

ORIGINAL

Decision No. 54818

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 PACIFIC GAS AND ELECTRIC COMPANY for)
 an order of the Public Utilities)
 Commission of the State of California)
 authorizing applicant to increase its)
 rates and charges for water service)
 supplied by means of its Tuolumne)
 Water System, Sonora District, elim-)
 inate certain special or deviation)
 rates, and make effective certain)
 revised rules and regulations gov-)
 erning water service, all in accord)
 with proposals herein set forth.)

Application No. 36646

Appearances and witnesses
 are listed in Appendix A

O P I N I O N

Applicant's Request

Pacific Gas and Electric Company, a California corporation, engaged as a public utility in the gas, electric, water and steam heat business in northern and central California (the water and steam heat business being minor in relation to the gas and electric business), filed the above-entitled application on January 19, 1955 seeking authority to increase water rates in its Tuolumne Water System, Sonora District, to yield additional gross revenue of \$93,700, approximately a 96.5 per cent increase at the estimated 1955 level of business. Applicant also seeks authority to withdraw and cancel its present water rates and rules and regulations, to file and make effective the proposed rates and rules set forth in Exhibit I attached to the application and to eliminate the special or deviation rates of, and adjust the rates and charges of, the water customers listed in Exhibit H attached to the application.

Public Hearing

After due notice, 10 days of public hearing were held on this application during the period June 27, 1955 to January 18, 1957 inclusive. The last two days of hearing were held before Commissioner Ray E. Untereiner and Examiner M. W. Edwards in Sonora. The first eight days of hearing were held before Examiner F. Everett Emerson (seven days in Sonora and one day in San Francisco) and the matter was originally submitted following closing arguments on October 14, 1955 in San Francisco.

Following submission of the matter and study of the record, the Commission, on May 22, 1956, decided certain additional information was required and issued an order setting aside submission and reopening for further hearing.¹ During the first eight days of hearing a total of 33 exhibits were presented. During the last two days an additional 11 exhibits were presented. Additional closing statements were made on January 18, 1957 and the matter is now ready for decision.

1 The applicant was required to prepare and place in evidence during the ninth and tenth days of hearing the following information:

1. Detailed information and data regarding any requests for water which may have been refused during the period beginning May 1, 1955, and continuing until further order of the Commission herein;
2. A complete statement of the method of determining diversion of water for the Tuolumne County District of applicant's water department from the Stanislaus watershed, including calculations for July, August and September 1954 and 1955 and including the daily staff gauge readings and capacity tables for Lyons Reservoir and for Strawberry Reservoir, as requested by Tuolumne County Water District No. 2 during the course of the hearing on October 4, 1955;
3. A statement of intention of the applicant with regard to the installation of an adequate plant, for the serving of treated domestic water in the town of Tuolumne; and
4. A report on the progress made by applicant in the cleaning of ditches and cleaning and enlargement of regulating reservoirs since June 13, 1955.

The Tuolumne Water System - Sonora District

The Tuolumne Water System, Sonora District, hereinafter sometimes referred to as System, consists of a series of water conduits of various types (ditches, flumes, pipes, etc.), and regulating and standby reservoirs situated in the western portion of Tuolumne County, California, lying between the South Fork of the Stanislaus River and the North Fork of the Tuolumne River, together with a number of piped water distribution systems, which are located in applicant's Jamestown, Sonora, and Tuolumne water service areas.

The water supply for the System comes from the South Fork of the Stanislaus River. Water is diverted from the river at Lyons Reservoir (capacity 5,508 acre-feet) and transported through the Main Tuolumne Ditch, which is approximately 15 miles long and has a capacity of 52 second feet. The water is divided between applicant's Section 4 Ditch System, its Columbia System and its Phoenix Powerhouse. The Section 4 Ditch System supplies water for various purposes to the towns of Tuolumne and Soulsbyville and the territory adjacent thereto. The Columbia System supplies the town of Columbia and consumers in the vicinity. Water passing through applicant's Phoenix Powerhouse is conducted into its Phoenix Reservoir and then distributed through various ditches for irrigation and other uses in the vicinity of Sonora and Jamestown, and for domestic purposes in these towns.

Ditch System

Applicant's ditch system begins with the diversions from the aforesaid Main Tuolumne Ditch, and comprises about 79 miles of water conduit, mostly open ditch, with some pipe, tunnel and flume

sections. Operating in conjunction with this ditch system are the following regulating and/or standby service reservoirs:

<u>Name</u>	<u>Rated Capacity</u> <u>(Acre-Feet)</u>
Algerine	0.7
Kincaid	48.3
Matelot	12.0
O'Neil	12.0
Phoenix	850.0
Racetrack	6.0
San Diego	40.0
Slum Dam	0.5
Wolfling	2.0

During the year 1953 this ditch system served an average of 478 irrigation customers with approximately 98,000 miner's inch-days² of untreated water and approximately 37 other customers with approximately 23,600 mid. of untreated water.

Town Systems

Water for the Jamestown Town System is supplied at the end of the Jamestown Ditch. The water receives treatment, including chemical additives, mechanical flocculation and sedimentation, lime feed and chlorination as it enters a sedimentation basin. After settling the water enters the Jamestown Reservoir which has a capacity of about 180,000 gallons. From the reservoir the water feeds by gravity directly into the town system and thence to the customers. The mains vary from 1 to 9 inches in size and total approximately 20,900 feet in length as of December 31, 1954, and the Jamestown Town System served 289 customers at that date.

The City of Sonora obtains its water through a short 12-inch pipe from Shaws Flat Ditch into an aerator adjoining the Sonora Reservoir. From the aerator the water is chlorinated and discharged into the flocculator where any suspended matter in the water, after being chemically treated, is flocculated and then allowed to settle out in a 400,000-gallon open, surface-type

2. A miner's inch-day, abbreviated mid, is equivalent to 21.60 hundred cubic feet, abbreviated Ccf, of water.

reservoir. After settling has taken place the water is released into a 1,200,000-gallon reservoir from which it feeds directly by gravity into the town system, serving all of the town except for a high elevation section on the north side of town which is served by pumping. The mains vary from 1 to 22 inches in size and total approximately 86,200 feet in length as of December 31, 1954, and the Sonora Town System served 1,202 customers at that date.

Water for the Tuolumne Town System is supplied from the Eureka Ditch. At the end of this ditch a granite-lined surface type reservoir (capacity 2.1 acre-feet) has been installed to provide storage and also for sedimentation purposes. The water is fed directly into the town distribution system after being chlorinated by a gas-type chlorinator. The entire town system is fed by gravity from this reservoir through approximately 30,600 feet of mains varying from 1½ to 10 inches in size as of December 31, 1954 and the Tuolumne Town System served 453 customers at that date. Also an alternate supply of water is available from Turnback Creek through an electric pump when the Eureka Ditch is out of service.

