

ORIGINAL

Decision No. 56316

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SOUTHWEST WATER COMPANY, a California)
corporation, for authority to apply)
the Zone 1 rates to all customers and)
abolish the Zone 2 rates in its La)
Sierra District.)

Application No. 39515

Arthur D. Guy, Jr., and John C. Luthin, for
applicant.
Alma Carrasco, Mrs. Agnes A. Nelson, John A.
Nelson and Edward E. Wall, Jr., protestants.
Mr. and Mrs. W. R. Clelland, Myra Linn, Melvin
Munson, E. J. Smith, Grant Lothrop, Paul
Schelske, Mrs. E. D. Schelske, Ed Schelske,
D. C. Barr, S. E. Eudy, Cecile Mae Griffen,
James E. Wilhite, Mrs. O. R. Bates, Doris E.
Gale, Vernie G. Maitland, D. H. Maitland,
Mrs. J. D. Siebert, Richard Seidler, and
Ralph R. Koopeny, interested parties.
J. G. Shields, for the Commission staff.

O P I N I O N

Southwest Water Company, a California corporation, is a public utility water corporation operating as such pursuant to authority from the Commission. It has three separate service areas known respectively as the La Mirada District in Los Angeles County, the Etiwanda District in San Bernardino County, and the La Sierra District in Riverside County.

The La Sierra District consists of two nonconnected systems known as Zones 1 and 2 in which there are about 2,950 customers, all furnished water from the same four wells having a total production of 4,000 gallons of water per minute. All services are metered. In both zones the minimum monthly charges for the various size meters are identical, and in both zones the monthly minimum charge is \$1.85 for the first 1,000 cubic feet or less served through a 5/8 by 3/4-inch meter. Beyond the first 1,000 cubic feet of water the rates

are higher in Zone 1 than in Zone 2 as follow:

	<u>Zone 1</u>	<u>Zone 2</u>
Over 1,000 cu.ft. to 10,000 cu.ft., per 100 cu.ft.	\$0.16	\$0.14
Over 10,000 cu.ft., per 100 cu.ft.15	.13

All services are gravity fed. Zone 1 consumers are served from reservoirs having a storage capacity of 1,170,000 gallons of water. Zone 2 customers are served by a reservoir having a storage capacity of 440,000 gallons of water which is only slightly above the level of the services. There are about 450 customers in Zone 2. The Zone 1 reservoirs are 170 feet higher than the Zone 2 reservoir.

By Decision No. 54649, dated March 12, 1957, in Application No. 38576, it was ordered in paragraph 2(d) of the order:

"That within ninety days after the effective date of this order, applicant shall make such changes in its water system and install such facilities as may be necessary to maintain a minimum pressure of 40 pounds per square inch in Zone 2 of its said existing service area. Applicant shall notify the Commission in writing within five days after said facilities have been placed in operation."

On October 1, 1957 applicant's time to comply with said paragraph was extended to February 28, 1958.

On October 28, 1957 applicant filed the presently considered application wherein it requests that as individual customers in Zone 2 are given service at Zone 1 pressures, it be authorized to charge said customers at the Zone 1 rates. It estimates that it will require approximately one year in which to complete all changes necessary to provide Zone 1 pressures to all customers.

A public hearing on the application was held before Examiner Kent C. Rogers in Riverside on January 24, 1958. Prior to the hearing, notice thereof was published as required by this Commission and a notice of hearing was mailed by applicant to each of its Zone 2 customers. Several consumers from each zone appeared

at the hearing. The Zone 2 customers were generally satisfied when they were informed by applicant's attorney that there would be no increase in their rates until water pressure was improved to the Commission's standards. The Zone 1 customers who appeared complained of low pressure in some areas and dirty water, but accepted the fact that no change, either for the better or the worse, in Zone 1 service is contemplated by this application. They were reminded by applicant's attorney that applicant had had the system a little over one year and is proceeding as rapidly as possible to satisfy complaints and correct service deficiencies.

Applicant's manager was the only witness called and all factual matter hereinafter referred to was presented by said witness.

Exhibit No. 1 is a map of the service area showing the existing system and the locations of the proposed changes which are set forth in Exhibit No. 3 and are estimated to cost \$14,000. The Zone 2 service area, in which applicant has about 450 customers, extends from the Zone 2 reservoir shown on Exhibit No. 1, north to Cypress Avenue, south to Mariposa Avenue, and west to Tyler Avenue. All of this area is served from the Zone 2 reservoir by gravity through 12- and 16-inch concrete mains. Applicant's proposed method of increasing the pressure in Zone 2 is to discontinue the use of the 12- and 16-inch mains to and from the Zone 2 reservoir, to discontinue the use of said reservoir as far as service to Zone 2 is concerned, and to provide service to said zone from the Zone 1 reservoirs, which are 170 feet higher than the Zone 2 reservoir, by certain disconnections along the Zone 2 mains and corresponding connections to the lines from the Zone 1 reservoir. Applicant's manager estimated that when the changes are completed a minimum pressure of 60 pounds will be provided in Zone 2.

