

ORIGINAL

Decision No. 54554

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

W. H. BROCKMANN,
 Complainant,
 vs.
 SMITHSON SPRINGS WATER CO.,
 a corporation,
 Defendant.

Case No. 5720

Investigation on the Commission's
 own motion into the practices,
 operations, management, contracts,
 charges, extensions and water
 supply of the SMITHSON SPRINGS
 WATER COMPANY, a public utility
 water corporation operating in the
 County of San Bernardino, California.)

Case No. 5803

W. H. Brockmann in propria persona.
George Pressman and William S. Schwartz, for
 Smithson Springs Water Company.
William R. Roche, Charles Drake and James Shields,
 for the Commission staff.
T. O. Dobbs, LaVaughn R. Salisbury, James Frank
Jones, Theodore C. Tanner, Charles K. Campbell,
Leroy Wurzbarger, Mrs. Leroy Wurzbarger, Claude
Kavanaugh, Isom N. Cox, Hill M. Killian, Gladys
Biersack Winshy, K. H. Swart, James A. Salisbury,
Nelson A. Frazar, Mrs. Nelson A. Frazar, Bertha
M. Kipf, Frank Jackley, Velma J. Dockery;
 interested parties.

O P I N I O N

W. H. Brockmann, hereinafter referred to as complainant,
 by the complaint in Case No. 5720, filed on January 27, 1956,
 seeks an order requiring Smithson Springs Water Company, a cor-
 poration, hereinafter referred to as respondent, to furnish
 domestic water to complainant's real property located at the corner
 of Oasis Road and Smoke Tree Road, Desert Springs, San Bernardino
 County, California.

On April 6, 1956, after one day of hearing on Case No. 5720, respondent filed an answer, the principal allegations of which are (1) that complainant's property is outside respondent's authorized service area, and prior to the purchase of said property complainant was so advised by respondent; (2) that this Commission's Decision No. 46375, dated November 6, 1951, precludes service outside respondent's service area; and (3) that respondent has insufficient water with which to serve all landowners within its authorized service area and hence cannot provide service to complainant whose property is outside the authorized service area.

Public hearings were held on Case No. 5720 in Los Angeles on March 23 and April 16, 1956, and the matter was submitted subject to the filing of Exhibit No. 5. This exhibit was filed on April 30, 1956.

On July 31, 1956, the Commission set aside the submission of Case No. 5720 and reopened it for further hearing. On the same day the Commission issued an order instituting investigation of respondent (Case No. 5803). The order in Case No. 5803 recites that at the request of various persons the Commission is instituting an investigation into the practices, operations, management, source of water, water supply, availability of water, charges, contracts, service, and extension practices in the certificated area and contiguous areas of respondent for the following purposes:

- a. To determine whether respondent has failed to perform its public utility duty by refusing to supply water service to persons lawfully entitled thereto; and in the event that the public utility duty has not been performed, to determine the causes and reasons therefor and to determine action to be undertaken by respondent to correct service deficiencies;

- b. To determine whether respondent has provided water service to persons outside its certificated area coincident with a refusal to supply water to persons within the certificated area;
- c. To determine whether respondent's source of water supply and management have been efficiently utilized to satisfy its public utility obligations, and to determine whether respondent's service, source of supply, transmission, distribution, storage or other facilities are improper, inadequate or insufficient and whether respondent should be directed to make extensions, repairs, improvements or changes in or additions to its existing system or to erect new structures in order to secure adequate facilities and service;
- d. To enter any order or orders that may be appropriate in the lawful exercise of the Commission's jurisdiction in the premises.

Public hearings were held in Los Angeles on October 1, 1956, and in San Bernardino on December 5, 1956, before Examiner Kent C. Rogers. At the outset of the hearing Case No. 5720 was reopened and the two cases were consolidated for hearing. Additional evidence concerning Case No. 5720 and evidence concerning Case No. 5803 was presented and the matters were submitted on December 5, 1956.

