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**ORIGINAL**

Decision No. 53666

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )	
NATOMAS WATER COMPANY for an order )	
granting authority and permission )	Application No. 38141
to perform provisions of contract to )	
supply water to AEROJET-GENERAL )	
CORPORATION. )	

OPINION AND ORDER

Natomas Water Company,<sup>1</sup> a corporation, by the above-entitled application filed on June 15, 1956, seeks authority to carry out the terms and conditions of a special agreement, executed April 30, 1956, with Aerojet-General Corporation,<sup>2</sup> a corporation, for the furnishing of water service at special rates to the latter's manufacturing plant near Folsom, Sacramento County. A copy of the subject-agreement is attached to the application as Exhibit A and by reference is made a part hereof.

Under the terms of a contract between Natomas and the United States of America which was authorized by this Commission in Decision No. 46212, issued September 24, 1951 in Application No. 32739, Natomas was granted, among other things, the delivery by the United States of a quantity of water from Folsom Reservoir not to exceed 32,000 acre-feet annually at a rate not to exceed 60 cubic feet per second.

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1 Sometimes herein called Natomas.  
 2 Sometimes herein called Aerojet.

The present agreement for which Natomas seeks authorization provides that Natomas will deliver to Aerojet and Aerojet will receive and purchase a daily quantity of water as follows:

<u>Year</u>	<u>Gallons</u>
First	Up to 2,000,000
Second	2,000,000 to 4,000,000
Third	4,000,000 to 6,000,000
Fourth	6,000,000 to 8,000,000
Fifth	8,000,000 to 10,000,000
Thereafter	10,000,000

The agreement further provides that Aerojet will pay monthly at the following rates per miner's inch-day.<sup>3</sup>

Rates:

<u>Gallons per Each 24 Hours</u>	<u>Per Miner's Inch For 24 Hours</u>
First 2,000,000	\$0.14
Next 2,000,000	.13
Next 2,000,000	.12
Next 2,000,000	.11
Over 8,000,000	.10

The agreement further provides that deliveries of water will be made from an open ditch or ditches of Natomas and that quantities will be measured through metering equipment provided by Natomas, and that Aerojet will construct and maintain all transmission facilities from point of delivery to point of use. The water to be sold under this agreement is untreated and not represented by Natomas to be of a quality suitable for human consumption.

Applicant alleges that its supply of water is entirely adequate to provide the service contracted for without burdening its system to any extent which will render it unable to meet the requirements of its other customers both existing and prospective.

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<sup>3</sup> For the purposes of the contract a miner's inch is defined as 1/50 of a cubic foot of water per second.

The Commission having considered the request of the applicant and being of the opinion that the application should be granted and that a public hearing is not necessary, therefore,

IT IS HEREBY ORDERED that applicant is authorized to carry out the terms and conditions of the written agreement, dated April 30, 1956, with Aerojet-General Corporation, and to render the service described therein under the terms and conditions stated therein.

IT IS HEREBY FURTHER ORDERED that applicant shall:

1. File with the Commission within thirty days after the effective date of this order two certified copies of the contract as executed, together with a statement of the date on which the contract is deemed to have become effective.
2. Notify this Commission of the date of termination of said contract within thirty days from and after said date of termination.

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

Dated at Los Angeles, California, this 29<sup>th</sup> day of August, 1956.

[Signature]  
President  
[Signature]  
[Signature]  
[Signature]  
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Commissioners