

ORIGINAL

Decision No. 12117.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
A. B. PERKINS)
For authorization of revised rate)
schedule.)

Application No. 8826.

A. R. Kelley, for applicant.

A. G. Thibaudesau, for Newhall Chamber of
Commerce.

BY THE COMMISSION:

O P I N I O N

A. B. Perkins, applicant herein and owner of a public utility water plant, asks authority to revise his rate schedule for water supplied to consumers in and in the vicinity of Newhall, Los Angeles County.

Applicant alleges in effect that the present schedule of rates is inadequate in that it does not yield the annual revenue necessary to meet the expenses for maintenance and operation, replacement annuity and a fair return upon the investment.

A public hearing in this matter was held at Newhall before Examiner Williams. All of applicant's consumers were duly notified and given an opportunity to appear and be heard.

The rates at present in effect were established by this Commission in its Decision No. 8389, dated November 27, 1920, in

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Application No. 5816, and are as follows:

MONTHLY METER RATES

Service Charges

For 5/8 by 3/4 inch meter.	\$0.50
For 3/4 inch meter	0.75
For 1 inch meter	1.00
For 1 1/2 inch meter.	1.25
For 2 inch meter	1.50

Charges for Water Consumed

For Domestic Use

From 0 to 2000 cubic feet, per 100 cubic feet.	\$0.25
Over 2000 " " " " " "	0.20

For Irrigation Use

For all water used, per 100 cubic feet	\$0.06
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The foregoing service charges are in addition to the charges for water consumed.

Mr. F. H. Van Hoesen, one of the Commission's hydraulic engineers, submitted a report covering the results of an investigation of the system, which showed a total estimated original cost as of May 1, 1923, of \$34,636, a depreciation annuity of \$522, and an estimate of reasonable annual maintenance and operating expense amounting to \$1,920. Applicant also presented a report which practically substantiated the above figures and they will be used for the purposes of this proceeding.

The total revenue received from the sale of water for the year 1922 was \$3,123, which is considerably less than the annual charges indicated as reasonable by the use of the foregoing figures for original cost, depreciation annuity and reasonable maintenance and operation expense. It therefore appears that authority to increase rates should be granted, and the schedule established in the following order is designed to yield maintenance and operation expense, depreciation annuity and a reasonable return on the investment.

O R D E R

A. B. Perkins having applied to the Railroad Commission for authority to increase the rates charged for water supplied to his consumers in and in the vicinity of Newhall, a public hearing having been held thereon and the matter having been submitted,

It Is Hereby Found as a Fact that the rates now charged by A. B. Perkins are unjust and unreasonable in so far as they differ from the rates herein established, and that the rates herein established are just and reasonable rates to be charged for the service rendered.

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

IT IS HEREBY ORDERED that A. B. Perkins be and he is hereby directed to file with this Commission within twenty (20) days from the date of this order the following schedule of rates to be charged for all water delivered to consumers subsequent to June 15, 1923:

MONTHLY MINIMUM RATES FOR IRRIGATION OR DOMESTIC USE

For 5/8 inch meter	\$1.50
For 3/4 " "	2.50
For 1 " "	4.00
For 1 1/2 " "	5.00
For 2 " "	7.50
For 3 " "	10.00

MONTHLY METER RATES FOR IRRIGATION OR DOMESTIC USE

From 0 to 500 cubic feet, per 100 cubic feet	\$0.30
From 500 to 1000 " " " " " "	0.25
From 1000 to 2000 " " " " " "	0.20
From 2000 to 5000 " " " " " "	0.15
Over 5000 " " " " " "	0.10

IT IS HEREBY FURTHER ORDERED that A. B. Perkins be and he is hereby directed to file with this Commission within thirty

(30) days from the date of this order, rules and regulations to govern relations with his consumers, such rules and regulations to become effective upon their acceptance by the Commission.

Dated at San Francisco, California, this 19th day of May, 1923.

C. Seavey

David G. Martin

J. T. Whitney
Commissioners.