Brief History

Some of these ditches had their origin in the early 1850's for supplying the placer mines that formerly operated in this area. When these mines were exhausted many of the ditches were abandoned, but other laterals were built to supply the quartz mines which were opened after placer mining ceased. As the quartz mines were gradually worked out, it became necessary to develop other uses for the water. To that end, irrigation was encouraged and power uses developed. The Main Tuolumne Ditch was constructed in 1851 by the Tuolumne County Water Company. During the next 40 years or so, that company purchased the ditch systems of a number of other companies and consolidated them into its ditch system.

In 1898 Tuolumne County Water Company reincorporated as the Tuolumne County Water and Electric Power Company and constructed the Phoenix Power Plant. The ditches, the reservoirs and Phoenix Power Plant eventually were acquired in 1909 by the Sierra and San Francisco Power Company. Pacific Gas and Electric Company leased all of the operative properties of Sierra and San Francisco Power Company, including the Tuolumne Water System, for a period of 15 years from and after January 1, 1920.³ In 1936 applicant acquired all of the Sierra and San Francisco Power Company properties including the Tuolumne Water System.

Applicant's Position

The rates presently charged are those authorized by the Commission in Decision No. 10589 (21 CRC 806) issued June 14, 1922 in Application No. 6736, and pursuant thereto made effective on July 1, 1922, more than 34 years ago, by the applicant as lessee of the Sierra and San Francisco Power Company. During the period the above-mentioned rates have been in effect, applicant represents that it has made net capital expenditures in excess of \$1 million for additions to, and extensions and improvements of, properties comprising its Tuolumne Water System. Applicant states that by reason of the increases in installation costs and operating expenses, occasioned by generally upward adjustments in labor and material costs and taxes, it cannot obtain net revenues from the conduct of its Tuolumne Water System business sufficient to provide a reasonable return.

For the year 1953 applicant represents that expenses were approximately \$102,214 greater than total revenues, resulting in a

³ This lease was authorized by Decision No. 7032 (17 CRC 689) issued on January 17, 1920 in Application No. 5146.

negative return of 7.10 per cent on an undepreciated rate base, and that the proposed rates would have reduced this deficit to \$12,006 or a negative return of 0.83 per cent.

For the year 1954 applicant represents that expenses were approximately \$70,425 greater than total revenues resulting in a negative return of 4.72 per cent on an undepreciated rate base and 7.77 per cent on a depreciated rate base.

For the year 1955 applicant represents that recorded expenses were \$100,711 greater than total revenues, resulting in a negative return of 8.10 per cent on a depreciated rate base, and that its proposed rates would eliminate this negative return condition and show a return of 0.02 per cent after certain rate-making adjustments.

For the year 1956 the applicant estimates that the present rates produced \$81,359 less revenue than expenses and showed a negative return of 10.04 per cent but that the proposed rates would have shown a positive return of 2.54 per cent. This improved position under the proposed rates is primarily due to an increase in depreciation reserve by approximately \$433,000 between 1955 and 1956, most of which was transferred from applicant's gas and electric departments.

Earnings Position

Applicant's principal earnings study is set forth in Exhibit No. 3. However, on January 17, 1957 it submitted Exhibit No. 36 for the purpose of bringing Exhibit No. 3 up to date. The Commission staff made a study of applicant's results of operations (Exh. No. 11) covering the recorded years 1953 and 1954 and the estimated year 1955.

A comparison of some of applicant's and the staff's studies follows:

Item	Year 1955		Year 1955		Year 1956	
	Present Rates		Proposed Rates		Applicant's Exh. 36	
	Applicant : Exh. 36	Staff : Exh. 11	Applicant's : Exh. 36	Staff : Exh. 11	Present : Rates	Proposed : Rates
Operating Revenue	\$ 98,300	\$ 99,060	\$ 197,700	\$ 209,605	\$101,300	\$203,500
Expenses						
Oper. and Mtce	126,516	135,375	126,758	135,375	117,277	117,526
Admin. & General	17,252	15,730	17,252	15,730	17,571	17,571
Taxes	27,414	(48,400)	27,414	12,210	27,671	27,671
Depreciation	26,020	24,353	26,020	24,353	20,710	20,710
Total	197,202	127,058	197,444	136,668	182,659	182,908
Net Revenue	(98,902)	(27,998)	256	22,937	(81,359)	20,592
Rate Base, Deprec.	1,243,629	1,172,100	1,243,629	1,172,100	810,265	810,265
Rate of Return	(7.95)%	(2.39)%	0.02%	1.96%	(10.04)%	2.54%

(Red Figure)

The principal difference between the staff's computations and those of the applicant is in the item of taxes. The applicant showed zero expense for income taxes in each case, while the staff showed the income taxes as a red figure because the low earnings in this department reduce the income taxes of the other departments when the applicant's gas, electric, water and steam heat departments are considered on a company-wide basis for income tax purposes.

Conclusion on Rate of Return

For a water utility like the one under consideration a fair rate of return currently would be in the range of 5½ to 6½ per cent. None of the computations indicate earnings near this range, even at the rates proposed by the company. Our conclusions are that the level of revenues which are computed on the basis of the proposed rates is fully justified. However, the Commission will not adopt in all particulars applicant's proposed rates and rules. The present, proposed and authorized rates will be discussed herein,

after considering the costs of supplying water to the various classes of service, and the positions of the parties.

Cost Analysis

Applicant submitted a cost study, Exhibit No. 9, which was entitled: Indicated Costs of Supplying Water Service, Year 1954 Pro Forma, with Proposed Rates in Effect, Tuolumne Water System, Sonora District. Although the cost of service study in evidence is a guide in analyzing the revenue deficiencies of the various classes of service it is not of itself conclusive, particularly as related to the smaller classes of untreated water service. Applicant's study did not show the cost of water on a unit basis in the ditches at point of delivery to the town systems, nor did it show the unit costs in the town systems at the customers' meters.

Based on the various items of expenses and capital shown in applicant's Exhibit No. 9, the examiner made some approximate computations of unit cost with the following result:

	<u>Rate of Return</u>	
	<u>2%</u>	<u>6%</u>
Untreated Water Avg. Unit Costs in Ditch System:		
Demand & Commodity per mid	\$ 0.51	\$ 0.63
Customer Costs per Year	46.00	57.00
Treated Water Avg. Unit Costs in Town Systems:		
Demand and Commodity per Ccf	\$ 0.17	\$ 0.20
Customer Costs per Customer Month	1.30	1.70

Position of the Tuolumne County Water District No. 2

The Tuolumne County Water District No. 2 is a county water district organized under the laws of the State of California in 1947 and has the power and duty to do all things necessary or

convenient to bring water supply to the area which it represents. Counsel stated that the water district has never attempted to serve any customer served by the applicant and that it has tried and will try in the future to cooperate with the applicant to the best of its ability to bring an ample supply at reasonable rates to the area.

