

ORIGINAL

Decision No. 67646

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Application of Doyle R. McComb and Geraldine McComb, dba Tulare County Water Company, a privately owned company, to extend its services to an unincorporated area, in the County of Tulare, West of the City of Porterville, known as Tract No. 411.

Application No. 46183
(Filed February 7, 1964)

In the Matter of Application of Henry K. George and Blanche George, his wife, dba LINDALE MANOR WATER COMPANY, for a franchise to extend water service area approximately 2 miles Northwest of Porterville, Tulare County, California.

Application No. 46284
(Filed March 13, 1964)

Robert C. Mooch, for Tulare County Water Company, applicant in Application No. 46183.

John P. Moran and Fred A. Strauss, for Lindale Manor Water Company, applicant in Application No. 46284.

W. B. Stradley and John J. Gibbons, for the Commission staff.

O P I N I O N

These two matters affect the same area. They were heard before Examiner Power on a consolidated record at Porterville on May 20, 1964, and submitted.

The earlier application (No. 46183) was filed by the subdividers of Tract No. 411, Tulare County. This tract is located about one and one-half miles west of the City of Porterville in that county. It is 400 feet west of the present service area of Lindale Manor. There is another public utility water system about one-half mile to the southeast of this tract.

Tract No. 411 consists of about 26 acres of level ground divided into 103 residential lots. The prevailing lot size is about 8,500 square feet.

The subdividers (applicants in Application No. 46183) have a certificate to operate water systems in five Tulare County tracts. These tracts are not contiguous to one another and are located near Tulare and Visalia, many miles from West Porterville.

In Tract No. 411 the McCombs (Tulare County Water Company) propose to install two wells designed to deliver 890 gpm against system pressure. These will discharge into a 5,000-gallon pressure tank. The distribution system would consist of approximately 5,500 feet of 8-, 6-, and 4-inch, Class 150, asbestos-cement pipe. Three fire hydrants are proposed. The whole system is estimated to cost \$25,733. The staff report on this proposal (Exhibit No. 4) states that the proposed system would comply with General Order No. 103. The McCombs propose a flat rate of \$4.00 per month.

In Application No. 46284, the Georges (Lindale Manor Water Company) request authority to serve a 56-acre area. This includes Tract No. 411 and 30 acres to the east of it, i.e., between Tract No. 411 and the present service area of the Georges. It is reported that this 30 acres is owned or controlled by the McCombs.

The Georges propose to install approximately 500 feet of 6-inch main from the corner of Morten Avenue and Matthew Street on the western edge of their service area to Tract No. 411. Within the tract they propose to install approximately 5,200 feet of 6-inch and 4-inch, Class 150, asbestos-cement pipe laid in the streets, necessary services and three fire hydrants.

The Georges propose to supply water from their existing sources. These are three wells alleged to be capable of producing 1,200 gpm. They will provide an adequate water supply for both the Georges' present customers and for those in Tract No. 411 when that tract is fully developed. If, however, the Lindale Manor system should grow beyond the indicated 500 consumers it might prove to be inadequate.

The Georges propose to extend service in accordance with their main extension rule. The cost is estimated to be \$15,596. The Georges would extend their present rate structure to the new area with a flat rate of \$4.50 and meter minimum of \$3.75 per month. Commission staff Exhibit No. 6 finds that the proposal meets the standards of General Order No. 103.

The Commission has before it two proposals, each of which will meet the minimum standards set forth in General Order No. 103. This does not mean, however, that they are equivalent to one another. The paramount interest of the public must be decisive.

There are now eight different water systems serving the West Porterville area. Between them they have 1,200 customers. Two of these, Rowland Water Company (500) and Lindale Manor (400) serve three-fourths of these customers. Six other systems divide up the remaining 300. To accept the proposal of Tulare County Water Company would add a ninth utility in the area.

On the other hand, the Georges are presently serving in the area. They have about 400 customers at the present time. These, as well as the potential customers in Tract No. 411, would benefit from a granting of the Lindale Manor application. This

system has reached a size which will allow their service to be upgraded.

When the interests of the public are considered, it is clear that the application of Lindale Manor should be granted.

The upgrading of the Lindale Manor service should begin at once. The following order will require the owners of Lindale Manor to develop a program of additions and betterments and file it with the Commission. Such a program could include the drilling of a fourth well, improvement of Wells Nos. 1 and 2, installation of storage facilities and protection against power outages by providing an alternative source of power such as a gasoline or diesel engine at one of the wells (elevated storage might take care of this if adequate).

The Commission finds that:

1. Public convenience and necessity require that domestic water service be provided in Tract No. 411, Tulare County, and adjacent territory.
2. Henry K. George and Blanche George, doing business as Lindale Manor Water Company, will be able in the future to provide a service of superior quality to that which Doyle R. McComb and Geraldine McComb, doing business as Tulare County Water Company, would be able to provide.
3. Henry K. George and Blanche George have adequate financial resources to construct a system in said tract under their filed main extension rule and to operate the same.
4. The present rates of Henry K. George and Blanche George are fair and reasonable rates to be applied in Tract No. 411 and adjacent territory in Tulare County.

The Commission concludes that Application No. 46284 should be granted and Application No. 46183 denied.

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 proceedings for the purpose of determining just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Henry K. George and Blanche George, authorizing them to construct an extension of their public utility water system to serve Tract No. 411 and adjacent area, Tulare County, as shown on the map attached to Application No. 46284 as Exhibit A.

2. Within one year after the effective date of this order, and not less than five days before service is first furnished to the public under the authority granted herein, if Henry K. George and Blanche George intend to exercise that authority, they shall file additional and revised tariff sheets, including a tariff service area map, to provide for the application of their present tariff schedules to the area certificated herein. Such filing shall comply with General Order No. 96-A, and the additional and revised sheets

shall become effective on the fourth day after the date of filing.

3. Compliance by applicants with Paragraph 2 of this order shall constitute acceptance by Henry K. George and Blanche George 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. Within ten days after the date service is first rendered to the public under the rates and rules authorized herein, Henry K. George and Blanche George shall submit written notice thereof to this Commission.

5. Within sixty days after the system is first placed in operation under the authority granted herein, Henry K. George and Blanche George 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 distribution facilities, and the location of the various properties related to the water system certificated herein.

6. Within ninety days after the effective date of this order Henry K. George and Blanche George shall file with this Commission a comprehensive program for improving the quality of service in their system together with a time schedule for the accomplishment of indicated additions and betterments, the estimated cost thereof, and the means by which such cost will be financed.

7. The restriction prohibiting Henry K. George and Blanche George from extending service to certain areas, as set forth in

ordering paragraph 5 of Decision No. 64421 in Application No. 44614, shall remain in full force and effect.

8. Application No. 46183 of Doyle R. McComb and Geraldine McComb is denied.

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

Dated at San Francisco, California, this 4th day of August, 1964.

Frederick B. Holcomb
 President

George W. Steag

George H. Hoover

Commissioners

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

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.