History of Respondent

By Decision No. 36430, dated June 8, 1943, in Application No. 25322, Alfred W. Mondorf was granted a certificate of public convenience and necessity to operate a public utility water system in that fractional portion of Section 7 lying south of State Highway 138; the east one-half and also the S.E. $\frac{1}{4}$ of S.E. $\frac{1}{4}$ of S.W. $\frac{1}{4}$ of Section 16 and the N.E. $\frac{1}{4}$ of Section 19, all in Township 4 North, Range 7 West, S.B.B. & M., about five miles west of Phelan, San Bernardino County, California, comprising some 535 acres. This entire service area is south of State Highway 138. At some time between 1943 and March, 1945, the owners of the Grettenberg and of the Trimble ranches constructed a water pipeline

from the Mondorf system to their ranches located about $1\frac{1}{2}$ miles north of the service area (Exhibit No. 8).

By Decision No. 39227, dated July 30, 1946, in Application No. 27539, respondent was authorized to acquire the above-described certificate from Alfred W. Mondorf.

By Decision No. 46375, dated November 6, 1951, in Application No. 32173, and Case No. 5312, the Commission ordered that respondent be restricted to the furnishing of water service within its "presently authorized service area boundaries, only, except for the haulage service and sales for storage service being furnished" as of the date of the decision, said restriction "to remain in effect until further order of the Commission".

The status of the respondent concerning the service area, customers, and water as of September 26, 1951, as reflected in the opinion of Decision No. 46375, is summarized as follows:

The service area was bounded on the north by State Highway 138, on the east by the eastern boundaries of Sections 18 and 19, on the south by the southern boundary of the N.E. $\frac{1}{4}$ of Section 19, on the west by the center line of Sections 19, 18 and 7, Township 4 North, Range 7 West, S.B.B. & M., and comprised 535 acres of Mojave Desert plateau land (4,000 feet elevation) gently sloping downward from the south to the north. The entire area, except Tract No. 2985 in the extreme south central portion of the area which consisted of 28 residential lots, was divided into ten-acre homesites.

General metered service was furnished to approximately 50 domestic consumers, all of whose meters were located within the service area.

Off-peak sales for storage service were furnished to the Grettenberg and Trimble ranches. A meter, located within the

service area, measured the amount of such sales. The water was transported through a private 3/4-inch pipeline to a 10,000-gallon consumer-owned storage tank.

Haulage service was furnished to approximately 20 water haulers who obtained water at a station located within the service area.

Respondent's sources of water supply were a spring and a shallow well located in Boneyard Canyon (southwest of the service area). This well, with a syphon installed therein, was south of, but at a higher elevation than, the spring. The total estimated production capacity of the spring and well was two miner's inches which equals approximately 18 to 20 gallons per minute. Respondent had one 200,000-gallon concrete reservoir located north of and below the spring and well. Another 200,000-gallon concrete reservoir was under construction. It also had a 25,000-gallon wooden tank in the central part of the service area. The water system operated entirely by gravity flow.

Following the hearing which resulted in the Commission rendering Decision No. 46375, and on December 31, 1951, respondent filed its tariff which contained a map, Revised Sheet 12-W, which is a purported map of respondent's service area. This map, among other things, shows that respondent then had two 200,000-gallon concrete storage tanks. It also shows a 1 1/2-inch pipe extending from the haulage service station inside the certificated area across State Highway 138 and north on Oasis Road. The length of this pipe is shown as 128 feet but it appears to extend nearly 600 feet north of Smoke Tree Road. Three meters are indicated as being thereon. The southernmost meter is the Taylor meter, the central meter is the meter of Desert Springs Chamber of Commerce (now complainant's point of connection), and the most

northerly meter is the meter for the Grettenberg-Trimble service (a copy of Revised Sheet 12-W, with pencil and ink additions, is filed herein as Exhibit No. 4). A 3/4-inch line extends north from the Grettenberg-Trimble meter to a 10,000-gallon privately owned storage tank, and thence to the two ranches above named.

Exhibit No. 10 herein depicts the service area as of December 5, 1956, the then existing water system, and the service connections. The system and the source of supply are the same as at the date of Decision No. 46375 except that the second 200,000-gallon storage tank is in use. The Grettenberg-Trimble ranches and the Taylor property are still being served north of State Highway 138. After the rendering of Decision No. 46375, which, as heretofore stated, provided that respondent was restricted to the furnishing of water within "its presently authorized service area boundaries only, except for the haulage service and sales for storage service now being furnished",^{1/} respondent commenced providing water to two customers west of and outside its service area. These customers are shown on Exhibit No. 10 herein as being connected to the respondent's transmission line between the springs and the service area. In addition to the two connections above referred to, approximately 10 service connections have been made within the service area subsequent to Decision No. 46375. These 12 services are indicated on Exhibit No. 10 by an (A).