The district asked that the Commission define the service area and the terms and conditions within which service will be made from the applicant's ditch system. It asked that when customers come to the ditch system to get water that they be given the same treatment whether they come individually or in groups. Presently, the applicant serves water for resale purposes on an accommodation basis only under contract. The district takes the position that if the applicant desires an increase in rates it should be willing to serve water wherever that water is required on a permanent, regular schedule basis.

The district commended the Commission for requiring the applicant to provide the figures submitted in Exhibit No. 35 on the last two days of hearing to show that the area's full entitlement of 52 second feet of water was available in the summer months of 1954 and 1955 and was not being diverted to other watersheds. It indicated that a policy of secrecy had been followed by the applicant on this subject in the past, and that this had not engendered the confidence of the community in the water company.

Position of City of Sonora

The City of Sonora took the position that the town customers should not have their rates increased disproportionately to those of the irrigation customers because the ability to pay is limited for many of the town customers.

Position of Tuolumne County Water Users Association

The Tuolumne County Water Users Association had no quarrel with applicant with regard to the showing that, first, the applicant is operating in the red under present rates and, second, the proposed rates would not give a fair return. It denied that (1) the proposed schedules are fair as to spread between the various classes, (2) the customers have the ability to pay the proposed rates, and (3) the proposed rates are reasonable. The president of the Association stated that the electric department should subsidize the water operations and charged that the applicant's methods are inefficient and extravagant. Also, he stated that the citizens of Tuolumne feel that it is unfair that they be asked to pay the same rates for poorer water, or higher rates than Sonora and Jamestown for the same quality of water. This Association also seriously questioned the adequacy and availability of water in the area.

Position of California Farm Bureau Federation

A representative for the California Farm Bureau Federation was concerned over the possibility that the price received for the type of cattle raised in Tuolumne County would not support a much higher rate than now charged by applicant for water to irrigate pasture land. Counsel for the Farm Bureau pointed out the need for ample water in the area and stated that domestic and irrigation uses have priority, under the state law, over its use for the production of power. He also suggested that the electrical energy users on applicant's entire system are benefiting to the extent that the appropriation rights of the applicant are being preserved by reason of the domestic and agricultural water customers in the area. On the subject of irrigation rates, he stated that the rate treatment

suggested by the Commission staff, which is discussed later in this opinion, is preferable to that suggested by the applicant.

In closing his argument the Farm Bureau counsel urged again that, in considering the disposition of this case, the whole matter of the water rights and the part they play in the protection of electrical customers be given very serious consideration. There is merit in this proposal. It lies, however, outside the scope of these proceedings; and the record is deficient in evidence that would support the Commission in acting on it. Moreover, the electric customers, who would be called upon to bear an added proportion of applicant's total costs on the theory propounded by counsel, were not given notice and an opportunity to present their views in these hearings. Inasmuch as applicant is asking for a rate of return only about half of what might properly be found reasonable on this water system, it appears that no injustice will be done the water users by our declining to reopen these proceedings for the purpose of taking additional evidence along the lines suggested. We place the applicant on notice, however, that, at such time as it may apply for rates in this district which will yield a full fair rate of return, we shall inquire thoroughly into this question.

Findings and Conclusions

It is a matter of common knowledge, and is of record without refutation in these proceedings, that costs have risen substantially since 1922, when applicant's present rates in this district were authorized. The finding is unescapable that applicant is not making a fair rate of return at its present rates, and will not make more than a fair rate of return at the rates it proposes. Despite the testimony as to the inefficiency of the water system, complaints on applicant's attitude toward its customers, queries about the adequacy of the supply, and implication that applicant gives preference

to the use of water for power generation, there is no substantial evidence in this whole, long record to negative the above finding.

While it is clear from the record that the Tuolumne Water System, Sonora District, is an inefficient system from the standpoint of conservation of water, it is economical from the standpoint of cost of water distribution. If a water shortage threatens for the future, as feared by some of the protestants, applicant will be required to invest substantial sums to reduce the present water losses along its ditch system; and it cannot reasonably be expected to make such investment at rates which do not yield it a fair return. The importance of an adequate water supply to the area was constantly stressed at the hearings. Such supply cannot be assured at unprofitable rates.

Protestants made no serious effort to refute applicant's showing that the system at present rates is yielding less than a fair rate of return. They put their emphasis, instead, on ability to pay. They insisted that neither the agricultural nor the domestic users can afford to pay the drastically increased rates that are proposed. Applicant offered evidence that the customers can afford water at the proposed rates; and the evidence, in total, does not justify a definitive finding on this issue. The Commission cannot, in any event, fix the revenues of a utility solely on the basis of the customers' ability to pay.

The vigorous opposition of the protestants to the rates proposed is, nonetheless, readily understandable. Applicant has continued, through all the recent years of inflationary price increases, to serve the area on basic rates found justified in 1922. The economy has adjusted itself to those rates, and cannot escape a serious shock from their sudden doubling. Even conceding that the rates applied for are fully justified by present costs, and that the residents of the area have enjoyed bargain rates for many years, and that applicant might properly have been granted rate increases, in a series of applications over the years, that would have raised its rates to or above the level it now seeks, applicant is still not free from blame in the course it has followed. A utility, in return for the privileges it enjoys, has an obligation to serve the public welfare. It is culpable, if it encourages its customers to invest their money and build their economy on the expectation of low water rates, adhered to over a period of a full generation, and then suddenly demands a drastic increase in those rates. While this Commission cannot, on the record in these proceedings, deny the applicant the revenue for which it has proved its need, we shall, in the order that follows, require it to provide some cushion to assist its customers to adjust themselves to the increased rates which we must authorize. We shall do this by specifying that the final rates we shall approve shall go into effect in three steps over a 2-year period. We find such treatment, although unusual, to be fair and reasonable under the circumstances disclosed in this record.

With regard to the request to define the service area, we will require the applicant to file an appropriate tariff service area map. The new rules should provide for making water available at the ditch under normal water supply conditions to all individual users who apply. Also, applicant will be required to file a firm resale

schedule to apply when the users come in groups to the ditch and the water is to be used only for domestic and agricultural purposes in the service area.

The applicant's cost studies indicate that the Tuolumne Town System is showing a higher rate of return than either Sonora or Jamestown. The request of Tuolumne customers for an improved quality of water will be honored and the applicant will be ordered to install a treatment plant which will provide a quality of water similar to that now being furnished Jamestown and Sonora customers.

With regard to the adequacy of water supply, it is the Commission's opinion that the applicant can make the full 52 second-foot entitlement available in years when the watersheds provide such a quantity of water. Under normal precipitation conditions the water supply for the system should be adequate for the next five years of growth. While the people in the area apparently resent the fact that the applicant is diverting water to another watershed for power production purposes from above this area, the record does not substantiate a charge that this area is being deprived of any water within its entitlement or that the applicant is not fulfilling its public utility duty in the area.

