

Decision No. 15780.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
GREENVILLE WATER COMPANY
for an order revising water rates.

ORIGINAL

Application No. 11292.

A. R. Bidwell for applicant.

BY THE COMMISSION:

O P I N I O N

This is an application for an increase in rates filed by A. R. Bidwell as the executor of the estate of Clara Bidwell, deceased, operating under the fictitious name and style of the Greenville Water Company, and who operates a public utility water system which supplies water for domestic purposes to the town of Greenville, Plumas County.

The application alleges in effect that the present rates do not yield a fair return upon the investment over and above the costs of maintenance and depreciation. The Railroad Commission is therefore asked to revise and increase the present schedule of rates in order to maintain a reasonable standard of service.

A public hearing in this matter was held before Examiner Satterwhite in Greenville on October 6, 1925, after all interested parties had been notified and given an opportunity to be present and be heard.

The present rates were established by the Railroad

Commission in Decision No. 8153, dated September 25, 1920, and are in part as follows:

MONTHLY FLAT RATES

1. Residences, boarding houses and lodging houses of five rooms or less. \$1.40
- For each additional room 0.25
- Additional for each bath tub 0.30
- " " " toilet 0.30
- Etc..

MEASURED USE

Monthly Meter Rates:

From 0 to 500 cubic feet, per 100 cu.ft.. . . .	\$0.25
From 500 to 1000 " " " " " "	0.20
Over 1000 " " " " " "	0.15

Minimum Monthly Payments:

5/8 inch meters.	\$1.00
3/4 " "	1.25
Etc.	

This system obtains its water supply from Buckeye Springs in North Canyon, 1½ miles southwest of Greenville and the water is transmitted by gravity through an open ditch to a small regulating reservoir and thereafter distributed by pipe line to the consumers in Greenville.

In 1918 the water supply was augmented by utilizing the overflow from Round Valley Reservoir, a storage basin also owned by the Bidwell Estate and located at the head of North Canyon. This water is owned by the Round Valley Water Company and is sold to the Greenville Water Company. The distributing system in Greenville was installed in about 1880 and reconstructed in 1913. On October 1, 1925, there were 70 active consumers served by this system.

R. E. Savage, one of the Commission's engineers, presented a report in which the original cost of the lands and physical properties was estimated to be \$12,007 as of October 5, 1925, the depreciation annuity was given as \$187 computed by the 5% sinking fund method, and the maintenance and operating expenses for the

immediate future were estimated to be \$1,185. There was included in the properties appraised above the sum of \$1,725 for a transmission ditch not properly chargeable to this utility. This amount therefore should be deducted, leaving \$10,282 which represents a fair value for the rate base in this proceeding. The corresponding depreciation annuity will be \$179.

Mr. Bidwell testified that his operating expenses exclusive of depreciation have been \$1,326 in 1922, \$1,388 in 1923 and \$1,484 in 1924. However the evidence indicates that certain items have been included in these figures which are more properly chargeable to capital installations. It appears that the reasonable costs of operation and maintenance of this system in the immediate future should not exceed \$1,300, and this amount will be allowed herein.

The revenues for 1924 amounted to \$1,871 and for 1925 will be slightly greater, having been estimated to be about \$2,145. Based upon the foregoing figures the results of operations in 1924 amounted to a net return of 3.7% upon the rate base of \$10,282 and the allowance made for future operating expenses. The corresponding return for 1925 will be 6%.

Under the circumstances now existing the present minimum monthly charge for metered service of one dollar is unreasonably low and does not compare properly with the average monthly flat rate charge of two dollars. There are other slight readjustments that may be made in the existing flat rates which will more equitably spread the charges for such service in accordance with the actual use of water, without the necessity of any general increase in rate. The following rate schedule should with proper economy produce a reasonable return upon the investment over and above the costs of operation and depreciation and should at the same time provide for a more uniform classification of charges.

