954, and disclose a total cost for these so-called contract jobs of \$7,214.28, and receipts of \$7,018.39. The testimony also shows that Storey and Jurling were the moving parties in these arrangements, but that they did on occasions pay Anderson one third of the profits in the total sum of \$278.25. Exhibit 37, a letter from Storey to Anderson, dated June 16, 1952, shows a profit as of that time of \$508.31, of which one third, or \$169.44, was paid to Anderson. Exhibit 38 is a statement covering the period from December 10, 1948, to June 30, 1949, showing a profit of \$326.43, and a one-third share paid to each of the participants, Storey, Jurling, and Anderson, of \$108.81.

The testimony of Mr. Storey was that the payment to Mr. Anderson was made as a result of a moral obligation since they were associated with each other in the water company. He further testified that he and Jurling were continuing these so-called contract jobs and that Anderson's share in them was still being computed as one third.

A fair view of all of these transactions leads us to the conclusion, and we now find, that they were necessarily activities of the water company. In spite of the contention of

Storey and Jurling that they consisted of private ventures outside of the water company business, we cannot ignore the fact that the prime purpose of all of these transactions was to furnish water, and that the result of these transactions was to secure new customers for the water company, which new customers receive water from the water company's wells and through its equipment, and who pay the company for this water. We further cannot ignore the fact that the only connection between Storey, Jurling and Anderson was the water company, and the further fact that Storey and Jurling considered Anderson as a party to these transactions. This leads us to conclude that the transactions were those of the water company and not of the individuals, and are subject to the rates, rules and regulations of the Yucca Water Company, Ltd., on file with this Commission. Since, according to the testimony, these transactions are continuing to occur, this record may not disclose all of them. This being so, the ensuing order will provide that the water company and its officers shall furnish a complete list of all of these transactions for review by this Commission.

As to the applications for certificates by the water company and by Al Anderson, we are faced at the outset with certain facts which should be noted. The water company's offer of service is conditional so far as Section 1 is concerned. An officer of the company testified that it is the intention of the company to serve Section 1 only with surplus water until water system facilities are installed which are satisfactory to the water company. It is the company's contention that Anderson should make such an installation. Furthermore, the water company

does not offer to serve a portion of Sections 34 and 35 which was designated in this record as the Scarvin Road Tract, nor portions of Section 2, although there are several users of water in those areas at the present time.

In support of this application it was alleged that the water company has provided service on a surplus basis to certain contiguous areas, but that service was not offered to other areas such as the Scarvin Road Tract, since all of the residents there had not made the necessary arrangements for water connections. Specifically, some of these residents had not paid Mr. Storey or Mr. Jurling for pipe connections.

Exhibit No. 12, submitted in this record, shows the location of the wells and pipes of the Yucca Water Company, Ltd., both in its dedicated area and in surrounding territory. It is clear from the testimony in this proceeding that this water company is providing service in Sections 2, 3, 34, 35 and a small portion of Section 4. Likewise, it has a connection which leads to Section 1 and, particularly, to the tank which has been installed in that section by Mr. Anderson.

Concerning the application of Al Anderson, the testimony discloses that Anderson became interested in subdividing properties, principally in Sections 1 and 36. Owing to alleged difficulties in obtaining water from the Yucca Water Company, he decided to set up his own water system. In this connection he made a contract with the Yucca Water Company, which contract was dated January 12, 1949, has previously been referred to herein, and is in evidence in this proceeding as Exhibit No. 42. Subsequent to entering into this contract, and on the advice of a

consulting engineer, Anderson installed a 10,500-gallon tank on Section 1, together with the necessary pipes to connect the installation with the Yucca Water Company's system. Exhibits Nos. 56 and 57 are lists of connections which Anderson has made to various consumers in his area, and Exhibit No. 58 shows that he expended the sum of \$58,099.67 on all of these installations. Subsequent to the installation of the tank, the water company advised Anderson that it did not consider the tank and other installations adequate. Anderson has not met the requirements of the water company in this respect, but has continued to maintain the tank and installations without charge to the consumers. The Yucca Water Company, Ltd., supplies water through these facilities and the customers pay that company, not Anderson, for the water they receive.

