

Decision No. 15294.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of)
JOHN G. RAPP,)
of Olema, Marin County, California,)
order authorizing permission to in-)
stall meters and charge meter rates.)

Application No. 9082

John G. Rapp, in propria persona.

BY THE COMMISSION:

O P I N I O N

In this application John G. Rapp, who is engaged in supplying water as a public utility to about twenty consumers, in and in the vicinity of Olema, Marin County, asks permission to install meters and charge meter rates, or if such authority is not granted to discontinue service.

It is alleged in effect that the installation of meters is required in order to avoid the waste of water and so prevent serious shortage of water during the fall of the year.

A public hearing was held in this matter before Examiner Geary. All interested parties were duly notified thereof and given an opportunity to be present and to be heard.

This water system was originally installed about thirty years ago by predecessors in interest of the present owner and applicant herein, who acquired the property about four years ago. The entire supply is secured by gravity through diversion from creeks in the vicinity of Olema.

The evidence indicates that a shortage of water occurs each Fall, when the flow of the streams is low and, as all consumers are supplied at flat rates, that wasteful use of water is responsible for the shortage. The installation of meters will undoubtedly be of material assistance in preventing waste and in conserving water, as well as resulting in a more equitable distribution of the cost of furnishing the supply.

The present flat rates charged for water delivered to consumers are \$1.00 per month for domestic use with a few higher rates for larger establishments.

Applicant desires to establish a monthly minimum charge of \$1.00 for 400 cubic feet of water or less with all water in excess of 400 cubic feet at the rate of \$0.25 per 100 cubic feet.

John Spencer, one of the Commission's hydraulic engineers, presented a report at the hearing which showed an estimated original cost of the system, exclusive of any value attached to water rights and water shed lands, or for the necessary cost of meters, amounting to \$5211. Depreciation annuity, computed by the sinking fund method at six per cent, was shown as \$46, and reasonable annual maintenance and operation expenses as \$200. Revenues from the sale of water in 1922 amounted to \$276, not including the water delivered to applicant for use in connection with the operation of his dairy farm.

It is apparent that the rates requested by applicant, with some slight modifications, when applied to all consumers including the water used by applicant himself, will not yield an unreasonable return, and should be authorized.

O R D E R

John G. Rapp, having made application for authority to install meters and to establish meter rates for water delivered to consumers in and in the vicinity of Olema, Marin County, a public

hearing having been held thereon, the matter having been submitted, and the Commission being now fully informed in the matter,

IT IS HEREBY FOUND AS A FACT that the rates now charged by John G. Rapp for water delivered to consumers in and in the vicinity of Clema, Marin County, 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 for such service.

And basing the order upon the foregoing finding of fact and upon the statements of fact contained in the preceding opinion,

IT IS HEREBY ORDERED that John G. Rapp be and he is hereby authorized and directed to file with this Commission within twenty (20) days from the date of this order the following schedule of rates, effective for all water delivered to consumers subsequent to July 31, 1923:

MONTHLY METER RATES

From 0 to 5000 cubic feet, per 100 cubic feet - 0.25
All over 5000 cubic feet, per 100 cubic feet - 0.20

MONTHLY MINIMUM CHARGES

For 5/8 inch meters - - - - - \$1.00
For 3/4 inch meters - - - - - 1.75
For 1 inch meters - - - - - 2.50
For 1 1/2 inch meters - - - - - 4.50
For 2 inch meters - - - - - 8.00

Note: Each of the foregoing monthly minimum charges will entitle the consumer to the quantity of water which that minimum charge will purchase at the "monthly meter rates" as set out above.

MONTHLY FLAT RATES

The present schedule of flat rate charges to continue in effect until such time as meters are installed.

IT IS HEREBY FURTHER ORDERED that John G. Rapp 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 consumers, such rules and regulations to become effective upon their acceptance by the Commission.

Dated at San Francisco, California, this 29th day of June, 1923.

C. Sweeney

Irving Martin

J. T. Whittlesey
Commissioners.