

Decision No. 66510**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Leland S. Gibbs and Lillian H. Gibbs as joint tenants (Gibbs Ranch Water Company) to construct and operate a water system in the various units of the Gibbs Ranch Subdivision, also known as RANCHO SONORA ESTATES, on Race Track Road, Tuolumne County.

Application No. 45501  
(Filed June 6, 1963)

O P I N I O N

Applicants request authority to construct and operate a public utility water system in their subdivision known as "Rancho Sonora Estates", near Sonora, Tuolumne County, comprising about 28 acres of land. Units Nos. 1 and 2, divided into 39 lots, are now under development and will be the initial area to be certificated. Unit 3, contiguous to Unit 2, is in the planning stage.

Estimated cost of plant, including land, for the initial system, as adjusted by the Commission staff from exhibits submitted by applicants, totals \$43,589.15, to be paid from applicants' personal funds. Source of water supply will be from the Pacific Gas and Electric Company's Race Track Canal of its Tuolumne Ditch System, pursuant to a supply contract for two miners inches (22.4 gpm) of untreated water at rates set forth in Pacific's Tuolumne Water System Schedule No. 6, "Resale Service". Details of construction and operation of the system and proposed schedules of rates are shown in applicants' exhibits, as revised by data submitted under a letter dated August 21, 1963, hereby included in this record as Exhibit 1, and in a report prepared by an engineer of the Commission's staff, dated November 5, 1963, hereby included in this record as Exhibit 2.

We find that public convenience and necessity require the construction and operation of a public utility water system by applicants, substantially as proposed in the application herein and in accordance with the ensuing order.

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

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.

The action taken herein is for the issuance of a certificate of public convenience and necessity only and is not to be considered as indicative of amounts to be included in future proceedings for the purpose of determining just and reasonable rates.

Applicants have indicated, in writing, that they would like to commence serving water as of January 1, 1964, if possible. Accordingly, the authority herein granted will be made effective as of the date hereof, but subject to compliance by applicants with provisions of the ensuing order relating to filing of tariffs and other requirements to be completed prior to the date service is first furnished to the public under the authority herein granted.

A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Leland S. Gibbs and Lillian H. Gibbs (Gibbs Ranch Water Company), authorizing them to construct and operate a public utility

water system to serve Units Nos. 1 and 2, Rancho Sonora Estates, Tuolumne County.

2. Within one year after the effective date of this order, applicants are authorized to file with this Commission, the schedules of rates set forth in Appendix A attached to this order, together with rules governing service to customers, a tariff service area map and copies of printed forms to be used in connection with customers' service. Such filing shall comply with General Order No. 96-A, and the tariff sheets, if acceptable to the Commission, shall become effective upon five days' notice to the Commission and to the public after filing as hereinbefore provided.

3. Compliance by applicants with paragraph 2 of this order shall constitute acceptance by them of the right and obligation to furnish public utility water service within the area certificated herein. The authority granted herein shall expire unless the designated tariff sheets are filed within one year after the effective date of this order.

4. Prior to the date service is first furnished to the public under the authority granted herein, applicants shall apply to the appropriate public health authority having jurisdiction for a water supply permit for the proposed system and submit written notice thereof to this Commission.

5. Within ten days after the date service is first rendered to the public under the rates and rules authorized herein, applicants shall submit written notice thereof to this Commission.

6. Within thirty days after the system is first placed in operation under the authority granted herein, applicants shall file 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 tract of land and territory served; the principal water production, storage and distribution facilities; and the location of the various properties related to applicants' water system certificated herein.

7. Beginning with the year 1964, applicants 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. Applicants 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.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 20<sup>th</sup> day of DECEMBER, 196 .

Stallman  
President

W. P. Mitchell

George G. Grover

Fredrick B. Hallock

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Commissioners

Commissioner George G. Grover, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A  
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Schedule No. 1A

ANNUAL GENERAL METERED SERVICE

APPLICABILITY

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

TERRITORY

The area known as Rancho Sonora Estates and vicinity, located about one mile west of Sonora, Tuolumne County.