Considerable testimony was presented as to the facilities owned by Anderson. It was disclosed that he has developed a well on Section 36 and has installed certain pumping equipment and a 3,000-gallon auxiliary tank in connection therewith. These facilities are operated as an adjunct to the water supply which is furnished from the Yucca Water Company, Ltd. Various witnesses testified as to water shortages in Section 1 and stated that they had made complaints to the water company representatives. The water company's service man testified that when these complaints were made it was his custom to shut off the water to other parts of the Yucca Water Company, Ltd., system and divert the whole flow to Section 1. This practice would result in water being furnished to that section.

The tank installed by Anderson is of a capacity of 10,500 gallons and is on a cement base. It is approximately 20 feet lower in elevation than the main reservoir of the water company which is located in Section 3 and has a capacity of 125,000 gallons. Accordingly, it was testified that water will flow from the water company's system to Anderson's tank by gravity. However, it was further testified that there are certain portions of Section 1 which have a higher elevation than Anderson's tank, and water to these sections must be furnished by pumping.

Various public witnesses appeared in support of Anderson's application, generally testifying that they preferred his service to that of the water company.

An official of the water company testified as to the equipment and service of the company, pointing out that it has adequate facilities to provide service and has never had a shortage of water. It was the opinion of this official, who is a registered engineer, that Anderson's 10,500-gallon tank is too small, and that the pipe connecting that tank is likewise too small, it being of 2-1/2 inch size.

Financial statements were submitted for both the water company and Al Anderson. Exhibit No. 72 is a balance sheet for Anderson as of December 31, 1954, and Exhibit No. 73 contains a financial statement of the Yucca Water Company, Ltd. Anderson proposes a flat rate of \$3.00 per month should he be granted a certificate, and he further testified that he was willing to install additional facilities should the Commission deem such installation necessary.

There was considerable testimony from both sides as to the history and dealings of the partnership, the corporation, and the individuals who now own this corporation, including references to certain lawsuits in which the parties have been involved and, in particular, a pending lawsuit relative to the installation of the 10,500-gallon tank by Anderson.

Testimony was presented by an engineer of the Public Utilities Commission staff showing that the 477 consumers in the area require a peak load of water of approximately 136,000 gallons per day. In the opinion of this witness, the company's present storage facilities are adequate for all of its consumers, including those in Section 1.

This witness also stated that the 10,500-gallon tank in Section 1 is too small. It was his opinion that to adequately serve the present number of consumers in that section a 12,600-gallon tank is necessary; but that to provide for future expansion a tank as large as 100,000 gallons might be required. Likewise, the transmission line leading to Anderson's tank is too small. It should consist of a six-inch main pipe leading to Section 1.

A second engineer of the Public Utilities Commission presented a study in regard to Anderson's Application No. 36203. He pointed out that the 3,000-gallon tank is an open inspection port rather than a pressure tank, and in effect it serves three customers. The 10,500-gallon tank serves 71 consumers. In other words, there are 74 consumers receiving water through the facilities owned by Anderson. However, the water for the 71 consumers comes from the Yucca Water Company, Ltd.'s system, which company bills the customers and receives all revenue. Anderson receives

no revenue for the use of his facilities. It was the opinion of this witness that prior to providing service to additional consumers in Sections 1 and 36, there should be storage facilities of approximately 125,000 gallons. He also testified that there are certain portions of Section 1 which are higher than the present 10,500-gallon tank. Likewise, there are portions in Section 2 which are higher than this tank, although no consumers in Section 2 are presently being served through the Anderson facilities.

A consideration of all of the evidence presented in connection with the two applications herein concerned leads us to the conclusion, and we now find, that the Yucca Water Company, Ltd. is in fact providing a public utility water service in Sections 2, 3, 4, 34 and 35. We further find that the water supply of this company is adequate to provide this service. Therefore, the ensuing order will declare this company to be a public utility in those sections and portions of sections above-numbered to which it now furnishes water. As to the application of Al Anderson, we find that public convenience and necessity require the installation of a public utility water service in portions of Sections 1 and 36. We are aware of the offer of Anderson on this record to provide adequate facilities for such a service and the ensuing order will authorize the issuance of a certificate conditioned upon the installation of such adequate facilities.

