

Decision No. 65119**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's  
own motion into the service,  
operations, rules and practices of  
CAMP MEEKER WATER SYSTEM, INC., a  
corporation.

Case No. 6390

Hitchcock & Coulter, by Robert R. Carney, for  
Camp Mecker Water System, Inc., respondent.  
Ralph R. Bailey, for Chenoweth, Inc., Leslie  
Chenoweth, William Chenoweth and Claire  
Chenoweth, interested parties.  
John D. Reader, for the Commission staff.

OPINION AND ORDER

This investigation was instituted, on the Commission's own motion, December 1, 1959. Since that date, four days of public hearing have been held, two interim decisions have been issued<sup>1/</sup> and numerous written reports have been filed by respondent in response to orders of the Commission.

Two basic problems have faced this utility and its customers. The first, a matter of sufficiency of water supply, has had the continual attention of the utility since shortly prior to the start of this investigation. The evidence shows that this problem has largely been solved and that on occasion there has been an actual overabundance of supply, with consequent nonusage of some sources. Insofar as this problem is concerned, the

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<sup>1/</sup> Decision No. 60283, issued June 20, 1960 and  
Decision No. 62831, issued November 21, 1961.

Commission finds that under present-day customer usage characteristics the source of supply needs of the water system are adequately being met.

The second basic problem concerns the adequacy of the existing distribution system; that is, the ability of the physical facilities to transport the now-adequate supply to each customer. This problem has not been solved, although the utility has attacked the problem with some vigor. The final solution lies in a complete rebuilding of the distribution system. The economics involved preclude any wholesale rebuilding of the system by the utility, however. The estimated capital costs of not less than \$124,800 for replacing over 31,000 feet of mains are beyond the financial capabilities of the utility. Such a sum represents about \$415 per customer.

The utility has devoted all revenues obtainable from the sale of water to meet out-of-pocket operating expenses and in attempts to obtain more water. It has been aided substantially by the affiliated interests of its owners, which affiliations have provided increased water supplies through strictly nonutility funds. To the limit of its financial resources, the utility will continue to make such improvements as its own finances will permit. In this respect, it will complete the installation of 700 feet of pipe in order to give some relief to the East Avenue area for the 1963 summer season.

It is apparent from the record that the utility is making and will continue to make every reasonable effort to meet the needs of its customers. The distribution problem is one of community-wide interest. Indeed, it is a community as well as a

utility problem and is of no little magnitude. Whether it is attacked by means of a per capita donation of about \$400 from each customer or a cash purchase of an equivalent amount of stock, or through formation of a mutual water company or a district to take over the operations, or through other earnest and practical assistance to the existing utility, its ultimate solution lies within the community and its financial abilities to work it out. The Commission urges the leaders of the community to face the problem squarely and to devise a means by which money may be obtained to provide the community with the grade of service which it desires.

Under the circumstances, it appears that no further useful purpose will be served by continuing the present investigation and the Commission finds that it should be terminated. Further, however, the Commission finds that the physical facilities will not permit the general taking on of any additional customers and that the utility should be prohibited from serving or attempting to serve additional customers except after a showing, in each individual case, that such may be done without any lessening of service to existing customers and upon further order of the Commission.

IT IS ORDERED as follows:

1. Camp Meeker Water System, Inc., shall not serve, or establish a service connection for, any customer or premises for which public utility water service was not actually being rendered on or before the effective date of this order, except as heretofore provided by ordering paragraph 1 of Decision No. 62831.

2. The investigation herein, Case No. 6390, is hereby terminated as of 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 19th day of March, 1963.

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President

*[Handwritten signature]*

*[Handwritten signature]*

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Commissioners

I dissent. I will file my dissent later.

*Fredrick B. Holboff*

I dissent.  
*George T. Grover*

STATE OF CALIFORNIA  
OFFICE MEMO

Date Feb. 20, 1964

To Ms. Virginia Deming

From Neil Coleman

Subject Dec. 65119 in Case 6390 Comp. Inst. State

The subject matter was signed  
out on March 19, 1963 with  
Commissioner Holhoff indicating  
a dissent would be filed later.  
After discussion with  
Commissioner Holhoff this  
matter can be considered closed.  
N.C.