

elevation. The capacity of the pump presently installed in the well is 30 gallons per minute. It is anticipated, however, that as the number of customers in the water system increases and water use increases, a pump of larger capacity and an additional 25,000-gallon storage tank will be installed.

Water from the storage tank is delivered to the distribution system which consists of about 6,000 feet of 6-inch and 400 feet of 4-inch diameter Class 150 asbestos-cement main. Most of the distribution mains have been installed as of this date; however, service connections have only been provided for three or four lots upon which homes have been built. The detailed cost of the facilities proposed is shown in Exhibit B attached to the application. Applicant has made application for a water supply permit.

Applicant has requested that a schedule of meter rates be established for water service in this area. By letter dated April 30, 1962, from its attorney, a request is made that applicant be authorized to establish such rates on an annual basis with an option to bill quarterly. It is not anticipated that water service will be furnished on a flat rate basis to any customer. A schedule of fire hydrant rates has been requested.

Applicant is authorized by its Articles of Incorporation to issue 1,000 shares of common stock with a par value of \$100 per share. No other types or classes of stock are provided for. It now requests authority to issue 365 shares of stock to finance its costs.

As requested in the application, and following its filing, a field investigation was made by the Commission staff of the area and facilities. An engineer has now submitted to the Commission his memorandum report on the investigation. This report, which includes an analysis of the area and service problems together with his recommendations, is hereby made a part of this record, and designated Exhibit No. 1.

Findings and Conclusions

Upon consideration of the verified application, additional information furnished by applicant and Exhibit No. 1, 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. Applicant possesses the financial resources to construct and operate the proposed water system.

3. The money, property or labor to be procured or paid for by the issuance of the stock 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.

4. The rates set forth in Appendix A attached hereto are fair and reasonable for the service to be rendered.

5. Applicant's water supply and distribution facilities will provide reasonable service for the proposed certificated area and meet the minimum requirements of General Order No. 103.

6. A public hearing is not necessary.

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

The Commission having considered the above-entitled matter and having determined that a public hearing is not necessary and that the application should be granted, as herein provided, therefore,

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Garrapata Water Company authorizing it to construct and operate a public utility water system for the distribution and sale of water within the boundaries described in the preceding opinion.
2. Applicant is authorized to file with this Commission, after the effective date of this order and prior to the date service is first furnished to the public under the authority herein granted, in conformity with General Order No. 96-A and in a manner acceptable to the Commission, the schedules of rates attached to this order as Appendix A, rules governing service to customers, a tariff service area map, and copies of printed forms to be used in connection with customers' services. Such rates, rules, tariff service area map and forms shall become effective upon five days' notice to the Commission and to the public after filing as hereinabove provided.
3. Applicant shall notify this Commission in writing of the date service is first furnished to the public under the rates and rules authorized herein, within ten days thereafter.
4. 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.

5. Beginning with the year 1962, applicant shall determine depreciation accruals by multiplying the depreciable utility plant by a rate of 3 percent. This rate shall be used until review indicates that it should be revised. Applicant shall review the depreciation rate, using the straight-line remaining life method, when major changes in utility plant composition occur and at intervals of not more than five years, and shall revise the above rate in conformance with such reviews. Results of these reviews shall be submitted to this Commission.

6. The certificate herein granted and the authority to render service under the rates and rules authorized herein will expire if not exercised within one year after the effective date of this order.

7. Applicant, for the purposes herein set forth, may issue not to exceed \$36,500 aggregate par value of its capital stock at par.

8. 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.

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

Dated at San Francisco, California, this 17th day of JULY, 1962.

George G. Grover
President

John E. ...

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Frederick B. Hoffmann
Commissioners

APPENDIX A
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Schedule No. 1A

ANNUAL GENERAL METERED SERVICEAPPLICABILITY

Applicable to all metered water service furnished on an annual basis.

TERRITORY

The area known as Garrepata Ranch, and vicinity, located south of Carmel, Monterey County.

RATES

	<u>Per Meter Per Month</u>
Monthly Quantity Rates:	
First 1,000 cu.ft. or less	\$ 6.00
Next 1,000 cu.ft., per 100 cu.ft.40
Over 2,000 cu.ft., per 100 cu.ft.30
	<u>Per Meter Per Year</u>
Annual Minimum Charge:	
For 5/8 x 3/4-inch meter	\$ 72.00
For 3/4-inch meter	84.00
For 1-inch meter	108.00
For 1 1/2-inch meter	156.00
For 2-inch meter	204.00

The Annual Minimum Charge will entitle the customer to the quantity of water each month which one twelfth of the annual minimum charge will purchase at the Monthly Quantity Rates.

SPECIAL CONDITIONS

1. The annual minimum charge applies to service during the 12-month period commencing January 1 and is due in advance. A customer who is a year-round resident of the area, and has established his permanency by

(Continued)

Schedule No. 1A

ANNUAL GENERAL METERED SERVICE
(Continued)

SPECIAL CONDITIONS (Contd.)

having paid for service during the preceding 12 months may elect to pay the annual minimum charge in advance on a monthly basis equal to one twelfth of the annual minimum charge.

2. When the annual minimum charge is paid in advance, charges for water used in excess of the monthly allowance under the annual minimum charge may be billed monthly, bimonthly or quarterly at the option of the utility on a noncumulative monthly consumption basis.

Schedule No. 5

PUBLIC FIRE HYDRANT SERVICE

APPLICABILITY

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

TERRITORY

The area known as Carrapata Ranch, and vicinity, located south of Carmel, Monterey County.

RATES

	<u>Per Month</u>
For each 2½-inch diameter wharf type hydrant ...	\$2.50
For each double outlet standard hydrant	6.50

SPECIAL CONDITIONS

1. For water delivered for other than fire protection purposes, charges shall be made at the quantity rates under Schedule No. 1A, Annual General Metered Service.
2. The cost of installation and maintenance of hydrants shall be borne by the utility.
3. Relocation of any hydrant shall be at the expense of the party requesting relocation.
4. Fire hydrants shall be attached to the utility's distribution mains upon receipt of proper authorization from the appropriate public authority. Such authorization shall designate the type and the size of hydrant and the specific location at which each is to be installed.
5. The utility will supply only such water at such pressure as may be available from time to time as a result of its normal operation of the system.