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Decision No. 18179.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

City of Sonora, a Municipal  
Corporation of the State of  
California,

Complainant,

vs.

Tuolumne County Electric Power  
and Light Company, a Corpora-  
tion,

Defendant.

Case No. 2289.

Tobias M. Wilzinski, City Attorney and  
Rowan Hardin for the City of Sonora.  
C. H. Grayson, District Attorney, for Inter-  
venor County of Tuolumne.  
Edwin L. Forster, for Defendant.

WEHRTSEHL, COMMISSIONER:

O P I N I O N

This proceeding is an investigation into the electric rates of Tuolumne County Electric Power and Light Company initiated upon complaint of the City of Sonora.

Tuolumne County Electric Power and Light Company was organized in 1896 and now supplies electricity for power and lighting service in the City of Sonora and in the Towns of Columbia, Jamestown, Stent, Quartz, and in adjacent and intervening territory. All electric energy is purchased from Pacific Gas and Electric Company at Sonora. The rates of this Company have been formally before the Commission upon two occasions in 1913 and 1921, since which latter time they have remained undisturbed.

Hearing in the present matter was held at Sonora March 8th, testimony being introduced and the matter being submitted for decision. An estimate of Historical Reproduction Cost was introduced by Mr. Wm. M. McKay, of the Commission's Engineering Department, this estimate being accepted by all parties. The following table gives the value of the properties as appraised by Mr. McKay:

TABLE 1.

Historical Reproduction Cost Appraisal, Tuolumne County Electric Power and Light Company as of December 31, 1926.

<u>Acct. No.</u>		<u>Total</u>
301	Organization	\$ 1,000.
302	Rights of Way	800.
343	Dist. Structures	495.
344	Dist. Substation Equipment	838.
346	Dist. Poles, Towers & Fixtures	32,833.
347	Dist. Overhead Conductors	15,242.
350	Line Transformers	10,494.
351	Services	5,415.
352	Consumers Meters	14,053.
353	Miscellaneous Dist. Equipment	7,061.
357	Street Lighting Equipment	6,340.
382	Communication System Equipment	<u>1,619.</u>
GRAND TOTAL		\$96,190.

Mr. S. S. Bloom, of the Commission's Engineering Department, testified on Operating Revenues and Expenses, Rate Base and Rate of Return. Mr. Bloom's testimony is summed up in the following tables:

TABLE 2.

Electric Revenue - Tuolumne County Electric Power and Light Company.

	<u>1926 Actual</u>	<u>1927 Estimated</u>
Lighting - Sonora	\$30,439.	\$32,870.
Lighting - Outside Sonora	16,428.	15,240.
Heating and Cooking	2,398.	2,590.
Power	6,601.	7,130.
Street Lighting	<u>2,346.</u>	<u>2,530.</u>
TOTAL	\$58,212.	\$60,300.

TABLE 3.

Operating Expenses - Tuolumne County Electric  
Power and Light Company.

	<u>1926 Actual</u>	<u>1927 Estimated</u>
Purchased Power	\$13,527.	\$14,900.
Superintendence	4,440.	4,560.
Maintenance and Repairs	4,195.	4,460.
Salaries and Expenses Gen. Officers,	904.	910.
Law	500.	500.
Other General Expense	7,113.	7,200.
Insurance	768.	770.
Taxes	5,477.	6,000.
Depreciation	2,397.	2,600.
Uncollectible Bills	<u>275.</u>	<u>300.</u>
Total -	\$39,596.	\$42,200.

TABLE 4.

Rate Base and Rate of Return.  
Tuolumne County Electric Power and Light Company.

	<u>1926 Actual</u>	<u>1927 Estimated</u>
Average Fixed Capital	\$91,600.	\$100,700.
Materials and Supplies	3,700.	3,700.
Working Cash	<u>3,200.</u>	<u>3,200.</u>
Rate Base	\$98,500.	\$107,600.
Net for Return	\$18,616.	\$18,100.
Rate of Return	18.9%	16.8%

It appears from the above that present rates, if continued in effect, would result in more than a fair return. A return upon the properties of this company in the territory served and under the conditions of service rendered of approximately 8% would be, in my opinion, reasonable.

I recommend the following form of order.

O R D E R

The Railroad Commission of the State of California having, upon complaint of the City of Sonora, made an investigation into the electric rates of Tuolumne County Electric Power and Light Company, public hearing having been held, the matter being submitted and being now ready for decision,

The Railroad Commission hereby finds as a fact that the electric rates of Tuolumne County Electric Power and Light Company are unjust, unreasonable and discriminatory in so far as they differ from the electric rates hereinafter set forth which are declared to be just and reasonable rates. Basing its order upon the foregoing finding of fact and the findings of fact contained in the opinion preceding this order

IT IS HEREBY ORDERED

1. That Tuolumne County Electric Power and Light Company be and it is hereby authorized to charge and collect, effective for all meter readings taken on and after the 15th day of April, 1927, the schedule of rates set forth in Exhibit "A", said Exhibit being attached hereto and made a part hereof.
2. Tuolumne County Electric Power and Light Company file with this Commission on or before April 15, 1927, the electric schedule of rates herein authorized.
3. Tuolumne County Electric Power and Light Company submit to the Commission on or before June 30, 1927, a plan satisfactory to the Commission for the adjustment of its reserve for accrued

depreciation and for accounting to such reserve for yearly depreciation annuities, together with interest at 6% upon the amount in the reserve at the end of each calendar year.

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

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 6<sup>th</sup> day  
*April*  
of ~~March~~, 1927.