Applicant's duty is not, however, limited to the supplying of the 52 second feet now provided through its ditch system. It has an obligation to supply all the reasonable needs of its customers for water. If the population of the area increases sufficiently, it will be required to improve its supply of water. We might properly, even now, require it to provide more storage facilities to assure an adequate supply during dry years when the full 52 second feet might not be available through the ditch system. In view of the expense involved, however, and of the necessity of authorizing still higher rates to cover it, we believe that the customers, for the present,

would prefer to curtail somewhat their use of water should there be any unusually dry years.

The Commission finds no merit in the proposal that the separation between the water and the electric departments be eliminated, to the end that the electric department might subsidize the water department and an inadequate return on the water system be offset by a more than adequate return on the electric system. Subsidization of this nature is already taking place to a substantial degree. No part of the cost of Lyons Reservoir and the Main Tuolumne Ditch is charged against the water. The high cost for power produced by the Phoenix plant is evidence that the water is obtaining a considerable subsidy. Furthermore, the fact that applicant is asking for only a 2.54 per cent rate of return indicates that this water system is receiving and will continue to receive considerable help from applicant's other customers.

The Commission finds that the increases in rates and charges authorized herein are justified, that present rates, in so far as they differ from those herein prescribed, for the future are unjust and unreasonable; and that an order should be issued increasing the rates in the manner hereinafter outlined.

Domestic and Commercial Service

Domestic and Commercial service is now rendered under Schedule No. 1 which provides for meter and flat rates. Applicant proposes that this tariff be replaced by one schedule designated Schedule No. 1 and entitled General Metered Service, Treated Water, and by another, designated Schedule No. 11 and entitled General Metered Service, Untreated Water.

A comparison of the present, proposed and authorized Schedule No. 1 follows:

Present <u>Schedule No. 1</u>	Applicant's Proposed <u>Schedule No. 1</u>	<u>Authorized Rates</u>		
		<u>1st</u> <u>Step</u>	<u>2nd</u> <u>Step</u>	<u>3rd</u> <u>Step</u>
Minimum Charges:				
5/8" meter \$ 1.25	\$ 2.50	\$ 2.00	\$ 2.25	\$ 2.50
3/4" meter 1.50	3.00	2.50	2.75	3.00
1" meter 2.00	4.00	3.50	3.75	4.00
1 1/2" meter 2.50	5.00	4.00	4.50	5.00
2" meter 3.00	7.50	5.00	6.50	7.50
3" meter 4.00	15.00	10.00	12.50	15.00
4" meter 5.00	25.00	15.00	20.00	25.00

Quantity Rates per 100 cu.ft.:

First 500 at .25	First 400 or less 2.50	2.00	2.25	2.50
Next 2,500 at .15	Next 2,600 at .25	.20	.23	.25
Over 3,000 at .05	Next 7,000 at .15	.13	.14	.15
	Over 10,000 at .10	.10	.10	.10

Irrigation Rates

Presently, water for irrigation is sold under Schedule No.2 at the rate of 25 cents per mid. Applicant's proposed Schedule No. 13 for irrigation service, untreated water, was to raise this quantity charge to 40 cents per mid and, during the irrigation season, to add a capacity charge of \$2.50 per month per miner's inch of maximum annual billing demand. The application of this demand and commodity type of schedule would result in very drastic increases to certain customers who cannot change their use characteristics. Applicant's apparent objective was to limit the demand for water during the irrigation season and thus to avoid overtaxing the capacity of the ditch system. Also by this means it thought that the number of requests for increases or reductions in flow would be decreased, resulting in a considerable saving of labor and time of ditch tenders.

The Commission staff suggested an alternate rate by Exhibit No. 27 that would not result in such sharp increases in billing where customers could not change their operations to take water

at a high load factor. The staff proposed a service charge of \$12 per irrigation season, designed to recover what it contends is a substantial portion of the customer costs associated with the irrigation customer. The staff's proposal contains a blocked quantity charge of:

First 23 mid, per mid	\$0.45	per connection per month
Next 57 mid, per mid	.40	per connection per month
Over 80 mid, per mid	.35	per connection per month

which is designed to encourage the use of water. The staff's proposal contains a turn on and turn off charge of \$2.50 for each turn on or turn off or regulation charge beyond a free seasonal allowance of six. The staff states that this charge requires the customer to pay a sum commensurate with the additional regulation expense he requires the applicant to incur where an abnormal number of regulations are required. The basis of the staff's proposed rate levels was to yield the same approximate total revenue that the applicant requested for this class of service.

After considering the two rate proposals it is the Commission's conclusion that the staff's suggested rate form should be adopted, with steps provided as follows:

<u>Irrigation Season</u>	<u>1st Step</u>	<u>2nd Step</u>	<u>3rd Step</u>
Service Charge	\$6.00	\$9.00	\$12.00
Quantity Charge:			
First 23 mid	.35	.40	.45
Next 57 mid	.33	.36	.40
Over 80 mid	.30	.32	.35
Regulation Charge:			
For each flow regulation in excess of 6 per season	2.50	2.50	2.50
<u>Nonirrigation Season</u>			
Quantity charge per mid	.33	.36	.40
Minimum charge per delivery	2.50	2.75	3.00

It will be noted that no steps are provided in the regulation charge as its purpose is to encourage customers to take a uniform flow which, in turn, will be reflected in economies of operation.

General Metered Service - Untreated Water

Applicant is proposing a new tariff, Schedule No. 11, to be applicable to metered service of untreated water for business, industrial and municipal purposes. The schedule is to be applied in the territory adjacent to the applicant's ditch system in the Tuolumne Water System, Sonora District. The president of the Pickering Lumber Company objected to the rate level of applicant's proposed Schedule No. 11 because it represented an increase of 238 per cent compared to the rate in his company's present special contract.

This witness also raised a question as to the possibility of Pickering being charged for water not consumed by the lumber company. Applicant shall take steps to assure that the lumber company is charged only for its consumptive use of water. We have given consideration to the proposed level of this schedule and are of the opinion that it is reasonable, provided transition steps are taken as follows:

Quantity Rates:	Applicant's Proposal	Authorized Rates		
		1st Step	2nd Step	3rd Step
First 1,000 cu.ft. or less	\$ 2.00	\$ 1.50	\$ 1.75	\$ 2.00
Next 2,000 cu.ft., per Ccf	.15	.10	.125	.15
Next 7,000 cu.ft., per Ccf	.05	.04	.045	.05
Next 90,000 cu.ft., per Ccf	.03	.02	.025	.03
Over 100,000 cu.ft., per Ccf	.025	.015	.020	.025

Minimum Charges:

For 3/4-inch meter or less	2.00	1.50	1.75	2.00
For 1-inch meter	3.00	2.50	2.75	3.00
For 1 1/2-inch meter	5.00	4.50	4.75	5.00
For 2-inch meter	7.50	6.50	7.00	7.50
For 3-inch meter	10.00	8.00	9.00	10.00
For 4-inch meter	15.00	13.00	14.00	15.00
For 6-inch meter	25.00	21.00	23.00	25.00

Flat Rate Service - Untreated Water

Applicant is proposing a flat rate, Schedule No. 12, for water for irrigation purposes to customers who require 1 miner's inch demand or less and who receive water by means of a closed pipe system from applicant's water conduits. The majority of the customers to whom this rate would apply now receive service under Schedule No. 2 at the rate of 25 cents per mid. Applicant represents that a flat type of rate for this class of customers, with demands

of 1 mid or less, would be economical of administration and provide an equitable rate.

