

Decision No. 59965**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Ronald A. Brown, Mary E. Brown,
 Complainants,

vs.

Case No. 6277

Mr. E. A. Reynolds,
 dba Humboldt Hill Water Service,
 Defendant.

Richard E. Rader, for complainants.
Elbert A. Reynolds, in propria persona,
 for defendant.
Harlan White, for himself.
Clyde Norris, for the Commission staff.

O P I N I O N

Complainants commenced this proceeding on June 2, 1959. A public hearing was held in Eureka on September 30, 1959, and the matter was then submitted subject to the receipt of two late-filed exhibits within thirty days. One of these, a map of the service area, has been received as of February 15, 1960. In other words, it was about 117 days overdue. The other has not been received. This late exhibit was to have been a list of defendant's proposed improvements to the system. It is less essential than the map and the matter will stand submitted as of February 15, 1960 without it.

Defendant's certificate was granted in Decision No. 48424, dated March 30, 1953, in Application No. 34039. This certificate covered only the Humboldt Hill subdivision. A prohibition against extensions was inserted into this certificate at the request of the defendant. Thus defendant lost his right to extend into contiguous territory under Section 1001 of the Public Utilities Code.

In fact defendant is now serving two subdivisions outside of Humboldt Hill and appears to have offered to serve a third. The service area apparently consists of the following subdivisions: Humboldt Hill (Amended Map); Humboldt Hill (Unit No. 2); Parkwood Units Nos. 1, 2 and 3; and Country Club Estates.

This area is suburban to the City of Eureka. It lies along low hills to the east of U. S. Highway 101 and slightly north and east of the town of Field's Landing. There are several houses in Humboldt Hill and Country Club Estates and some in the Parkwood tracts. At the time of the hearing there were 123 service connections of which 37 were on flat rates and 86 were metered. There were houses in process of construction on September 30, 1959, and, therefore, the number of customers is undoubtedly larger at this time.

To serve these customers the utility has two wells. One yields 125 gallons per minute with a 15 horsepower pump and the other, 15 gallons per minute with a 3 horsepower pump. These discharge into an 18,000-gallon wooden storage tank located on Lot B of Humboldt Hill subdivision. At the present time this storage tank supplies the system through an 8-inch asbestos cement line. The system in Humboldt Hill and Country Club Estates contains 8-inch, 6-inch and 4-inch asbestos cement pipe; 4-inch steel pipe; 2-inch and 2½-inch galvanized iron and a section of 2-inch plastic pipe.

The subdivider of Parkwood has installed a system in Parkwood which, at the date of the hearing was not connected up. It was supposed to be connected up in fifteen to thirty days after the hearing, but there is no assurance that this has been done. This system consists of 8-inch and 6-inch diameter asbestos cement pipe. This subdivider proposes to construct a reservoir capable of storing from 450,000 to 500,000 gallons of water. This Parkwood system is

lower in elevation than Humboldt Hill and water would therefore flow into Parkwood from Humboldt Hill whenever there was a deficiency.

Customers who testified complained of outages, low pressures and excessive iron in the water. One witness reported damage to her washing machine. A major grievance was inability to reach the utility by telephone on weekends.

The present water supply plus storage on this system does not meet the minimum requirements of General Order No. 103. Defendant proposed at the hearing to construct a reservoir of 350,000 gallons capacity or larger. At the time of hearing a contractor was laying 8-inch and 6-inch asbestos cement pipes in Humboldt Hill along Donna Drive and into Country Club Estates. This line connects directly with the 18,000-gallon storage tank.

Defendant did not promise much in the way of supply at the hearing. He stated, though, that his large well will produce more water than the test shows. He also claimed that a well belonging to the subdividers of Country Club Estates was "available" to this water system. There is no test of this well.

The whole testimony of defendant with respect to supply and storage is vague and unsatisfactory. Yet the solution of the supply problem is easy. The development of one well or certain springs on land owned by defendant plus the proposed reservoir would meet the major requirements. Certain re-piping is also needed but is less imperative than the supply procedure.

What was said in the last paragraph has been known for some time. No action however has been taken. While the long wait for Exhibit No. 1 was going on, the major ills of this water system could have been cured but the Commission has not been advised of any such action.

The delay in seeking relief from the certificate restriction, in filing exhibits and in getting started with improvements known to be needed, suggests negligence and procrastination. More than anything else, these are the source of trouble in Humboldt Hill. No physical or financial problems exist, so far as the Commission is advised, which would prevent solutions. Nevertheless, actions that should have been taken have not been taken for months or even for years. The illegality of the water system's service to Parkwood could have easily been cured.

It is clearly the defendant's duty to either manage this system efficiently or put some one else in charge of it. The Commission has no intention of allowing defendant to go on ignoring its orders as he has in the past. The order following will require the installation of an adequate storage facility and an increase in water supply. The Commission expects that these orders will be complied with promptly.

The Commission finds that:

1. Defendant holds a certificate of public convenience and necessity to operate a public utility water system in Humboldt Hill subdivision, Humboldt County.