There was considerable evidence in these proceedings as to what constitutes adequate facilities for the consumers in Sections 1 and 36, and the estimates given ranged from the present

10,500-gallon tank to 125,000 gallons. The higher estimates were based upon estimated growth in the area. Upon this record it appears that storage capacity for Sections 1 and 36, should be about 100,000 gallons. The engineers who presented opinions on this matter were in substantial agreement to the effect that a generally used rule for estimating the amount of water storage needed is to allow 150 gallons per water connection per day and on this basis to provide storage capacity for 72 hours. In arriving at 100,000 gallons, as the approximate requirement, we have followed this rule and made allowance for the fact that two of the consumers are commercial enterprises; one an eight unit motel and the second a dude ranch. We have also made allowance for the anticipated growth in this area as indicated by the evidence in this record.

The contract between the corporation and Anderson, dated January 12, 1949, under which Anderson agreed to install and transfer to the water company a reservoir and facilities of acceptable size and specifications, was not submitted to this Commission for approval and accordingly may be void. It is a contract between an existing utility and an individual who is not a utility. Whether or not this individual (Anderson) can be required to specifically perform, or whether or not he is liable in damages, are clearly problems which can only be carried to an ultimate conclusion by the courts. However, this Commission does have the authority to determine whether or not the facilities of a water utility are adequate, and to place conditions upon the entrance of an individual into operations as a regulated utility. As indicated hereinbefore, such conditions will be placed upon the certificate granted to Anderson.

While it was contended in briefs filed by Anderson that Decision 40221, supra, authorizing the partnership to sell the public utility water system to Theodore W. Jurling, and Decision 41538, supra, authorizing Jurling to transfer the public utility water system to Yucca Water Company, Ltd., a corporation, should be rescinded, such action will not be taken in this decision. The evidence does not warrant such action, nor was such action comprehended in the issues in these proceedings.

INTERIM ORDER

A complaint and order of investigation as above entitled having been instituted, applications as above entitled having been filed, public hearings having been held thereon, the Commission being fully advised in the premises, and good cause appearing,

IT IS ORDERED:

(1) That the Yucca Water Company, Ltd., be, and it hereby is, declared to be a public utility water corporation, as that term is defined in Section 241 of the Public Utilities Act, in the following described areas all being in Range 5 East, San Bernardino Base and Meridian, San Bernardino County, California.

- (a) Tracts Nos. 3081 and 3234 and Record of Survey Tract, all in Section 3, Township 1 south.
- (b) All of the southeast quarter of Section 34, Township 1 north.
- (c) Tract 3302, being a portion of the northeast quarter of Section 4, Township 1 south, and being contiguous to Section 3 to the west.
- (d) All of Section 2, Township 1 south.
- (e) All of Section 35, Township 1 north, that lies southerly of the base of mountain range.

- (2) (a) That Yucca Water Company, Ltd., shall, within twenty days after the effective date of this order, revise its presently filed tariff schedules, including Schedule No. 1, General Metered Service, as set forth in Appendix A attached to the order, and the preliminary statement and tariff service area map tariff sheets to provide for the application of said preliminary statement and tariff service area maps for water service in the areas which said utility is declared to be a public utility water corporation, together with up-to-date rules, all acceptable to this Commission and in accordance with the provisions of General Order No. 96. Such revised tariff sheets shall become effective upon five days' notice to the Commission and to the public after filing as hereinabove provided.
- (b) That Yucca Water Company, Ltd., shall file within forty days after the effective date of this order four copies of a comprehensive map drawn to an indicated scale not smaller than 200 feet to the inch and delineating by appropriate markings the various tracts of land and territory served; the principal water production, storage and distribution facilities; and the location of its various properties.
- (c) That Yucca Water Company, Ltd., shall 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. Said company 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.
- (3) That the Yucca Water Company, Ltd., its officers and directors, be, and they hereby are, ordered to submit to this

Commission within ninety days after the effective date of this order a complete list of all of the customers served outside of the service area authorized by Decision No. 39919, dated January 28, 1947, in Application No. 27592, which list shall include the amounts of money paid by these consumers to secure water service, and to whom paid; the amounts charged for meter connections, and to whom paid; and the rates charged for such water service, and to whom paid.