The Source of Water

Respondent's source of water is described in Decision No. 46375, referred to supra. A Commission hydraulic engineer stated his opinion that no new sources of supply can be developed

^{1/} The only storage customers are the Grettenberg-Trimble ranches securing water through the private 10,000-gallon storage tank.

in the area. Measurements by the staff and by employees of the respondent over the past several years show a maximum flow of 19,320 gallons per day and a minimum flow of approximately 9,500 gallons per day at a weir and stilling chamber located approximately 2,500 feet from the springs. Directly adjacent to and surrounding the springs is a growth of vegetation with high water use characteristics, classified as phreatophytes, which includes cottonwoods, willows, and salt grass. This growth covers an area of approximately 150,000 square feet, and during the course of a year consumes an estimated total of 66.3 inches of water or approximately 5,600,000 gallons of water (pp. 2-4, Exhibit No. 11), over twice the amount of water used by respondent to supply its present consumers. The phreatophytes consume the most water in the period from June through September, inclusive, of each year. The staff engineering witness stated that by cutting down the phreatophytes to one foot in height by May 15 of each year and repeating the cutting in July and August of each year, the amount of water available to respondent could be very nearly doubled. The respondent's vice president, Mr. William S. Schwartz, stated that at the suggestion of the staff the growth of phreatophytes was cut one time late in 1956, and there has been an increase of approximately 25 percent in the flow of water available in the system.

The Supply of Water

The service area slopes from the south downward to the north. All of the storage tanks are at a higher location than the service area, with the exception that some of the lots in Tract No. 2985 in the extreme southern end of the service area are at approximately the same elevation as the two 200,000-gallon storage tanks. The records of the respondent reflect that on occasions in the summertime during periods of maximum water usage

and minimum water production the water in the two 200,000-gallon tanks becomes very low or they become empty. Inasmuch as the system is a gravity system this causes some portions of Tract No. 2985 to be temporarily without water. The 25,000-gallon tank in the service area (see Exhibit No. 10) was never found by the Commission staff to have less than 20,000 gallons of water therein.

Service Outside of the Area as
Defined by Decision No. 36430

The service area defined by Decision No. 36430 is that shown on Exhibit No. 10 herein, with the exception of the three meter locations shown north of State Highway No. 138. There was no restriction in Decision No. 36430 against extending outside the service area. At some time between 1943 and March, 1945, the Grettenbergs and the Trimbles constructed a private water pipeline from respondent's system to their ranches (see Exhibit No. 8); at some time between March, 1945, and September 26, 1951, the 3/4-inch line was increased to 1 1/2 inches for not to exceed 600 feet north of Smoke Tree Road; at some time prior to December 31, 1951, three meters were installed by respondent on the line on Oasis Road north of Smoke Tree Road; and some time between November 6, 1951, the date of Decision No. 46375 referred to supra, and March 23, 1956, respondent installed two meters and services on the transmission line west of the service area. All of these services have heretofore been referred to herein.

The complainant's property is the property formerly owned by the Desert Springs Chamber of Commerce and is located on the northeast corner of Oasis Road and Smoke Tree Road. Complainant testified that he acquired the property on approximately November 6, 1955; that he requested that the respondent furnish him with water and the respondent refused for the claimed reason that his property is outside the authorized service area.

Respondent's vice president testified that respondent's service area is entirely south of State Highway 138; that respondent provides no service north of that highway; that at certain periods of the year respondent has an over supply of water and at other periods there is a shortage of water, and customers must be cautioned to conserve water; and that there are pending three applications for water service from owners of property within the certificated area which cannot be satisfied; that water has never been furnished to complainant's property; that at one time respondent installed a meter on the property to allow water to be sold to the Chamber of Commerce; that this was by special arrangement and the water was to be transmitted in a private line; that no water ever was transmitted in the pipe on complainant's property; that the meter which was at one time installed on complainant's property was taken out and used on other premises; that by special arrangement respondent furnishes water to the Taylor property; that respondent does not furnish water to complainant's property; that the respondent has no record of any pipe north of State Highway 138; that the pipe north of Highway 138 is private and belongs to Trimble and the witness as successor to the Grettenbergs; that he acquired an interest in the respondent company in 1952 when he purchased the Grettenberg Ranch; that when he took over the respondent company in 1953 a man called Cactus Jake was served outside the service area, and recently Cactus Jake sold a portion of his property and respondent started furnishing water to the purchaser (see Exhibit No. 5).