2. Said certificate was granted in Decision No. 48424, dated March 30, 1953, in Application No. 34039.

3. Decision No. 48424 contains the following provision:

".... provided however, that the certificate of public convenience and necessity herein granted to Elbert A. Reynolds shall be subject to the condition that he shall not make extensions into other territory contiguous to any of the certificated area hereinbefore described without authority first having been obtained from this Commission."

4. Complainants herein reside in Parkwood Unit No. 2.

5. Defendant has offered to, and continues to offer to render water service to residents of certain areas contiguous to Humboldt Hill subdivision, namely: Country Club Estates and Parkwood Unit No. 2.

6. The water corporation best physically situated to provide service in Humboldt Hill (Unit No.2), Parkwood Units Nos. 1, 2, and 3 and Country Club Estates is the system owned by defendant herein.

7. Defendant has signed a letter of intention to the State of California, Department of Investment, Division of Real Estate, offering to serve Parkwood Unit No. 2 "under Public Utilities Commission rules".

8. The water supply of defendant on September 30, 1959 amounted to no more than one-hundred-forty gallons per minute and was produced by two wells.

9. The initial storage facility connected with defendant's water system on September 30, 1959 was a wooden tank having a capacity of 18,000 gallons.

10. The outlet to said storage tank was a pipeline constructed of pipe having an outside diameter of eight inches.

11. The principal input of said storage tank is delivered thereto through a pipeline of four inches outside diameter and consists of approximately 140 gallons per minute.

12. The supply and initial storage referred to in paragraphs 8, 9, 10 and 11 is inadequate to meet the demands of consumers connected to the system on September 30, 1959.

Based upon the foregoing findings, the Commission concludes:

1. That public convenience and necessity will require that defendant render water service to the residents of the following subdivisions in Humboldt County: Humboldt Hill (Amended Map); Humboldt Hill (Unit No. 2); Parkwood Units Nos. 1, 2 and 3; and Country Club Estates.

2. That Humboldt Hill Water Service and Elbert A. Reynolds cannot supply any new consumers without injuriously withdrawing the water supply, wholly or in part from those presently served, unless such supply is increased.

3. That service to complainants herein and other residents of Parkwood and to residents of Country Club Estates is unlawful.

4. That if water supply were withdrawn from persons now being unlawfully served, such persons would be deprived of the use and enjoyment of their several properties without fault on their part.

5. That the requirements for water supply and storage set forth in the following order are reasonably necessary to provide an adequate water supply to residents of the area within which defendant holds himself out to provide water service.

C R D E R

Complaint having been filed and public hearing having been held and the Commission basing its decision on the foregoing findings and conclusions,

IT IS ORDERED that:

1. Within ten days after the effective date of this order defendant, E. A. Reynolds, doing business as Humboldt Hill Water Service, shall file a written request with the Commission for removal of the restriction in his certificate of public convenience and necessity set forth in finding No. 3 in the foregoing opinion. Such request shall be accompanied by a request for a certificate of public

convenience and necessity to serve Humboldt Hill (Unit No. 2), Parkwood Units Nos. 1, 2 and 3, and Country Club Estates in addition to defendant's present service area.

2. Within thirty days after making the filing required by paragraph 1 of this order, defendant is authorized and directed to revise his presently effective tariff schedules for his water system to provide for the application of his rules and rates in the extended service area described herein, together with a revised tariff service area map acceptable to this Commission and in accordance with the provisions of General Order No. 96. Such revised tariff sheets and tariff service area map shall become effective upon five days' notice to the Commission and the public after filing as hereinabove provided.

3. Not later than June 1, 1960, defendant shall construct and place in operation at the point in Humboldt Hill Subdivision indicated on the map, Exhibit No. 1, a storage reservoir of not less than 350,000 gallons capacity.

4. Not later than June 1, 1960, defendant shall increase his water supply to at least 300 gallons per minute by the development or acquisition of additional wells or springs and shall connect such additional water supply to his present system.

5. Within ten days after completion and placing in operation of said reservoir and the connection of an additional source or sources of water supply to the Humboldt Hill water system, as required by paragraphs 3 and 4 hereinabove, defendant shall report to the Commission, in writing, such completion and connection.

6. Within thirty days after the effective date of this order, defendant shall designate a responsible representative located at an address in or near the service area, to whom service complaints

can be reported, which representative shall have a telephone number that can be called by consumers 24 hours per day and seven days per week. The address of such representative and the corresponding telephone number shall be placed on every bill rendered after such telephone service becomes effective. Within said thirty-day period defendant shall inform the Commission, in writing, of the name and address and telephone number of such representative.

7. Defendant shall forthwith cease and desist from making any extensions of his water system into any additional areas other than Humboldt Hill (Unit No. 2); Parkwood Units Nos. 1, 2 and 3; and Country Club Estates, without further order of this Commission.

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

Dated at San Francisco, California, this 19th day of April, 1960.

[Signature]
President

[Signature]

[Signature]

[Signature]
Commissioners