

ORIGINAL

Decision No. 61648

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's
own motion into the service, opera-
tions, rules and practices of
PACIFIC WATER CO., a corporation.

Case No. 6387

Franklin G. Campbell, for the Commission staff.
Moss, Lyon & Dunn, by George C. Lyon, for the
respondent.
Nathaniel Shanks, in propria persona, and Jay
Moltzner, for water users in Mariana Ranchos
Section, complainants.

OPINION ON REHEARING

The above-entitled investigation was instituted November 24, 1959. A public hearing on respondent's operations in its Victorville systems was held before Examiner Grant E. Syphers on February 8, 1960, at Victorville. By Decision No. 60086, dated May 9, 1960, the respondent was ordered to carry out certain improvements to its Victorville water systems by certain specified dates. On May 19, 1960, the respondent petitioned for rehearing which was granted on July 28, 1960.

A rehearing was held before Examiner Stewart C. Warner on December 2, 1960, at Los Angeles.

In its petition for rehearing, respondent pleaded that its financial condition required an extension of time to complete the

improvements ordered by Decision No. 60086; that the time limits provided in the order of the Commission to complete certain of the improvements were not feasible under existing conditions; and that additional studies were required before certain of the improvements could or should be made. At the rehearing, testimony and evidence were taken as to respondent's operating conditions in each of its six Victorville systems and testimony and evidence were adduced regarding steps which the respondent had taken to meet the requirements of Decision No. 60086.

Each of the respondent's Victorville systems will be discussed separately.

Victorville No. 1 South

Exhibit No. 5 shows that as of November, 1960, respondent was furnishing water service to 103 customers in this area.

By Decision No. 60086 the respondent was to have installed a new automatically controlled booster pump by June 16, 1960; to have obtained a suitable site and to have installed a 50,000-gallon tank, including fittings, at an elevation of 3,250 feet by December 31, 1960; and to have installed 700 feet of 10-inch main to connect the tank with the existing 4-inch distribution main by December 31, 1960.

The record shows that the 61 eligible voters, who were also water customers, of Section 21, Township 4N, Range 3W, S.B.B.&M., voted to form a county water district to be known as Mariana County Water District; that a petition was filed by them with the San Bernardino County Board of Supervisors; that a hearing thereon was held by said Board; that the formation of the District was authorized

by said Board; that an election date was set for January 24, 1961, at which time the formation of the District and the election of directors were to take place. The purpose of the formation of the District was to acquire the respondent's water system in Victorville No. 1 South, and said District would thereafter serve all of Section 21 and, later, the 5 customers in Section 22. A bond issue of \$75,000 would be issued and, thereafter, negotiations would take place with the respondent for the acquisition of respondent's water system in the area.

The respondent asks a delay in effecting the water system improvements until the last half of 1961. In the meantime, the respondent has improved the operating conditions of its pump. Since then, and as a result thereof, no water outages or shortages have been reported. Respondent's president testified that, in his opinion, the obtaining of a well site and installation of a storage tank should await the outcome of the negotiations by the District for the acquisition of the respondent's water system.

The record shows that a free tank site may be available to the respondent if the District does not acquire the respondent's system, although if respondent were to avail itself of such free site, the installation of approximately 2,000 feet of 8-inch main to connect the storage tank with the distribution system would be required.

Victorville No. 1 North

Exhibit No. 5 shows that as of November 1960, there were 24 customers in this area.

By Decision No. 60086 the respondent was to have sealed off the existing wells, of which there are two known as

Wells No. 3 and No. 3-A, from surface water by June 16, 1960; to have installed a pressure tank by December 31, 1960; and to have re-equipped one well and to have installed a 25-horsepower motor and pump, together with necessary pipeline, and a pressure release valve in connection with the existing 26,000-gallon tank, by June 30, 1960.

The record shows that the respondent has sealed off Well No. 3 at a cost of \$699.26; that a portable chlorinator has been made available for use on Well No. 3-A, making it available as an emergency source of supply approved by the San Bernardino County Health Department; and that to seal off Well No. 3-A would cost approximately \$1,500, to install a 50-horsepower electric motor on the pump therein would cost \$5,000, and to install a pressure tank would cost \$2,500.

It was the opinion of the respondent's president that funds should not be diverted from other improvements, of a more urgent nature, in its other operating districts at this time, and that the improvement to the system in Victorville No. 1 North should be delayed until June, 1962.

The Commission staff engineer recommended that the presently installed 125-horsepower electric motor for the pump in Well No. 3-A, with an annual minimum power charge of \$1,156.25, should be replaced at once by a motor with a lower annual minimum power charge. Such charge for a 25-horsepower electric motor, as shown in Exhibit No. 4, is \$246.50 and for a 50-horsepower electric motor, \$462.50.

