

Decision No. 62885

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of WEED WATER COMPANY)
to Operate a Water System in the)
Vicinity of Weed, Siskiyou County;)
to Secure a Certificate of)
Convenience and Necessity therefor;)
to Establish Rates, and to Issue)
Stock.)

Application No. 41651
(Filed November 12, 1959)
Amended

McLean, Klingberg, Houston & Bergman, by
Judson T. Klingberg, for applicant.
Robert O. Bailey, for the City of Weed, interested
party.
C. P. Hoberg, for Siskiyou Union High School District,
interested party.
William C. Bricca and David LaHue, for the Commission
staff.

O P I N I O N

This application was heard before Commissioner Peter E. Mitchell and Examiner E. Ronald Foster at Weed on June 28, 1961, and before Examiner Foster at San Francisco on August 23, 1961. On the latter date the matter was submitted subject to the later filing of Exhibit No. 24-A, which was received on September 5, 1961. Copies of the application had been sent and notices of the hearing had been given in accordance with the Commission's procedural rules. The first day of hearing was attended by 15 or 20 water users.

For many years, International Paper Company^{1/} and its predecessor in interest, the Long-Bell Lumber Company, as owners of substantially all the lands in the unincorporated town of Weed^{2/} in Siskiyou County, operated water works to provide water for domestic, commercial, industrial and fire-protection purposes. The water works

^{1/} Sometimes hereinafter referred to as International.

^{2/} Subsequently incorporated January 25, 1961.

consisted of three parts designated as the Domestic System, the Igerna System and the Fire Protection System.

In order to divest itself of public utility status, International transferred all of its water works to the Weed Water Company,^{3/} which was incorporated in July, 1959, for the specific purpose of engaging in the storage, sale, distribution and delivery of water for domestic, industrial and commercial purposes with its principal office to be located in Siskiyou County. This corporation has an authorized capital stock of 750 shares, of the par value of \$100 each, all common, with an aggregate par value of \$75,000.

The Company's application, as filed, embraced all three systems. However, since the Igerna System and the Fire Protection System are used primarily to provide water service for the manufacturing and related properties of International, at the hearing on August 23, 1961, Company verbally amended its application to include only the service to be rendered by the Domestic System as that term is used in the various exhibits introduced in this proceeding. The piping of the Domestic System will be rearranged to supplant the limited water service heretofore rendered by the Igerna System for the irrigation of about 63 residential properties. Thereafter, the Igerna and Fire Protection Systems will render service only for industrial and fire protection purposes to properties of International and arrangements will be made for ownership of those two systems to revert to International. It may be noted, however, that Company will supply International with water for such purposes as the better quality of the water from the Domestic System is needed, including human consumption.

^{3/} Sometimes hereinafter referred to as Company.

Requested Service Area

The area sought to be certificated herein, as delineated by a red line showing metes and bounds on the map filed as Exhibit No. 2, contains approximately 450 acres and consists of portions of Sections 1 and 2, Township 41 North and portions of Sections 35 and 36, Township 42 North, Range 5 West, M.D.B. & M. The map filed as Exhibit No. 5 shows this requested service area as being partly outside and partly inside the boundaries of the northerly portion of the City of Weed. Those portions which are outside of the City of Weed are essentially those occupied by International's lumbering facilities.

As shown on Exhibit No. 4, Shastina Water Service, a public water utility, serves a part of the City of Weed south of and adjacent to applicant's proposed service area. Another public water utility, Ball Water Company, serves a small area in the City of Weed, in the southwest corner of Section 36, which is north of and adjacent to applicant's proposed service area. The Commission has received no protest from either of these water utilities.