Mrs. Trimble testified that the line to the Grettenberg-Trimble property is a private line.

By stipulation, Exhibit No. 7 was received in evidence. This is a letter from Mrs. Grettenberg to the respondent's attorney. In this letter Mrs. Grettenberg states that "there never was any

service to the Chamber of Commerce Building (on complainant's property (added)) at any time as there was no pipeline from the meter to the building. The members could not agree as to who should work on the pipeline."

And, "When a meter is installed the applicant is billed from that date and as I recall the C of C paid one or two months, then decided to discontinue service. The water company then removed the meter ..."

Mrs. Trimble further testified that the line from respondent's main line across State Highway 138 and up Oasis Road is a private line constructed pursuant to an agreement between Mr. Mondorf (the first owner of the respondent company) and Mr. Grettenberg (see Exhibit No. 8).

Mr. Carl Spitz, the president of the respondent company, testified that he has been a resident of the service area since 1948 or 1949; that he is familiar with the line along Oasis Road and that line is a surplus water line and can be shut off at any time the respondent is short of water; that there was a shortage of water in about 1950 and at that time a Commission engineer shut off the water to the Grettenberg and Trimble ranches; and that since 1950 the Grettenberg and Trimble ranches have been without water on occasions.

Mr. Don Phillips testified that he has been the caretaker for the respondent's system since January 1947; that on Labor Day, 1955, the system was without water for a period of four to six hours; that in July or August of 1955 he turned off the water to the Grettenberg and Trimble ranches for a period of two or three weeks; that he did not know whether the Trimbles were home but he knew Mr. Schwartz was at the Grettenberg ranch; and that he had not cut off water to the Taylor property as Mrs. Taylor lives alone.

The Commission engineering staff investigated the complaint by Mr. Brockmann and made a report, Exhibit No. 9. This report, among other things, states that at some time between September 30, 1950, and December 31, 1951, respondent replaced a 3/4-inch service line (which extended from the service area across State Highway No. 138 to the Grettenberg and Trimble meter) with a 1 1/2-inch standard pipe main extending across State Highway No. 138 and north-erly on Oasis Road. Three metered connections were made on this main on Oasis Road; they were (1) a meter for the Chamber of Commerce (now Brockmann's property), (2) a meter for W. H. Taylor, (3) the relocation of the meter for the Grettenberg and Trimble ranches.

A staff engineer testified that he was on the Chamber of Commerce property (now complainant's) in 1951 and secured water from the hose bib on the land; that the meters referred to in Exhibit No. 9 were in place on March 1, 1950; that the respondent's records show that for the period from January 1 to April 1, 1951, the Chamber of Commerce connection used 103 cubic feet of water; for the period from April 1 to July 1, 1951, it used 182 cubic feet of water; that on December 1, 1951, the service was shut off; and that there has been no meter at the Chamber of Commerce connection since January 1, 1952. The staff engineer further testified that if the respondent controls the phreatophytes as hereinbefore suggested it will have ample water to serve all of its present customers plus four others owning land in the service area south of State Highway No. 138. These other landowners have filed informal complaints with this Commission for water service because of refusal by the respondent. The present customers referred to by the witness include the complainant's property, the Taylor property, the Grettenberg-Trimble ranches, and the two services on the transmission line west of the authorized service area.

Two property owners and a representative of the Desert Springs Chamber of Commerce appeared and protested the granting to respondent of any authority to serve outside of the authorized service area.

Upon the evidence herein we find that respondent owns the 1½-inch distribution line on Oasis Road, has dedicated its service for and should be authorized and required to serve the Grettenberg-Trimble storage tank, the Taylor premises, and the complainant's premises from that line. Both the Taylor and the Grettenberg-Trimble services were established prior to the effective date of Decision No. 46375 referred to supra. The respondent's tariff had no provision differentiating the Taylor service from any other general consumer. The record shows that metered service was provided to the Chamber of Commerce property prior to the time that Decision No. 46375 became effective. We hold that the Taylor meter, the complainant's service connection, and the Grettenberg-Trimble meter are in the respondent's service area as established by Decision No. 46375 and upon making application therefor by complainant, respondent will be required to provide service to complainant under its applicable filed tariff provisions.

