

ORIGINAL

Decision No. 54060

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
GEORGE WOODWARD and HAZEL WOODWARD,)
doing business as Woodward Ranch)
Water Company, for a certificate of)
public convenience and necessity to)
operate a public utility water)
system and to establish rates for)
water service in an unincorporated)
area adjoining the Town of McFarland,)
California, known as Tract No. 1794.)

Application No. 38053

George Woodward and R. C. Soultz, for applicant;
W. Ben Stradley, for the Commission staff.

O P I N I O N

Applicants commenced this proceeding on May 23, 1956. They seek a certificate of public convenience and necessity authorizing service as a water corporation to an area immediately south of the townsite of McFarland, Kern County. Public hearing was held before Examiner Power at McFarland on July 10, 1956 and the matter submitted subject to receipt of a late-filed exhibit. Kern County requires each water company to obtain a franchise. Such a franchise was granted to applicants on July 17 and a copy of the ordinance was received by the Commission on July 23, 1956 and the matter is now ready for decision.

The service area herein sought is 76 acres in Section 13, T.26 S., R.25 E., M.D.B. & M. Twenty-one lots are now subdivided and designated as Tract No. 1794.¹ This property is in the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 13. The whole property is bounded on the east by U. S. Highway 99; on the north by McFarland Union High School and by property of Roberts; on the west by Mast Road; on the south by Taylor Avenue.

¹ Applicants submitted no specific plans for developing further subdivisions at the time of hearing. The water supply then being developed is adequate for Tract No. 1794 only.

Applicants propose to develop a well on a site on the eastern edge of their area adjacent to U. S. Highway No. 99. Tract No. 1794 is in the northwesterly corner of the 76 acres. A 6-inch diameter transmission line will be constructed westerly to a point one block east of Mast Road. Two thousand four hundred feet of 4-inch main will be installed within Tract No. 1794. Services will be of 1-inch diameter. Cost of the system is estimated as follows:

30-hp pump and 2,500-gallon pressure tank	\$ 4,500
Mains, services, meters	5,840
Well, 12-inch diameter, 600 feet deep	3,600
Land at well site	1,260
	<u>15,200</u>

Applicant estimates the cost of future extension of distribution mains within the requested service area to be approximately \$140 per subdivision lot.

Applicants have requested both flat and meter rates. It is intended to serve primarily on a flat rate basis. The basic residential flat rate requested is \$6.90 for a lot of 6,500 square feet. The record does not sustain such a high rate proposal. However, a rate of \$4 for a 7,000 square-foot lot does appear to be justified. Additional square footage may be rated at \$0.03 per 100 square feet. Other rates will be adjusted to conform to the basic flat rate hereby established.

The Commission finds that public convenience and necessity require that applicants be authorized to construct and operate a public utility water system only in Tract No. 1794 in Kern County. The Commission further finds that public convenience and necessity require that applicants be granted a certificate to exercise the rights and privileges conferred upon these applicants by the Board of Supervisors of the County of Kern in Ordinance No. F-42 of said board. The Commission further finds that the rates shown on Appendix A attached hereto are fair and reasonable. ✓

The certificates of public convenience and necessity granted here are subject to the following provision of law:

That the Commission shall have no power to authorize the capitalization of the franchise involved herein or this certificate of public convenience and necessity or the right to own, operate or enjoy such franchise or certificate of public convenience and necessity in excess of the amount (exclusive of any tax or annual charge) actually paid to the State or to a political subdivision thereof as the consideration for the grant of such franchise, certificate of public convenience and necessity or right.

O R D E R

The above-entitled application having been considered, a public hearing having been held, the matter having been submitted and now being ready for decision,

1. IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to George Woodward and Hazel Woodward, doing business as Woodward Ranch Water Company, to construct and operate a public utility system for the distribution and sale of water within Tract No. 1794, Kern County. ✓

2. IT IS HEREBY FURTHER ORDERED that a certificate of public convenience and necessity be and it hereby is granted to George Woodward and Hazel Woodward, doing business as Woodward Ranch Water Company, to exercise the rights and privileges granted to it by the Board of Supervisors of the County of Kern under Ordinance No. F-42 adopted July 17, 1956.

3. IT IS FURTHER ORDERED as follows:

- a. Applicants are 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 including provision for bimonthly billing 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.

- b. Applicants 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.
- c. Applicants 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; the principal water production, storage and distribution facilities; and the location of the various water system properties of applicants.
- d. Applicants shall base the accruals to depreciation upon spreading the original cost of the plant, less estimated net salvage and depreciation reserve, over the estimated remaining life of the property; applicants 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.

4. IT IS HEREBY FURTHER ORDERED that applicants shall not extend their service into territory other than Tract No. 1794, Kern County, without first having obtained authority from the Commission so to do.

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

IT IS FURTHER ORDERED that the application of George Woodward and Hazel Woodward, doing business as Woodward Ranch Water Company, except as specifically granted herein, be and it is denied without prejudice.

The effective date of this order shall be twenty days after the development of the well and the installation of the pumping plant, pressure tank, transmission line, and distribution mains referred to in the foregoing opinion have been completed. Applicants shall notify the Commission in writing of such completion within ten days after ~~either, the date of this order, or~~ the final completion date of the system, ~~whichever is applicable.~~ ✓

Dated at San Francisco, California, this 5th day of November, 1956. Gm

John E. DeWalt
President
Ralph L. Lantieri
Michael D. ...
...

Commissioners

Commissioner ... 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 including Tract No. 1794 adjacent to U. S. Highway 99 immediately south of the town of McFarland, Kern County.

RATES

Quantity Rates:	<u>Per Meter Per Month</u>
First 700 cu.ft. or less	\$ 3.50
Next 2,000 cu.ft., per 100 cu.ft.27
Next 2,300 cu.ft., per 100 cu.ft.24
Next 3,000 cu.ft., per 100 cu.ft.20
Over 8,000 cu.ft., per 100 cu.ft.15

Minimum Charge:

For 5/8 x 3/4-inch meter	\$ 3.50
For 3/4-inch meter	4.25
For 1-inch meter	5.25
For 1 1/2-inch meter	7.50
For 2-inch meter	11.00

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. 2R

RESIDENTIAL FLAT RATE SERVICEAPPLICABILITY

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

TERRITORY

The unincorporated area including Tract No. 1794 adjacent to U. S. Highway 99 immediately south of the town of McFarland, Kern County.

RATES

	<u>Per Service Connection</u> <u>Per Month</u>
For each single family residence, including premises not exceeding 7,000 sq.ft. in area	\$4.00
a. In addition, for each 100 sq.ft. of area of premises in excess of 7,000 sq.ft.03
b. In addition, for each evaporative type air cooler during the 5-month period May through September, inclusive:	
Water recirculating type25
Water wasting type75

SPECIAL CONDITIONS

1. The above residential flat rate charges apply to service connections not larger than one inch in diameter.
2. All service not covered by the above classification will be furnished only on a metered basis.
3. Charges for air coolers will apply as provided in the above schedule except in those cases where the customer notifies the utility in writing which months during the above period any air cooler will not be in service, and providing that such unit is disconnected during said months subject to inspection by utility representatives.
4. 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.