

ORIGINAL

Decision No. 87224

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application)
of Ridgecrest Heights Land and)
Water Company, a California)
Corporation, doing business as)
Ridgecrest Heights Water Company,)
for an order authorizing the)
lifting of restriction set forth)
in Paragraph 10, Decision 75890.)

Application No. 56687
(Filed August 13, 1976)

George H. Turner, et al,
Complainants,

Case No. 10172
(Filed September 10, 1976)

vs

Ridgecrest Heights Land and
Water Company, dba Ridgecrest
Heights Water Company, Wilbur H.
Stark and Mary Ruth Stark,

Defendants.

Mary Ruth Stark and Wilbur H. Stark,
for applicant and defendant.
George H. Turner, for complainants.
Darryl Moore, for Kern County Fire
Department, and James M. Windsor,
for State Health Department,
interested parties.
Robert C. Durkin, for the Commission
staff.

O P I N I O N

Ridgecrest Heights Land and Water Company, a California
corporation, doing business as Ridgecrest Water Company (Ridgecrest)

seeks an order removing the restriction set forth in Ordering Paragraph 10 of Decision No. 75890, dated July 8, 1969, which reads as follows: "Northern Mojave Lands, Inc., shall not extend facilities or furnish any service outside of its service area without further order of the Commission." Said restriction was transferred to Ridgecrest by Decision No. 82678 dated April 2, 1974.

George H. Turner, James E. Poore, Paul H. Miller, and Harold W. Miller (Complainants) filed a complaint against Ridgecrest alleging that it has failed to provide adequate water service, it has extended its service outside its certificated service area contrary to the requirements of Decision No. 75890 which resulted in deterioration of water service to the other customers, and that it has failed to provide water service to complainants from Saturday, July 10, 1976, until 10:00 p.m., July 15, 1976 and on numerous other occasions. These two matters were combined for hearing and, after notice, public hearing was held before Examiner Johnson on February 9 and 10, 1977 in Ridgecrest and the matter was submitted. Testimony was presented on behalf of Ridgecrest by its president, secretary, accountant, and one of its customers; on behalf of complainants by one of the complainants, George H. Turner; by the director of Indian Wells Valley County Water District, and by one of Ridgecrest's customers; and on behalf of the Commission staff, by one of its engineers. In addition, James Windsor of the Sanitary Engineering Department of the State Health Department presented testimony relating to the compliance of Ridgecrest's operations with the State's standards. Also, several of Ridgecrest's customers made statements in support of the operations and several customers made statements in support of the complaint.

Complainants' Position

Testimony presented on behalf of complainants indicated that:

1. Of the seven wells drilled by Ridgecrest, three were located outside Ridgecrest's certificated area.
2. Even at times of low usage, water pressure was often substandard.
3. The higher elevation areas being served by Ridgecrest are outside the certificated service area.
4. All major additions to plant since 1973 were located outside the certificated area and the facilities were installed in violation of Paragraph 10 of Decision No. 75890.
5. The resulting overextension of facilities was harmful to the other customers located within the certificated area.
6. During times of heavy usage, water pressure is so low that customers have no water inside of the house.
7. During normal usage times, some areas served by Ridgecrest have such low pressure that it takes one hour and twenty minutes to do a load of wash because of the extended filling time required.
8. Indian Wells Valley County Water District (District) opposes further encroachment upon District by Ridgecrest.
9. There have been numerous complaints to the State Health Department about muddy water, sand in water, low pressure, and outages.
10. Even within the certificated area, pressures in excess of 25 psi are rare.

Ridgecrest's Position

Testimony presented on behalf of Ridgecrest indicated that:

1. Since, and even before, acquisition of the water system, improvements in facilities have been constantly made.

2. It was necessary to drill new wells outside of the certificated area to obtain good potable water not contaminated by the proximity of leach lines and septic tanks.

3. Water was available to serve new customers in the certificated and contiguous areas, so Ridgecrest was able to add new customers each year with the result that the number of customers increased from 162 when the system was acquired to 813 in November, 1976.

4. The water outage alleged to have occurred from July 10 to July 15, 1976 was prolonged beyond the control of Ridgecrest because of unfortunate experiences of the pump contractor.

5. Well No. 7 was not completed on schedule because of new laws relating to commercial wells in residential areas and because of vandalism.

6. Well No. 3 was inoperative on the day of hearing because of vandalism.

7. Ridgecrest has applied for a state loan of \$416,000 under the California Safe Drinking Water Bond Law of 1976 to install four storage tanks, replace mains, install fire hydrants, drill a new well, and install security fencing.

8. It would cost \$5,000,000 to replace completely the existing system.

9. Ridgecrest has taken all reasonable steps to improve service and, as a result, is many thousands of dollars in debt.

10. Ridgecrest needs rate relief to effect system improvements.

11. Ridgecrest provides free service to more than 100 fire hydrants.

12. There are presently 21 purchasers of property outside the certificated area who have been promised and will require service in the near future as summarized on Exhibit 5.

