

ORIGINAL

Decision No. 53051

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SONOMA WATER & IRRIGATION COMPANY,
a corporation, for authority to
increase rates on the sale of domestic
water.

)
) Application No. 35826
) First Supplemental, as
) amended.
)

O P I N I O N

Sonoma Water & Irrigation Company, by its first supplemental application herein, filed January 25, 1956, as amended on March 23 and April 24, 1956, seeks authority to provide domestic water service in Belaire Tract No. 2, in the Sonoma Valley, pursuant to a contract with Sonoma Mortgage Company, the subdivider, dated December 15, 1955, for construction of a well and distribution system at a refundable cost estimated at \$18,240.

Modification of a subdivision service restriction, imposed by Decision No. 51804, dated August 9, 1955, in the subject proceeding, is also sought in order to permit applicant to carry out the agreement and to render the service therein contemplated.

The contract of December 15, 1955, provides for installation of a well, designed to produce 1½ gpm per consumer, a pump, purification equipment and a distribution system in Belaire Subdivision No. 2, all at the expense of the subdivider, which, together with the well site, will become the property of the utility upon completion of the installation. The utility has agreed that the total cost of the project, up to but not in excess of \$20,000, will be

subject to refund to the mortgage corporation in accordance with the utility's main extension rule, Rule and Regulation No. 15.¹ It should be noted, however, that the annual revenue produced by approximately 37 customers ultimately to be served in Unit No. 2 will not permit refund of the entire advance; hence, the subdivider should understand that a contribution will result to the extent of unrefunded amounts. The utility has agreed to endeavor to render temporary service in Belaire Tract No. 2 pending completion of the installations. Additional units, including a shopping center, are expected to be constructed in the Belaire tract, but plans for water service thereto have not been formulated.

The utility, faced with recurrent water shortages during seasons of peak demand, was directed by Decision No. 51804 not to serve new or additional subdivisions within or adjacent to its service area without an order of the Commission based on a satisfactory showing that it had acquired sufficient quantities of water for service to its existing customers as well as to such subdivisions. The Commission, also, in line with a staff recommendation presented at the hearing on the original application, observed that development of new sources of water supply, from a well to be drilled in the southwest portion of the utility's service area, should place the company in position to render adequate service to its then existing consumers and to care for anticipated normal growth during the year 1955, exclusive of subdivision development. Such a well,

¹ See Decision No. 50580, Case No. 5501, 53 Cal. P.U.C. 490, 499, Section C, for text of the main extension rule applicable to subdivisions.

known as Pump House No. 6, was developed during the summer of 1955 and is now producing water for applicant's general system at, or in excess of, the rate of 250 gpm.

Production from Pump House No. 6, added to the production from other wells and springs feeding the system, as shown by the record made on the original application herein, gives a minimum total system production of about 1,140 gpm. Total system storage capacity amounts to approximately 546,000 gallons. These figures, related to 1,366 customers in 1955 (the number on which future revenues were estimated by the staff in its study - Exhibit 7), indicate the amount of water available from present sources of supply and storage appears to be sufficient for the needs of existing customers under normal conditions.

If the well to be drilled in Belaire Subdivision No. 2 produces at least $1\frac{1}{2}$ gpm per connection, as provided for in the contract of December 15, 1955, the supply available for present customers would not appear to be endangered. It should be pointed out, however, that without the existing storage capacity, $1\frac{1}{2}$ gpm per connection would probably not be adequate. Hence, ultimate development of the Belaire subdivision will, of necessity, have to be related not only to the additional supply available, as the contract itself provides, but also to the amount of storage per consumer for the entire system.

It is pointed out that the addition of the customers proposed under the subject agreement will decrease the present ratio of storage per customer. To maintain the existing ratio the additional storage necessary for approximately 37 customers to be served in the new subdivision is estimated to be about 15,000 gallons.

It shall be understood that in computing water supply requirements for customers to be served in the future, provision is to be made for correcting this 15,000 gallon deficiency.

The contract, as has been previously noted, calls for refund of an advance not in excess of \$20,000, in accordance with the company's extension rule, Rule and Regulation No. 15. The provision of facilities in addition to those mentioned in the main extension rule, however, constitutes a deviation from the rule, requiring prior Commission authorization (G.O. 96, Chap. X).

We find that applicant has made the requisite showing in justification of its request to modify Decision No. 51804 so as to be permitted to carry out the terms and conditions of its agreement of December 15, 1955, with Sonoma Mortgage Company.

We conclude, therefore, that the authorization sought in the first supplemental application herein, as amended, should be granted.

A public hearing is not deemed necessary.

O R D E R

The first supplemental application of Sonoma Water & Irrigation Company herein, as amended, having been filed and considered, the Commission now being fully advised and basing its order upon the findings and conclusions contained in the foregoing opinion,

IT IS HEREBY ORDERED that:

1. Sonoma Water & Irrigation Company be and it hereby is authorized to carry out the terms and conditions of an agreement with Sonoma Mortgage Company, dated December 15, 1955, providing for construction and installation of facilities, and for refund of advances therefor, for water service to and within Belaire Tract Unit No. 2, Sonoma County.

2. Applicant, within thirty days after the date of issuance of this decision, shall file with the Commission two copies of said agreement with Sonoma Mortgage Company, as executed.

3. Except as herein modified, said Decision No. 51804 shall otherwise be and remain in full force and effect.

Finding that it would not be adverse to the public interest, it is further ordered that the effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 9th day of May, 1956.

[Signature]
President
[Signature]
[Signature]
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Commissioners