

Decision No. 84011**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

J. WILLIAM WEINRAUCH and LLOYD MILLER,
Residents and Water Users of PONDEROSA
SKY RANCH, Tehama County, Paynes Creek,
California 96075,

Complainant,

vs.

ORVILLE A. FIGGS and KATHLEEN FIGGS,
owners of the water system serving
PONDEROSA SKY RANCH,

Defendants.

Case No. 9314
(Filed January 6, 1972)

Investigation on the Commission's own
motion into the operations, tariffs,
practices, facilities and service of
ORVILLE A. FIGGS dba PONDEROSA SKY
RANCH WATER COMPANY.

Case No. 9352
(Filed March 21, 1972)

C. A. Stromsness, Attorney at Law, for complainants.
Rawlins Coffman, Attorney at Law, for Orville A. Figgs,
respondent and defendant.
W. H. Kessenick, Attorney at Law, for the Commission staff.

O P I N I O N

J. William Weinrauch and Lloyd Miller, who are water users
of the Ponderosa Sky Ranch Water Company, located in Tehama County,
Paynes Creek, California, alleged that:

1. Orville A. Figgs failed to comply with the Commission's
order rendered in Decision No. 77019 dated March 31, 1970 in Case
No. 8970 (Residents & Users, etc. v Figgs).^{1/}

^{1/} That decision found that Orville A. Figgs owned and was operating
an uncertificated water utility. He was ordered to parallel or
replace undersized mains and otherwise upgrade the system. Pending
completion of the system improvements, Orville A. Figgs was
forbidden to accept new customers. The decision also established
rates.

2. The distribution system for the present service area is inadequate; the water supply is subject to outages which are a great inconvenience to the users; the distribution system develops leaks from time to time which are a nuisance and which cause damage to property; and generally the system has not been substantially improved as required.

3. Orville A. Figgs has not complied with paragraph 2 of the order above-referred to, in that he has not only continued to hold himself out as able to render water utility to new customers, but in fact has made connections to new customers, without first making improvements as ordered.

4. Orville A. Figgs has proceeded with the improvement of land, tentatively identified as Subdivision Unit No. 3, by the grading of roads, placing of water lines in the ground, and by making percolation tests, and so forth, and has expended money for such improvements, while making no improvements to the existing system, as ordered, other than the digging of two wells.

Orville A. Figgs answered by letter indicating that he had drilled wells and was looking for financing for "this new installation". He indicated that he had received bids for the new system and asked for a postponement of hearings to enable him to find financing and firm up plans for Unit No. 3. He denied that there were water shortages but conceded that there were outages caused by accidents or by maintenance procedures.

Hearing was held before Examiner Gilman on May 31, 1972 in Red Bluff. By stipulation a proposed order limiting Orville A. Figgs to serving no more than 44 customers was submitted to the Commission. It was adopted by Decision No. 80229 (July 11, 1972).

Further hearing was held on July 12, 1972. As a result, a second Interim Order (Decision No. 80526) was issued on September 19, 1972. That order modified the service restriction to allow service to

at least 60 customers. It also authorized Orville A. Figgs to construct system improvements designed to meet the objectives of General Order No. 103, Decision No. 77019, and the staff recommendations therein.

On June 6, 1974 the staff made a final inspection of the water system in question. The inspection indicated that a new well had been completed, with a 75 hp pump and an 8-inch line to the old masonry storage tank, and that a new 30,000 gallon steel tank had been installed. Further, an 8-inch line has been installed to supply Units 2 and 3 of the subdivision.

The staff reports that the new system provides a satisfactory level of service. It recommended that the Commission remove the 60-customer limit, dismiss the complaint, and discontinue the investigation. It was also recommended that extraordinary maintenance on the 8-inch line from the well to the storage tanks be disallowed. On August 20, 1974 copies of the final staff report were mailed to complainants, their attorneys, and other consumers who indicated an active interest in these proceedings.

Responses indicated a general lack of satisfaction with the manner in which Orville A. Figgs has operated and managed the water system. These responses are in addition to a series of complaints, formal and informal, received by the Commission over a period of several years.

We find that:

1. The system owned and operated by Orville A. Figgs is capable of being operated to provide satisfactory service to customers.
2. Orville A. Figgs should be placed on notice that any extraordinary repair or maintenance expense, attributable to the fact that the 8-inch main between well and storage tanks is not buried, will be disallowed.
3. The matters raised in response to the final staff report are outside the scope of the complaint. They are not of sufficient moment to warrant further prosecution under the order of investigation.

4. The limitation as to number of customers was originally imposed and then modified because of deficiencies in applicant's system rather than as a device to compel Orville A. Figgs to upgrade management or operating practices.

We conclude that:

1. The complaint has been satisfied.
2. The investigation should be discontinued.
3. The reason for the limitation of number of customers is no longer valid.

O R D E R

IT IS ORDERED that Ordering Paragraph 2 of Decision No. 80526 is rescinded, the complaint is dismissed, and the investigation is discontinued.

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

Dated at San Francisco, California, this 21st
day of JANUARY, 1975.

Vernon L. Stinson
President
William J. Stinson
Stinson

Commissioners