

Decision No. 14882.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

 In the matter of the Suspension by the)
 Railroad Commission, on its own motion,)
 of a certain rule of the SUTTER BUTTE) Case No. 2121.
 CANAL COMPANY.)

 In the matter of the Investigation upon)
 the Commission's own motion, into the)
 rates, charges, classifications, con-)
 tracts, practices, rules, regulations,) Case No. 2122.
 schedules and conditions of service of)
 the SUTTER BUTTE CANAL COMPANY, a public)
 utility.)

Devlin & Brookman, Isaac Frohman, and
 W. E. Carlin, for Sutter Butte Canal Company.

J. J. Denel, for California Farm Bureau
 Federation.

Geo. F. Jones, for Butte County Water Users
 Association.

A. B. Eddy, for Protective Water Users Assn.

Harry L. Huston, for himself and others.

DECOTO, SEAVEY and SQUIRES, Commissioners:

O P I N I O N

The Sutter Butte Canal Company, a corporation, engaged in the public utility business of furnishing water for irrigation purposes in Sutter and Butte Counties, on March 16, 1925 filed with the Railroad Commission a certain proposed amendment to its rules and regulations entitled "Rule No. 27, designated to be effective March 16, 1925", and reading as follows:

"RULE NO. 27

"The Sutter Butte Canal Company gives to its consumers the opportunity of prepaying, prior to the irrigation season of 1925, the service charge for the ensuing three-year period, as provided by its rules, and will, in consideration of such prepayment, allow a discount of \$1.25 per acre, making the total payment \$2.50 per acre in full for the amount of the three-year service charge, this rule to be effective March 16, 1925, and to apply for the irrigation season of 1925."

It appearing that this proposed amendment was far reaching in its scope and involved the rights, interests and rates of a great number of the consumers throughout the system, the Commission was of the opinion that a public hearing should be held thereon in order to obtain full and complete information as to the effect of such a rule and the attitude of the consumers regarding it. Accordingly the Commission in the above entitled proceeding issued its order suspending the operation of said proposed amendment to the rules pending formal and public hearing, which it directed to be held thereon.

For the purpose of insuring and safeguarding the regularity of procedure in the final determination of this question it was considered advisable that the Commission further institute an investigation upon its own motion into the rates, charges, classifications, contracts, practices, rules, regulations, schedules and conditions of service of the Sutter Butte Canal Company. This was done by order of the Commission instituting Case No. 2122, which was consolidated with Case No. 2121 and heard jointly therewith at Gridley, April 27, 1925, after due notice thereof had been given.

During said hearing the fact was developed that the proposed amendment would result in a reduction in the cost of service to all who cared to avail themselves of its privileges, and that its operation would be uniform throughout the entire

system as to all classes of service, and would not result in unfair discrimination. It was furthermore apparent that among the large number of representative consumers present at the hearing there was no opposition or objection to the establishment of the proposed amendment provided that reasonable time be given to enable the consumers to take advantage of such a rule if they so desire.

It is evident, therefore, that with suitable modification whereby a reasonable time will be assured in which those consumers so desiring may make arrangements to avail themselves of the privileges offered, authority should be granted for the establishment of this rule. This may properly be provided for by order in Case No. 2121; and the investigation on the Commission's own motion, Case No. 2122, being therefore unnecessary, may properly be dismissed.

O R D E R

Sutter Butte Canal Company, a corporation, having on the 16th day of March, 1925, filed with this Commission a certain proposed amendment to its rules and regulations entitled "Rule No. 27, designated to be effective March 16, 1925", and more particularly set out in the opinion preceding this order, the Railroad Commission having on the 14th day of April, 1925, upon its own motion issued its order suspending and postponing the operation of said Rule No. 27 until further order of this Commission and directing that public hearing be held thereon, said public hearing having been duly held, the matter submitted, and the Commission being now fully informed thereon,

IT IS HEREBY ORDERED that Sutter Butte Canal Company, a corporation, be and it is hereby authorized to file with this

Commission within ten (10) days from the date of this order an amendment to its rules and regulations substantially in accord with Rule No. 27, more particularly set out in the opinion above, provided, however, that the date fixing the limit of time during which consumers may make application for water service thereunder shall be extended to and including a date not earlier than the fifteenth day of June, 1925.

IT IS HEREBY FURTHER ORDERED that the investigation upon the Commission's own motion (Case No. 2122) be and the same is hereby dismissed.

For all other purposes the effective date of this order shall be May 10, 1925.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 5th day of May, 1925.

H. B. Rende
C. L. Seaver
George D. Squire
Emmett L. Smith
Commissioners.