

ORIGINALDecision No. 65942

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
 of PEARL I. FELDMAYER for Order)
 Authorizing Increase of Water)
 Rates.)

Application No. 45089
 (Filed January 4, 1963)
 (Amended February 25, 1963)

Passalacqua & Mazzoni, by James R.
 Mazzoni, Jr., for applicant.
John D. Reader, for the Commission
 staff.

OPINION AND ORDER

Public hearing in this matter was held before Examiner Emerson on July 16, 1963, at Geyserville.

In essence, applicant seeks increased revenues of approximately \$1350 on an annual basis in order to halt net losses and provide a return sufficient to enable her to finance system improvements. Applicant's present rates have been in effect for over ten years, the meter rate having a minimum charge of \$1.90 and the flat rate being \$2.50 per month. Applicant serves approximately 153 customers, 32 of them taking metered service, in the unincorporated community of Geyserville.

The area has experienced very little growth and the water system has had few changes in recent years. The over-all plant was over 62 percent depreciated by the end of 1961 and has now reached a point where a main replacement and enlargement program is necessary. A second well and pumping station are also needed. When such improvements are completed, present low pressures will be greatly improved and complaints respecting discolored water should

disappear. In this respect the evidence shows that an expenditure of approximately \$2000 each year for the next five years will be needed. Applicant has agreed to undertake rehabilitation of the system and to make such expenditures.

The evidence shows that operation of the system during the estimated year 1963 will produce a net loss of \$355 under existing water rates. On the assumption that the new well and pump station are in operation, appropriate new water rates would produce a rate of return of approximately eight percent on an average depreciated rate base of \$12,280 during the same estimated year.

In view of the evidence, the Commission finds that applicant's need for and entitlement to increased revenues, in the total amount sought, has been demonstrated and that the increases in rates authorized herein are justified. Further, the Commission finds that existing rates for water service, insofar as they differ from those authorized herein, are for the future unjust and unreasonable. The new rates will increase the average user's bill by approximately 30 percent.

IT IS ORDERED as follows:

1. Applicant is authorized to file with this Commission, after the effective date of this order and in conformity with General Order No. 96-A, the schedules of rates attached to this order as Appendix A and, upon not less than five days' notice to the Commission and to the public, to make such rates effective for service rendered on and after October 1, 1963.

2. Within one year after the effective date of this order, applicant shall file with the Commission four copies of a comprehensive map, drawn to an indicated scale of not more 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.

3. Beginning with the year 1963, applicant shall determine depreciation expense by multiplying the depreciable utility plant by a rate of 2.5 percent. This rate shall be used until review indicates it should be revised. Applicant shall review the depreciation rate using the straight-line remaining life method when substantial 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.

4. Within sixty days after the effective date of this order, applicant shall install and place in operation a well, pump, motor, and all other necessary equipment capable of supplying 200 gpm of water into the distribution system. Applicant shall inform the Commission, in writing, within ten days after this installation is put in operation.

5. Within one hundred twenty days after the effective date of this order applicant shall submit to the Commission, in writing, a detailed summary of the mains replaced during 1963 including the location, size and kind of pipe replaced and installed and the cost

of the old and new mains with salvage, if any, shown separately. Applicant shall also include an estimate of the mains she proposes to replace during 1964 and a general description of the mains proposed to be replaced during the three following years.

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

Dated at San Francisco, California, this 3rd day of SEPTEMBER, 1963.

William A. Burns
President

John P. Fitch

Wesley W. King

George L. Trover

Frederick B. Hallock
Commissioners

APPENDIX A
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Schedule No. 1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Geyserville and vicinity, Sonoma County. (T)

RATES

	<u>Per Meter</u> <u>Per Month</u>	
Quantity Rates:		
First 800 cu. ft. or less	\$2.75	(I)
Next 1,200 cu. ft., per 100 cu. ft.12	(I)
All over 2,000 cu. ft., per 100 cu. ft.10	(R)
Minimum Charge:		
For 5/8 x 3/4-inch meter	\$2.75	(I)
For 3/4-inch meter	3.15	
For 1-inch meter	4.00	
For 1 1/2-inch meter	6.15	
For 2-inch meter	8.40	(I)

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

Schedule No. 2

GENERAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate water service.

TERRITORY

Geyserville and vicinity, Sonoma County. (T)

RATES

	<u>Per Service Connection</u> <u>Per Month</u>	
1. For a single-family residential unit.	\$ 3.35	(I)
a. For each additional single-family residential unit on the same premises and served from the same service connection	2.30	(I)
2. For small commercial establishments . . .	2.60	(C)
3. For elementary school	15.00	(N)

SPECIAL CONDITIONS

1. The above flat rates apply to service connections not larger than one inch in diameter. (T)
2. For service covered by the above classifications, if the utility or the customer so elects, a meter shall be installed and service provided under Schedule No. 1, General Metered Service. (T)