The proposed changes, as stated, are reflected on Exhibit No. 1 and the locations, descriptions, and estimated costs thereof are listed on Exhibit No. 3, and total \$14,000 for 450 customers, or approximately \$31 per customer. The estimated annual cost per consumer for installing the proposed improvements is \$4.62, and the estimated additional revenue per year per customer is \$1.92. This results in an additional annual cost per year of \$1,215 in excess of the increased revenues realized from the change from Zone 2 to Zone 1 rates (Exhibit No. 2).

From the record herein it appears that the proposed improvements in applicant's Zone 2 portion of its La Sierra District will result in pressures in excess of 40 pounds per square inch. We find that as each Zone 2 customer is provided with such pressure the increase in rates proposed by applicant will be justified as to said customer, and that applicant may have until March 31, 1959 to comply with ordering paragraph 2(d) of Decision No. 54649.

O R D E R

A public hearing having been held, evidence having been presented, and the Commission having made the foregoing findings, and based upon said findings,

IT IS ORDERED:

(1) That paragraph 2(d) of the order of Decision No. 54649, dated March 12, 1957, in Application No. 38576, is amended to read as follows:

"That on or before March 31, 1959, applicant shall make such changes in its water system and install such facilities as may be necessary to maintain a minimum pressure of 40 pounds per square inch in Zone 2 of its said existing service area. Applicant shall notify the Commission in writing within five days after said facilities have been placed in operation as herein provided."

(2) a. That applicant is authorized to file in quadruplicate with this Commission in conformity with General Order No. 96, within thirty days after the effective date of this order, the rates set forth in Appendix A attached hereto. Said rates shall become effective upon five days' notice to the Commission and to the public after filing as hereinabove provided.

b. That applicant shall, within thirty days after all customers in Zone 2 have been transferred to Schedule No. LS-1, General Metered Service, request cancellation of Schedule No. LS-1L, Limited Temporary General Metered Service, by appropriate advice letter.

(3) That upon the installation of the improvements hereinabove required and upon written notice being given to any customer under the provision of the tariffs hereinabove authorized, applicant shall transfer any such customer to Schedule No. LS-1, General Metered Service.

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

Dated at Los Angeles, California, this 3rd day of MARCH, 1958.

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

APPENDIX A
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Schedule No. LS-1
La Sierra Tariff Area
GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The unincorporated community of La Sierra, and vicinity, Riverside County.

RATES

	<u>Per Meter</u> <u>Per Month</u>
Quantity Rates:	
First 1,000 cu.ft. or less	\$ 1.85
Next 9,000 cu.ft., per 100 cu.ft.16
Over 10,000 cu.ft., per 100 cu.ft.15
Minimum Charge:	
For 5/8 x 3/4-inch meter	\$ 1.85
For 3/4-inch meter	2.40
For 1-inch meter	3.00
For 1 1/2-inch meter	5.00
For 2-inch meter	7.50
For 3-inch meter	13.00
For 4-inch meter	20.00
For 6-inch meter	40.00

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. LS-1L

La Sierra Tariff Area

LIMITED TEMPORARY GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service as set forth in the Special Conditions below.

TERRITORY

Pressure Zone No. 2 of the unincorporated community of La Sierra, and vicinity, Riverside County.

RATES

Per Meter
Per Month

Quantity Rates:

First 1,000 cu.ft. or less	\$ 1.85
Next 9,000 cu.ft., per 100 cu.ft.14
Over 10,000 cu.ft., per 100 cu.ft.13

Minimum Charge:

For 5/8 x 3/4-inch meter	\$ 1.85
For 3/4-inch meter	2.40
For 1-inch meter	3.00
For 1 1/2-inch meter	5.00
For 2-inch meter	7.50
For 3-inch meter	13.00
For 4-inch meter	20.00
For 6-inch meter	40.00

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

SPECIAL CONDITIONS

1. Service rendered under this schedule is limited to customers residing in Pressure Zone No. 2.

Schedule No. LS-11

La Sierra Tariff Area

LIMITED TEMPORARY GENERAL METERED SERVICE

SPECIAL CONDITIONS—Contd.

2. Service under this schedule will be discontinued to each individual customer at such time as written notice is given to said customer advising that the service improvements under the condition set forth in paragraph (1) of the order of Decision No. have been accomplished and that service thereafter will be rendered under Schedule No. LS-1, General Metered Service.

3. This schedule will be effective only until all customers have been transferred to Schedule No. LS-1, General Metered Service, as provided for under Special Condition No. 2, above.