Victorville No. 3

Exhibit No. 5 shows that, as of November, 1960, there were 11 customers in this area.

By Decision No. 60086 the respondent, in Victorville No. 3, was to have replaced approximately 1,000 feet of leaking 4-inch mains along Desert View Avenue and Del Sol Road by September 30, 1960; was to have notified the 11 customers of the excess of fluorides in the water served them, and to notify them that the water was not recommended for drinking or culinary purposes; was not to have served any new customers from this system without advising them of this situation in advance of the furnishing of any service; and was to have filed schedules of rates for nonpotable water.

The record shows that the San Bernardino County Board of Health had frozen the number of customers in this area to 15 until a supply of water free of fluoride or with the required amount of fluoride was furnished. The record further shows that, except for the replacement of pipelines, the proposed directions to the respondent regarding its Victorville No. 3 system have been carried out.

The respondent's president testified that it would cost \$2,000 to replace the pipeline; that improvements to the respondent's systems in its other operating districts was of a more urgent nature; and that the respondent could safely go on until June, 1962, in its Victorville No. 3 system without an unreasonable number of leaks.

Victorville No. 4

Exhibit No. 5 shows that, as of November, 1960, there were 187 customers in this area.

By Decision No. 60086 the respondent was to have installed 1,320 feet of 8-inch main on Mesquite Road by June 30, 1960.

The respondent's president testified that this would cost about \$4,000; that Johns-Manville Corporation had required the respondent to pay off a short term note before furnishing any more transite

pipe to the respondent; and that the improvements could be effected by June 30, 1961.

Victorville No. 5

Exhibit No. 5 shows that, as of November, 1960, there were 39 customers in this area.

By Decision No. 60086 the respondent was to have repaired an existing 25,000-gallon tank not later than December 31, 1960.

The record shows that there are two storage tanks of 25,000-gallons each; that the respondent has experienced no water outages or shortages with the present storage capacity as used; that it would cost about \$2,500 to repair the present tank; and that the respondent would expect to do this work in the first half of 1962. The record also shows that the County Health Department has placed no restrictions on the use of the storage tanks.

Victorville No. 6

Exhibit No. 5 shows that, as of November, 1960, there were 45 customers in this area.

By Decision No. 60086 the respondent was to have replaced the existing pump on Well No. 1 by September 30, 1960.

The record shows that this area is growing; that the respondent intends to replace this pump and could effect such replacement by July 31, 1961. The staff engineer recommended that the date be set forward to June 30, 1961, to take care of the 4th of July weekend.

Rate Schedules

The Commission takes notice of the fact that on May 31, 1960, it issued its Decision No. 60205 in Application No. 40805, an

application by Pacific Water Co. for increased rates for water service for its Victorville systems. By that decision, Pacific Water Co. was authorized to file a new rate schedule for its Victorville Nos. 1, 4, 5 and 6 Tariff Areas and a new rate schedule for its Victorville No. 3 Tariff Area, the latter being applicable to nonpotable water. These rate schedules were filed June 21, 1960 and became effective July 1, 1960.

Findings and Conclusions

Based on the record on rehearing, the following findings and conclusions are made:

1. The public interest requires:

That in Victorville No. 1 South, in the event that the sale of the respondent's water system in this area to Mariana County Water District is not successfully concluded, the respondent should be directed to obtain a suitable site and install a 50,000-gallon tank, including fittings, and install a pipeline to connect said tank with the distribution system with a capacity sufficient to maintain proper and adequate operating pressures in this area by December 31, 1961;

That in Victorville No. 1 North, the respondent should be directed to replace the 125-horsepower electric motor driving the pump on Well No. 3-A with a 50-horsepower electric motor; should seal off Well No. 3-A from surface water; and should install a pressure tank at Well No. 3-A by December 31, 1961;

That in Victorville No. 3, the respondent should be directed to submit a program for progressive replacement of leaking mains and to replace approximately 1,000 feet of leaking 4-inch mains on Desert View Avenue and Del Sol Road, or vicinity thereof, by June 30, 1962;

That in Victorville No. 4, the respondent should be directed to install 1,320 feet of 8-inch main on Mesquite Road by June 30, 1961;

That in Victorville No. 5, the respondent should be directed to repair the existing 25,000-gallon tank not later than June 30, 1961;

That in Victorville No. 6, the respondent should be directed to replace the existing pump on Well No. 1 by June 30, 1961.

2. That the respondent should be required to submit in writing, within ninety days after the effective date of this order, a plan acceptable to the Commission for accomplishing each of the improvements listed on Appendix A attached to the order which follows.

3. That the rate schedules established by Decision No. 60205 for the Victorville Nos. 1, 4, 5 and 6 Tariff Areas and for the Victorville No. 3 Tariff Area should be affirmed.

4. That the respondent should be directed to cease and desist from extending into territory outside of its certificated areas which territory is not contiguous to its lines, plant or system without prior authorization by this Commission.