13. Ridgecrest needs to install another well to supply its future requirements.

Staff's Position

Testimony presented on behalf of the Commission staff indicated that:

1. As of November 1976 Ridgecrest had 671 customers within its certificated service and 142 customers outside the approved area, a total of 813 customers.

2. Ridgecrest does not: (a) meter production of its wells, (b) have a current consolidated system map showing major system details, (c) maintain records of complaints, (d) make annual pressure surveys, (e) have chain-link security fencing around Wells Nos. 1 and 3, and (f) have a water conservation program.

3. Ridgecrest has no storage tanks to supply peak hour demands.

4. The distribution lines are essentially one-way feeds with the result that residences furthest from the wells are subject to low pressure and residences closer to the wells are subject to higher pressures.

5. The addition of loop mains of 6-inch size or larger and the replacement of small mains should help to stabilize pressures and offset high friction losses in the certificated tracts.

6. Ridgecrest's water pressures range from acceptable in the lower portion of the service area to poor in higher level certificated and noncertificated areas.

7. Water pressure variations in some areas exceed the 50 percent limit set forth in General Order No. 103.

8. Ridgecrest provides or will provide service to eight properties in District's service area. Negotiations are in progress to transfer these to District.

9. Ridgecrest has increased its water supply during the period 1970 to 1976 from 550 gpm to 1,020 gpm while increasing its number of customers five-fold.

10. Ridgecrest needs a supply of approximately 1,418 gpm to supply the 738 customers served from Wells Nos. 1, 2, and 3 and, therefore, needs a supplemental supply of approximately 400 gpm.

11. Ridgecrest has not executed any main extension contracts with other developers within its service area.

12. Ridgecrest's existing facilities cannot meet any of its required fire flows.

13. Nearly 90 percent of Ridgecrest's distribution mains are of 4-inch diameter or smaller and need replacement.

14. Because of the present undersized distribution mains the addition of Well No. 7, to be operated similarly to Wells Nos. 1, 2, and 3 will not significantly improve pressure at higher elevations.

15. The staff recommends that Ridgecrest: (a) develop an additional supply of 350 to 400 gpm, (b) have a professional engineer design facilities to meet requirements of General Order No. 103, (c) meter the production of the wells, (d) furnish plans for compliance with above, (e) serve no additional customers until the adequacy of supply is established, (f) furnish a schedule of programmed main replacement, (g) transfer customers in

District's service area to District, (h) prepare water system maps, make annual pressure surveys, and keep complaint files, (i) install security fencing at Wells Nos. 1 and 3, and (j) initiate a water conservation program.

Discussion

It is obvious from the record that Ridgecrest is presently serving several developments and customer groups outside its certificated service area in violation of Ordering Paragraph 10, of Decision No. 75890. By the instant application Ridgecrest not only seeks authorization to continue to serve its existing customers outside the certificated area but to expand its service area to permit serving a substantially larger area. The staff engineer recommends continuation of service to existing customers, but that no additional customers be added outside present certificated tracts until the utility can establish the adequacy of water supplies.

The present water service is deficient with respect to the availability of water and in certain areas with respect to water pressure. According to Ridgecrest Well No. 7, presently in the process of being completed, is expected to produce 400 gpm. If this anticipated delivery volume is realized, the reliable delivery volume will be in excess of 1400 gpm, which the record shows will be adequate to serve the existing main system customers, together with the twenty-one new customers desiring service at this time.

However, it is noted that 89,8 percent of all mains are of 4-inch or smaller diameter and that some of the customers in the older developments are located at the end of long small diameter feeds. In addition, those customers in Tract No. 1992

and those being served outside the certificated area are generally at higher elevations than those customers within the older certificated areas. The combination of the long, small diameter feeds and the higher elevations has resulted in unsatisfactorily low delivery pressures to those customers. These low pressure conditions will not be rectified by additional water to be supplied from Well No. 7 and, possibly, other wells. As previously noted, one of the staff engineer's recommendations was that Ridgecrest retain a professional engineer to design storage reservoir facilities having as a minimum storage capacity the maximum 24-hour domestic demand, plus a minimum reserve for fire protection purposes, together with adequate booster pumping facilities to bring normal operating water pressures up to that required in General Order No. 103 in Tracts Nos. 1992, 1466, and noncertificated Tract No. 2599. He estimated the cost of such a study would be between \$1,000 and \$2,000. Such a study is a logical and reasonable first step toward the resolution of the inadequate pressure problem and further expansion of the system will be conditioned upon receipt of such a study together with a specific plan and timetable for such system improvements.

In addition, the staff engineer's recommendations that Ridgecrest meter all of its active wells and keep records of water production and adopt a main renovation and installation program and planned maintenance schedule for wells, pumping plant, and other equipment are well-taken. The order that follows will require their adoption.

