

Decision No. 87967 OCT 12 1977

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Big Hill Water Co., Inc. }
for an order to annul the conditions }
of Ordering Paragraphs 6 and 8 of }
Decision No. 85935. }

Application No. 57252
(Filed April 22, 1977)

ORDER OF MODIFICATION

By Decision No. 85935, dated June 8, 1976, the Commission imposed, inter alia, the following restrictions upon the Big Hill Water Co., Inc.:

"6. Defendant shall, within six months after the effective date of this order, institute a program to replace existing mains using boiler tube mains with materials in conformance with Section III.5 of General Order No. 103. Copy of this plan shall be submitted to the Commission for review and comments by its staff."

"8. No further applications for service shall be accepted for either district by defendant without the approval of the Commission."

On April 22, 1977, A. C. Still filed an application for modification of Decision No. 85935 to annul the two ordering paragraphs quoted above. Mr. Still alleges that, in regard to Ordering Paragraph 6, the boiler tube mains are in good condition and have no leaks, and that to replace these mains with mains of a size complying with General Order No. 103 would place an undue financial burden upon the utility. By Exhibit A attached to the application he provides an engineering report on the boiler tube mains which concludes that the mains are strong enough structurally and that electrolysis appears to be no problem.

Mr. Still also states that he is putting a new well into service which will eliminate the low pressures experienced at peak loads, thus providing additional water supply, enabling him to provide adequate service to additional customers, and that he has applied for a loan under the California Clean Drinking Water Bond Act of 1976, on which he is Priority 74, and that receipt of this loan will enable him to upgrade the entire system.

A staff engineer made an on-site inspection of this facility, and has prepared a report on his findings, which is accepted as ALJ Exhibit A. Of special interest is a statement of intent by Mr. Still to set up a fund of 20% of gross revenues to pay for some of the improvements required by Decision No. 85935. A 60,000-gallon tank and a booster pump have been installed to alleviate storage and pressure problems. The well was nearly ready for operation at the time of the staff inspection, and has since been reported as being in operation on August 22, 1977.

The staff engineer concludes that, with the additional well, it is reasonable to eliminate Ordering Paragraph 8 to allow the addition of new customers, and also recommends the annulment of Ordering Paragraph 6 due to the noted good condition of the mains and the expressed intention of Mr. Still to establish a fund to be devoted to replacement of undersized mains and a holding tank.

After consideration the Commission concludes that the relief requested should be granted.

IT IS ORDERED that:

1. Ordering Paragraphs 6 and 8 of Decision No. 85935, dated June 8, 1976, are rescinded.

2. In all other respects the provisions of Decision No. 85935 shall remain in full force and effect.

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

Dated at San Francisco, California, this 12th day of OCTOBER, 1977.

Robert Bateman
President
William Synes Jr.
Samuel L. Sturgeon
Richard D. Cavalle
Clare L. Edwards
Commissioners