

ORIGINAL

Decision No. 55002

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
FRANK E. OCHINERO and JAMES R. OCHINERO,)
a co-partnership doing business as)
OCHINERO BROS. for a Certificate of)
Public Convenience and Necessity to)
operate a public utility water system)
and to establish rates for water)
service in the unincorporated area)
described as TRACT NO. 1603, also known)
as HACIENDA HEIGHTS NO. 2, and adjoin-)
ing territory in the County of Fresno)
under Section 1001 of the Public)
Utilities Code of the State of California.)

Application No. 38324

Lerrigo, Thuosen, Thompson & Thompson by
Maurice E. Smith, for applicants,
W. B. Stragley, for Commission staff.

O P I N I O N

This application was filed on August 13, 1956. Public hearing was held before Examiner John K. Power at Fresno on October 15, 1956. Submission was on the same day subject, however, to the late filing of exhibits relating to potability and water supply. These were received April 19, 1957, and the matter is ready for decision.

Applicants propose to serve Tract No. 1603, also known as Hacienda Heights No. 2 as recorded in Volume 8 of plats, at page 71, official records of Fresno County. Applicants hope to extend into adjoining territory but did not include such plans in this application.

The water system installed by applicants has been financed by their own funds. It consists of a 12-inch well in which 12-inch,

12-gauge casing has been placed. There is a deep well turbine pump now installed driven by a 20 hp. electric motor. The pump discharges into a 3,000-gallon storage tank and from thence into 12-gauge dipped and wrapped steel mains. There are 2,760 feet of 6-inch and 540 feet of 4-inch mains buried to a depth of 36 inches. Seventy 3/4" services have been installed.

In general the Commission is of the opinion that the application should be granted. There are, however, two qualifications to the Commission's approval. First, the water supply, as described in the application and the testimony of the witness applicant is not entirely adequate. Second, the rate proposal is both incomplete and a little too high as compared to comparable systems in the San Joaquin Valley.

The gallonage per minute which will be needed for this 70-lot, flat rate system in the San Joaquin Valley ranges from about 285 to 500 gallons (General Order No. 103). The Commission prefers maximum in that valley because of heavy water use experience particularly in the hot, dry months. The quantity available for this system, as shown by the late-filed Exhibit No. 1 is 451 gallons per minute, which is some 50 gallons less than the maximum indicated above. Therefore, the following order will prohibit extensions without further authority by this Commission. Such authority may only be granted upon sufficient showing that the water supply will be adequate.

The rate proposal, as noted, is both incomplete and somewhat too high. In the absence of experience on this system the Commission will authorize rates now in use by comparable systems in the same area. Applicants proposed no metered rates but asked at the hearing that the Commission fix such rates. This will be done.

The Commission finds and concludes that public convenience and necessity require that the sought certificate be granted, that the amount of water supply capacity required to serve the potential number of customers in Tract No. 1603, Fresno County, is that determined by the several factors indicated by General Order No. 103; that the rates contained in the schedules 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 Frank E. Ochintero and James R. Ochintero, doing business as Hacienda Heights Water System, 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 applicants.
- d. Applicants shall base the accruals to depreciation upon spreading the original cost of the plant, less estimated net salvage and depreciation reserve, over the estimated remaining life of the property; applicants shall review the accruals when major changes in plant composition occur and for each plant account at intervals of not more than five years. Results of these reviews shall be submitted to this Commission.

(2) Applicants shall not extend their water system or render service to any consumer outside the boundaries of Tract No. 1603, Fresno County, unless and until written authority has been obtained from the Commission so to do..

IT IS FURTHER ORDERED that Application No. 38324, 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 21st day of MAY, 1957..

Richard E. McArthur
President
Raul G. Gerasimov
Matthew D. Dooly
R. K. King
E. L. Fox
Commissioners

APPENDIX A
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Schedule No. 1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The unincorporated subdivision known as Hacienda Heights No. 2, Tract No. 1603, and vicinity, located approximately 4 miles northwest of the City of Fresno, Fresno County.

RATES

Quantity Rates:	<u>Per Meter per Month</u>
First 1,000 cu.ft. or less	\$ 3.00
Next 2,000 cu.ft., per 100 cu.ft.20
Next 2,000 cu.ft., per 100 cu.ft.12
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	\$ 3.00
For 3/4-inch meter	3.50
For 1-inch meter	4.50
For 1-1/2-inch meter	7.00
For 2-inch meter	10.00

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 Hacienda Heights No. 2, Tract No. 1603, and vicinity, located approximately 4 miles northwest of the City of Fresno, Fresno County.

RATES

	<u>Per Service Connection</u> <u>per Month</u>
For a single family residence, including premises not exceeding 10,000 sq.ft. in area	\$3.75
a. For each 100 sq.ft. of area in excess of 10,000 sq.ft.03
b. For each noncirculating evaporative-type cooler, in addition to regular flat rates, during the 4-month period June through September50
c. For each noncirculating refrigerator-type air conditioning unit, in addition to regular flat rates, during the 4-month period June through September, per rated ton ...	2.00

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.