Description of Water System

The source of supply for the Domestic System is from springs, located outside of and about 6,000 feet southeast of the service area, which give rise to Beaughan Creek. As evidenced by Exhibits No. 8 and No. 21, International or its predecessors in interest acquired rights to divert water from this source as defined by Decree No. 7035 entered on December 30, 1932, by the Superior Court of Siskiyou County, sometimes referred to as the Shasta River Adjudication Decree. By that decree, International acquired first priority rights to 1.17 cubic feet of water per

second and 35 percent of second priority rights totalling 3.28 c.f.s., or 2.90 c.f.s., making a total of 4.07 c.f.s. The general manager of Long-Bell Division of International testified that International is willing to make a permanent conveyance and transfer to applicant of 0.5 c.f.s. first priority and 1.5 c.f.s. second priority, or a total of 2.0 c.f.s. out of the said appropriative entitlement of rights to water from Beaughan Creek, plus the necessary physical structures, appurtenances and lands applying thereto.

The evidence in this proceeding indicates that a continuous available supply of 2.0 c.f.s. of water, when supplemented by sufficient storage capacity, will be adequate to supply the estimated demand for water in applicant's requested service area, including future growth therein which may be reasonably anticipated.

The present storage available to the system consists of a 50,000-gallon concrete reservoir and a 10,000-gallon steel tank. An 8-inch propeller type meter registers the amount of water from the springs which is transmitted through 7,153 feet of 10-inch and 8-inch pipelines to the distribution system which consists of 46,533 feet of pipelines varying in diameter from 6 inches to 1 inch. As of December 31, 1960, there were about 441 service connections varying in size from 3/4 to 2 inches. Meters are presently installed on only two services, the high school and a bank. There are 20 fire hydrants connected to the system, 16 wharf type and 4 standard or barrel type.

As a result of studies made since the application was filed, applicant has proposed to install two 100,000-gallon redwood storage tanks and additional distribution mains consisting of 5,100 feet of 6-inch, 3,470 feet of 4-inch and 4,365 feet of smaller piping,

a total of 12,935 feet. Details of these additions are contained in the applicant's Exhibit No. 15 and the respective locations are shown on the map, Exhibit No. 16. Instead of 2,300 feet of 4-inch pipe, as indicated on page 2 of Exhibit No. 15, applicant testified that it is now planned to install 2,300 feet of 6-inch pipe for the purpose indicated.

Cost of Facilities

Exhibit No. 7, prepared by Company's consulting engineer, includes a detailed historical cost appraisal of the Domestic System, with accrued depreciation, as of December 31, 1960, which was reviewed by an engineer and an accountant of the Commission's staff. As a result of this review, the staff concluded that the appraisal values were a reasonable estimate of the original cost of the system and that the related depreciation reserve requirement had also been determined in a reasonable manner, with certain exceptions. The following tabulation summarizes the appraisal, depreciation reserve and the staff adjustments as shown in Table A of the staff's Exhibit No. 31:

TABLE A OF EXHIBIT NO. 31

Domestic Water System Plant Appraisal And Depreciation Reserve and Adjustments As of December 31, 1960							
		Plant			Depreciation Reserve		
				Balance:			Balance:
				Staff			Staff
Ac.:		Exhibit:	Adjust-	Adjust-	Exhibit:	Adjust-	Adjust-
No.:	Item	No. 7	ments	ments	No. 7	ments	ments
301	Organization	\$ 135	\$ 615 ^a	\$ 750	-	-	-
306	Land & Land Rights	40,932	20,793 ^b	20,134	-	-	-
314	Springs & Tunnels	1,265	-	1,265	\$ 316	-	\$ 316
342	Reservoirs & Tanks	4,337	-	4,337	367	-	367
343	T. & D. Mains	53,274	(269) ^c	53,005	14,991	\$ (76) ^d	14,915
345	Services	2,133	-	2,133	1,063	-	1,063
346	Meters	799	-	799	11	-	11
348	Hydrants	1,991	-	1,991	336	-	836
Totals		\$104,971	(\$20,452)	\$84,519	\$13,084	\$ (76)	\$13,008
(Red figure)							

(Red figure)

(For footnotes a, b, c and d, see next page.)

