

ORIGINALDecision No. 71765

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's
own motion into the rates, operations,
facilities, practices and service of
ARROWHEAD MANOR WATER COMPANY, INC.

Case No. 8441
(Filed June 8, 1966)

Guy and Smith, by Arthur D.
Guy, Jr., for respondent.
Gibson, Dunn and Crutcher, by
Max Eddy Utt, for Arrowhead
Utility Company; Chester H.
Becker, Robert G. Howard,
C. E. Estermyer, and Charles R.
Pierce, in propria personae,
interested parties.
Elinore C. Morgan, for the Commission
staff.

O P I N I O N

As stated in the order instituting this investigation, it appeared that there had been outages of service to a substantial number of respondent's customers during the winter months and respondent's service and facilities may be inadequate. The stated purposes of the investigation were (1), to determine whether respondent should be ordered to install additional mains, booster pumps, or other plant and facilities and (2), for the issuance of such order relating to rates and service as might be found appropriate.

Public hearing was held before Examiner Warner on November 16, 1966, at Lake Arrowhead. Lake Arrowhead Development Co. (parent of Arrowhead Utility Company), party to an irrevocable

agreement dated December 9, 1963, pertaining to the use of percolating waters in Deep Creek Tunnel was represented by counsel as an interested party, and four customers along Rock Creek (Deep Creek) Road, about one mile northeast of respondent's horizontal well, complained that respondent's water service to them was inadequate.

A Commission staff engineer submitted a report (Exhibit 1) on the results of his investigation of respondent's operations.

As of September 1, 1966, respondent was serving 527 customers in its total service area all on the flat rate basis of \$24 per season for summer use only, and \$39 per year on an annual water service basis. The utility has had numerous operating problems since its inception in the year 1933, due to the type and age of its water system installation, and its meager and rather uncertain water supplies. Its present operators and owners are E. A. and Jean Schoettmer who acquired the water system in August, 1957, and who have replaced many facilities and improved operations and plan to further improve the water system to the extent that they are financially able to do so.

The Commission staff engineer recommended in Exhibit 1 that respondent be ordered to:

- a. Install a 4-inch main in Western Avenue connecting its existing 4-inch main to the existing 4-inch main of Arrowhead Utility Company.

- b. Install an electrically powered booster pump with a capacity of 70 gallons per minute in conjunction with the 4-inch main installation so that water can be pumped to respondent's Tank "E".
- c. Install a manifold and valving unit at Tank "D" so that all external supplies can be diverted for most efficient use.

The record shows that respondent has already made the installation contained in recommendation a.; will immediately order the booster pump, recommendation b.; and accepts recommendation c.

Installation of a pipeline to serve the four complainant-customers and others on Rock Creek Road, costing about \$1,500, is scheduled to be completed within 60 days.

We find that respondent's water service has been inadequate in certain respects, especially during the winter months; respondent has made sincere efforts to maintain adequate water service and improve it; the staff recommendations are reasonable and will further improve respondent's water service; and respondent should be directed to carry out the staff recommendations and report to the Commission in writing its progress therein.

O R D E R

IT IS ORDERED that:

Arrowhead Manor Water Company, Inc., shall carry out the staff recommendations b. and c., contained in Exhibit 1,

and shall report, in writing, to the Commission its progress therein every 60 days until completed.

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

Dated at San Francisco, California, this 29th day of DECEMBER, 1966.

John L. Mitchell President
George J. Crowe
Fred [unclear]

Commissioners

Commissioner Frederick B. Holoboff 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.