ORDER ON REHEARING

Investigation on the Commission's own motion having been instituted, a public hearing having been held, a petition for rehearing having been filed, a rehearing having been held, the matter having been submitted and now being ready for decision; therefore,

IT IS HEREBY ORDERED that Decision No. 60086, dated May 9, 1960, be and it is modified as follows:

1. That Pacific Water Co., a corporation, be and it hereby is directed to make the following improvements in its Victorville systems by such dates as hereinafter specified and to report in writing to this Commission concerning these improvements within ten days after each of said improvements has been completed:

Victorville No. 1 South

- a. Obtain a suitable site and install a 50,000-gallon tank, including fittings, at an elevation of at least 3,250 feet by December 31, 1961.
- b. Install an 8-inch pipeline to connect the storage tank herein ordered to be installed with the existing distribution main of a capacity to maintain proper and adequate operating pressures in the area by December 31, 1961.

Victorville No. 1 North

Replace the existing 125-horsepower electric motor at Well No. 3-A with a 50-horsepower electric motor; install a pressure tank of approximately 2,000-gallon capacity at Well No. 3-A and seal off Well No. 3-A from surface water by December 31, 1961.

Victorville No. 3

- a. Replace approximately 1,000 feet of leaking 4-inch mains along Desert View Avenue and Del Sol Road by June 30, 1962.
- b. Submit to the Commission, in writing, within ninety days after the effective date of this order, a program for the progressive replacement of leaking mains in this system at the rate of not less than 500 feet per year.

Victorville No. 4

Install 1,320 feet of 8-inch main on Mesquite Road by June 30, 1961.

Victorville No. 5

Repair the existing 25,000-gallon tank not later than June 30, 1961.

Victorville No. 6

Replace the existing pump on Well No. 1 by June 30, 1961.

2. That within ninety days after the effective date of this order Pacific Water Co. shall submit, in writing, a plan acceptable to this Commission for accomplishing each of the improvements listed on Appendix A attached hereto and made a part hereof.

3. That the respondent shall continue in effect, until further order of this Commission, the rate schedules authorized by Decision No. 60205 for its Victorville systems.

4. That Pacific Water Co. shall cease and desist from extending into territory outside of its certificated areas which territory is not contiguous to its lines, plant or system without prior authorization by this Commission.

IT IS FURTHER ORDERED that in all other respects Decision No. 60086 shall remain binding and in full force and effect.

The Secretary of the Commission is directed to cause personal service of this order to be made upon Pacific Water Co. and this order shall be effective twenty days after the completion of such service.

Dated at San Francisco, California, this 17th day of March, 1961.

President

Commissioners

Everett C. McKeage
Commissioner _____, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A
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PACIFIC WATER CO.,
a corporation

A. Victorville No. 1 South

1. Improvements to be made when 150 customers are served:
 - a. Install a second 50,000-gallon tank including fittings.
 - b. Install approximately 1,200 feet of 10-inch pipe including valves.
2. Improvements to be made when 400 customers are served:
 - a. Install a third 50,000-gallon tank including fittings.
 - b. Install about 2,000 feet of 8-inch pipe and connecting valves.
 - c. Obtain an additional well and equip it with a 500-gallon per minute pump.

B. Victorville No. 1 North

1. Improvements to be made when 100 customers are served:
 - a. Install a 50,000-gallon tank at the large well.
 - b. Install a 5,000-gallon pressure tank with a 500-gallon-per-minute booster pump.
2. Improvements to be made when 400 customers are served:
 - a. Install a 150,000-gallon storage tank on an elevated site.
 - b. Install 8,000 feet of 10-inch pipe.

C. Victorville No. 3

1. Improvements to be made when 50 customers are served:
 - a. Obtain an additional water source and necessary pumping equipment.
 - b. Replace about 2,200 feet of 6-inch main and 5,000 feet of 4-inch main.

APPENDIX A
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PACIFIC WATER CO.,
a corporation

D. Victorville No. 5

1. Improvements to be made when 100 customers are served:
 - a. Install an additional 50,000 gallons of elevated storage.
 - b. Replace the existing well pump with a 300-gallon-per-minute unit.
2. Improvements to be made when 200 customers are served:

Obtain an additional well and a 300-gallon-per-minute pump.

E. Victorville No. 6

1. Improvements to be made when 100 customers are served:
 - a. Install 100,000 gallons of additional storage at an elevation of about 3,640 feet.
 - b. Install 2,000 feet of 6-inch main.
2. Improvements to be made when 200 customers are served:

Install necessary pumping equipment for the well which is presently not in use.
3. Improvements to be made when 300 customers are served:
 - a. Install 50,000 gallons of storage at approximately 3,375-foot elevation.
 - b. Install 800 feet of 6-inch main.