

Decision No. 12 655-

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of the  
J. D. MILLAR REALTY COMPANY,  
a corporation, to sell the water works,  
distributing system and other property  
owned by it, to W. T. ESTEP, and to es-  
tablish a rate for the sale of water  
for the said water works.

Application No. 9305

Salzman & Kornblum, by I. B. Kornblum,  
for applicants.

BY THE COMMISSION:

OPINION

In this proceeding the J. D. Miller Realty Company and W. T. Estep make joint application for authority to transfer a water system from the J. D. Miller Realty Company to W. T. Estep, and for the establishment of a certain rate schedule.

The system referred to in this application serves water for domestic purposes and some irrigation use within the following tracts: Tract 4279 as per map recorded in Book 47, page 49 of maps; Tract 4664 as recorded in Map Book 51, page 52; Tract 4996, recorded in Map Book 55, pages 32 and 33; and Tract 4997, recorded in Map Book 55, page 31; Los Angeles County records.

A public hearing in this matter was held in Los Angeles before Examiner Williams. Due notice of hearing was made and all interested parties were given an opportunity to be present.

and to be heard.

At the hearing the Commission was asked to amend the application to include a request for a certificate of public convenience and necessity which would permit W. T. Estep to operate the system as a public utility.

The water system in question consists of a well, pumping equipment and a distribution pipe system. The well was drilled by John Withers about 1912 to supply water to his property, and in 1921 the J. D. Millar Realty Company, one of the applicants herein, entered into an agreement with Withers whereby the company was to take over the well, pumping equipment and storage tank, and to supply water to purchasers of property. During the years 1921 and 1922 a distribution pipe system was installed throughout the tracts and water for domestic purposes was supplied without charge until July 1, 1923.

June 1, 1923, W. T. Estep purchased the water system from the J. D. Millar Realty Company and on July 1 the consumers were notified there would be a flat rate charge of \$1.50 per month for domestic service. The evidence shows that there are approximately two hundred domestic consumers being supplied at the present time, in addition to some water furnished for irrigating a truck garden.

A number of the consumers appeared and testified that the service had been unreasonably poor until about the 20th of August, when Estep installed an automatic electric control for the pumping plant, which has greatly improved service and appears to have remedied the matters complained of. The evidence indicates that there is an ample supply of water available to meet the needs of the district. Estep testified that it was his intention in the very near future to replace the present 5000 gallon storage tank with one of 25,000 gallons capacity, located at a higher

elevation, which should materially improve the present service.

J. G. Hunter, one of the Commission's hydraulic engineers, presented a report showing an estimated original cost of the system amounting to \$10,233, and a depreciation annuity, computed by the 6 per cent. sinking fund method, of \$270. No records of maintenance and operation expense were available.

There is no other public utility supplying water within the district applicant desires to serve, and no one appeared to oppose the granting of the application. A portion of the district however is within the city limits of Los Angeles and may be supplied with water from the municipal system at any time the City's requirements are complied with by the property owners.

The proposed rates set forth in the application are the same as those recently granted by the Commission in its Decision No. 12022 for water supplied by the North Moneta Garden Lands Water Company, operated by W. T. Estep. The cost of producing the service in these two districts is reasonably comparable, and the rates requested are just and equitable.

Applicant Estep is the owner of several public utility water systems in the vicinity of Los Angeles and appears to be responsible and able to operate this water system as a public utility.

Careful consideration of the evidence submitted indicates that the interest of consumers will be best served by granting W. T. Estep a certificate of public convenience and necessity permitting the operation of this water system as a public utility and to authorize the collection of the rates set forth in the accompanying order.

In view of the fact that there was never any charge made for water service from this plant during the time it was the property of the J. D. Millar Realty Company, it is not necessary

for this Commission to authorize the transfer of the property from the J. D. Millar Realty Company to Estep.

O R D E R

The J. D. Millar Realty Company, a corporation, and W. T. Estep having made a joint application for authority to transfer a water system, supplying water for domestic purposes within the tracts outlined above, and for authorization of a certain rate schedule, and the request having been made that W. T. Estep be granted a certificate of public convenience and necessity permitting the operation of the said water system as a public utility, a public hearing having been held thereon, the matters having been submitted and being now ready for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require and will require that W. T. Estep operate a water system for the purpose of supplying water to residents in Tract 4279 as per map recorded in Book 47, page 49 of Maps; Tract 4664, as recorded in Map Book 51, page 52; Tract 4996, as recorded in Map Book 55, pages 32 and 33; and Tract 4997, as recorded in Map Book 55, page 31; Los Angeles County records.

IT IS HEREBY ORDERED that W. T. Estep be and he is hereby authorized and directed to file with this Commission within twenty (20) days from the date hereof the following schedule of rates to be charged for all water delivered to consumers in Tracts 4279, 4664, 4996 and 4997, in Los Angeles County, subsequent to October 10, 1923:

### DOMESTIC FLAT RATES

- (1) For a 3/4 inch service attached to a 4 inch main, a monthly flat rate for residences, boarding houses or tenements of 5 rooms or less of. . . . . \$1.50
- For each additional room per month . . . . . .25
- Additional for private barn or garage with not more than two horses or cows or one automobile, per month . . . . . .50
- For each additional horse or cow per month. . . . . .20
- For each additional automobile per month. . . . . .50
- (2) Sprinkling or irrigation of lawns, shrubbery, trees, gardens, etc., per square yard per month. . . . . .005

### IRRIGATION RATES

A flat rate per hour for water delivered through a two (2) inch hydrant attached to a four (4) inch main of \$0.75

### DOMESTIC METER RATES

For 400 cubic feet of water or less. . \$1.00

From 400 cubic feet to 1000 cubic feet, per 100 cubic feet . . . . . .20

From 1000 cubic feet to 2000 cubic feet, per 100 cubic feet . . . . . .15

All in excess of 2000 cubic feet, per 100 cubic feet . . . . . .12

NOTE: Meters may be installed at the option of the consumer or the company. When a meter is installed at the request of a consumer, a deposit may be required, such deposit to be returned to the consumer as a credit on monthly bills at a rate of one twentieth (1/20) of the deposit per month. The following deposits may be required:

For 5/8 inch meter . . . . . \$15.00

For 3/4 inch meter . . . . . 20.00

For 1 inch meter . . . . . 25.00

For 1 1/2 inch meter . . . . . 45.00

For 2 inch meter . . . . . 70.00

IT IS HEREBY FURTHER ORDERED that W. T. Estep 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.

IT IS HEREBY FURTHER ORDERED that in all other respects the above entitled application be and the same is hereby dismissed.

Dated at San Francisco, California, this 24<sup>th</sup> day of September, 1923.

C. Seamy

Irving Martin  
Eugene Shore

J. T. Whittney  
Commissioners.