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Decision No. 87611

JUL 19 1977

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's own motion into the status, operations, service, maintenance, facilities, equipment, water supply practices, rates, rules, tariff schedules and records of James J. Downey, doing business as Greenvue Estates Water Company, Inverness Park Water Company, Kenwood Village Water Company, Pennngrove Water Company, Point Reyes Water Co., Rio Dell Water Company, and Russian River Terrace Water Co.; and James J. Downey and W. H. Appleton, doing business as Canon Manor Water System; and Happy Acres Water Company, Inc., in Sonoma and Marin Counties.

Case No. 9076
(Filed June 9, 1970)

Antoinette H. Cannizzaro,

Complainant,

vs

Rio Dell Water Company,

Defendant.

Case No. 10070
(Filed March 23, 1976)

Phyllis Grabc,

Complainant,

vs

Rio Dell Water Company,

Defendant.

Case No. 10103
(Filed May 21, 1976)

C. 9076 et al. ek

Dennis Reid, et al.,

Complainants,

vs

Rio Dell Water Company,

Defendant.

Case No. 10104
(Filed May 21, 1976)

APPEARANCES

(Listed in previous decisions
in Case No. 9076 and related
cases and applications.)

SIXTH INTERIM OPINION IN CASE NO. 9076
AND FINAL OPINION IN CASE NO. 10070

On March 23, 1976 Antoinette H. Cannizzaro (Cannizarro) filed a complaint against Rio Dell Water Company alleging that:

1. Up to and including March, 1975 Rio Dell was billing Cannizzaro at the rate of \$6.75 per quarter for water services at 9214 Rio Dell Court, Forestville.

2. During August, 1975 Cannizzaro received a bill for \$268 for service for the period March, 1975 through August, 1975 without prior notice from Rio Dell Water Company as to the change in rates or service.

3. Until 1969-70 the distribution pipe serving the Rio Dell Court residences was kept in repair by Rio Dell Water Company, but since then Rio Dell Water Company has refused to repair leaks to this pipe.

4. The distribution pipe which is 3/4-inch and 1-1/2-inch galvanized pipe is undersized and is in need of constant repair.

5. Rio Dell Water Company has made no attempt to contact Cannizzaro to explain the change in rates, to secure an application for service, or to advise Cannizzaro under what conditions service is rendered under its filed tariffs.

Cannizzaro requests the Commission to order Rio Dell Water Company to apply the same rates to Cannizzaro that it was charging prior to March, 1975 and to install a new water pipe of adequate size to serve the residences of Rio Dell Court and to maintain said water pipe.

Hearings were held before Administrative Law Judge Cline in Guerneville on October 28, and in San Francisco on October 29 and November 17, 1976. The matter was taken under submission on the filing of late-filed Exhibit No. 72 on December 13, 1976.

Exhibit No. 69 of the Commission staff provides the following information regarding the Cannizzaro complaint:

"Ms. Cannizzaro's property is located in the mid-northerly portion of the utility's service area. The address is 9214 Rio Dell Court.

"The area in which complainant resides was originally a commercially operated resort. The complex consisted of a recreation area with cabins, a dance hall, dining room and assembly hall. Over the years, the character of the area has changed from a commercially operated resort to a residential area. Today there are twenty-four residential units of which fifteen are occupied year round.

"The original application for service to this area was to furnish water to the resort complex. The Commission took cognizance that James J. Downey became the owner of the Rio Dell Water Company on May 15, 1945 in Decision No. 37888.

"On March, 1975 complainant purchased the front property, address 9117 River Road, of this area and was shown receipts that the billing rate was \$6.75 per quarter. On February 28, 1975 the utility placed this area on a single meter for service to the twenty-four residences without notifying complainant that it was changing its billing from flat rate service to metered service.

"On August 10, 1976 the Commission authorized the utility to increase its rates from \$2.25 per month to \$4.50 per month. Upon receiving the rate increase the staff was advised that the utility back billed the individual residents of Rio Dell Court to January, 1976. The utility has not contacted Ms. Cannizzaro or any other resident in this area regarding service or resolving the issue of installing a new water pipe of adequate size to serve the residents of Rio Dell Court.

"To rectify the instant complaint the staff advised the utility's representative to survey the residents in the area to determine which customers desire service, procure easements if necessary, and to extend a new main in conformance with the requirements of General Order No. 103 and under the provisions of the utility's tariff Rule No. 15, Main Extensions. Utility easements are contained in Ms. Cannizzaro's deed to the property."

