

Decision No. 12260.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
EUCLID AVENUE WATER COMPANY)
for permission to increase rates of)
water of said Company.)

Application No. 9031

Theodore F. Taylor, for applicant.

BY THE COMMISSION:

O P I N I O N

Euclid Avenue Water Company, applicant herein, asks authority to increase its rates for water supplied to consumers in and in the vicinity of South Pasadena, Los Angeles County. The application alleges in effect that the present schedule of rates does not yield a revenue sufficient to meet maintenance and operating expense, depreciation annuity and a fair return upon the investment.

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

The Railroad Commission, in Decision No. 9995, dated January 17, 1922, established the rates at present in effect which are as follows:

IRRIGATION SERVICE

Per weir inch per hour, which is
equivalent to 36 cubic feet - - - - \$.0125

DOMESTIC SERVICE

Monthly charge for 1,000 cubic feet
or less - - - - - \$1.25

All in excess of 1,000 cubic feet
per 100 cubic feet - - - - - .035

Mr. F.E. Van Hoesen, one of the Commission's Hydraulic Engineers, submitted a report covering the results of a field investigation of the system and a study of the maintenance and operating expense and revenue of this utility. This report shows the estimated original cost of the system as of June 1, 1923, amounting to \$25,860, a depreciation annuity of \$494, and an estimate of a reasonable annual maintenance and operating expense amounting to \$3,917. These figures were not questioned at the hearing and no other report was submitted covering these items.

The total revenue received from the sale of water during the year 1922 amounted to \$4,878, which is \$467 in excess of the estimated reasonable maintenance and operating expense and depreciation annuity, and is equivalent to a return of 1.8 per cent upon the estimated original cost of the system. It therefore appears that authority to increase rates should be granted. The schedule of rates requested in the application and established in the following Order will yield maintenance and operation expense, depreciation annuity and a reasonable return upon the investment.

O R D E R

Euclid Avenue Water Company, having applied to the Railroad Commission for authority to increase the rates charged for water supplied to consumers in and in the vicinity of South Pasadena, Los Angeles County, a public hearing having been held thereon, the matter having been submitted, and the Commission being now fully advised in the matter,

IT IS HEREBY FOUND AS A FACT, that the rates now charged by Euclid Avenue Water Company are unjust and unreasonable insofar 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 Euclid Avenue Water Company be and it 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 August 1, 1923.

IRRIGATION SERVICE

Per weir inch per hour which is equivalent
to 36 cubic feet - - - - - \$.015

DOMESTIC SERVICE

Monthly charge for 800 cubic feet or less- -\$1.25

From 800 cubic feet to 2000 cubic feet,
per 100 cubic feet - - - - - .08

All in excess of 2000 cubic feet per
100 cubic feet - - - - - .0425

Dated at San Francisco, California, this 25th day
of June, 1923.

C. L. Seaver

Egerton Shore

J. T. Whittling
Commissioners.