ORIGINAL

Decision No. <u>62761</u>

SD

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of) Fay Rowland and Leona Rowland, dba) Rowland Water Co., for a certificate) of public convenience and necessity) to operate a public utility water system) and to establish rates for water service) in an unincorporated area west of the) City of Porterville, California, known) as Tract Nos. 319, 199, 45, 201, 157,) Riley Subdivision and Tract 68. (Amended Title)	Application No. 43376 (Filed May 4, 1961)
In the Matter of the Application of Fay Rowland and Leona Rowland, dba ROWLAND WATER CO., for a certificate of public convenience and necessity to operate a public utility water system and to establish rates for water service) in an unincorporated area north of the City of Porterville, California, known as Pioneer Land Company's First Subdivision.	Application No. 43724 (Filed September 5, 1961)
In the Matter of the Application of Fay Rowland and Leona Rowland, dba ROWLAND WATER CC., for a certificate of public convenience and necessity to operate a public utility water system and to establish rates for water service) in an unincorporated area west of the City of Porterville, California, known as Tract 128 and surrounding unsubdi- vided area.	Application No. 43725 (Filed September 5, 1961)
In the Matter of the Application of Fay Rowland and Leona Rowland, dba RCWLAND WATER CO., for a certificate of public convenience and necessity to operate a public utility water system and to establish rates for water service) in an unincorporated area west of the City of Porterville, California, known as Tract Nos. 127, 66, 90 and Burton Street School.	Application No. 43726 (Filed September 5, 1961)

O. D. Rowland and Benny N. Rowland, for applicant. <u>Fred A. Strauss</u>, for Lindale Manor Water Company, protestant as to Applications Nos. 43376 and 43725, and interested party as to Applications Nos. 43724 and 43726. <u>Arthur C. Fegan</u>, for the Commission staff.

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$\underline{O P I N I O N}$

These applications were heard before Examiner Rowe at Porterville on a consolidated record on September 28, 1961, on which date they were submitted. Copies of the applications and notice of hearing were served in accordance with the Commission's procedural rules.

By these four applications, applicants request four certificates of public convenience and necessity to construct four public utility water systems in almost completely built up areas, two of which are located adjacent to or near one of their certificated service areas. Applicants presently serve 90 customers in two tracts in this general area, one four miles west of the City of Porterville and the other, a smaller area, one and one-half miles west of said city. Approximately 580 residences and businesses in / the requested service areas have formerly received water from individual shallow wells, whose production is being stopped by a general lowering of the water table.

The sources of supply are to be six new wells, 170 feet \checkmark deep or deeper, each equipped with a turbine pump connected to an \checkmark electric motor. The 7½ hp. motor on the present well serving Tract No. 257, presently certificated, is to be replaced by a 15 hp. motor and this source connected to the distribution system for the area requested in Application No. 43376. From each of these wells the water is to be pumped into a 2,000-gallon hydropneumatic tank,

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^{1/} Decision No. 52572, dated February 7, 1956, in Application No. 37199 and Decision No. 55801, dated November 12, 1957, in Application No. 39346.

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and thence into the particular distribution system served by that well. The transmission and distribution system will consist of asbestos-cement pipe to which flat rate services to residence or metered services and an adequate number of fire hydrants are to be connected. Applicant's estimate of the cost of all four water systems is \$220,111. All local permits required have now been procured.

The witness for applicants testified that they have all necessary funds for the construction in all four areas, and consequently are seeking certificates of public convenience and necessity and that, therefore, they do not wish to proceed under the main extension rule.

Lindale Manor Water Company protested granting the applications on the ground that applicants should invoke the Main Extension Rule, rather than paying for the proposed new systems with their own funds. It appears that protestant's objections are not well taken.

Applicant's water systems, as proposed, appear to be properly designed to furnish adequate water service to the area requested to be certificated and to meet the minimum requirements of this Commission's General Order No. 103. The Commission finds that applicants possess the necessary financial resources to institute and maintain the water service proposed to be rendered.

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It is further found that public convenience and necessity require that the requested four certificates of public convenience and necessity be granted. The rates set forth in the appendix attached to this order are fair and reasonable for the service to be furnished.

Applicants propose to render all service initially on a flat rate basis, for which reason no meters have been included in the estimated costs. They have requested, however, that a schedule of rates for metered service be established. They propose a rate of \$4.50 per month for a 3/4-inch flat rate service and \$5.00 for a 1-inch flat rate service, plus \$0.03 for each 100 square feet of area in excess of 10,000 square feet. Presently, applicants are charging \$3.50 per month per service connection in Tract 213 and \$4.00 per month per service connection in Tract 257, plus \$0.03 for each 100 square feet of area in excess of 10,000 square feet in each tract. In Tract 213 there is an additional charge during June, July, August and September of \$0.75 per month for a noncirculating type cooler and \$0.25 per month for a circulating type cooler.

It is proposed that a flat monthly rate of \$25.00 will be charged the Burton Street School. The rates proposed for the area covered by Application No. 43376 and Application No. 43725 appear to be higher than those now charged users in the contiguous

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area of Tract No. 257 who are to be served by the same well and other facilities. The users in all three of these areas will be considered as one group. No adequate showing has been made by applicants that the rates requested should be authorized. Rates now applicable in Tract 257 will be authorized. The proposed rate for the Burton Street School is for a classification of service not previously rendered, does not constitute an increase in rates, appears reasonable and will be authorized.