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, Al Anderson, in the area hereinafter described; therefore,

IT IS FURTHER ORDERED:

(1) That a certificate of public convenience and necessity is hereby granted to Al Anderson, an individual, to construct and operate a public utility water system for the distribution and sale of water within the territory hereinafter described and subject to the conditions hereinafter set out.

(a) All of Section 1, Township 1 south, and all of Section 36, Township 1 north, both sections being in Range 5 east, San Bernardino Base and Meridian, San Bernardino County, California.

(2) Prior to the commencement of operations said applicant shall:

(a) Install a tank of at least 100,000-gallon capacity, together with all necessary valves and connecting pipes.

- (b) File in quadruplicate the rates set forth in Appendix B, 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.
- (c) Notify this Commission in writing of the completion of the system for which this certificate is granted, within thirty days thereafter.
- (d) 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 water system properties of applicant.
- (e) 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. Said 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.

(3) 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.

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

This order is interim in nature and the Commission will issue a further order relative to the status of the Yucca Water Company, Ltd., in connection with service to areas outside of its existing authorized area, which service is herein declared to be that of a public utility.

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

Dated at San Francisco, California,
this 4th day of (October), 1955.

[Signature]
President

[Signature]

[Signature]

[Signature]

[Signature]

Commissioners

APPENDIX A

Yucca Water Company, Ltd.

Schedule No. 1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The following described areas, all being in Range 5 East, S.B.E. & M., San Bernardino County, in and adjacent to the unincorporated community of Yucca Valley: Tracts Nos. 3081 and 3234 and Record of Survey Tract, all in Section 3, Township 1 South; all of the southeast quarter of Section 34, Township 1 North; Tract No. 3302, being a portion of the northeast quarter of Section 4, Township 1 South, and being contiguous to Section 3 on the West; all of Section 2, Township 1 South; and all of Section 35, Township 1 North, that lies southerly of the base of the mountain range.

RATES

	<u>Per Meter Per Month</u>
Quantity Rates:	
First 500 cu.ft. or less	\$2.00
Next 500 cu ft., per 100 cu.ft.25
Next 4,000 cu.ft., per 100 cu.ft.20
Over 5,000 cu.ft., per 100 cu.ft.15
Minimum Charge:	
For 5/8 x 3/4-inch meter	\$2.00
For 3/4-inch meter	2.50
For 1-inch meter	3.00
For 1 1/2-inch meter	4.00
For 2-inch meter	5.00

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

APPENDIX B
Page 1 of 2

Al Anderson

Schedule No. 1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Section 1, Township 1 South, Range 5 East, and Section 36, Township 1 North, Range 5 East, San Bernardino Base and Meridian, located approximately 2 miles east of the unincorporated community of Yucca Valley, San Bernardino County.

RATES

Quantity Rates:

	<u>Per Meter Per Month</u>
First 500 cu.ft. or less	\$2.00
Next 500 cu.ft., per 100 cu.ft.25
Next 4,000 cu.ft., per 100 cu.ft.20
Over 5,000 cu.ft., per 100 cu.ft.15

Minimum Charge:

For 5/8 x 3/4-inch meter	\$2.00
For 2/4-inch meter	2.50
For 1-inch meter	3.00
For 1 1/2-inch meter	5.00
For 2-inch meter	7.50

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

APPENDIX B
Page 2 of 2

Al Anderson

Schedule No. 2

RESIDENTIAL FLAT RATE SERVICE

APPLICABILITY

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

TERRITORY

Section 1, Township 1 South, Range 5 East, and Section 36, Township 1 North, Range 5 East, San Bernardino Base and Meridian, located approximately 2 miles east of the unincorporated community of Yucca Valley, San Bernardino County.

RATE

For each single family residence
on a single subdivision lot

Per 3/4-inch
Service Connection
Per Month

\$3.00

SPECIAL CONDITIONS

1. All service not covered in 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 rendered only on the basis of Schedule No. 1, General Metered Service.