Adjustments:

- a. To assign all of the appraised organization expense to the Domestic System.
- b. To reflect the reassignment of water rights between International and Company.
- c. To disallow arbitrary overhead percentages included in appraisal.
- d. To adjust depreciation reserve to correspond with adjustment c.

The suggested additions to the system as listed in applicant's Exhibit No. 15 are estimated to cost \$56,999, which amount includes the increased cost of installing 2,300 feet of 6-inch pipe instead of 4-inch pipe, as originally planned. Applicant's witness testified that all of those improvements could probably be installed by July 1, 1962.

Financing

To pay for the water system, applicant requests authority to issue to International some of its capital stock at par. In order to effect a tax-free transfer, desired by both International and applicant, the amount of stock to be issued will be less than the net book value of the water system. Therefore, applicant requests authority to set up the difference on its books in a capital surplus account.

Table D of the staff's Exhibit No. 31 is a pro forma balance sheet of applicant's assets and liabilities as of January 1, 1961, wherein the utility plant and reserve for depreciation are shown at the amounts set forth in Table A of said exhibit and capital stock is shown at an amount of \$31,400.

At the hearing, applicant amended its previous request to issue 371 shares by asking for authority to issue not more than 515 shares of its capital stock. Applicant arrived at this request by using the dollar figure of \$51,584, which represents the amount of

\$31,400 as shown in Table D plus the amount of \$20,184 which is the item shown for Account No. 306, Land & Land Rights, in Table A. The order herein will authorize the issue of the shares and will provide that the excess of the net assets so acquired over the par value of the stock be credited to capital surplus.

To finance the cost of installing the additions to the water system hereinabove discussed, the general manager of Long-Bell Division of International testified that it would be willing to loan applicant the amount of the estimated cost of improvements (approximately \$57,000) at an interest rate not to exceed 7 percent, the loan to be evidenced by a note or notes and secured by a mortgage on applicant's physical assets in a form satisfactory to comply with the terms of the Commission's requirements. The order herein will authorize applicant to borrow such an amount from International, to issue a note or notes payable on or before 10 years after date thereof, with interest at not to exceed 7 percent per annum, and to execute a mortgage, or deed of trust, to secure the payment.

Present and Proposed Rates

Until December, 1959, International charged a flat rate of \$1.25 per month for most homes and for this compensation provided water service, garbage collection and sewerage disposal. In December, 1959, applicant began charging for water service at the rates proposed in the application. On the first day of hearing, applicant filed Exhibit No. 18 suggesting rates to be charged for public fire hydrant service.

On the second day of hearing, applicant filed Exhibit No. 26 which shows rates for various types of flat rate service which are 20 percent higher than those previously proposed. Also, it filed Exhibit No. 27, which is a schedule of rates proposed for general metered service wherein the minimum charges for meters larger than 5/8 x 3/4-inch are increased to be more commensurate with their delivery capacities.

Estimated Results of Operation

Based on intermittent meter readings of water use at 18 locations of International's various and diverse properties, page 11-J of Exhibit No. 11 shows that the annual charge to International would be \$3,679 if it were to be billed monthly at the proposed meter rates and assuming all usage to be combined for one billing. To meter all service of water to International's properties would require meters of various sizes to be installed on at least 13 service connections, at the locations shown on Exhibit No. 17. Applicant proposes to render such service on a flat rate basis at \$500 per month or \$6,000 per year, which is \$2,679 less than the revenue computed at meter rates. It was to offset this difference, and also to decrease the disparity in the estimated rates of return for the two classes of service, that applicant proposed a 20 percent increase in the flat rates for service to all other customers, which would result in increasing such revenues by \$2,644.

Applicant's Exhibit No. 29 shows results of operations for the year 1960 with total operating revenues of \$23,647 which include revenues at the flat rates as originally proposed in the application and the revenue from International on the metered basis described above, with rates of return estimated both before and after including the proposed additions. Page 4 of applicant's Exhibit No. 24 shows a summary of earnings on the same basis, by classes of service.