The Cactus Jake connection and the other connection located on the transmission line west of the service area present another set of facts and respondent will be required to discontinue service thereto. Each of these connections was made after the effective date of Decision No. 46375 referred to, supra, which prohibits additional connections without authority from this Commission. There are at least four applications for service in the service area which respondent has refused to make because of lack of sufficient water. We can see no reason why the two customers illegally served outside the service area should receive water while at the

same time landowners in the service area are refused water. The respondent is, of course, primarily responsible for the situation. The discontinuance of service above referred to shall be accomplished by respondent in disconnecting such service after 30 days' notice to each of the customers involved. Respondent shall promptly advise this Commission, in writing, when such services have been disconnected, and it shall see to it that such services are not reconnected. Respondent will be required to provide water haulage service for said customers if they so desire.

Mr. and Mrs. Littlejohn own property in the southwestern portion of the respondent's service area but very close to the western boundary thereof (See (L) in Exhibit No. 10 for the location). Respondent required them to pay \$50, the cost of installation, prior to installation of service in accordance with its Rule and Regulation No. 13, Temporary Service. Inasmuch as this service is in respondent's authorized service area it will be required to refund to the Littlejohns the fifty-dollar deposit above referred to. Any charges to the Littlejohns shall be in accordance with respondent's tariff, including its main extension rule.

Requests for Service in the
Authorized Service Area

Several persons owning land in the respondent's service area testified that they had been refused service by the respondent. A representative of the Desert Springs Chamber of Commerce testified that other parties not present at the hearing but owning property in the service area had been denied service. The evidence shows that the cost of property in the service area is approximately twice the cost of similar property outside the area due to the availability of water. Several of the witnesses stated that they would be willing to have reasonable restrictions placed

on the water usage. Of course, under the situation as it now stands, all persons owning property in the service area are entitled to be provided with water by the respondent. The staff engineering witness was of the opinion that if the growth around the springs is cut back as hereinbefore described the respondent will have sufficient water to supply a reasonable amount of water to all existing services, including the two west of the service area, W. H. Brockmann and four persons who have filed complaints with this Commission, namely, Salisbury, Jackley, Kipf and Swart, but not necessarily enough to supply the service area when it is fully developed. The order herein will provide that respondent shall advise this Commission of all requests for service upon receipt thereof, and shall also advise the Commission as to the type and location of the proposed service, the size meter requested and the estimated water usage. Respondent shall establish no new connections, other than those designated by the order herein, until authorized in writing by this Commission.

Accounting Practices

The staff accounting witness investigated the books of the respondent and made certain recommendations and findings including the following:

"That the annual accrual for depreciation is excessive in that the estimated lives of the several groups of utility plant used in calculating depreciation are comparatively short and not in accordance with the Commission's recommendations."

In order to correct the situation reflected by the above recommendation, the staff requested that beginning with the year 1957 respondent be required to determine depreciation expense by multiplying the depreciable utility plant by a rate of 2.06 percent. The respondent's vice president had no objection to this. It will be so ordered.

Respondent's Tariff

It appears that respondent's tariff schedules are unworkable, incorrect or deficient in several respects. Revised Sheet No. 11-W, Preliminary Statement, defines the service territory and does not include any service north of State Highway 138. This territorial description must be corrected. The service area map, Revised Sheet 12-W, does not correctly show the locations of the three metered services north of State Highway 138, nor does it show the correct length of the 1½-inch pipe between the haulage service station and the Grettenberg-Trimble meter. The map must be revised to correctly show these items. Revised Sheet No. 14-W, Description of Service, refers to haulage customers securing their water from a station located in the northern part of the service area. The evidence herein shows that the respondent has a list of these customers and that the number decreased from 20 customers in 1951 to 16 customers in 1955. Inasmuch as there is a shortage of water, respondent will be required to amend Revised Sheet No. 14-W to provide that only those persons who were haulage customers on the effective date of this order, plus the two customers west of the service area heretofore referred to, may receive such water thereafter. In addition, respondent will be required to strike the next to the last paragraph of Revised Sheet No. 14-W which provides for the installation of meters and meter boxes and pipe for any haulage customers desiring to pay for the same. The respondent will also be ordered to file up-to-date rules.

