

ORIGINALDecision No. 62118

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of SILVER SPUR RANCH WATER COMPANY,
a California corporation, for a
Certificate of Public Convenience
and Necessity to Serve 37 acres more
or less within Section 31, T. 5 S.,
R. 6 E., S.B.B. & M.; to Approve a
Contract of Water Service and to
Establish Special Rates

Application No. 43324

O P I N I O N

By the application herein filed with this Commission on April 17, 1961, and amended by an amendment filed on the same date, applicant seeks (1) authority to extend its service area, (2) approval of a main extension agreement, and (3) authority to establish monthly minimum charges for 6-inch, 8-inch and 10-inch meters.

By Decision No. 54978, dated May 14, 1957, in Application No. 37784, applicant was given authority to provide public utility water service to a tract of land described in the certificate and lying east of the Palms to Pines Highway, Riverside County, California. The original certificated area was reduced somewhat by Decision No. 59489, dated January 12, 1960, in Application No. 37784.

The Extension

The application requests authority to extend service to a noncontiguous tract of land west of the Palms to Pines Highway and which comprises approximately 37 acres on which is to be constructed a trailer park containing spaces for approximately 350 trailers.

The presently authorized service area contains approximately 600 acres of land on which there are to be ultimately approximately 500 service connections. At present applicant has 74 customers and the rate of growth over the past four years has been approximately 20 customers per year.

The applicant has two wells having a total capacity of 1,000 gallons of water per minute, which wells are connected to a 500,000-gallon storage tank.

The existing consumers have an average usage of approximately 3,000 gallons per connection per month.

To provide the trailer park service, applicant will install 2,000 feet of 10-inch main, 2,400 feet of 8-inch main, a 10,000-gallon hydro-pneumatic tank and a 30-horsepower pump. It estimates that these facilities will cost \$23,411, but that a 6-inch main would be adequate. The larger main is to be installed to provide water to any future development between the presently developed portion of the certificated area and the Palms to Pines Highway. The excess over the cost of the 6-inch main is to be paid by the applicant.

The pipe and connections in the trailer park are to be installed by the owner thereof at standards prescribed by the applicant. There will be, however, only one meter point at which all water to the park will be metered and charged to the owner as a single consumer.

It appears and we find and conclude that the existing water supply is adequate to enable applicant to provide service to

the trailer park as proposed. Upon this record the Commission is of the opinion and finds and concludes that public convenience and necessity require that applicant extend service as proposed.

Applicant alleges that Palm Desert Water Company, the nearest water service company, and Riverside County have been served with copies of the application. No protests have been filed.

The Main Extension Agreement

A copy of the proposed main extension agreement is attached to the original application as Exhibit "C". It provides that the cost of the main, from the end of the applicant's existing main in its service area across the Palms to Pines Highway to a point in the trailer park where a meter is to be installed, shall be paid for by the operator and shall be refunded to him out of the revenues on the method of refund provided for main extensions to serve subdivisions, although but one meter (or equivalent bank of meters) is contemplated. The actual main to be installed will be eight inches and ten inches in diameter, but the amount to be advanced and refunded will be based on the cost of a six-inch main inasmuch as that size is adequate to serve the trailer park. The amount of the refund is estimated at \$10,000, which is the amount the operator of the trailer park has agreed to deposit with the applicant, said sum to be adjusted after the costs of installation of a six-inch main have been determined. The agreement, a copy of which is attached to the original application as Exhibit "C", appears to be reasonable and applicant will be permitted to execute said agreement.

Meter Charges

Applicant's filed tariff specifies a minimum charge of \$50.00 per meter per month for a four-inch meter.

Applicant estimates that a four-inch or smaller meter will be adequate at the outset to handle the water being furnished to the trailer park and that possibly larger meters will be necessary in the future. It requests authority to establish rates as follows:

<u>Meter Size</u>	<u>Minimum Monthly Charge</u>
6-inch	\$.95.00
8-inch	150.00
10-inch	280.00

An engineer of the Commission's Hydraulic Branch, by a memorandum dated May 23, 1961, has advised that the charges appear to be reasonable for the amount of water to be received through the specified meter sizes.

Applicant will be authorized to establish the rates set forth in Exhibit "D" to the original application, including the proposed rates for 6-inch, 8-inch and 10-inch meters, all of which we hereby find to be reasonable.

A public hearing is not necessary.

O R D E R

Good cause appearing and the Commission having made the foregoing findings and based upon said findings,

IT IS HEREBY ORDERED:

1. That applicant is hereby granted a certificate of public convenience and necessity to construct and operate a public utility water system in that portion of Riverside County, State of California, designated by "Boundary of area to be certificated" on the map, Exhibit "B" attached to the application herein and more particularly described as:

South one-half of Government Lot 2 in the Southwest one-quarter of fractional Section 31, T. 5 S., R. 6 E., S.B.B. & M., as shown by U. S. Government Survey.

2. That applicant is authorized to charge, after the effective date of this order, its presently effective tariff schedules, and minimum charges for 6-inch, 8-inch and 10-inch meters in the sum of \$95, \$150, and \$280 per month, respectively.

3. That applicant, after the effective date of this order, shall revise its presently filed tariff schedules, including tariff service area map, in accordance with the procedure described in General Order No. 96 to provide for the application of said tariff schedules, including the minimum charges for 6-inch, 8-inch and 10-inch meters authorized hereinabove, for water service in the extended area granted herein. The hereinabove-mentioned tariff sheets shall become effective upon five days' notice to the Commission and to the public after filing as hereinabove provided.

4. That applicant is authorized to carry out the terms of the executed main extension agreement, a copy of which is set out in Exhibit "C" to the original application.

5. That applicant shall file within forty days after the extended system is placed in operation four copies of a comprehensive map drawn to an indicated scale not smaller than 400 feet to

the inch, delineating by appropriate markings the various tracts of land and territory served, the principal water production, storage and distribution facilities, and the location of the various water system properties of applicant.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 6th day of June, 1961.

W. E. ...
 President

W. S. ...

E. ...

George H. Grover

Frederick B. Holoboff
 Commissioners