The testimony of Cannizzaro in general substantiated the evidence in Exhibit No. 69 set forth above. She testified, however, the front property was purchased by her and two others in March of 1974 which is contrary to the allegations of her complaint and the evidence in Exhibit No. 69. This conflict will be resolved by a finding that the front property was acquired by Cannizzaro and two other persons in March of 1975. She also testified that since the latter part of 1970 Rio Dell Water Company has disclaimed any responsibility for leaks in the water pipes and that the water pipes have been repaired by the residents in Rio Dell Court except for one major repair which was made by Rio Dell Water Company at the time Cannizzaro acquired the front property.

John B. Downey, the Assistant Manager and Engineer for Rio Dell Water Company, testified that Rio Dell Water Company is willing to accept the existing distribution line in Rio Dell Court and to bill separately the individual residences of the park providing he can get the necessary easements for the pipeline without any expense to the water company. In response, Cannizzaro testified that the water line is in the utility's easement within the roadway which serves the residences located in Rio Dell Court, except that portion of the water line which goes through the front property which is owned by Cannizzaro. She further testified that she would be willing to give Rio Dell Water Company the necessary easement across her property.

In order to provide adequate service Rio Dell Water Company will seek financing for the purpose of replacing the 3/4-inch and 1-1/2-inch distribution lines with a 6-inch main if it is dead end and a 4-inch main if it is a looping line. John Downey anticipates that it may be as long as five years before the transmission line is replaced. Cannizzaro insists that the work should be completed within three years.

Cannizzaro also requested that a couple of fire hydrants be connected to the new main when it is installed in the canyon to provide fire protection to the residences in Rio Dell Court. In response, John Downey testified that Rio Dell Water Company would work with the Forestville Fire Protection District to install fire hydrants at whatever locations the district designates, provided that the district or others pay the expense of the installation of the hydrants.

Findings of Fact

1. Complainant Cannizzaro's residence is located at 9214 Rio Dell Court which is in the mid-northerly portion of Rio Dell Water Company's service area.

2. The area in which complainant resides was originally a commercially operated resort consisting of a recreation area with cabins, a dance hall, a dining room, and an assembly hall. Over the years the character of the area has changed from a commercially operated resort to a residential area consisting of twenty-four residential units of which fifteen are occupied year-round.

3. During March of 1975 Cannizzaro together with two other persons purchased the front property of the Rio Dell Court residential area, the address of which is 9117 River Road, Forestville. At the time of making said purchase Cannizzaro was shown receipts at a billing rate of \$6.75 per quarter for water service to said property.

4. The private line which provides water service to the residence at 9117 River Road also provides water service to the twenty-three other residences on Rio Del Court.

5. Up to and including March of 1975 Rio Dell Water Company billed Cannizzaro at the rate of \$6.75 per quarter for water service at her residence at 9214 Rio Dell Court, Forestville.

6. On February 28, 1975 Rio Dell Water Company placed the Rio Dell Court area on a single meter for service to the twenty-four residences without notifying Cannizzaro that it was changing its billing from flat rate service to metered service.

7. During August, 1975 Cannizzaro received a bill for \$268 for service to the Rio Dell Court residences for the period March through August, 1975.

8. Effective August 15, 1976 Rio Dell Water Company was authorized to increase its permanent resident flat rates from \$2.25 to \$4.50 per month.

9. During August of 1976 Rio Dell Water Company back billed the individual residents of Rio Dell Court to January, 1976.

10. The distribution pipe which serves the residences in Rio Dell Court which is 3/4-inch and 1-1/2-inch galvanized pipe is undersized and is in need of constant repair.

11. Since the latter part of 1970 Rio Dell Water Company has disclaimed any responsibility for leaks in the distribution pipes which serve the residences of Rio Dell Court and such pipes have been repaired by the residents themselves except for one major repair which was made by Rio Dell Water Company at the time Cannizzaro acquired the front property at Rio Dell Court.

12. The Commission staff representative has advised the representative of Rio Dell Water Company to survey the residents in the Rio Dell Court area to determine which of the residents desire service, to procure whatever easements are necessary to provide such service, and to extend a new main to provide such service in conformance with the requirements of General Order No. 103 and under the provisions of Rio Dell Water Company's tariff Rule No. 15, Main Extensions.

13. Rio Dell Water Company is willing to accept the existing distribution line serving the residences in Rio Dell Court and to bill separately the individual residences in Rio Dell Court providing it can acquire the necessary easements for the distribution pipeline without any expense to Rio Dell Water Company.