We have considered this proposed rate and will authorize its adoption, subject only to certain modifications based on the testimony of one of applicant's witnesses; however, since this is, in effect, an optional rate to the proposed Schedule No. 13, we do not find that it is necessary to provide any transition steps.

The rate levels under Schedule No. 12 which will be authorized are:

	<u>Per Connection per Month</u>	
	<u>Summer Season</u> May through October	<u>Winter Season</u> November through April
For each premises not exceeding 10,000 sq.ft. in area:		
a. Including 1,000 sq.ft. or less of irrigated area	\$3.50	\$3.50
b. Including irrigated area in excess of 1,000 sq.ft.	6.00	3.50
Additional for irrigated area in excess of 10,000 sq.ft., per 100 sq.ft.	-.03	-
Additional for each swimming pool	5.00	-

Service to Employees

Applicant is proposing a 25 per cent discount for service to its regular and pensioned employees under Schedule No. E-1. This practice is in accordance with the general practice of applicant in other areas and we find that it is reasonable to establish this practice in the Tuolumne Water System, Sonora District.

Fire Hydrant Service

Applicant is proposing Schedule No. F-1 for fire hydrant service for municipalities and other public agencies. Presently applicant charges \$1 per month for each fire hydrant. Applicant now proposes rates which vary with the ownership of the hydrant, the number of outlets, and the size of the main and with charges that

vary from \$1 to \$5. We have considered the level of the proposed rates and find that they are in line with rates generally charged for this type of service. Applicant's proposed rates will be authorized. In view of the fact that this is a new type of rate schedule no transition steps will be provided.

Private Fire Protection Service

Presently private fire protection service is rendered on Schedule No. FP. Applicant proposes to revise the schedule number to F-2 and add a rate of \$25 per month for a 10-inch service. The other rates remain unchanged from the present rates as follow:

	<u>Per Service Connection per Month</u>
For 4-inch service	\$ 5.50
For 6-inch service	7.00
For 8-inch service	10.50

The proposed 10-inch service rate appears reasonable and will be authorized.

Resale Service

Presently, resale service is provided on an accommodation basis under special contracts. The usual rate for this service is 50 cents per mid, plus an annual service charge of \$50. The protestants desire a firm resale schedule. In establishing a new firm resale schedule it is the Commission's opinion that such rate should be set at a level that will yield the applicant a reasonable return. The following rate level will be authorized.

Service Charge	\$4.50 per connection per month
First 50 mid	.85 per mid
Next 150 mid	.65 per mid
Over 200 mid	.55 per mid

Inasmuch as this is a new rate no transition steps will be required. Those customers now receiving resale service under contract will be transferred to this rate in the manner described under "Deviation Rates". While this is listed as a firm rate it will be subject to shutdown for the purposes of cleaning ditches.

Deviation Rates

By Exhibit H in the application and Exhibit No. 5 submitted at the hearing, and by supplemental testimony, applicant presented evidence respecting service to certain customers at free or non-standard rates. Applicant intends that the new rate schedules will cancel and supersede all of the present rates and charges for water supplied by the system, including service presently supplied under special or deviation rates, whether contained in contracts or otherwise, excepting those listed as "Accommodation Service" in Exhibit H and Sonora Ice and Cold Storage Company. Applicant's purpose is to place all customers receiving the same class of water service from the system on a basis of equality with respect to rates and charges to be paid for such service, thereby eliminating preferences and advantages presently enjoyed by certain customers.

With regard to the Sonora Ice and Cold Storage Company applicant represents that this is a unique service and it proposes to raise the rate from \$15 to \$30 a month. This proposal appears reasonable and will be authorized.

The accommodation service listed by the applicant consists of eight customers under a number of contracts and agreements which have been approved by, or filed with, the Commission. Applicant does not now propose any change in the existing rates of these customers.

The Commission is of the opinion that these customers ultimately should be served at filed firm rates. The order herein will provide for transfer to the appropriate filed tariffs on April 15, 1959 or at the expiration of the basic term of the customer's contract, whichever is later, unless the customer requests to be transferred at an earlier date.

Many of the customers now on deviation rates or receiving free water have been served under written or oral agreements of many years' standing. In general these customers, or their predecessors in the interest, have parted with some property or property right in exchange for either free or reduced rate water, although in some

instances the deviation may be a matter of applicant's convenience. In at least one instance a water right is involved. In the Commission's opinion such customers, except where water rights are involved, should be served under the appropriate filed tariffs as soon as a settlement can be reached with the customer regarding his claimed right. Applicant admittedly cannot charge for water covered by a water right which it does not own. Applicant has stated it does not intend to take, nor may it take, property without just compensation. Where easements or rights of way are involved, applicant should negotiate to purchase them.

With respect to the deviation set forth on page 6 of Exhibit 5, it appears that the service of treated water for irrigation is to meet company convenience. Until further justification is furnished to the contrary, this customer should be billed under Schedule 13 covering untreated water for irrigation.

Rules - Town Systems

Applicant is proposing a revised set of rules for its town systems. Under the present rules, the deposit which may be required to establish credit for a domestic customer is \$2.50, and for all other service an amount not to exceed a sum equal to twice the estimated average periodic bill for the service. Under the proposed rule the deposit required for a domestic customer will be an amount equal to twice the monthly minimum charge, and for all other service will be an amount equal to twice the estimated average monthly bill. Under the proposed rule the charge for a reconnection of service (which has been disconnected for noncompliance with applicant's rules) has been increased from \$1 to \$2.50, and for a meter test the deposit has been increased from \$1 to \$2 for meters 1 inch or smaller, and \$3.50 for meters larger than 1 inch. These changes are in agreement with the Commission's General Order No. 103, rules governing water service, and will be authorized.

