

Decision No. 54352**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of J. K. & HARRIET E. MUNGER, a privately owned company, for a certificate of public convenience and necessity to operate a public utility water system and to establish rates for water service in an unincorporated area south and west of Porterville, California, known as Tract No. 243, Tulare County.

Application No. 38777

R. C. Soultz, for applicant.
W. B. Stradley, for the Commission staff.

O P I N I O N

This application was filed on January 29, 1957. Public hearing was held at Porterville before Examiner Power on March 19, 1957. The matter was submitted on that date subject to receipt of a late filed exhibit. The exhibit in question was received on March 22nd and the matter is ready for decision.

Applicants seek a certificate to construct and operate a public utility water system in Tract No. 243 of Tulare County. This tract lies along the southwestern side of the urban settlement centered on Porterville and is about one mile west of the corporate limits of that city. The survey location is in the northwest quarter of Section 35, Township 21S, Range 27E, Mt. Diablo Base and Meridian. There are to be 73 lots in the subdivision.

The proposed water supply for this system will be obtained from a 10-inch diameter well equipped with an electrically driven deep well turbine pump capable of producing an estimated 500 gallons of water per minute against system pressure. A hydropneumatic pressure tank of 2,500-gallon capacity will be situated at the well.

The distribution system which is to be installed consists of about 3,800 feet of 4-inch diameter dipped and wrapped 12-gauge steel pipe. Service connections will be 1 inch in diameter.

With two qualifications the application will be granted. The first qualification will concern itself with the adequacy of the water supply. The second, with the proposed rates.

The water supply as proposed in the application was decidedly insufficient. Applicants modified their proposal at the hearing by proposing a more powerful motor for their pump. While this went far towards making up the deficiency, it may be that the proposal as modified still will not meet the requirements of General Order No. 103. The following order will state the requirements in terms of the General Order.

The proposed rates of applicants are somewhat higher than those of comparable systems in the lower San Joaquin Valley. This proposed system has no experience of its own and the Commission will therefore authorize rates which more nearly conform to the prevailing rate levels in the area.

The Commission finds and concludes: (1) that public convenience and necessity require that the sought certificate be granted; (2) that a water supply not less than that required by the order herein will be required for the tract involved in this application; (3) that the rates attached to the following order are fair and reasonable.

The certificate granted in and by the following order is subject to the following provision of law:

That the Commission shall have no power to authorize the capitalization of this certificate of public convenience and necessity or the right to own, operate

or enjoy such certificate of public convenience and necessity for any amount of money in excess of the amount (exclusive of any tax or annual charge) actually paid to the State as consideration for the issuance of such certificate of public convenience and necessity or right.

O R D E R

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

IT IS HEREBY ORDERED:

That a certificate of public convenience and necessity be and it is hereby granted to J. K. and Harriet E. Munger, doing business as Pleasant Grove Water Co., to construct and operate a public utility system for the distribution and sale of water within the territory hereinbefore described.

IT IS FURTHER ORDERED as follows:

1. a. Applicants are authorized to file after the effective date of this order the rates set forth in Appendix A attached to this order to be effective on or before the date service is first furnished to the public, together with rules and tariff service area map acceptable to this Commission and in accordance with the requirements of General Order No. 96. Such rates, rules and tariff service area map shall become effective on five days' notice to the Commission and to the public after filing as hereinabove provided.
- b. Applicants shall notify this Commission, in writing, of the date service is first furnished to the public under the rates and rules authorized herein, within ten days thereafter.
- c. Applicants shall file within forty days after the system is placed in operation under the rates and rules authorized herein four copies of a comprehensive map, drawn to an indicated scale not smaller than 100 feet to the inch, delineating by appropriate markings the tract of land and territory served; the principal water production, storage

and distribution facilities; and the location of the various water system properties of applicant.

- d. Applicants shall base the accruals to depreciation upon spreading the original cost of the plant, less estimated net salvage and depreciation reserve, over the estimated remaining life of the property; applicant shall review the accruals when major changes in plant composition occur and for each plant account at intervals of not more than five years. Results of these reviews shall be submitted to this Commission.

2. Before the date service is first furnished to the public, applicant shall provide water supply facilities capable of producing sufficient water to furnish service within the area certificated herein in a manner which shall fully meet the maximum requirements for flat rate service as specified by this Commission's General Order No. 103. At least ten days before commencing service, applicant shall notify the Commission in writing of the completion of the installation of such facilities, together with a brief description thereof including such items as the size and depth of the well developed, the quantity of water obtainable therefrom, the size in horsepower of the pumping unit installed and capacity in gallons per minute against distribution system pressure, and the limits of the operating pressures of the system.

3. Applicants shall not extend service to any property outside the boundaries of Tract No. 243, Tulare County, without first having obtained authority from the Commission so to do.

IT IS FURTHER ORDERED that Application No. 38777, except as specifically granted herein, be, and it is, denied without prejudice.

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

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

Dated at San Francisco, California, this 7th day of MAY, 1957.

E. D. [unclear]
President
Paul [unclear]
[unclear]
R. Hardy
C. L. Fox
Commissioners

Schedule No. 1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The unincorporated subdivision known as Tract No. 243, east of State Highway 65 and south of Olive Avenue, approximately one mile west of the City of Porterville, Tulare County.

RATES

		<u>Per Meter per Month</u>
Quantity Rates:		
First	1,000 cu.ft. or less	\$ 3.25
Next	2,000 cu.ft., per 100 cu.ft.....	.20
Next	2,000 cu.ft., per 100 cu.ft.....	.18
Next	5,000 cu.ft., per 100 cu.ft.....	.15
Over	10,000 cu.ft., per 100 cu.ft.....	.12

Minimum Charge:

For	5/8 x 3/4-inch meter	\$ 3.25
For	3/4-inch meter	4.25
For	1-inch meter	6.50
For	1-1/2-inch meter	11.00
For	2-inch meter	16.00

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

Schedule No. 2R

RESIDENTIAL FLAT RATE SERVICE

APPLICABILITY

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

TERRITORY

The unincorporated subdivision known as Tract No. 243, east of State Highway 65 and south of Olive Avenue, approximately one mile west of the City of Porterville, Tulare County.

RATES

	<u>Per Service Connection per Month</u>
For a single family residence, including premises not exceeding 8,000 sq.ft. in area	\$4.00
For each 100 sq.ft. of area in excess of 8,000 sq.ft.....	.03

SPECIAL CONDITIONS

1. The above residential flat rate charges apply to service connections not larger than one inch in diameter.
2. All service not covered by the above classification will be furnished only on a metered basis.
3. A meter may be installed at option of utility or customer for above classification in which event service thereafter will be furnished only on the basis of Schedule No. 1, General Metered Service. When a meter is installed at option of customer, metered service must be continued for at least 12 months before service will again be furnished at flat rates.