Exhibit 4 was a copy of an application for a loan under The California Safe Drinking Water Bond Law of 1976 for \$416,000 for improvements in the Ridgecrest system. Such improvements consist of three and one-half miles of 6-inch main, one mile of 8-inch main, 77 fire hydrants and related equipment, four chlorination units, four storage tanks, one new well, and miscellaneous valves, couplings, and assemblies. Such facilities are planned for installation within the presently certificated area and no request has been made for loan funds to improve facilities for the developments presently being served outside the certificated area. Ridgecrest's president testified that to comply with the staff engineer's recommendations that include such facilities would necessitate increasing the amount of the loan to approximately \$600,000. Mr. Windsor testified that water bond loans are assigned priorities on various bases including the quality of water being supplied and the ability of the water agency requesting the loan to obtain alternate financing. The record shows that because of the quality of water being supplied and other factors Ridgecrest is presently Number 84 on the priority list and that it will be at least one and one-half years before the loan will be forthcoming provided the funds set aside for this purpose are not exhausted before then. Obviously such a loan cannot be relied upon to provide the funds to resolve Ridgecrest's problems.

The complainants allege that they were without water from Saturday, July 10, 1976 until 10:00 p.m. July 15, 1976. Ridgecrest denies this and points to pressure charts taken on July 12 and 13, 1976 to support its position. The record, however, does show that Well No. 7 was air locked on July 12, 1976

and was not restored to service until 10:20 p.m. on July 15, 1976 due to breakage and difficulties associated with lowering the pump 40 feet. It is obvious that a substantial portion of the outage was beyond the reasonable control of Ridgecrest. However, a planned maintenance program might have permitted more timely corrective action. The other outages included in the complaint appear to be the result of an inadequate system being unable to supply water during times of heavy usage.

The staff engineer recommended that chain-link security fencing be installed around Wells Nos. 1 and 3. The record indicates some vandalism on Wells Nos. 3 and 7. Under these circumstances, the installation of security fences appears warranted. Such installations, however, should not be made in preference to installations that will improve the quality of service.

Tests performed on Well No. 3 indicated an efficiency of 0.4 on December 2, 1976. The record indicates that adjustments to this pump should improve the efficiency and thereby raise the output of this well. It is obvious that such adjustments should be made.

Findings

1. Ridgecrest has extended service and added new customers in Tracts Nos. 2588, and 2599 and in noncertificated areas north and northwest of Tract 1600 between the years 1970 and 1976 in violation of Decisions Nos. 75890 and 82678.

2. Ridgecrest has a water supply deficiency for serving its existing customers of approximately 400 gpm.

3. Ridgecrest cannot meet the pressure requirements of General Order No. 103 in either the higher elevation portions of its certificated area Tracts Nos. 1992 and 1466 or in the non-certificated Tract No. 2599.

4. Ridgecrest should retain a professional engineer to design storage reservoir facilities having as a minimum storage capacity the maximum 24-hour domestic demand, plus a minimum reserve for fire protection purposes together with adequate booster pumping facilities to bring normal operating water pressure up to that required by General Order No. 103 in certificated Tracts Nos. 1992 and 1466 and noncertificated Tract No. 2599.

5. Ridgecrest should furnish plans, estimates, and construction schedules for completing the facilities described in Finding No. 4 within 90 days of the effective date of this order.

6. Within 180 days of the effective date of this order, Ridgecrest should provide plans, estimates, and construction schedules for metering and keeping records of the production output of its active wells and the replacement of deteriorated and/or undersized mains.

7. Ridgecrest should adjust Well No. 3 for maximum output and forward the results of efficiency tests on the adjusted well together with the results of efficiency tests to be performed on Well No. 7 within 90 days of the effective date of this order.

8. Ridgecrest should not extend its facilities to serve new customers until further order of the Commission.

9. Annual pressure surveys required by General Order No. 103 should be utilized to develop plans for conforming the system to General Order No. 103 standards.

10. Ridgecrest should develop and utilize a planned maintenance program for its supply equipment.

O R D E R

IT IS ORDERED that:

1. Ridgecrest shall retain a professional engineer to design storage reservoir facilities having as a minimum storage capacity the maximum twenty-four hour domestic demand, plus a minimum reserve for fire protection purposes, together with adequate booster pumping facilities to bring normal operating water pressures up to that required in General Order No. 103 in Tracts Nos. 1992, 1466, and 2599.

2. Ridgecrest shall complete Well No. 7 and have efficiency tests performed on the well after its completion.

3. Ridgecrest shall adjust Well No. 3 for maximum output and have an efficiency test performed on the well after such an adjustment.

4. Ridgecrest shall make pressure checks throughout its systems and engineer improvements that will correct any deficiencies.

5. Within ninety days of the effective date of this order, Ridgecrest shall submit the results of the studies and tests required by Paragraphs 1, 2, 3, and 4 to the Commission staff together with a plan, cost estimates, and construction schedule for implementing the required system improvements.

6. Within one-hundred eighty days of the effective date of this order, Ridgecrest shall provide plans, estimates, and construction schedules for metering and keeping records of the production

output of its active wells and the replacement of deteriorated and/or undersized mains.

7. Ridgecrest shall add no new customers until further order of the Commission.

8. Ridgecrest shall initiate a water conservation program and shall emphasize to its customers the urgency and importance of conservation during the critical summer months in view of the prospect that drought conditions may be prolonged.

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

Dated at San Francisco, California, this 19th day of APRIL, 1977.

William Sycron - Jr President
Thomas L. Sturgeon
Richard D. Gould Commissioners

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