

Decision No. 16955-.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of)
PAUL W. HUNTER)
for increase of water rates.)

Application No. 12613.

Paul W. Hunter in propria persona.

BY THE COMMISSION:

O P I N I O N

Paul W. Hunter, applicant in this proceeding, owns and operates a small public utility water system supplying water for domestic purposes to residents of the northwestern part of the town of Fortuna, Humboldt County. The application alleges that the present rates now charged for water service are \$1.25 per month for all families; that it is hardly fair for families with no children to pay the same as families with children; and therefore the Commission is requested to issue its order raising the rates to \$1.50 per month for families having two or more children.

A public hearing in the above proceeding was held before Examiner Austin at Fortuna, Humboldt County, after all interested parties had been notified and given an opportunity to appear and be heard.

The rates now in effect on this system are as follows:

PLAT

Families	\$1.25 per month.
One person	1.00 " "
Cows or horses, per head25 " "

The water supply of this utility is obtained from a number of small springs, delivering water into a 6,000 gallon redwood

storage tank, from which distribution is made by gravity to twenty consumers. There are approximately 2,200 feet of two-inch pipe and 4,000 feet of three-quarter inch pipe in the distribution system.

R. E. Savage, one of the Commission's engineers, submitted a report and appraisal of the physical properties of this utility, together with a study of the maintenance and operation expense. This report set out the estimated original cost of the used and useful property as \$2,274 as of April 1, 1926, the depreciation annuity as \$39 computed by the 5% sinking fund method, and the maintenance and operating expenses for the immediate future were recommended to be \$240. No appraisal of the utility property or financial statement was presented by the applicant.

The operating revenues of this water plant for 1924 were \$274, and \$280 for 1925.

The dependable flow of the springs supplying this system has for the past several years been inadequate during the summer months to satisfy the requirements of the consumers, with the result that it has been necessary to purchase water at metered rates from the Fortuna Water Company, a utility supplying the main portion of the town of Fortuna. The necessity of purchasing water at metered rates for resale under a flat rate schedule adds a considerable burden to a plant operating on such a small scale.

The evidence indicates that the rates now charged by applicant should be readjusted to more equitably distribute the charges for service furnished in accordance with the use of water. The proposal of applicant to base the rate upon the number of children in the families of those receiving water is altogether impracticable and can result only in general dissatisfaction and annoyance. The rates set out herein are designed to assess charges for service as closely aligned to actual use as is necessary under a

flat rate schedule, and will at the same time slightly increase the total revenues. Should any difficulties arise over the quantity of water used, meters may be installed and for that reason a rate for measured service will also be established.

O R D E R

Paul W. Hunter 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 Paul W. Hunter for water supplied to his consumers in Fortuna, Humboldt 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 to be charged for the service rendered.

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

IT IS HEREBY ORDERED that Paul W. Hunter be and he is hereby authorized to file with this Commission within twenty (20) days from the date of this order the following rates to be charged for all service rendered to his consumers in the town of Fortuna, Humboldt County, on and after July 1, 1926:

RATES

Flat Rates:

Per Month

Single taps or faucets	\$1.00
Houses, four rooms or less	1.00
Additional for each bath tub or toilet25
Additional for each room over four10
FOR lawn and garden irrigation, per 100 square feet of surface actually irrigated, from May to and including September03
Garage and one automobile.15
Cows or horses, per head25

Meter Rates:

Per Month

Minimum	gallons	per 1000 gallons	\$1.50
For the first 10,000 gallons,		"	.50
Over 10,000 gallons,		"	.25

IT IS HEREBY FURTHER ORDERED that Paul W. Hunter be and he is hereby directed to file with this Commission, for its approval, within twenty (20) days from the date of this order, rules and regulations to govern his relations with his consumers.

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 19th day of June, 1926.

H. B. Brundage

C. L. Seaver

E. J. Edwards

Commissioners.