

Decision No. 17762.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of ROGERS AND  
SONS for permission to increase  
rates.

ORIGINAL  
Application No. 12963.

J. Ralph Shoemaker for applicants.

BY THE COMMISSION:

O P I N I O N

Rogers and Sons, applicants in the above entitled proceeding, own and operate a small public utility serving water for domestic purposes in West Cucamonga, in San Bernardino County. The original petition filed in this matter requested the Commission to authorize a schedule of increased rates to be charged for water service.

A public hearing in this matter was held at Ontario before Examiner Williams after all interested parties had been duly notified and given an opportunity to appear and be heard.

The first hearing in this proceeding was adjourned pending negotiations for the transfer of applicants' water system. Subsequently an amended application was filed in which the Commission was asked to modify the original petition and authorize the transfer of the utility properties to one Nelson M. Van Fleet, who joined in the application, whereupon further hearing

was held for the consideration of the proposed transfer.

The system owned and operated by Rogers and Sons was formerly owned by the Ontario Investment Company and was acquired by authority granted by this Commission in its Decision No. 14734, dated April 4, 1925. The plant consists of a distribution system of 2,660 feet of 4 inch riveted steel pipe installed prior to 1915, and about 440 feet of 2 inch black standard screw pipe installed at a later date. According to the evidence presented by M. I. Reed, one of the Commission's hydraulic engineers, the estimated original cost of this system as of June 30, 1926, amounted to \$2,490. The water supply is obtained through ownership by Rogers and Sons of 21.4 shares of stock in the Cucamonga Water Company, a water system/operating upon the mutual basis. At the time of this hearing applicants were serving approximately 40 consumers.

The rates now charged on this system were fixed by this Commission in its Decision No. 10001, dated January 20, 1922, and are as follows:

Until meters are installed, a flat rate of One Dollar (\$1.00) a month for both domestic and industrial service.

As meters are installed, the following meter rate schedule shall be collected:

From	0 to	500 cubic feet,	per	100 cu.ft.	\$0.20
"	500 "	1500 "	"	"	0.16
Over	1500 "	"	"	"	0.12
Minimum monthly payments.					1.00

Nelson M. Van Fleet, who desires to acquire this water plant, owns and operates a public utility water system known as the California Vineyard and Improvement Company, which serves water under similar conditions in adjoining territory. The two water systems may readily be connected and their operations combined.

The rates charged on this system were fixed by the Commission in its Decision No. 15306, dated August 18, 1925, and are as follows:

MONTHLY METER RATES

From	0	to	1000	cubic	feet,	per	100	cu.ft.	..	\$0.25
"	1000	"	2000	"	"	"	"	"	..	.20
Over			2000	"	"	"	"	"	..	.15

MINIMUM MONTHLY CHARGE

5/8	inch	meter	..	..	..	..	..	..	..	\$1.50
3/4	"	"	..	..	..	..	..	..	..	2.00
1	"	"	..	..	..	..	..	..	..	3.00
1 1/2	"	"	..	..	..	..	..	..	..	5.00
2	"	"	..	..	..	..	..	..	..	7.00

Each of the foregoing minimum monthly charges will entitle the consumer to the quantity of water which that minimum monthly charge will purchase at the "monthly meter rates."

The Van Fleet system obtains its water supply also through ownership of stock in the Cucamonga Water Company. From the evidence it appears that the 21.4 shares of stock owned by Rogers and Sons are more than required for the use of the territory served. The applicants have agreed that Rogers and Sons may retain 10 shares of their water stock and transfer to Van Fleet the remaining 11.4 shares, which in addition to supplying adequately the consumers of the Rogers system will also provide some additional water for the Van Fleet system. It therefore appears that this arrangement is satisfactory.

Applicant Van Fleet has requested that the rates now charged on his system be made effective throughout the combined service areas. This will amount to an increase in the rates now charged on the Rogers system. However, in view of the fact that the service conditions and operating methods existing on the Van Fleet system are better and more efficient, the consumers stated that they were willing to pay the increased charges and had no objections to the proposed transfer.

In view of the above facts and the additional fact that Rogers and Sons have agreed to turn over their entire water system, including pipe lines, meters and services, and in addition thereto 11.4 shares of water stock to said Van Fleet absolutely free of charge, and it appearing that it is to the public interest that this system be operated by said Nelson M. Van Fleet, the Commission is of the opinion that the transfer should be approved and authority granted to place in effect upon this system to be transferred, the rates now charged by said Van Fleet on the system now operated by him in adjoining territory.

O R D E R

Rogers and Sons having made application to this Commission for authority to transfer a public utility water system to Nelson M. Van Fleet, who joins in the application, a public hearing having been held thereon, the matter having been submitted, and the Commission being now fully informed thereon,

IT IS HEREBY ORDERED that Rogers and Sons be and they are hereby authorized to transfer to Nelson M. Van Fleet that certain public utility water system owned by said Rogers and Sons, supplying water to consumers in the townsite of West Cucamonga, in San Bernardino County, in accordance with the terms and conditions of that certain agreement entered into by and between said parties and attached to and made a part of the amended application herein and marked "Exhibit A", subject to the following further terms and conditions:

1. The authority herein granted shall apply only to such transfer as shall have been made on or before March 1, 1927, and a certified copy of the instrument of conveyance shall be filed with this Commission by said Rogers and Sons within thirty (30) days from the date on which it is executed.
2. Within ten (10) days from the date on which Rogers and Sons actually relinquish control and possession of the property herein authorized to

be sold, they shall file with this Commission a certified statement indicating the date upon which such control and possession was relinquished.

3. The consideration for the transfer of this water system shall not be urged before this Commission or any other public body as a finding of value of the property for rate fixing or for any purpose other than the transfer herein authorized.

IT IS HEREBY FURTHER ORDERED that Rogers and Sons be and they are hereby relieved of all public utility liabilities and obligations as to all water stock of the Cucamonga Water Company now retained by them and heretofore used in whole or in part in the service of water to the public.

IT IS HEREBY FURTHER ORDERED that the rates of the California Vineyard and Improvement Company, Nelson M. Van Fleet, sole owner, as established by this Commission in its Decision No. 15306, rendered August 18, 1925, and the rules and regulations of said company shall become effective upon the system authorized to be transferred herein on and after the <sup>thirty-first</sup> ~~thirtieth~~ day of ~~November~~, <sup>December</sup>, 1926.

The authority herein granted shall become effective on the date hereof.

Dated at San Francisco, California, this 14<sup>th</sup> day of ~~November~~ <sup>December</sup>, 1926.

H. B. ...  
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Commissioners.