Applicant's late-filed Exhibit No. 24-A shows a summary of earnings by classes of service, with total operating revenues of \$23,612 which include revenues at the higher flat rates as proposed in Exhibit No. 26 and revenue from International on the flat rate basis of \$6,000 per year.

The Commission staff's Exhibit No. 33 shows a summary of earnings as estimated for the year 1962, based on the theoretical assumption that all of the proposed improvements would have been installed prior to January 1, 1962. The total operating revenues of \$22,270 in this exhibit include those at the flat rates as originally proposed in the application and the revenue from International on the flat rate basis of \$6,000.

The following tabulation sets forth a comparison of the summary of earnings as shown in the several exhibits and also at the flat rates and meter rates which will be authorized hereinafter.

SUMMARY OF EARNINGS

Item	Applicant - Year 1960			Year 1962 Estimated:		
	Before			Including Additions: P.U.C.:		
	Additions:			to Plant		
	Exhibit			Exhibit		
	No. 29	No. 29	No. 24-A	No. 33	Authorized	Rates
<u>Operating Revenue</u>						
International						
Paper Co.	\$ 8,679	\$ 8,679	\$ 6,000	\$ 6,000	\$ 6,000	
All Other	14,968	14,968	17,612	16,270	15,980	
Total	\$23,647	\$23,647	\$23,612	\$22,270	\$21,980	
<u>Deductions</u>						
Operating Expenses	\$ 6,414	\$ 6,414	\$ 6,415	\$ 6,530	\$ 6,530	
Taxes Other Than						
Income	1,017	1,419	1,419	1,600	1,600	
Depreciation	1,301	2,508	2,508	2,430	2,430	
Income Tax - State	820	734	730	460	440	
" " - Federal	4,513	4,070	4,047	2,650	2,570	
Total Deductions	\$14,065	\$15,145*	\$15,119	\$13,670	\$13,570	
Net Revenue	\$ 9,582	\$ 8,502*	\$ 8,493	\$ 8,600	\$ 8,410	
Average Deprec. Rate						
Base	\$28,237	\$124,790	\$124,790	\$121,700	\$121,700	
Rate of Return	10.86%	6.81%	6.81%	7.07%	6.91%	

*Corrected figures

In the rate schedules hereinafter authorized, the flat rates are those originally proposed by applicant combined in one schedule for general flat rate service; the metered service rates and charges

are those proposed by applicant in Exhibit No. 27, with the single exception that the tail block rate of 12 cents has been reduced to 8 cents per 100 cubic feet; and the rates for public fire hydrant service are the same as suggested by applicant in Exhibit No. 18.

At the authorized meter rates, the annual charge to International would be approximately \$6,000 if computed on the same basis as shown on page 11-J of Exhibit No. 11 but giving effect to the change in the tail block rate.

The only other customer who would be affected by this lower meter rate is the Weed High School. Based on the testimony pertaining thereto, it is estimated that the total annual charge to the high school would be about \$290 less at the authorized meter rates than at the requested rates.

Customer Participation

One customer testified that the water pressure available to his premises and that of his neighbors is as low as five pounds per square inch, due to the fact that about four residences are all served through a 3/4-inch pipeline.

Exhibit No. 14, introduced by applicant, lists pressure recordings from the accompanying charts taken at various dates from November 7, 1960 to June 17, 1961, and at several locations. This exhibit corroborates the customer's testimony that, although the static pressure in the mains is quite adequate at times of little usage, the effective pressure drops below satisfactory levels under conditions of peak demand.

