

Decision No. 52293

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of)	
A. N. GIANNOPULOS NORTH MADERA WATER)	
CO., to operate a water system in)	Application No. 31938
North Madera Subdivision #1 Madera)	2nd Supplemental
County, California, to establish rates)	Amended
to sell water to the 60 residents.)	

SECOND SUPPLEMENTAL OPINIONPreliminary Statement

Applicant, on September 19, 1955, filed his second supplemental application in which he requests reinstatement of a certificate of public convenience and necessity to construct and operate a public utility water system in North Madera Subdivision No. 1, located west of U. S. Highway 99 about two miles north of the City of Madera.^{1/}

Description of Area to be Served

Service is proposed to some 60 consumers in the initial unit of the tract, comprising 23 acres of land, divided into 68 lots. Eight of the lots are expected to be further subdivided, making a total of 76 lots of an average size of 10,000 square feet in the parcel. Six of the lots will be reserved for commercial purposes. Houses, with individually owned wells, are now constructed on six other lots. The balance of the tract, comprising some 30 acres of land, is not now developed.

^{1/} The certificate was granted by Decision No. 45720, dated May 15, 1951. At applicant's request, the authority was extended to November 15, 1952 (Decision No. 47192), and thereafter expired through nonexercise. Applicant's second request for an extension of the authority was denied without prejudice to its reinstatement should conditions warrant. (Decision No. 48843, July 21, 1953 - 1st Supp.) Amendments to the second supplemental application, filed September 26 and 30, 1955, include a recent financial statement and a modified rate proposal.

Description of Proposed System

A recent staff investigation of applicant's properties and proposals indicates that he is now ready to proceed with the installation of the system and has already purchased a pump, motor, and some distribution pipe. His present proposal is essentially the same as that upon which issuance of the certificate was originally predicated, except that the estimated cost of the system and the proposed rates have been reduced considerably below the amounts set forth in the original application.

The total estimated cost of the system to serve the presently subdivided area is shown in the following tabulation:

Organization	\$ 350
Structures (well fencing)	100
Well	1,119
Pump, motor and tank	3,678
Distribution mains	5,355
Services (65)	1,600
Fire hydrants (6)	600
Well site	1,000
Total	<u>\$13,802</u>

Rate Proposals and Method of Financing Construction

Applicant has requested authority to charge a flat rate of \$4 per month per service connection for domestic use, with additional charges for more than one house on a lot, noncirculating coolers during summer months, and lot areas in excess of 10,000 square feet. He also requests authorization for a minimum monthly meter charge of \$3 for a 5/8 by 3/4-inch meter, which would include up to 800 cubic feet of water per month.

It appears that the proposed meter rates are just and reasonable and will be authorized. Certain of the proposed flat rates have been modified to provide rates more nearly comparable with those authorized by this Commission for other water utilities rendering service generally under similar conditions. The rates set forth in Appendix A attached to the ensuing order are hereby found to be reasonable and will be authorized.

Applicant proposes to finance construction of the system from his personal funds, which appear to be adequate for that purpose.

Conclusions

Consideration of the second supplemental application herein, as amended, leads us to conclude that applicant's proposal, as presently presented, is feasible and that the certificate issued to him by Decision No. 45720 should be reinstated.

A public hearing is not necessary.

SECOND SUPPLEMENTAL ORDER

A. N. Giannopoulos having filed herein his second supplemental application, as amended, the Commission having considered said application and being of the opinion that the relief therein requested should be granted; therefore,

IT IS HEREBY ORDERED that:

1. The certificate of public convenience and necessity heretofore granted to applicant by Decision No. 45720 herein, which certificate expired on November 15, 1952, be and it hereby is reinstated.

2. 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 on five days' notice to the Commission and to the public after filing as hereinabove provided.

3. Applicant shall notify this Commission in writing of the date service is first rendered to the public under the rates and rules authorized herein, within ten days thereafter.

4. Applicant shall file, within forty days after the system is placed in operation under the rates and rules authorized herein, 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 for which this certificate is issued; the principal water production, storage and distribution facilities; and the location of the various properties of applicant.

5. Applicant shall base the accruals to depreciation on 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.

6. 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 29th day of November, 1955.

[Signature]
President

[Signature]

[Signature]

[Signature]

[Signature]

Commissioners

APPENDIX A
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Schedule No. 1

GENERAL METERED SERVICEAPPLICABILITY

Applicable to all metered water service.

TERRITORY

The unincorporated area known as North Madera Subdivision No. 1, and vicinity, situated immediately west of U.S. Highway 99, approximately 2 miles north of the City of Madera, Madera County.

RATES

	<u>Per Meter per Month</u>
Quantity Rates:	
First 800 cu.ft. or less	\$3.00
Next 4,200 cu.ft., per 100 cu.ft.....	.25
Over 5,000 cu.ft., per 100 cu.ft.....	.20
Minimum Charge:	
For 5/8 x 3/4-inch meter	\$3.00
For 3/4-inch meter	3.75
For 1-inch meter	5.00
For 1-1/2-inch meter	8.00
For 2-inch meter	13.00

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

Schedule No. 2

GENERAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all water furnished on a flat rate basis.

TERRITORY

The unincorporated area known as North Madera Subdivision No. 1, and vicinity, situated immediately west of U.S. Highway 99, approximately 2 miles north of the City of Madera, Madera County.

RATES

	<u>Per Service Connection per Month</u>
1. For each single family residence including premises not exceeding 10,000 square feet in area	\$3.50
a. For each additional residential unit, including trailer or tent when used as a residence, served from the same service connection	1.50
b. For each 100 square feet of area in excess of 10,000 square feet03
2. For each store, market or office	3.50
3. For each gasoline service station	4.50
4. For each noncirculating type evaporative cooler, in addition to regular flat rates, during months of June, July, August and September75

SPECIAL CONDITIONS

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

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