Rules - Ditch System

The proposed rules for the ditch system are substantially similar to those authorized by the Commission for applicant's

Jackson and Placer Water Systems.² Under the present rules the deposit required for irrigation and other classes of service is not to exceed a sum equal to twice the estimated average periodic bill for service. Under the proposed rule the deposit required for irrigation service will not exceed one third of the estimated annual charge for such service. The deposit required for the other classes will be an amount equal to twice the estimated average monthly bill. Under the proposed rule the charge for restoring water service (which has been discontinued for noncompliance with applicant's rules), is increased from \$1 to \$2.50, and for a meter test from \$1 to \$2 deposit for meters 1 inch or smaller, and \$3.50 for meters larger than 1 inch.

Proposed Rules Nos. 2A and 3C are unduly restrictive as to furnishing water and have been eliminated.

Proposed Rule No. 16 is entirely new and provides that an alternate box or boxes shall be installed by the applicant at the customer's expense. The new rule further provides that where it is necessary for the utility to locate any of its facilities on premises other than those of the prospective customer, such customer is required to secure from the landowner a permit giving the utility the same rights and privileges with respect to its facilities that it would enjoy if the facilities were located on the customer's premises. These, as well as other proposed changes, as modified in Appendix C, appear to be in line with present-day practice and will be authorized.

O R D E R

Pacific Gas and Electric Company having applied to this Commission for a general increase in water rates in its Tuolumne

² Decision No. 46990, Application No. 32722. Decisions Nos. 50248 and 50341, Application No. 34449.

Water System, Sonora District, public hearing thereon having been held, the matter having been submitted, the Commission being fully informed and having found increases in rates as being justified; therefore,

IT IS ORDERED that:

1. Applicant is authorized to file in quadruplicate with this Commission after the effective date of this order, in conformity with General Order No. 96, the schedule of rates shown in Appendix B attached hereto, and, upon not less than five days' notice to the Commission and to the public, to make said rates effective for service rendered on and after May 15, 1957. Applicant is further authorized to refile, as indicated in the opinion herein and upon not less than five days notice to the Commission and to the public, the appropriate rates to place the second step in effect on April 15, 1958, and the third and final step in effect on April 15, 1959.

2. Applicant is authorized to file in quadruplicate with this Commission within thirty days after the effective date of this order, in conformity with General Order No. 96, the tariff sheets set forth in Exhibit 7 in this proceeding as specifically approved or modified by Appendix C attached hereto, together with tariff service area maps. Such 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.

IT IS FURTHER ORDERED that:

3. Applicant shall continue to serve each customer set forth in Exhibit 5 at the deviation rate therein for such customer until a settlement has been reached with said customer, but in no case later

than April 15, 1959, at which time regularly filed rates shall be charged, except as follows:

- a. Customer listed on page 6 of Exhibit 5 to be served on Schedule No. 13.
- b. Customer listed on page 11 of Exhibit 5 to be served on Schedule No. 11.
- c. Customer listed on page 12 of Exhibit 5 to be served under terms of special contract to be filed.
- d. Customers listed on page 22 of Exhibit 5 receiving service under special accommodation contracts will be transferred to the appropriate firm schedule upon written request by any such customer to the utility, but in any event not later than April 15, 1959 or at the end of the basic term of the existing contract, whichever is later.
- e. Customer listed on page 14 of Exhibit 5 to be served under existing deviation rate until the question of water rights is resolved.

4. Applicant shall file with this Commission within 60 days after the effective date of this order, a list of customers being served at deviation rates in accordance with paragraph 3 above, and on December 31, 1957 and December 31, 1958 shall submit a written report on the status of negotiations with each such customer

unless such resale customers voluntarily switch over to the resale schedule prior to April 15, 1959.

5. Applicant shall file with this Commission, within thirty days after the effective date of this order, four copies of a comprehensive map drawn to an indicated scale not smaller than 2,000 feet to the inch, delineating by appropriate markings all of the ditches of the Tuolumne Water System, the various tracts of land and territory served, the principal storage facilities of applicant's ditch system, and the location of the various water system properties of applicant.

6. Applicant shall file with this Commission, within thirty days after the effective date of this order, four copies of a comprehensive map of each town system comprising part of the Tuolumne System, drawn to an indicated scale not smaller than 400 feet to the inch, delineating by appropriate markings the various tracts of land and territory served, the ditch diversion, storage and distribution facilities, and the various water system properties of applicant.

7. Applicant shall, within 250 days after the effective date of this order, complete the construction of and put into operation a water treatment plant for the town system of Tuolumne which will provide a quality of water similar to that now being furnished Jamestown and Sonora customers. Applicant shall notify the Commission in writing within thirty days after the date said treatment plant is put into operation.

8. Applicant shall file with this Commission, within fifteen days after the effective date of this order and prior to April 1 of each year hereafter, through 1961, a written statement of estimated water availability and requirements for the next irrigation season.

9. Applicant shall, for a period of five years after the effective date of this order, in the event of a shortage of water

which it anticipates will require apportionment of water to its customers, inform the Commission in writing not less than ten days in advance of the commencement of each such apportionment program, together with the details thereof.

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

Dated at San Francisco, California, this 9th day of APRIL, 1957.

W. E. Mitchell
President

Ray L. Winters

W. H. D. ...

H. Hart

E. L. Fox
Commissioners

APPENDIX A

LIST OF APPEARANCES

For Applicant: F. T. Searls, John C. Morrissey and Michael Harrington.

Protestants: Scott K. Carter, Peter Palemone, Mrs. Adelina Volpone, C. Bernard White, Jr., and Edwin C. Saunders, for County of Tuolumne; C. Bernard White, Jr., for Pickering Lumber Company; C. Bernard White, Jr., and Robert N. Blewett, for Tuolumne County Water Users' Association; William C. Coffill, for City of Sonora and Oneto & Bottini.

Interested Parties: J. J. Deuel and Bert Buzzini, for California Farm Bureau Federation; Martin McDonough and H. C. Holman, for Tuolumne County Water District No. 2; William C. Coffill, for City of Sonora and Oneto & Bottini.

Commission Staff: W. R. Roche and Charles W. Mors.

LIST OF WITNESSES

Evidence was presented on behalf of the applicant by: John N. Spaulding, J. C. Russell, Jr., T. R. Salm, Rudolph Jenny, Stanley B. Barton, Fred Clark, Kieth W. Johnson.

Evidence was presented on behalf of the protestants and interested parties by: Otis Rosasco, Leon S. Gibbs, Edmond Rosasco, Anthony B. Gotelli, Willis R. Hopson, Marjorie M. Still, Art Dubuque, Columbus D. Bottini, Ernest Muller, C. A. Dambacher, C. Bernard White, Gerald Engler, Earl Daily, Harry Hinkley, Margaret K. Sylva, Kenneth G. Pierce, Francis C. Curnow, Frank Momeyer, Clarence Winn, Albert Falk, William W. Lewis, William L. Scott, Adelina Volpone, Ralph F. McMahon, Charles R. McKibbin, Alvin J. Sylva.

Witnesses called under Section 2055 of the Code of Civil Procedure: Roy H. Waters, Charles W. Golob, Marshall J. Nickles, C. E. Gustafson.