The district superintendent of the Siskiyou Union High School District testified in support of a letter dated August 2, 1961, addressed to the Commission (Exhibit No. 23), wherein comparisons are made of charges for water delivered on a metered

basis to Weed High School with flat rate charges made by other water purveyors to other schools in the district. The bill for water used in July was extraordinarily high and was explained by the fact that there was unauthorized use of water on the school premises. As a result of this large use of water, applicant's storage tanks became depleted and made it necessary to limit the use of water on the school's playing fields and lawns. This witness also complained of discrimination against the school, which is one of only two customers presently served on a metered basis. This witness also testified that the arrangement of piping at the service connection to the school made the use of fire hydrants on the school grounds ineffective. Applicant agreed to remedy this situation by installing a bypass around the restriction in the pipeline.

Commission Staff's Presentation

In addition to the staff's Exhibits No. 31 and No. 33 discussed hereinabove, an engineering witness introduced Exhibit No. 32 which is a diagram of the average monthly flow of the water from Beaughan Springs and from the source of supply for the Igera System. His testimony pertaining to this diagram supported his opinion that the 2.0 c.f.s. of water from Beaughan Springs to be made available to applicant will be sufficient to satisfy the reasonable demands of its several classes of customers and also to take care of the requirements of 63 customers for irrigation purposes which have heretofore been supplied from the Igera System.

The staff engineer also testified in regard to Exhibit No. 19, consisting of a report dated August 12, 1960, on an investigation of applicant's operations. Copies of the report were forwarded to applicant at the time it was prepared. As one result thereof, applicant has verbally amended its application so that

only the Domestic System is now involved in this proceeding. Also, many of the staff's recommendations have already been carried out. Applicant is put on notice that it should review the recommendations set forth in Section B of Chapter 5 of the said report and take the steps necessary to carry out those remaining which are still applicable.

Findings and Conclusions

Upon consideration of the evidence the Commission finds and concludes as follows:

1. Public convenience and necessity require that the application be granted as set forth in the ensuing order.

2. The money, property or labor to be procured or paid for by the issuance of the stock and note herein authorized is reasonably required for the purposes specified and such purposes are not in whole or in part reasonably chargeable to operating expenses or to income. The authorization herein granted is not to be construed as a finding of value of applicant's stock or properties, nor as indicative of amounts to be included in any future rate base for determination of just and reasonable rates.

3. Applicant should be authorized to borrow approximately \$57,000 for the purpose of making the improvements to be financed thereby, and to encumber its utility property in the manner herein authorized.

4. The estimates of operating revenue, expenses, including taxes and depreciation, and the rate base as submitted by the staff for the year 1962 reasonably represent the results of applicant's operations in the immediate future and they will be and hereby are adopted for the purposes of this proceeding. The resulting rate

of return is found to be reasonable under the conditions pertaining to this operation.

5. The rates and charges set forth in Appendix A attached hereto are fair and reasonable for the service to be rendered, and the present rates and charges, insofar as they differ from those herein prescribed, are for the future unjust and unreasonable.

6. Inasmuch as applicant's existing water system does not meet the minimum requirements of the Commission's General Order No. 103, applicant should be required to install the improvements and additions to its water storage, transmission and distribution facilities as hereinafter ordered.

The certificate hereinafter granted shall be 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 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

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

IT IS ORDERED that a certificate of public convenience and necessity be and it hereby is granted to Weed Water Company, a corporation, authorizing it to acquire, construct and operate a public utility water system for the distribution and sale of water within a portion of the City of Weed, and vicinity, as shown on the map filed as Exhibit No. 5 in this proceeding and as more specifically

defined as the area within the boundaries delineated by a red line on the map filed as Exhibit No. 2 in this proceeding.

IT IS FURTHER ORDERED that:

1. Applicant is authorized to file, after the effective date of this order, 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 herein granted, together with rules governing service to customers, a tariff service area map, and sample copies of printed forms normally used in connection with customers' services, all in a manner acceptable to this Commission and in accordance with the requirements of General Order No. 96. Such rates, rules, tariff service area map, and forms shall become effective upon five days' notice to this Commission and to the public after filing as hereinabove provided.

2. Applicant shall notify this Commission, in writing, of the date service is first rendered to the public under the rates and rules authorized herein, within ten days thereafter.

