

JLA, 1/4/27.

Decision No. 17887.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of)
THOS. PARKHILL)
to have a water rate established.)

Application No. 13193.

Thomas Parkhill, in propria persona.

M. E. Finn, J. F. Williams, A. O. Donogh
and G. Abraham, consumers, for
themselves.

BY THE COMMISSION:

O P I N I O N

Thomas Parkhill, the applicant herein, operates an unincorporated public utility water system which supplies water for domestic purposes to certain residents in the real estate subdivision known as Ridge Park Tract located near the Town of Concord, in Contra Costa County. In the application the request is made that this Commission establish a schedule of metered rates for water delivered and that the limits of the service area of this utility be defined and fixed.

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

This water supply system was originally installed about 1913 by the Ridge Park Improvement Company, a corporation, to provide the necessary water service for their real estate subdivision then being marketed and known as Ridge Park Tract. In 1919 the

Ridge Park Improvement Company was involved in financial difficulties and the corporation became defunct. Thereupon Thomas Parkhill, applicant herein, made arrangements with the Improvement Company to operate the plant primarily to insure water service to his own property. It appears that in 1914 Parkhill acquired six lots in the tract, including Lots No. 51 and No. 46 on which the wells and tank were located; however, the title to the pumping plant, wells and tank had been reserved to the Improvement Company. This arrangement continued until the year 1924, when Parkhill, as assignee of the Ridge Park Improvement Company, acquired the existing water plant for a consideration of \$250 and has since continued to operate the system.

As the result of a complaint filed by certain of the water users to the effect that Parkhill had discontinued service to them, the Commission in its Decision No. 15932 dated February 5, 1926, declared this plant to be a public utility and directed said Parkhill to file his rates, rules and regulations with the Commission.

The water supply is obtained from two 14-inch wells about 36 feet deep located on Lot No. 51. An electrically driven pump delivers the water into a 15,000 gallon galvanized iron tank, from which it is distributed by gravity through approximately 3240 lineal feet of 2-inch standard screw pipe. The service pipes were installed by the consumers, together with small private storage tanks on their premises necessary to conserve the limited water supply. At present water is furnished to six consumers on a flat rate of \$2.00 per month. These consumers and the lots served are as follows:

Abraham - Lot No. 1.
Finn - Lot No. 10.
Donogh - Lots Nos. 19, 20, 25 & 31.
Bedenbaugh - Lot No. 21.
Williams - Lot No. 22.
Parkhill - Lots Nos. 46, 47, 48, 49, 50 & 51.

A report was submitted at the hearing in this matter by R. E. Savage, one of the Commission's hydraulic engineers, in which the original cost of the system was estimated to be \$2,545 as of October 31, 1926, and the depreciation annuity, computed by the 5 per cent. sinking fund method, found to be \$63. No other appraisal of the properties was submitted. Very incomplete records of maintenance and operation expenses have been kept by applicant. However, from an analysis of such data as were available, the Commission's engineer estimated that the sum of \$191 would be a reasonable allowance for maintenance and operation expenses of this system for the immediate future.

The evidence shows that the water supply is very limited and is insufficient to provide in the future for the entire tract. Service at no time has been given permanently to consumers other than those now served, and during the summer months the amount of water available is inadequate to meet the demands of the present consumers. In the past some water has been used to irrigate fruit trees on some of the consumers' premises, but this service should be strictly limited to such periods as will enable the domestic requirements to be fully met.

In view of the limited water supply and the fact that service has been confined to specific property, it appears necessary, in order to provide any reasonable service at all for the present consumers, that the obligations of this utility should not be extended beyond those now served.

The rate schedule established in the following order has been designed to yield an annual revenue sufficient to return the necessary maintenance and operation expenses, including depreciation, and in addition produce such a return upon the investment as is reasonable under the conditions of operation. A full return upon the investment at this time would result in a rate in excess of the value of the service rendered.

O R D E R

Thomas Parkhill having made application to the Railroad Commission as entitled above, a public hearing having been held thereon, the matter having been submitted, and the Commission being now fully informed thereon,

It Is Hereby Found as a Fact that the rates now charged by Thomas Parkhill for water supplied to his consumers in the Ridge Park Tract, near Concord, Contra Costa 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.

IT IS HEREBY ORDERED that Thomas Parkhill be and he is hereby directed to file with this Commission within twenty (20) days from the date of this order the following schedule of rates to be charged for all water delivered to consumers on and after February 1, 1927:

FLAT RATES

Private residences \$3.00 per mo.

MEASURED RATES

Monthly Minimum Charges:

5/8 and 3/4 inch meter	\$3.00
1 inch meter	5.00
1 1/2 " "	8.00

Each of the foregoing "monthly minimum charges" will entitle the consumer to the quantity of water which that minimum will purchase at the "monthly meter rates" set out as follows:

Monthly Meter Rates:

From 0 to 600 cubic feet, per 100 cu.ft.. . .	\$0.50
" 600 to 1000 " " " " "	0.40
All over 1000 " " " " "	0.25

IT IS HEREBY FURTHER ORDERED that Thomas Parkhill shall file with this Commission within thirty (30) days from the date of this order, rules and regulations governing relations with

his consumers, such rules and regulations to become effective upon acceptance by this Commission.

IT IS HEREBY FURTHER ORDERED that the service area of this utility be and it is hereby limited to Lots Nos. 1, 10, 19, 20, 21, 22, 25, 31, 46, 47, 48, 49, 50 and 51, Ridge Park Tract, Contra Costa County.

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 12th day of January, 1927.

Ernest J. ...
H. B. ...
D. ...
Leon ...
John ...
Commissioners.