Evidence was presented on behalf of the Commission staff by: Martin Abramson, Robert R. Laughead, Charles F. Clark.

APPENDIX B
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Schedule No. 1

Tuolumne Tariff Area

GENERAL METERED SERVICE

TREATED WATER

APPLICABILITY

Applicable to all treated water furnished on a metered basis.

TERRITORY

The unincorporated communities of Jamestown and Tuolumne and the incorporated City of Sonora, and vicinity, Tuolumne County.

RATES

Quantity Rates:	<u>Per Meter</u> <u>Per Month</u>
First 400 cu.ft. or less	\$ 2.00
Next 2,600 cu.ft., per 100 cu.ft.20
Next 7,000 cu.ft., per 100 cu.ft.13
Over 10,000 cu.ft., per 100 cu.ft.10

Minimum Charge:

For 5/8 x 3/4-inch meter	\$ 2.00
For 3/4-inch meter	2.50
For 1-inch meter	3.50
For 1 1/2-inch meter	4.00
For 2-inch meter	5.00
For 3-inch meter	10.00
For 4-inch meter	15.00

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

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Schedule No. 6

Tuolumne Tariff Area

RESALE SERVICE

APPLICABILITY

Applicable to untreated water furnished for resale for domestic or agricultural purposes.

TERRITORY

The territory adjacent to the company's ditch system, Tuolumne County.

RATES

Per Month

Service Charge:

For each service connection \$4.50

Quantity Rates:

First 50 miner's inch-days, per miner's inch-day	\$0.85
Next 150 miner's inch-days, per miner's inch-day	.65
Over 200 miner's inch-days, per miner's inch-day	.55

The Service Charge is a readiness-to-serve charge applicable to all measured resale service and to which is to be added the monthly charge computed at the Quantity Rates.

SPECIAL CONDITIONS

1. The water supplied under this schedule is untreated water from open ditches, canals, conduits and flumes. The company does not represent or guarantee that any water delivered hereunder is potable or of a quality suitable for human consumption. Any customer who uses said water or makes it available to others for human consumption shall take all necessary precautions to make the same potable and shall assume all risks and liabilities in connection therewith.

2. The company does not guarantee a continuous and uninterrupted supply under this schedule and reserves the right to temporarily suspend the delivery of water when it is necessary to take the whole or any part of its water system out of service for the purpose of cleaning, maintaining, repairing or making essential improvements thereon.

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Schedule No. 11

Tuolumne Tariff Area

ANNUAL GENERAL METERED SERVICE

UNTREATED WATER

APPLICABILITY

Applicable to all untreated water furnished from the ditch system on a metered basis.

TERRITORY

The territory adjacent to the company's ditch system, Tuolumne County.

RATES

Monthly Quantity Rates:

	<u>Per Meter Per Month</u>
First 1,000 cu.ft. or less	\$ 1.50
Next 2,000 cu.ft., per 100 cu.ft.10
Next 7,000 cu.ft., per 100 cu.ft.04
Next 90,000 cu.ft., per 100 cu.ft.02
Over 100,000 cu.ft., per 100 cu.ft.015

Annual Minimum Charge:

	<u>Per Meter Per Year</u>
For 5/8 x 3/4 or 3/4-inch meter	\$ 24.00
For 1-inch meter	36.00
For 1 1/2-inch meter	60.00
For 2-inch meter	90.00
For 3-inch meter	120.00
For 4-inch meter	180.00
For 6-inch meter	300.00

The Annual Minimum Charge will entitle the customer to the quantity of water each month which one twelfth of the annual minimum charge will purchase at the Monthly Quantity Rates.

SPECIAL CONDITIONS

1. Customers may take service under this schedule only on an annual basis. A customer who has established his permanency by having paid for service during each of the preceding 12 months may elect to pay the annual minimum charge on a monthly basis equal to one twelfth of the annual minimum charge.

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Schedule No. 11

Tuolumne Tariff Area

ANNUAL GENERAL METERED SERVICE

UNTREATED WATER

SPECIAL CONDITIONS—Contd.

2. The water supplied under this schedule is untreated water from open ditches, canals, conduits and flumes. The company does not represent or guarantee that any water delivered hereunder is potable or of a quality suitable for human consumption. Any customer who uses said water or makes it available to others for human consumption shall take all necessary precautions to make the same potable and shall assume all risks and liabilities in connection therewith.

3. The company does not guarantee a continuous and uninterrupted supply under this schedule and reserves the right to temporarily suspend the delivery of water when it is necessary to take the whole or any part of its water system out of service for the purpose of cleaning, maintaining, repairing or making essential improvements thereon.

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Schedule No. 12

Tuolumne Tariff Area

LIMITED IRRIGATION SERVICE

APPLICABILITY

Applicable to untreated water for irrigation purposes to customers who require 1 miner's inch demand or less and who receive water by means of a closed pipe system.

TERRITORY

The territory adjacent to the company's ditch system, Tuolumne County.

RATES

	<u>Per Connection per Month</u>	
	<u>Summer Season</u> May through <u>October</u>	<u>Winter Season</u> November through April
For each premises not exceeding 10,000 sq.ft. of area:		
a. Including 1,000 sq.ft. or less of irrigated area	\$3.50	\$3.50
b. Including irrigated area in excess of 1,000 sq.ft. ...	6.00	3.50
Additional for irrigated area in excess of 10,000 sq.ft., per 100 sq.ft.03	-
Additional for each swimming pool	5.00	-

SPECIAL CONDITIONS

1. Customers may take service under this schedule only on an annual basis.
2. Normal delivery flow rates under this schedule are as follow:

	<u>Miner's Inch</u>
For premises not exceeding 10,000 sq.ft. of area	$\frac{1}{2}$
For premises in excess of 10,000 sq.ft. of area	1

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Schedule No. 12

Tuolumne Tariff Area

LIMITED IRRIGATION SERVICE

SPECIAL CONDITIONS—Contd.

3. The water supplied under this schedule is untreated water from open ditches, canals, conduits and flumes. The company does not represent or guarantee that any water delivered hereunder is potable or of a quality suitable for human consumption. Any customer who uses said water or makes it available to others for human consumption shall take all necessary precautions to make the same potable and shall assume all risks and liabilities in connection therewith.

4. The company does not guarantee a continuous and uninterrupted supply under this schedule and reserves the right to temporarily suspend the delivery of water when it is necessary to take the whole or any part of its water system out of service for the purpose of cleaning, maintaining, repairing or making essential improvements thereon.

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Schedule No. 13

Tuolumne Tariff AreaGENERAL IRRIGATION SERVICEAPPLICABILITY

Applicable to untreated water for irrigation purposes from the company's ditch system.

TERRITORY

The territory adjacent to the company's ditch system, Tuolumne County.