14. Cannizzaro is willing to give Rio Dell Water Company an easement for the distribution main through her property located at 9117 River Road, Forestville. The remainder of the distribution main serving the residences located in Rio Dell Court is located in the utility's easement within the roadway which serves such residences.

15. The 1-1/2-inch and 3/4-inch distribution mains serving the twenty-four residences in Rio Dell Court are inadequate and should be replaced with a 6-inch dead end or a 4-inch looping distribution main in accordance with the requirements of General Order No. 103 and under the provisions of Rio Dell Water Company's tariff Rule No. 15, Main Extensions.

16. Fire hydrants should be installed at whatever locations along the newly installed distribution mains which may be designated by the Forestville Fire Protection District at the expense of the Forestville Fire Protection District or others than Rio Dell Water Company.

Conclusions of Law

1. James J. Downey, doing business as Rio Dell Water Company, should cancel the \$268 bill for water services furnished to Cannizzaro and should bill the individual residents in Rio Dell Court for water service prior to August 14, 1976 at the permanent resident flat rate of \$2.25 per month and for water service subsequent to August 15, 1976 at the permanent flat rate of \$4.50 per month until such time as individual meters are installed, and should pay reparations to such customers for any amounts paid by them to Rio Dell Water Company in excess of such rates.

2. James J. Downey, doing business as Rio Dell Water Company, should be required to provide water service to the twenty-four residences located in Rio Dell Court, Forestville in accordance with the provisions set forth in the order below.

SIXTH INTERIM ORDER IN CASE NO. 9076
AND FINAL ORDER IN CASE NO. 10070

IT IS ORDERED that:

1. James J. Downey, doing business as Rio Dell Water Company, shall cancel the \$268 bill for water services furnished to Antoinette H. Cannizzaro and shall bill the individual residents in Rio Dell Court, Forestville for water service furnished to them prior to August 14, 1976 at the permanent resident flat rate of \$2.25 per month, and for water service furnished to them subsequent to August 15, 1976 at the permanent flat rate of \$4.50 per month until such time as individual meters are installed, and shall pay reparations to such customers for any amounts paid by them to Rio Dell Water Company in excess of such rates.

2. On or before November 30, 1977, James J. Downey, doing business as Rio Dell Water Company, shall acquire whatever easements are necessary to take over the 3/4-inch and 1-1/2-inch distribution mains serving the twenty-four residences in Rio Dell Court and shall acquire, operate, and maintain such distribution mains for the purpose of serving such applicants in Rio Dell Court (1) who pay for water service previously furnished to them prior to August 14, 1976 at the permanent resident flat rate of \$2.25 per month and for water service previously furnished to them subsequent to August 15, 1976 at the permanent resident flat rate of \$4.50 per month, (2) who convey their interests in the 3/4-inch and 1-1/2-inch distribution mains serving their residences and provide the necessary easement at no charge to Rio Dell Water Company through their property as may be required for the operation, maintenance, and replacement of said distribution mains, and (3) who apply for the continuation of such water service. This ordering paragraph will not prevent James J. Downey, doing business as Rio Dell Water Company, from subsequently installing meters and providing water service to such customers at permanent resident meter rates in accordance with his tariff on file with this Commission.

3. On or before November 30, 1980, James J. Downey, doing business as Rio Dell Water Company, (1) shall replace the 3/4-inch and 1½-inch distribution mains serving the twenty-four residences in Rio Dell Court with a 6-inch dead end or a 4-inch looping distribution main in accordance with the requirements of General Order No. 103 and under the provisions of Rule No. 15, Main Extensions, of the Tariff Schedules of Rio Dell Water Company on file with this Commission, and (2) shall install fire hydrants at such locations along such newly constructed distribution mains as may be ordered by and paid for by the Forestville Fire Protection District or others than Rio Dell Water Company.

4. The Executive Director shall make personal service of a certified copy of this order upon James J. Downey, doing business as Rio Dell Water Company, and shall serve copies of this order by mail upon all other parties to these proceedings.

5. Within thirty days after the effective date of this order James J. Downey, doing business as Rio Dell Water Company, shall inform all customers of Rio Dell Water Company residing or owning property in Rio Dell Court of the provisions of Ordering Paragraph 2, and shall notify the Commission of compliance with this Ordering Paragraph 5.

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

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

Robert Batunil
President
William J. Jones
Vernon L. Stokerson
Richard D. Givelle
Commissioners

Josephine
Marie D. Edwards