3. Applicant shall file, within thirty 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 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 applicant.

4. Beginning with the year 1961, applicant shall base the accruals to the depreciation reserve upon spreading the original cost of the plant, less estimated future net salvage and depreciation reserve, over the remaining life of the plant, and shall use the

depreciation rates shown in Table 7, page 24, of Exhibit No. 7 of the instant proceeding. These rates shall be used until a review indicates that they should be revised. Applicant shall review the depreciation rates when major changes in plant composition occur and for each plant account at intervals of not more than five years. Results of these reviews shall be submitted to the Commission.

5. Prior to the date service is first rendered to the public under the rates and rules authorized herein, applicant shall apply to the public health authority having jurisdiction for a water supply permit for the water system for which a certificate is granted herein and within fifteen days thereafter applicant shall report to the Commission in writing that application has been made for such permit.

6. For the purposes set forth in the foregoing opinion, applicant may issue to International Paper Company, on or after the effective date of this order and on or before July 1, 1962, not to exceed \$51,500 aggregate par value of its capital stock at par and applicant is authorized to set up on its books in a capital surplus account an amount representing the net book value of the water system which is in excess of the par value of said stock.

7. Applicant shall file with this Commission a report or reports as required by General Order No. 24-A, which order insofar as applicable is hereby made a part of this order.

8. If the certificate and the authorizations hereinabove granted are exercised,

- a. On or before July 1, 1962, applicant shall install and place in operation the additions to the water system to meet the minimum standards required by the Commission's General Order No. 103, substantially as described in some detail in Exhibit No. 15, supplemented by the map, Exhibit No. 16,

in this proceeding; provided, however, that the 2,300-foot pipeline to be laid, from the junction of Alamo and Florence, across U. S. Highway No. 97, to one of the proposed 100,000-gallon storage tanks shall consist of pipe having an inside diameter not less than six inches. Within thirty days after the said additions have been installed and placed in operation, applicant shall render a written report to the Commission setting forth a description of the installations and the actual cost thereof, by classifications and units of installations.

- b. To finance the construction required by the foregoing paragraph 3.a., applicant is authorized to borrow from International Paper Company approximately \$57,000, to issue a note or notes payable on or before ten years after date thereof, with interest at not to exceed seven percent per annum, and to execute a mortgage, or deed of trust, to secure the payment of such note or notes. Within fifteen days after the execution of the mortgage, or deed of trust, applicant shall file a true copy thereof with the Commission.
- c. Applicant shall take the necessary steps to obtain from International Paper Company, out of its appropriative entitlement of water rights as shown by the Shasta River Adjudication Decree referred to in the foregoing opinion, a permanent conveyance and transfer to applicant of not less than 2.0 second feet of water in Beaughan Creek, as well as similar title to or written agreements defining pipeline easements or rights of way, together with the necessary physical structures, appurtenances and lands applying thereto; also, applicant shall expressly dedicate to public utility purposes the land parcels or areas on which the spring structures, reservoirs, tanks, and related water facilities are located, and any easements or permits where water mains are or will be located, otherwise than on streets dedicated to public use. Within ninety days after the system is first placed in operation under the rates and rules authorized herein, applicant shall file with the Commission one copy of each appropriate document showing such rights, dedication, easement or permit.

9. The certificate herein granted, the authority to render service under the rates and rules authorized herein and the stock authorization herein granted shall expire if not exercised prior to July 1, 1962.

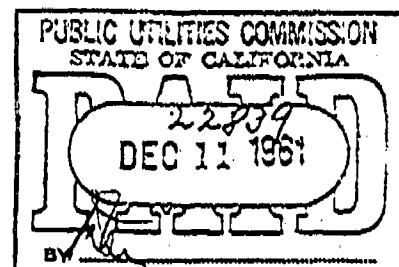
10. Except to the extent authorized herein, the application is denied.

