

68249

Decision No. _____

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's
own motion into the operations,
rates, tariffs, contracts, practices,
equipment, facilities, and service
of Robert E. Shields, doing business
as TAHOE PINES WATER CO.

Case No. 8030
(Filed October 2, 1964)

Robert E. Shields, in propria persona.

Donald L. Watson, for Tahoe Pines Association,
complainant.

John D. Reader, for the Commission staff.

O P I N I O N

This investigation was instituted to determine whether respondent's operations, rates, tariffs, contracts, practices, equipment, facilities and service are reasonable or adequate, and to determine whether respondent should be ordered to continue service throughout the winter.

After due notice, public hearing was held on October 13, 1964 before Examiner Gillanders at Tahoe City, and the matter partially submitted for determination of the issue of winter service.

The Tahoe Pines system was constructed in 1912 to serve summer homesites in the Tahoe Pines Subdivision. Water was obtained from a dug well. Between 1928 and 1948 the system was enlarged and the well water was replaced by surface water from a collection system known as "the spring". In 1958 an intake and pump were installed in Lake Tahoe to pump water into the system.

In 1964 the County Health Department prohibited all use of spring water due to contamination.

The present owner of the system purchased it in 1948 and received a certificate to operate the system by Decision No. 42183, dated November 3, 1948, in Application No. 29591. This decision was affirmed on rehearing by Decision No. 43472, dated November 1, 1949. These decisions established rates for service only between May 15 and October 15.

The system now serves 120 customers, of whom 15 are all-year residents in the tract who request winter service.

Tahoe Pines Association presented nine witnesses who testified to previous winter service and to operating and other service problems. In addition, three property owners not represented by Tahoe Pines Association presented evidence concerning operating problems and winter service. These witnesses stated that winter users were willing to pay Commission established rates for winter service.

The record is clear from the testimony of these public witnesses that the owner of the water system knew that the permanent residents were operating the system themselves during the winter season. No attempt was made by the owner to collect payment for service received by winter users.

The owner of the system presented a preliminary report (Exhibit No. 2) prepared by a firm of consulting engineers. The report states that the present system was not built for use during freezing weather and in order to maintain service to winter residents would require a constant wastage of water in the amount of \$23.70 each month at each occupied house. To supply adequate

winter service would require rebuilding of the system which is estimated to cost \$82,800. The owner testified that power costs to supply wastage water would be at least \$147 per month. He testified that he did let winter residents use the spring water "for free" during the winter months, and that during the Olympic year (1960) he kept the pump in operation but did not charge for service. He further testified that he was willing to sell the system to Tahoe Pines Association as funds sufficient to refurbish the system are not available to him.

Section 2701 of the Public Utilities Code provides:

"Any person, firm, or corporation, their lessees, trustees, receivers or trustees appointed by any court whatsoever, owning, controlling, operating, or managing any water system within this State, who sells, leases, rents, or delivers water to any person, firm, corporation, municipality, or any other political subdivision of the State, whether under contract or otherwise, is a public utility, and is subject to the provisions of Part 1 of Division 1 and to the jurisdiction, control, and regulation of the commission, except as otherwise provided in this chapter."

We are not prepared to hold that the sufferance by the owner of the use of his system during the winter season has converted the system to a winter system.

The Commission finds that respondent has not held himself out to supply winter service.

The Commission, therefore, concludes that respondent is not required to supply winter service.

O R D E R

IT IS ORDERED that Case No. 8030 shall be set for further hearing on the remaining issues.

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

Dated at San Francisco, California, this 29th day of NOVEMBER, 1964.

Frederick B. Hallock
President

John L. Dwyer

Robert W. Bay

George E. Hoover

William M. Bennett
Commissioners