

Decision No. 11772.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of)
MADERA ELECTRIC WATER COMPANY)
for an order authorizing it to dis-)
continue the furnishing of water in)
the City of Madera and vicinity and)
for the sale of the property devoted)
thereto.)

Application No. 8581.

Murray Bourne, attorney for applicant.

BY THE COMMISSION:

O P I N I O N

Madera Electric Water Company, a public utility water corporation, engaged in the business of supplying water for domestic and general uses in the City of Madera, Madera County, makes application as above entitled to the Railroad Commission for authority to discontinue the service of water to its consumers.

A public hearing was held in this matter in Madera on February 27, 1923, before Examiner Satterwhite, of which all interested parties were duly notified and given an opportunity to be present and be heard.

No protestants appeared at the hearing and no objections to the granting of this application have been filed.

From the evidence, the business of applicant has been decreasing for a number of years by reason of the competition of the Madera municipal water works, the distributing pipe mains of which in general parallel those of applicant. Many of applicant's former consumers have now become consumers from the municipal

system with the result that during the past few years the revenues from water sales have been insufficient in amount to meet even its operating expenses and depreciation, without providing any return on the investment.

Applicant owns no wells or other source of water supply. Its plant consists of a pipe distributing system and obtains its water supply from the Madera water plant of San Joaquin Light and Power Corporation, a public utility also supplying water in this community. During 1922 applicant had about 49 consumers, and at the date of the hearing about half of these had been taken over by the said municipal system. The superintendent of the municipal system testified that the City is able and willing to assume service to all of applicant's consumers as they apply for same.

The application herein was amended at the hearing to include the request that, following the granting of authorization to discontinue the service of water to its consumers, Madera Electric Water Company be authorized to cease operating as a public utility water corporation and thereafter to sell or otherwise dispose of its property heretofore devoted to public utility uses.

After careful consideration of all the evidence it appears that to authorize the discontinuance of service to applicant's present consumers as requested herein will not unduly inconvenience or burden them since they are enabled immediately to receive adequate service of water from the municipal water system operated by the City of Madera, which serves the same territory.

O R D E R

Madera Electric Water Company having made application to the Railroad Commission as entitled above, a public hearing having been held, and the matter having been submitted,

It is Hereby Found as a Fact that public convenience and ne-

cessity do not require that Madera Electric Water Company continue to operate its public utility water system in the City of Madera.

And basing its order on the foregoing finding of fact and on the other statements of fact contained in the opinion which precedes this order,

IT IS HEREBY ORDERED by the Railroad Commission of the State of California that Madera Electric Water Company be and it is hereby authorized to discontinue service of water from the water system owned by it and serving water to certain consumers in the City of Madera, Madera County, and to cease its operations as a public utility, provided that applicant files with this Commission a certified statement to the effect that each and every consumer attached to its system has been given thirty (30) days' written notice of applicant's intention to discontinue water service, and also that all consumers have been advised that they at once make application to the City of Madera for service from the municipal water works or otherwise arrange for water service; and further, that when service has been discontinued to all consumers and they all have been provided with another satisfactory water supply, a certified statement to that effect be also filed.

IT IS HEREBY FURTHER ORDERED that Madera Electric Water Company be and it is hereby authorized to sell or otherwise dispose of the property used in the conduct of its public utility water operations in Madera when and after such time as it has complied with all the conditions of this order as above specified.

Dated at San Francisco, California, this 12th day of March, 1923.

C. Sweeney

Dwight Martin

J. T. Whittney
Commissioners.