RATES

Monthly Quantity Rates:		<u>Per Meter</u> <u>Per Month</u>
First	800 cu.ft. or less . . . . .	\$ 3.75
Next	2,200 cu.ft., per 100 cu.ft. . . . .	.25
Next	7,000 cu.ft., per 100 cu.ft. . . . .	.20
Over	10,000 cu.ft., per 100 cu.ft. . . . .	.15

Annual Minimum Charge:		<u>Per Meter</u> <u>Per Year</u>
For	5/8 x 3/4-inch meter. . . . .	\$ 45.00
For	3/4-inch meter. . . . .	59.00
For	1-inch meter. . . . .	85.00
For	1 1/2-inch meter. . . . .	147.00
For	2-inch meter. . . . .	210.00

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. If a permanent resident of the area has been a customer of the utility for at least

(Continued)

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Schedule No. 1A

ANNUAL GENERAL METERED SERVICE

SPECIAL CONDITIONS (Continued)

12 months, he may elect, at the beginning of the calendar year, to pay prorated minimum charges in advance at intervals of less than one year (monthly, bimonthly or quarterly) in accordance with the utility's established billing periods for water used in excess of the monthly allowance under the annual minimum charge. When meters are read bimonthly or quarterly, the charge will be computed by doubling or tripling, respectively, the number of cubic feet to which each block rate is applicable on a monthly basis.

2. The opening bill for metered service, except upon conversion from flat rate service, shall be the established annual minimum charge for the service. Where initial service is established after the first day of any year, the portion of such annual charge applicable to the current year shall be determined by multiplying the annual charge by one three-hundred-sixty-fifth ( $1/365$ ) of the number of days remaining in the calendar year. The balance of the payment of the initial annual charge shall be credited against the charges for the succeeding annual period. If service is not continued for at least one year after the date of initial service, no refund of the initial annual charges shall be due the customer.

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Schedule No. 2AR

ANNUAL RESIDENTIAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate residential water service furnished on an annual basis.

TERRITORY

The area known as Rancho Sonora Estates and vicinity, located about one mile west of Sonora, Tuolumne County.

RATE

Per Service Connection  
Per Year

For a single-family residential unit, including premises not exceeding 15,000 sq.ft. in area . . . . .	\$54.00
a. For each 100 sq.ft. of premises in excess of 15,000 sq.ft. . . . .	.02

SPECIAL CONDITIONS

1. The above flat rate applies to service connections not larger than 1-inch in diameter.
2. All service not covered by the above classification shall be furnished only on a metered basis.
3. For service covered by the above classification, if the utility or the customer so elects, a meter shall be installed and service provided under Schedule No.1A, Annual General Metered Service, effective as of the first day of the following calendar month. Where the flat rate charge for a period has been paid in advance, refund of the prorated difference between such flat rate payment and the minimum meter charge for the same period shall be made on or before that day.

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Schedule No. 2AR

ANNUAL RESIDENTIAL FLAT RATE SERVICE

SPECIAL CONDITIONS (Continued)

4. The annual flat rate charge applies to service during the 12-month period commencing January 1 and is due in advance. If a permanent resident of the area has been a customer of the utility for at least 12 months, he may elect, at the beginning of the calendar year, to pay prorated flat rate charges in advance at intervals of less than one year (monthly, bimonthly or quarterly) in accordance with the utility's established billing periods.

5. The opening bill for flat rate service shall be the established annual flat rate charge for the service. Where initial service is established after the first day of any year, the portion of such annual charge applicable to the current year shall be determined by multiplying the annual charge by one three-hundred-sixty-fifth ( $1/365$ ) of the number of days remaining in the calendar year. The balance of the payment of the initial annual charge shall be credited against the charges for the succeeding annual period. If service is not continued for at least one year after the date of initial service, no refund of the initial annual charges shall be due the customer.



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 Rancho Sonora Estates and vicinity, located about one mile west of Sonora, Tuolumne County.

RATE

Per Month

For each hydrant . . . . . \$ 2.00

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. Relocation of any hydrant shall be at the expense of the party requesting relocation.
3. 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 specific location at which each is to be installed.
4. 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.