The certificates hereinafter granted shall be subject to the following provision of law:

> That the Commission shall have no power to authorize the capitalization of these certificates of public convenience and necessity or the right to own, operate, or enjoy such certificates of public convenience and necessity 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 certificates of public convenience and necessity or right.

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Public hearing having been held and based upon the evidence therein adduced,

IT IS ORDERED:

1. That in reponse to Applications Nos. 43376 and 43725 a certificate of public convenience and necessity is granted to Fay Rowland and Leona Rowland, authorizing them to extend, construct and operate their public utility water system within the area located west of the City of Porterville in Tulare County, bounded on the east by Cobb Road, on the north by Olive Street, except the east side of

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Newcomb Street between Olive Street and Tomah Street, on the west by Newcomb Street, and on the south by the Hubbs-Minor Ditch, including Tracts Nos. 319, 199, 45, 201, 157, Riley Subdivision and Tract No. 63, and within the area located west of said City and bounded on the east by Expressway 65, on the north by Putnam Street, on the west by Waukesha Street and on the south by Olive Street, known as Tract No. 128 and surrounding unsubdivided area.

2. That in response to Application No. 43724 a certificate of public convenience and necessity is granted to Fay Rowland and Leona Rowland, authorizing them to construct and operate a public utility water system for the distribution and sale of water within the area north of said City in said County, bounded on the east by Kamar Street, on the north by Mulberry Street, on the west by Villa Street, and on the south by the city limits of Porterville, which area is known as Pioneer Land Company's First Subdivision.

3. That in response to Application No. 43726 a certificate of public convenience and necessity is granted to Fay Rowland and Leona Rowland, authorizing them to construct and operate a public utility water system for the distribution and sale of water within the area located three miles west of the City of Porterville in said County, bounded on the south by Olive Street, on the west by Elderwood Avenue, on the east by Westwood and on the north by a line parallel to and 1,800 feet north of Olive Street, known as Tracts Nos. 127, 66, 90 and the Burton Street School.

4. That applicants are authorized and directed to revise, within thirty days after the effective date of this order, in conformity with General Order No. 96 and in a manner acceptable to this Commission, their Schedule No. 1, General Metered Service; and Schedule No. 5, Fire Hydrant Service, to provide for the application

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of those tariff schedules to all of the areas certificated herein. Such revised tariff sheets shall become effective upon five days' notice to the public and to this Commission after filing as hereinabove provided.

5. That applicants are authorized to file, after the effective date of this order, the schedules of rates and charges set forth in Appendix A attached to this order, to supersede existing Schedule NE-2R and to be effective on or before the date service is first rendered to the public under the authority herein granted, together with rules governing service to customers, a tariff service area map or maps and sample copies of printed forms normally used in connection with customers' services, in accordance with the requirements of General Order No. 96 and in a manner acceptable to this Commission. Such rates, rules, tariff service area maps and forms shall become effective upon five days' notice to this Commission and to the public after filing as hereinabove provided.

6. That applicants shall notify this Commission, in writing, of the date service is first rendered to the public under the rates and rules authorized herein within each of the certificated areas, within ten days thereafter.

7. That applicants shall file, within thirty days after the systems are placed in operation under the rates and rules authorized herein, four copies of a comprehensive map, for each of the above certificated areas, drawn to an indicated scale not smaller than 400 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.

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3. That applicants are authorized to waive the requirements of Section B, Extensions to Serve Individuals, of their Rule No. 15, Main -Extensions, and in lieu of such requirements, to install with their SMM FUNDS THE distribution Mains Meeded to Serve the areas certificated herein.

9. That as the certificates herein granted are exercised, applicants shall dedicate to public utility purposes the lots or land areas on which the wells, pumps, tanks and other related water supply facilities are located and any easements or permits where water mains are or will be located, other than in public streets, and shall file, with the Commission, not later than thirty days after the respective systems are first placed in operation under the rates and rules authorized herein one copy of each appropriate document showing such dedication, easement or permit.

The certificates herein granted and the authority to render service in the respective areas herein will expire if not exercised within one year after the effective date of this order.

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

Dated at San Francisco California, this NOVEMBER day of ___ , 1961. President Stal

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APPENDIX A

Schedule No. NE-2

Newcomb_Tariff Area

GENERAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate water service.

TERRITORY

The areas known as Tract No. 127, and vicinity, located approximately 22 miles west of Porterville; Tract No. 257, and vicinity, located approximately 12 miles west of Porterville; and Pioneer Land Company's First Subdivision, and vicinity, located adjacent to the northern limits of Porterville, Tulare County.

RATES

Per Service Per Month

1.	For each single-family residential unit including premises not exceeding 10,000 sq.ft. in area	\$ 4.00
For each 100 sq.ft. of premises in excess of 10,000 sq.ft		
2.	The Burton Street School	25.00

SPECIAL CONDITIONS

1. All service not covered by the above classifications will be furnished only on a metered basis.

2. Meters may be installed at option of utility or customer for above classifications, in which event service thereafter will be furnished only on the basis of Schedule No. 1, General Metered Service.