RATES

- A. Irrigation season, 6-month period
April 15 to October 15 inclusive:

Service Charge:

Per irrigation connection	<u>For Season</u> \$6.00
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Charge for Turn on, Turnoff or Regulation Change:

First 6 turn ons, turnoffs or regulation changes	No Charge
Over 6 turn ons, turnoffs or regulation changes per change	\$2.50

Quantity Rates:

	<u>Per Connection</u> <u>Per Month</u>
First 23 miner's inch-days, per miner's inch-day	\$.35
Next 57 miner's inch-days, per miner's inch-day	.33
Over 80 miner's inch-days, per miner's inch-day	.30

- B. Nonirrigation Season, 6-month period
October 16 to April 14 inclusive:

Quantity Rate:

For all water delivered	<u>Per Miner's</u> <u>Inch-day</u> \$.33
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Minimum Charge:

For each delivery	<u>Per Connection</u> \$ 2.50
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Schedule No. 13

Tuolumne Tariff Area

GENERAL IRRIGATION SERVICE

SPECIAL CONDITIONS

1. Minimum delivery flow rates under this schedule are as follow:

	<u>Minor's Inch</u>
During irrigation season	$\frac{1}{2}$
During nonirrigation season	$\frac{1}{4}$

2. The company may require a 48-hour notice from the customer for changes in the rate of water delivery.

3. The water supplied under this schedule is untreated water from open ditches, canals, conduits and flumes. The company does not represent or guarantee that any water delivered hereunder is potable or of a quality suitable for human consumption. Any customer who uses said water or makes it available to others for human consumption shall take all necessary precautions to make the same potable and shall assume all risks and liabilities in connection therewith.

4. The company does not guarantee a continuous and uninterrupted supply under this schedule and reserves the right to temporarily suspend the delivery of water when it is necessary to take the whole or any part of its water system out of service for the purpose of cleaning, maintaining, repairing or making essential improvements thereon.

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Schedule No. E-1

Tuolumne Tariff Area

SERVICE TO COMPANY EMPLOYEES

APPLICABILITY

Applicable to domestic water service for regular and pensioned employees of the company.

TERRITORY

The entire Tuolumne Tariff Area served by the company.

RATES

The regularly filed rates and charges applicable to the type of service in the territory at the location where service is supplied, less 25 per cent discount.

SPECIAL CONDITIONS

1. This schedule is available to regular and pensioned employees of the company (married or unmarried), provided they reside in their own homes (single family dwelling, separately metered flat or apartment) and are supplied directly by the company.
2. A regular employee is defined, for the purpose of this schedule, as one who has been continuously employed by the company for more than six months and is paid on a weekly or monthly basis.
3. This schedule is available to employees living with and constituting the support of a mother, father or other relations. It is not available to probationary, casual or temporary employees.

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Schedule No. F-1

Tuolumne Tariff Area

PUBLIC FIRE HYDRANT SERVICE

APPLICABILITY

Applicable to fire hydrant service to municipalities or other political subdivisions of the State.

TERRITORY

The unincorporated communities of Jamestown and Tuolumne and the incorporated City of Sonora, and vicinity, Tuolumne County.

RATES

	<u>Per Hydrant per Month</u>		
	<u>Company Owns and Maintains All Facilities</u>	<u>Customer Owns and Maintains Hydrant</u>	<u>Customer Owns and Maintains Hydrant, Service Pipe & Fittings</u>
<u>Wharf Hydrant:</u>			
On main smaller than 4 inches	\$1.50	\$1.25	\$1.00
On 4-inch main or larger	2.00	1.75	1.50
<u>Standard Hydrant:</u>			
Single outlet	\$2.50	\$2.00	\$1.75
Double outlet	3.50	2.75	2.25
Triple outlet	5.00	4.00	3.25

SPECIAL CONDITION

The company shall be required to supply only such water at such pressure as may be available from time to time as a result of its normal operation of the system.

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Schedule No. F-2

Tuolumne Tariff Area

PRIVATE FIRE PROTECTION SERVICE

APPLICABILITY

Applicable to all water service furnished for privately owned fire protection systems.

TERRITORY

The unincorporated communities of Jamestown and Tuolumne and the incorporated City of Sonora, and vicinity, Tuolumne County.

RATES

	<u>Per Service Connection</u> <u>Per Month</u>
For 4-inch service	\$ 5.50
For 6-inch service	7.00
For 8-inch service	10.50
For 10-inch service	25.00

SPECIAL CONDITIONS

1. This schedule is available only upon 3-year contract, a copy of which contract form is on file with the Public Utilities Commission of the State of California.
2. Any service rendered under this schedule will be furnished only to fire protection systems which are completely isolated from all other water pipes and services of the customer.
3. The company, at its own expense, will install a service connection consisting of valve, detector check and service pipe from its water main (adjacent to the customer's premises) to the street curb line. In no case will the length of the service pipe exceed the width of the street.
4. The company's responsibility shall be to make available only such water in quantities and at pressures as may be available from time to time as a result of normal operation of its water distribution systems. Customers may not take water under this schedule except in the case of fire or for the purpose of periodical test and inspections. The company reserves the right to estimate the quantity of water used and to make an additional charge therefor in accordance with Schedule No. 1.

Schedule No. F-2

Tuolumne Tariff Area

PRIVATE FIRE PROTECTION SERVICE

SPECIAL CONDITIONS—Contd.

5. The customer shall indemnify the company and save it harmless against any and all claims arising out of service under this schedule and shall further agree to make no claim against the company for any loss or damage resulting from service hereunder.

6. Service under this schedule is available for overhead sprinkler systems, and private fire hydrants in establishments located along existing mains having a delivery capacity in excess of the then existing requirements of domestic, commercial and other firm service customers.

APPENDIX C

The Table of Contents, Preliminary Statement, Tariff Service Area Maps, and Rules set forth in Exhibit No. 7 in this proceeding are specifically approved or modified as follow:

Table of Contents

Indicate "ditch system" map under Maps of Tuolumne Water System.

Under Schedule of Rates add Schedule No. 6, Resale Service and change titles of Schedule No. 12 and Schedule No. 13 to Limited Irrigation Service and General Irrigation Service respectively.

Preliminary Statement

Under paragraph 2, Description of Service, Ditch Systems, delete words "and resale" from second sentence.

Service Area Maps

Add a "ditch system" map to this section of the tariffs.

Rules Nos. T-1, T-2, T-3, T-4, T-5, T-6, T-7, T-8, T-9

Approved without change.

Rules Nos. T-10, T-11, T-12, T-13, T-14

Approved without change.

Rule No. T-15

Refile present extension rule, Rule No. 27.

Rules Nos. T-16, T-17

Approved without change.

Rule No. 1

Approved without change.

Rule No. 2

Delete Section A and reletter sections following.

Rule No. 3

Delete Section C and reletter sections following.

Rules Nos. 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18

Approved without change.