It further appears that respondent's gravity flow system fails to provide water to Tract 2985 when the two 200,000-gallon storage tanks are empty or nearly so, even though the 25,000-gallon tank is full. The respondent will be directed to submit and place into operation a plan to correct this inadequacy.

O R D E R

Public hearings having been held in the above-entitled matters, evidence having been presented and the Commission having made the foregoing findings, and based upon said findings,

IT IS ORDERED:

(1) That respondent shall provide domestic water service to the property of W. H. Brockmann and also to the four premises of Salisbury, Jackley, Kipf, and Swart, hereinbefore mentioned, as herein described, such service to be in accordance with the respondent's filed tariff and applicable rules and subject to pertinent provisions of the order as hereinafter set forth.

(2) That within ten days after the effective date of this order respondent shall notify in writing the two customers on the transmission line on the west side of the service area that their services are to be disconnected thirty days after the receipt of such notice and at the expiration of said thirty days, respondent shall disconnect and keep disconnected said services, and shall notify this Commission in writing, within ten days after such disconnection, that this portion of the order has been complied with. Such customers shall be permitted to become haulage customers if they so desire.

(3) That within ten days after the effective date of this order respondent shall refund to Mr. J. H. Littlejohn the \$50 charge heretofore collected for temporary service and within ten days after such refund shall file written proof thereof with this Commission.

(4) That commencing with the effective date of this order and until the end of the calendar year 1957 respondent shall advise this Commission in writing of all requests for water service within ten days after the receipt thereof, except that

as to those heretofore filed with the respondent, respondent shall notify the Commission thereof within ten days after the effective date of this order. Such notice shall also advise the Commission of the type and location of the requested service, the size meter requested, the date the request was filed with the respondent, and the estimated water usage. Respondent shall, after the effective date of this order, establish no new services except haulage service as hereinafter provided, other than those authorized in paragraph (1) herein, unless and until such request is approved by formal order of this Commission upon a sufficient showing by respondent of an ample water supply for the additional services requested.

(5) That commencing with the effective date of the order, respondent shall provide water haulage service only to those customers actually receiving such service on the effective date of this order, except that respondent may provide haulage service for the two customers referred to in paragraph (2) of this order if they so request. If and when any such haulage service customer terminates his water service, no new customer shall replace him, the intent of this paragraph being that eventually all water haulage service shall be discontinued. A list of the active water haulers as of the effective date of this decision shall be furnished to the Commission within ten days after the effective date hereof, and thereafter any termination shall be reported to the Commission.

(6) That commencing with the year 1957, and in May, July and August of each year thereafter respondent shall cut the phreato-phyte growth around the springs, which are its source of water, to a height of one foot or less above the ground surface. Within ten days after each such cutting in the year 1957, respondent shall notify this Commission in writing of the date on which each cutting was completed.

(7) That within sixty days after the effective date of this order, respondent shall file in quadruplicate with this Commission, in conformity with General Order No. 96, revised tariff schedules which shall become effective upon five days' notice to the Commission and to the public after filing as hereinabove provided, as follows:

- (a) A tariff sheet entitled "Preliminary Statement", showing the territory served by the utility as set forth on Page 1 of Appendix A attached hereto.
- (b) A tariff service area map which correctly reflects the authorized service area including the three existing services located on the easterly side of Oasis Road, immediately adjacent to and north of State Highway No. 138, and showing the correct length of the 1½-inch pipe extending from the haulage service station and the three said services located thereon.
- (c) Schedule No. 1, General Metered Service, including the special conditions as set forth on Page 2 of Appendix A attached hereto.
- (d) Up-to-date rules governing customer relations, including Rule No. 2, Description of Service, as set forth on Page 3 of Appendix A attached hereto.

(8) That within thirty days after the effective date of this order respondent shall file in writing with this Commission the details of a plan of operation for the distribution system which will provide water service at adequate pressure to the customers in the highest elevations of Tract No. 2985. Any facilities necessary to effectuate such plan shall be installed and in operation not later than June 1, 1957, and respondent shall notify the Commission in writing when said facilities have been placed in satisfactory operation within ten days thereafter.

