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Decision No. 86193

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's own motion into the operations, practices, service, equipment, facilities, rules, regulations, contracts and water supply of CITIZENS UTILITIES COMPANY OF CALIFORNIA, Montara District, serving the areas of Montara, Marine View, Farallone City, Moss Beach and adjacent territory in San Mateo County.	Case No. 10093 (Filed May 4, 1976)
Application of CITIZENS UTILITIES COMPANY OF CALIFORNIA for authority to increase its rates and charges for its water system serving the areas of Montara, Marine View, Farallone City, Moss Beach and adjacent territory in San Mateo County.	Application No. 55538 (Filed March 6, 1975)

John H. Engel, Attorney at Law, for Citizens Utilities Company of California, applicant in A.55538 and respondent in C.10093.
Joanne Rabin, Deputy Attorney General, for the Department of Health; and James C. Parks and Cecelia S. Goldthorpe, for themselves; interested parties.
Mary Carlos, Attorney at Law, and James Barnes, for the Commission staff.

INTERIM OPINION

The above two matters were consolidated and heard before Examiner Daly at Montara on June 1, 2, 3, and 4, 1976, with the matters being submitted on concurrent briefs due September 3, 1976.

During the course of hearing the staff requested an interim order relating to the adequacy of the facilities and water supply of Citizens Utilities Company of California, Montara District (respondent).

By its order dated May 4, 1976, the Commission instituted an investigation into operations, practices, services, equipment, facilities, rules, regulations, contracts, and water supply of respondent for the purpose of determining:

1. Whether respondent's available water supply and storage capacity is adequate and sufficient to enable it to serve existing customers in its certificated area;
2. Whether respondent's available water supply and storage capacity is adequate and sufficient to enable it to serve new customers or additional connections in its certificated area;
3. Whether there are available additional sources of supply and whether it is feasible for respondent to obtain such sources of supply; and
4. Whether respondent should be ordered to provide additional sources of supply or additional facilities to alleviate any inadequacy found to exist.

Twenty-four public witnesses testified and expressed a variety of service complaints, but the majority were critical of intermittent water outages during the period from Monday, April 19, 1976, to Wednesday, April 21, 1976, which affected approximately 450 homes within the Montara service area.

Respondent's water supply is taken from springs and five ground wells, two of which are located at the local airport. According to a water specialist representing the San Mateo County Department of Health and Welfare, the problem began the morning of

Monday, April 19, 1976, when respondent's South Airport well broke down. At approximately the same time respondent's Wagner Well No. 3 was to be shut down for the purpose of replacing a submersible pump with a turbine pump that had been removed on April 5, 1976 for reconditioning. As of Monday afternoon the quantity of water available from all system sources was only 187 gallons per minute, which was below the system requirements. As the result of a concerted effort on the part of respondent, state, county, and local representatives, respondent's system was supplemented, on an emergency basis, by connection with the nearby private water facilities of the Havice Ranch, which increased respondent's system production to a total of 267 gallons per minute. On Tuesday morning, April 20, 1976, it was apparent that additional water was necessary. A request was made to connect with the facilities of the Coastside County Water District, but the request was refused. By the Wednesday afternoon, April 21, 1976, the turbine pump had been reinstalled in Wagner Well No. 3 and the well was producing 115 gallons per minute. By Wednesday evening the submersible pump taken from Wagner Well No. 3 was installed in the South Airport well and was pumping at a rate of 40 gallons per minute. At that time water service was completely restored.

The staff, which conducted an investigation of the service area, introduced the results thereof in Exhibit 14.

Respondent's water supply is ultimately derived from rainfall within the Montara-Moss Beach hydrographic area, which consists of 7,895 acres having an average annual rainfall ranging from 20 inches in the service area portion to 45 inches at Montara Peak.

The unappropriated water rights to the two major creeks in the hydrographic area, Denniston Creek and San Vincente Creek, are held by Coastside Water District. Respondent's surface water rights are limited to a minor creek whose watershed encompasses approximately 4 percent of the hydrographic area. Its diversion of 35 gallons per minute accounts for 18.4 million gallons of respondent's total annual water production. According to respondent expansion of this source is being investigated.

About 80 percent of the hydrographic area's subsurface consists of Montara granite and the remainder consists of alluvium and terrace deposits, which occur in the relatively flat area in the vicinity of the airport. Three wells (Wagners Nos. 2 & 3 and Park) penetrate into the Montara granite and the airport wells (north and south) penetrate the alluvium and terrace deposits. The airport wells are presently the subject of title litigation with the county of San Mateo and respondent's right to extract ground water from these two wells without payment to the county has been challenged.

According to the staff witness the potential for further well development is uncertain because drilling in Montara granite is dependent upon encountering water bearing fractures and fissures, and drilling in alluvium and terrace deposits is dependent upon various factors including subsurface soil conditions and aquifer properties. The subsurface conditions, and, consequently, the aquifer properties, vary over the alluvial plain, which means that well location is an important criterion for good productivity.

The staff contends that the total amount of additional water that can be extracted from the entire aquifer without permanently lowering the ground water table is estimated to be about 400 acre-feet per year, which would be equal to eight wells pumping 60 to 75 gallons per minute for six months. Possible ground water developers in the area include Coastside Water District, agricultural users, and respondent.