11. The authority herein granted to issue a note and execute a mortgage, or deed of trust, will become effective when applicant has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$57. In all other respects the effective date of this order shall be twenty days after the date hereof.

Dated at Los Angeles, California, this 5th day of December, 1961.

Carl H. Ray
President
E. J. Foster
George L. Grover
Fredrick B. Halbach
Commissioners

Commissioner..... Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.



APPENDIX A
Page 1 of 4

Schedule No. 1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

A portion of the City of Weed, and vicinity, Siskiyou County.

RATES

	<u>Per Meter</u> <u>Per Month</u>
Quantity Rates:	
First 1,000 cu.ft. or less	\$ 2.50
Next 2,500 cu.ft., per 100 cu.ft.25
Next 3,500 cu.ft., per 100 cu.ft.20
Next 7,000 cu.ft., per 100 cu.ft.15
Over 14,000 cu.ft., per 100 cu.ft.08
Minimum Charge:	
For 5/8 x 3/4-inch meter	\$ 2.50
For 3/4-inch meter	4.00
For 1-inch meter	6.00
For 1 1/2-inch meter	12.00
For 2-inch meter	17.00
For 3-inch meter	27.00
For 4-inch meter	39.00
For 6-inch meter	69.00

The Minimum Charge will entitle the customer to the quantity of water which that minimum charge will purchase at the Quantity Rates.

APPENDIX A
Page 2 of 4

Schedule No. 2

GENERAL FLAT RATE SERVICEAPPLICABILITY

Applicable to all flat rate water service.

TERRITORY

A portion of the City of Weed, and vicinity, Siskiyou County.

RATES

	<u>Per Service Connection</u> <u>Per Month</u>
1. For a single family residential unit, including premises consisting of one lot	\$ 2.50
a. For each additional residential unit with bathroom facilities on the same premises and served from the same service connection	2.50
b. For each additional residential unit without bathroom facilities on the same premises and served from the same service connection ...	1.25
c. For each additional lot used as part of the same premises and served from the same service connection ...	2.50
2. For each house trailer	1.25
3. For each building under construction prior to first occupancy	1.25
4. For each church, hall, library or service station	2.50

(Continued)

APPENDIX A
Page 3 of 4

Schedule No. 2

GENERAL FLAT RATE SERVICE
(Continued)RATES (Contd.)

	<u>Per Service Connection Per Month</u>
5. For each barber shop or beauty parlor, including one chair	\$ 2.50
a. For each additional chair	1.25
6. For each bank or post office	5.00
7. For each cleaning establishment or railway office	10.00
8. For each clinic	12.50
9. For each hotel	15.00
10. For each public park	10.00
11. For each school	20.00
12. For all service to International Paper Company's premises through connections existing as of August 1, 1961	500.00

SPECIAL CONDITIONS

1. The above flat rates for classifications 1 to 9, inclusive, apply to service connections not larger than one inch in diameter.

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

3. 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. When a meter is installed at option of customer, metered service must be continued for at least 12 months before service will again be furnished at flat rates.

APPENDIX A
Page 4 of 4

Schedule No. 5

PUBLIC FIRE HYDRANT SERVICE

APPLICABILITY

Applicable to all fire hydrant service furnished to municipalities, duly organized fire districts or other political subdivisions of the State.

TERRITORY

A portion of the City of Weed, and vicinity, Siskiyou County.

RATES

	<u>Per Month</u>
1. For each wharf type hydrant	\$1.50
2. For each standard hydrant:	
a. With two hose connections	2.25
b. With two hose connections and one pumper connection	3.50

SPECIAL CONDITIONS

1. For water delivered for other than fire protection purposes, charges will be made at the quantity rates under Schedule No. 1, General Metered Service.

2. The cost of installation and maintenance of hydrants will be borne by the utility.

3. Relocation of any hydrant shall be at the expense of the party requesting relocation.

4. The utility will supply only such water at such pressure as may be available from time to time as the result of its normal operation of the system.