

ORIGINAL

Decision No. 58076

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 ALBERT J. SCHOCH and SAM KERNS, a)
 co-partnership, d.b.a. Cold Springs)
 Water Co., for a Certificate of Public)
 Convenience and Necessity to operate a)
 Public Utilities Water System and to)
 establish rates for water service in)
 the unincorporated area known as Cold)
 Springs Subdivisions, approximately)
 25 miles east of the City of Sonora,)
 County of Tuolumne, State of California,)
 on California State Highway No. 108.)

Application No. 39979

Hardin and Gorgas by James R. Hardin, for applicants.
W. B. Stradley, for the Commission staff.

O P I N I O N

This application was the subject of a public hearing in Sonora on October 7, 1958, and at the conclusion of the hearing was submitted.

Applicants seek to render water service in the Cold Springs Subdivisions in Tuolumne County. The area is adjacent to the Sonora-Mono State Highway (No. 108) and is about eight miles east of Slide Inn. The survey location is Section 36, Twp. 4N, Range 17E., MDB&M.

The development at the time of hearing consisted of Cold Springs Units Nos. 1, 2, 1A and 1B, and 3A, 3B and 3C. The whole consists of 265 lots.

It developed on the hearing day that the water sources consisted of a well and a spring. The available storage consisted of two 11,000-gallon tanks.^{1/} Applicant Kerns testified that more

^{1/} Since the hearing date a new spring has been developed. Storage tanks of 32,500 and 40,000 gallons capacity (on order at the time of hearing) have been installed.

storage tanks were on order. The available water from sources of supply is about 50 gallons per minute. Applicants' certificate will have to be limited to Units Nos. 1, 1A, 1B, 2 and 3A at the present time. As storage and additional sources are added, Units Nos. 3B and 3C may be added by supplemental applications herein.

Applicants proposed a rate of \$1.50 per lot per month and, in addition, \$2 per month for each single residence or dwelling unit. These rates, however, were not supported by any competent evidence submitted by applicants. The fixing of a rate to be applicable to each lot, whether or not the owner desires to receive water service, would not be in the public interest and, accordingly, this rate will not be authorized. Rates which are comparable to those in effect for similar service furnished by other utilities in the same general area are set forth on Appendix A attached hereto and will be authorized.

The Commission finds and concludes that public convenience and necessity require that the certificate requested by the applicants be granted to the extent set forth in the following order. The Commission further finds that the schedule of rates attached to the following order is reasonable.

No franchise is required by the County of Tuolumne.

The certificate of public convenience and necessity herein granted 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 the 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,

1. IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to Albert J. Schoch and Sam Kerns to construct and operate a public utility system for the distribution and sale of water within the subdivisions known as Cold Springs Units Nos. 1, 1A, 1B, 2 and 3A in Tuolumne County.

2. IT IS FURTHER ORDERED as follows:

- (a) Applicants are authorized to file the rates set forth in Appendix A attached to this order, to be effective on or before the date service is first rendered to the public under the authority granted herein, 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 upon 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.
- (c) Applicants shall determine the accruals for depreciation by dividing the original cost of the utility plant less estimated future net salvage less depreciation reserve by the estimated remaining life of the plant. Applicants shall review the accruals as of January first of the year following the date service is first rendered to the public under the rates and rules authorized herein and thereafter

when major changes in utility plant composition occur and at intervals of not more than five years. Results of these reviews shall be submitted to this Commission.

3. IT IS FURTHER ORDERED that Albert J. Schoch and Sam Kerns shall not extend service beyond the area designated in paragraph No. 1 of this order without further appropriate orders of the Commission.

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 2nd day of March, 1959.

[Signature]
President

[Signature]
[Signature]
Commissioners

Commissioner Matthew J. Dooley, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A
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Schedule No. 1

ANNUAL GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The unincorporated area including Cold Springs Units Nos. 1, 1A, 1B, 2 and 3A, located adjacent to State Highway 108, approximately 8 miles east of Long Barn, Tuolumne County.

RATES

		<u>Per Meter</u> <u>Per Month</u>
Monthly Quantity Rates:		
First	800 cu. ft. or less	\$ 3.25
Next	2,200 cu. ft., per 100 cu. ft.35
Next	7,000 cu. ft., per 100 cu. ft.25
Over	10,000 cu. ft., per 100 cu. ft.20
Annual Minimum Charge:		
		<u>Per Meter</u> <u>Per Year</u>
For	5/8 x 3/4-inch meter	\$ 39.00
For	3/4-inch meter	57.00
For	1-inch meter	90.00
For	1 1/2-inch meter	162.00
For	2-inch meter	204.00

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. The above annual minimum charges apply to service during the 12-month period commencing January 1, and are due in advance. 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.

Schedule No. 1

ANNUAL GENERAL METERED SERVICE
(Continued)

SPECIAL CONDITIONS (Cont'd.)

2. The charges for water used in excess of the monthly allowance under the annual minimum charge will be billed monthly on a noncumulative monthly consumption basis.

3. For initial service connected after January 1 the annual charge will be prorated on the basis of the number of months remaining in the calendar year, any portion of a month being treated as a whole month.

Schedule No. 2

ANNUAL FLAT RATE SERVICE

APPLICABILITY

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

TERRITORY

The unincorporated area including Cold Springs Units Nos. 1, 1A, 1B, 2 and 3A, located adjacent to State Highway 108, approximately 8 miles east of Long Barn, Tuolumne County.

RATES

	<u>Per Service Connection Per Year</u>
For a single family residence or business establishment, including premises	\$ 40.00
a. For each additional residence or business establishment on the same premises and served from the same service connection	30.00

SPECIAL CONDITIONS

1. The above flat rate charges apply to service connections not larger than 3/4-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, Annual General Metered Service.
4. The above flat rate applies to service during the 12-month period commencing January 1, and is due in advance. 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.