

AF

Decision No. 78334

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's  
own motion into the status,  
operations, rates and practices  
of IRVIN HEPPNER and MORRIS JORDAN,  
individuals, doing business as  
RIVERDALE WATER COMPANY, a water  
system near Modesto, California.

Case No. 9050

Irvin Heppner, for Riverdale Water  
Company, respondent.  
Tedd F. Marvin, for the Commission  
staff.

O P I N I O N

By Order Instituting Investigation dated April 14, 1970, the Commission seeks to determine whether respondents are operating a public utility water system serving Riverdale Park Subdivision as a public utility water corporation within the meaning of Sections 216, 240, 241 and 2701 of the Public Utilities Code without having first obtained a certificate of public convenience and necessity as required by Section 1001 of said code.

Public hearing was held August 12, 1970 at Modesto before Examiner Porter.

At the hearing there was no dispute that Riverdale Water Company was operating as a public utility water company; the only question was as to who owned the water company. By late filed Exhibit No. 2, Morris Lee Jordan, by a Quitclaim Deed, quitclaimed the property upon which the well that services the Riverdale Park Subdivision is located to Irvin Heppner.

Users of the water system appeared at the hearing and testified to the problem of water pressure and lack of fire hydrants.

Upon consideration of the evidence, the Commission finds (1) that respondent Irvin Heppner is operating a public utility water system and is a public utility corporation within the meaning as set forth in the Public Utilities Code and (2) that there are problems with water pressure and lack of fire hydrants; therefore, expansion of the existing system should be restricted as set forth in the ensuing order, and concludes that Irvin Heppner should be issued a certificate of public convenience and necessity.

O R D E R

IT IS ORDERED that:

1. Irvin Heppner, doing business as Riverdale Water Company, is hereby declared to be a public utility subject to the jurisdiction of this Commission and to the applicable provisions of law.

2. Respondent Irvin Heppner is authorized and directed to file, within thirty days after the effective date of this order, the schedule of rates set forth in Appendix A to this order, a tariff service area map clearly indicating the boundaries of the service area, appropriate general rules, and copies of printed forms to be used in dealing with customers. Such filing shall comply with General Order No. 96-A, and the tariff schedules shall become effective on the fourth day after the date of filing.

3. Respondent Irvin Heppner shall not furnish flat rate service to more than 60 residential customers or extend facilities or offer to provide service to any premises not adjacent to their distribution facilities until there is connected for operation an alternate source of water supply capable of providing service to all customers in the event of the failure of the single source of supply.

4. Respondent Irvin Heppner shall set up formal books of accounts in conformity with the Uniform System of Accounts for Class D Water Utilities prescribed by this Commission and record therein the appropriate charges to plant accounts and a credit to the depreciation reserve account based upon the data in Schedule A attached to the staff report, Exhibit No. 1 in this proceeding.

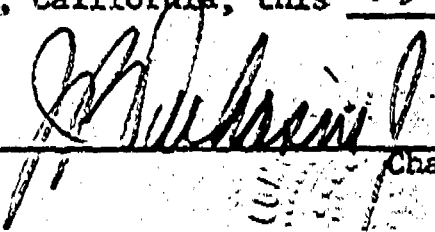

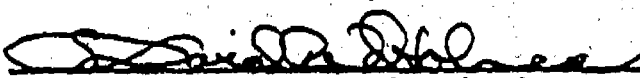
5. For the year 1971, respondent Irvin Heppner shall apply a depreciation rate of 2.8% to the original cost of depreciable plant. Until review indicates otherwise, defendants shall continue to use this rate. Defendants shall review their depreciation rates at intervals of five years and whenever a major change in depreciable plant occurs. Any revised depreciation rate shall be determined by: (1) subtracting the estimated future net salvage and the depreciation reserve from the original cost of plant, (2) dividing the result by the estimated remaining life of the plant, and (3) dividing the quotient by the original cost of plant. The results of each review shall be submitted promptly to this Commission.

The Secretary of the Commission is directed to cause personal service of this order to be made on respondent Irvin Heppner. The effective date of this order shall be twenty days after the completion of such service.

Dated at San Francisco, California, this 22<sup>nd</sup> day  
of FEBRUARY, 1971.

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

Commissioner Vernon L. Sturgeon, being  
necessarily absent, did not participate  
in the disposition of this proceeding.

  
Chairman  
  
  
Commissioners

APPENDIX A  
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## Schedule No. 1

METERED SERVICEAPPLICABILITY

Applicable to all metered water service.

TERRITORY

The unincorporated area including Riverdale Park Subdivision and vicinity, located approximately one-half mile southwest of Modesto, Stanislaus County.

RATES

## Quantity Rates:

Per Meter  
Per Month

First 600 cu. ft. or less .....	\$ 3.50
Next 1,000 cu. ft., per 100 cu. ft. ....	.20
Next 2,400 cu. ft., per 100 cu. ft. ....	.16
Over 4,000 cu. ft., per 100 cu. ft. ....	.12

## Minimum Charge:

For 5/8 x 3/4-inch meter .....	\$ 3.50
For 3/4-inch meter .....	4.25
For 1-inch meter .....	6.00
For 1 1/2-inch meter .....	9.00
For 2-inch meter .....	12.00

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

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Schedule No. 2

FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate water service.

TERRITORY

The unincorporated area including Riverdale Park Subdivision and vicinity, located approximately one-half mile southwest of Modesto, Stanislaus County.

RATES

	<u>Per Service Connection</u> <u>Per Month</u>
i. For each single-family residential unit, including premises not exceeding 12,500 sq. ft. in area.	\$4.00
a. For each additional single-family residential unit in the same premises and served from the same service connection.	2.00
b. For each 100 sq. ft. of premises in excess of 12,500 sq. ft.	.03

SPECIAL CONDITIONS

1. The above flat rates apply to a service connection not larger than one inch in diameter.
2. For service covered by the above classification, if the utility so elects a meter shall be installed and service provided under Schedule No. 1, 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.