The staff estimates that respondent's present reliable well production capacity is 225 gallons per minute; however, the county of San Mateo estimates the total capacity at 264 gallons per minute.

According to the staff the average daily demand, which was not normalized for climatologic factors, increased from 296,000 gallons during 1972 to 353,000 gallons during 1975. The staff estimates the 1976 normalized average daily demand to be 421,000 gallons and estimates the normalized 1976 peak demand to be 707,000 gallons, with its peak daily demand periods lasting for at least two consecutive days.

With a reliable production estimate of 374,000 gallons, the staff's estimates indicate deficiencies of 47,000 gallons on an average day and 333,000 gallons on a peak day. The staff contends that new sources of water supply capable of producing 200 gallons per minute are required to overcome these deficiencies.

The staff recommends that respondent be required to:

1. Take immediate steps to acquire new sources of water capable of producing 200 gallons per minute.
2. Prepare a water management plan for the interim period from the present time until the water supply has been increased. Such plan should give priority to conservation of water and to assurance of continuity of service in an emergency.
3. Make no new connections until it can be demonstrated by respondent, to the satisfaction of the Commission, that it has a sufficient water supply to provide for additional customers without jeopardizing the water supply to existing customers. Applicants for connections who have a valid building permit issued prior to the effective date of an order in this proceeding may be exempted.

4. Undertake a well testing program to determine the production capacity of all wells. Factors affecting production such as drawdown occurring with the simultaneous pumping of nearby wells, or transmission pipeline limitations, should be considered. The testing program should be done under the direction of a registered engineer. The testing should be done before any showing that a sufficient water supply is available to provide for new customers.

The California Department of Health recommends that:

1. Respondent should expedite its plans for filtration of its surface source. These plans should be sent to the Water Sanitation Section, State Department of Health, for review in connection with water permit action.

2. Respondent should keep its water tanks and distribution system filled with water at all times by whatever temporary action it finds feasible until more permanent measures can be completed. This temporary action could include such items as:

   a. Obtaining water from a private well approved by the State Department of Health for temporary and emergency use only.

   b. Employ the use of tank trucks (approved for hauling domestic water) as a substitute for service facilities in keeping its water company tanks and distribution system filled with water.

3. Respondent should develop construction plans and carry them out for service facilities that will insure adequate quantity and quality of drinking water at all times.

4. Respondent should carry out the water quality and monitoring regulations by taking general physical samples from the distribution system monthly and submitting them to the Water Sanitation Section, State Department of Health for review.

5. Respondent should improve the security of the water system facilities especially the tanks to prevent contamination of water or the disruption of service.

6. The Public Utilities Commission should restrict new connections.

Respondent's general manager and vice-president testified that respondent currently has a water management plan; that a 450,000-gallon steel storage tank is presently under construction and should be completed by July 1976; that he contacted Coastside Water District over a year ago about obtaining water from the District and was told that the District had no water available for sale; that connection with North Coast County Water District is not feasible because the four miles separating the two systems cover several ravines, canyons, and mountains; that the pressures in a connecting main would vary from hundreds of pounds to zero, and extensive booster facilities would be required; that at times of outages respondent presently notifies representatives of the Public Utilities Commission and the California Department of Health; that respondent has issued a purchase order for the drilling of a new well; that because of his greater familiarity with the area a local well-driller will be used; and that when the first well is operating a purchase order for the drilling of a second well will be issued.

After consideration the Commission finds that:

1. Respondent's existing water facilities are deficient in that its present facilities barely meet average daily demands and are inadequate to satisfactorily meet emergency or peak period demands.

2. Additional water sources capable of producing at least 200 gallons per minute are required.

3. Respondent should immediately prepare and file with this Commission a plan to promote conservation of water and to assure continuity of service in an emergency.

4. Respondent should make no new connections until it has demonstrated to the Commission that it has a sufficient water supply to provide for new customers without adversely affecting service to existing customers.

Respondent's demonstration of a sufficient water supply should be based upon data taken from a well testing program, including existing wells and new wells and conducted under the supervision and direction of a registered engineer.

INTERIM ORDER

IT IS ORDERED that:

1. Respondent shall acquire new sources of water for its Montara service areacapable of producing at least 200 gallons of water per minute and within thirty days after the effective date of this order, and every thirty days thereafter until such new sources of water are in operation, shall file with this Commission a progress report.

2. Within sixty days after the effective date of this order respondent shall file a water management plan for the interim period from the date hereof until the time that the water supply has been increased as required by Ordering Paragraph 1. Such plan shall give priority to conservation of water and to assurance of continuity of service in an emergency.

3. Respondent shall make no new connections until such time as it can demonstrate a sufficient water supply to provide for additional customers without adversely affecting service to existing customers. Respondent shall exempt therefrom all applicants for service having a building permit issued prior to August 3, 1976.

4. Respondent's demonstration of a sufficient water supply shall be based upon data taken from a well testing program, including existing wells and new wells, giving consideration to such factors of production as drawdown occurring with the simultaneous pumping of nearby wells or transmission pipeline limitations, and shall be conducted under the supervision of a registered engineer.

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

Dated at San Francisco, California, this 3rd day of AUGUST, 1976.

President

Commissioners

Commissioner Robert Batinovich, being necessarily absent, did not participate in the disposition of this proceeding.