(9) That after the effective date of this order and until the end of the calendar year 1957, respondent shall make regular weekly readings of (1) the quantity of water in storage in each of its three reservoirs, and (2) the gauge depth and corresponding rate

of flow of water passing over the weir in respondent's main transmission line. Commencing with March 1, 1957, and on the first of each month thereafter up to and including January 1, 1958, respondent shall forward to the Commission a written record of such readings.

(10) That commencing with the year 1957 respondent shall determine depreciation expense by multiplying the depreciable utility plant by a rate of 2.06 percent. This rate shall be used until review indicates that it should be revised. Respondent shall review the depreciation rate, using the straight-line remaining life method whenever substantial changes in depreciable utility plant occur, and at intervals of not more than five years, and revise the above rate in conformance with such reviews. Results of these reviews shall be submitted to the Commission.

(11) That within thirty days after the effective date of this order respondent shall file with this Commission four copies of a comprehensive map, drawn to an indicated scale not smaller than 400 feet to the inch. This map shall show accurately the locations of all meters, pipes and pipe sizes, wells, springs, storage tanks and all other facilities of the respondent.

The effective date of this order shall be twenty days after service, either personal or registered mail, on the respondent.

Dated at San Francisco, California, this 19th day of FEBRUARY, 1957.

Commissioner Rex Hardy, being necessarily absent, did not participate in the disposition of this proceeding.

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

PRELIMINARY STATEMENT

A. Territory Served by the Utility

The area in which service is or will be furnished under its extension rule by this utility is described as follows:

That fractional portion of the east half of Section 7 lying south of State Highway No. 138; the east half and also the southeast quarter of the southeast quarter of the southwest quarter of Section 18, and the northeast quarter of Section 19, all in Township 4 North, Range 7 West, San Bernardino Base and Meridian, and in addition, three existing services located on the easterly side of Oasis Road immediately adjacent to and north of State Highway No. 138.

B. Types and Classes of Service

The types and classes of service rendered are described in Rule No. 2, "Description of Service", and as may be further limited or amplified in the section of each rate schedule designated "Applicability".

C. Procedure to Obtain Service

Service as described herein will be rendered to any person or corporation whose premises are within the utility's service area, provided application is made in accordance with Rule No. 3, credit established as required in Rule No. 6 and a contract signed in certain cases as specified in Rule No. 4. Where an extension of the utility's mains is necessary Rule No. 15 applies, and if the project is of a temporary or speculative nature, Rule No. 13 is applicable.

Applicants for service and customers must also conform to and comply with the other established rules as provided herein.

APPENDIX A
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Schedule No. 1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service, including service to general consumers, water haulers and sales for storage.

TERRITORY

The unincorporated community of Desert Springs, San Bernardino County.

RATES

	<u>Per Meter per Year</u>
Annual Minimum Charge:	
For 5/8 x 3/4-inch meters	\$24.00
For 1-inch meters	40.00
Quantity Rates:	
First 3,600 cu.ft. or less	\$24.00
All over 3,600 cu.ft., per 100 cu.ft.50

Meters will be read on or about the first day of January, April, July, and October, and charges billed on a three-month basis.

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

SPECIAL CONDITIONS

1. Water haulage deliveries will be made only on the days and at the times specified in Rule No. 2, Description of Service.
2. Water haulage service is available only to those customers actually receiving such service on the effective date of this schedule and, in addition, the two customers located westerly of the service area whose water service has been ordered to be disconnected. If and when any such customer terminates his haulage water service, no new customer may replace him.

Rule No. 2

DESCRIPTION OF SERVICE

A. Quantities

The utility will endeavor to supply water in adequate quantities to meet the reasonable needs and requirements of customers.

B. Pressures

The utility will endeavor to supply water at working pressures of not less than 25 pounds per square inch and not exceeding 125 pounds per square inch at customer's service connection.

C. Quality

Whenever water is furnished for human consumption, the utility will endeavor to supply at all times a safe and potable water.

D. Measurement of Quantities

All water supplied customers will be measured by means of suitable standard water meters, unless flat rates are in effect. A cubic foot will be the unit of measurement.

E. Water Haulers - Times for Delivery

Water haulage deliveries will be made from the haulage station on Wednesdays from 2:00 P.M. to 4:00 P.M., on Saturdays from 2:30 P.M. to 5:00 P.M., and on Sundays from 10:00 A.M. to 12:00 noon.