O R D E R

A. R. Bidwell, operating under the fictitious name and style of the Greenville Water Company, having made application to the Railroad Commission as entitled above, 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 the said A. R. Bidwell 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.

Basing its order upon the foregoing finding of fact and upon the further statements of fact contained in the opinion which precedes this order,

IT IS HEREBY ORDERED that A. R. Bidwell, operating under the fictitious name and style of the Greenville Water Company, 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, said rates to be charged on all bills rendered to consumers after January 1, 1926:

MONTHLY METER RATES

From	0	to	700	cubic feet,	per	100	cu.ft.	..	\$0.25
"	700	"	1500	"	"	"	100	"	0.20
"	1500	"	3000	"	"	"	100	"	0.15
"	3000	"	5000	"	"	"	100	"	0.10
Over			5000	"	"	"	100	"	0.05

MONTHLY MINIMUM METER CHARGES

5/8	inch	meters.	..	..	..	..	..	..	\$1.50
3/4	"	"	..	..	..	..	..	..	2.00
1	"	"	..	..	..	..	..	..	3.00
1 1/2	"	"	..	..	..	..	..	..	6.00
2	"	"	..	..	..	..	..	..	7.50
3	"	"	..	..	..	..	..	..	12.00

Meters may be installed by the utility at its own expense upon any service and the consumer billed at meter rates upon 30 days' written notice.

Meters will be installed at the request of any consumer upon the deposit with the utility of the estimated cost of such installation, and water supplied will thereafter be charged for at meter rates; such deposits to be returned to

consumers at the monthly rate of one fourth the bills for water used through the meter.

MONTHLY FLAT RATES

1.	Residences and Boarding Houses of five rooms or less	\$1.50
	Additional for each bath or toilet. . . . .	.25
2.	Sprinkling of lawns, gardens, etc., per 100 sq. ft. . . . .	.05
3.	Additional for garage, for each automobile. . .	.25
4.	Private Barn:	
	(a) Not more than two horses or cows. . . . .	.50
	(b) Each additional horse or cow. . . . .	.20
5.	Hotels.	3.00
	(a) Additional for each room with running water . . . . .	.25
	(b) Additional for each bath tub. . . . .	.50
	(c) " " " toilet. . . . .	.25
6.	Stores, shops, bakeries, pool halls, soda fountains, soft drink parlors, restaurants. . . .	3.00
7.	Drug stores and photograph galleries.	3.50
8.	Banks, fraternal halls, club rooms, churches. .	1.50
9.	Office buildings, for each office . . . . .	.50
10.	Barber shops:	
	(a) Per chair	1.00
	(b) Additional for each bath tub.	1.00
	(c) " " " toilet. . . . .	.50
11.	Creameries, slaughter houses and laundries. . .	5.00
12.	Livery stables or feed yards, average number of head of stock per month, per head. . . . .	.25
13.	Blacksmith shops, machine shops, lumber yards, warehouses.	3.00
14.	Public Garages:	
	(a) Six automobiles or less	3.00
	(b) Each additional automobile. . . . .	.50
15.	Automobile stage depots, filling stations, automobile repair shops	2.00
16.	Public schools.	3.50
17.	Water motors.	1.50

18. Building Work:
 (a) For mixing mortar and dampening brick,
 per 1000 brick. \$.35
 (b) Cement work, per barrel of cement15
19. All other use (including street sprinkling),
 at metered rates.

IT IS HEREBY FURTHER ORDERED that A. R. Bidwell be and he is hereby directed to file with the Railroad Commission within thirty (30) days from the date of this order, rules and regulations governing the distribution of water to his consumers, said rules and regulations to become effective upon the approval by this Commission.

For all other purposes, the effective date of this order shall be twenty (20) days from and after the date hereof.

Dated at San Francisco, California, this 21st day of December, 1925.

H. B. Bessing

C. B. Sawyer

George D. Squier

Leon Whitell
 Commissioners.

