Decision No. 54550

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of Jewel and Myrtle Pharis, a privately owned 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 South and West of Lindsay, California, known as Plainview Rural Station or Lot 11 Tulare County.

Application No. 38309

<u>Jewel Pharis</u> and <u>R. C. Soults</u> for applicant. <u>W. Ben Stradlev</u> for the Commission Staff.

# OPINION

This application was filed on August 2, 1956. Public hearing was held before Examiner Power at Porterville on October 16, 1956. The matter was submitted subject to the late filing of an exhibit. The exhibit has since been received and the matter is ready for decision.

A water service cortificate is requested for an area consisting of approximately 42 acres, located about 4 miles west of Strathmore, Tulare County, adjacent to Cairns Road and Strathmore Avenue. This area will eventually be subdivided into about 138 residential lots averaging about 7,500 square feet in area. At the present time, however, only 10 acres of this area has been subdivided into 37 lots.

At the present time there is no public utility water service available in this immediate area, although there is a nearby mutually operated water system. The owners of this system, when contacted, indicated a desire not to extend their water system outside its present service area.

The water supply for this system will be obtained from a well equipped with a 30-hp electrically driven deep well turbine pump capable of producing an estimated 300 gallons of water per minute against 50 pounds system pressure. A hydropneumatic pressure tank of 3,000-gallon capacity will be situated at the well.

The distribution system which is presently installed consists of about 1,700 feet of 4-inch diameter dipped and wrapped 12-guage steel pipe. Service connections will be 1 inch in diameter. Applicant indicates the cost of the proposed facilties to be as follows:

Ac. No.	Item	<u>Amount</u>
16542358 333333333333	Organization Costs Land Wells Pumping Equipment Reservoirs and Tanks Transmission & Distribution Services Hydrants Total	\$ 350.00 500.00 3,456.00 4,031.98 1,545.89 Mains 2,805.00 504.00 110.00 \$13,302.87

Applicant has requested a basic flat rate charge of \$3.50 with additional charge for each 100 square feet of area in excess of 7,500 square feet and extra charges for water coolers during a five-month summer period. Applicant intends to furnish water on a flat rate basis; however, meter rates have also been requested. The proposed rates are comparable to rate levels in similar water systems in the same general area. They will be authorized with certain minor changes.

The proposed construction will be financed with the personal funds of applicant, and it is not anticipated that any indebtedness will be incurred at this time.

The water supply now developed by applicant is barely sufficient for the 37 lots in Tract No. 247 as delineated on the map filed as Exhibit No. 2 in this proceeding. Therefore, the following

I/ The map filed as Exhibit A attached to the application does not correctly show the limits of Tract No. 247.

A-38309 GH order will restrict the certificate to that tract. Additional water supply must be provided before any extensions are made. The Commission finds and concludes that public convenience and necessity require that the sought authority be granted. further finds that applicant's presently developed water supply is sufficient for the lots in Tract No. 247, Tulare County, only. further finds that the rates set forth in the following order are fair and reasonable. The certificate set forth in the following order is granted subject to the following provision of law: That the Commission shall have no power to authorinat 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 for any amount of money 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 or right. ORDER The above-entitled application having been considered, a public hearing having been held, the matter having been submitted and now being ready for decision, IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to Jewel Pharis and Myrtle Pharis, doing business as Central Water System, to construct and operate a public utility system for the distribution and sale of water within Tract No. 247 of Tulare County. IT IS FURTHER ORDERED as follows: 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 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-

- 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 100 feet to the inch, delineating by appropriate markings the tract of land and territory served; the principal water production, storage and distribution facilities; and the location of the various water system properties of applicant.
- d. Applicant 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; 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.
- 3. Applicants shall not extend service to any property outside the boundaries of Tract No. 247, Tulare 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 ORD ERED that the application of Jewel Pharis and Myrtle Pharis, except as specifically granted herein, be and it is denied without prejudice.

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

<b>-</b> _	Dated	at	San Francisco	, , <sup>(</sup>	California,	this	
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\_h\_ Commissioner... Rox Hardy ............................... being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A Page 1 of 2

## Schedule No. 1

## GENERAL METERED SERVICE

## APPLICABILITY

Applicable to all meterod water service.

## TERRITORY

The unincorporated area, Trect No. 247, adjacent to Cairns Road approximately four miles west of the community of Strathmore, Tulare County.

### RATES

Quantity Rates:	Per Meter per Month
First 1,000 cu.ft. or less  Next 2,000 cu.ft., per 100 cu.ft.  Next 2,000 cu.ft., per 100 cu.ft.  Next 5,000 cu.ft., per 100 cu.ft.  Over 10,000 cu.ft., per 100 cu.ft.  Minimum Charge:	.20 .18
For 5/8 x 3/4-inch meter  For 3/4-inch meter  For 1-inch meter  For 1-1/2-inch meter  For 2-inch meter	\$ 3.00 3.50 4.50 7.00 10.00

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