*Ernest W. ...*  
*...*  
*Leon ...*  
Commissioners.

EXHIBIT "A".

Schedule I - 1

GENERAL LIGHTING SERVICE:

Applicable to general domestic and commercial lighting service, including household appliances and single phase service to motor loads of not to exceed three horsepower capacity.

TERRITORY:

Applicable within the incorporated limits of Sonora.

RATE:

First	10 K.W.H. or less per meter per month	\$1.00							
Next	40	"	"	"	"	"	"	6c per K.W.H.	"
"	150	"	"	"	"	"	"	5c	"
"	800	"	"	"	"	"	"	4c	"
"	2000	"	"	"	"	"	"	3c	"
All over	3000	"	"	"	"	"	"	2½c	"

SPECIAL CONDITIONS:

Single phase motors of an aggregate capacity of three horsepower or less may receive service or may combine with general lighting service under this Schedule of Rates at the option of the consumer, provided, in case of combination service, the total energy is supplied through one meter.

## SCHEDULE I - 2

GENERAL LIGHTING SERVICE:

Applicable to general domestic and commercial lighting service including household appliances and single phase service to motor loads of not to exceed three horsepower capacity.

TERRITORY:

Applicable to territory outside of incorporated limits.

RATE:

First	10	K.W.H.	or less	per meter	per month	\$1.25	per mo.
Next	40	"	"	"	"	7c	" K.W.H.
"	150	"	"	"	"	6c	" "
"	800	"	"	"	"	5c	" "
"	2000	"	"	"	"	4c	" "
All over	3000	"	"	"	"	3½c	" "

SPECIAL CONDITIONS:

Single phase motors of an aggregate capacity of three horsepower or less may receive service or may combine with general lighting service under this Schedule of Rates at the option of the consumer, provided, in case of combination service, the total energy is supplied through one meter.

## SCHEDULE L-3

STREET AND HIGHWAY LIGHTING:

Applicable to service to street, highway and other public outdoor lighting installations using bracket, mast arm, or center span construction and supplied from overhead lines where the Company owns and maintains the entire equipment.

TERRITORY:

Applicable to the entire territory served by the Company.

RATE:

	<u>Monthly Charge Per Lamp All Night Service</u>
<u>Incandescent Lamps:</u>	
25 Watt Multiple	\$0.95
40 Watt Multiple or 60 C.P.Series	1.30
60 Watt Multiple or 80 C.P.Series	1.70
75 Watt Multiple or 100 C.P.Series	1.90
100 Watt Multip.	2.50
150 Watt multiple or 250 C.P.Series	3.20x
200 Watt Multiple	3.75x
250 Watt Multiple or 400 C.P.Series	4.05x
300 Watt Multiple	4.40x
400 Watt Multiple or 600 C.P.Series	4.80x

x Includes a refractor or a diffusing globe.

SPECIAL CONDITIONS:

a. Under the above schedule the company bears the installation, maintenance and operating expenses and provides all necessary lamp renewals.

b. The foregoing rates apply to installations of 10 lamps or more. When service is supplied for less than 10 lamps, the above rates increased by 10% will apply. Such increase in rate will be based upon the total number of lamps in circuit and not upon the number of lamps billed to a separate consumer.

SCHEDULE C - 1.

GENERAL HEATING AND COOKING SERVICE:

Applicable to general domestic and commercial heating and cooking service.

TERRITORY:

Entire territory served.

RATE:

First	150	K.W.H.	per	meter	per	month	3.5c	per	K.W.H.
All over	150	"	"	"	"	"	2.0c	"	"

Minimum Charge:

First 7 K.W. or less of heating and cooking capacity	\$3.00 per month
Over 7 K.W. of heating and cooking capacity	0.50 * K.W. * month

When the consumer signs a contract for service for a period of one year, the minimum charges will be made accumulative for the contractual year. The minimum charges are payable in monthly installments until such time as the accumulated charges equal the annual minimum charges.

SPECIAL CONDITIONS:

- a. Minimum charges are based on the total load of heating and cooking capacity which may be connected at any one time.
- b. Connected load will be taken as the name plate rating of all heating and cooking apparatus permanently installed and which may be connected at any one time, computed to the nearest one-tenth of a kilowatt. All equipment assumed as operating at 100% power factor.

SCHEDULE C - 2.

GENERAL HEATING, COOKING AND COMBINATION SERVICE:

Applicable to general domestic lighting in combination with heating and cooking service.

TERRITORY:

Entire territory served.

RATE:

First	30 K.W.H. per meter per month	(x)
Next	150 " " " " "	3.5c per K.W.H.
All over	180 " " " " "	2.0c " "

(x) Charge for first 30 K.W.H. at effective lighting rate.

For residences, flats or individual apartments of more than eight rooms, 5 K.W.H. for each additional room will be added to the first block of 30 K.W.H.

Minimum Charge:

First 7 K.W. or less of heating and cooking capacity	\$3.00 per month
Over 7 K.W. of heating and cooking capacity	\$0.50 per K.W. per month

When the consumer signs a contract for service for a period of one year the minimum charges will be made accumulative for the contractual year. The minimum charges are payable in monthly installments until such time as the accumulated charges equal the annual minimum charge.

SPECIAL CONDITIONS:

a. Minimum charges are based on the total load of heating and cooking capacity which may be connected at any one time.

No additional minimum charge will be made for lighting service in case of combination service.

b. This Schedule applies only where the consumer permanently installs and uses cooking or heating apparatus (other than

SCHEDULE C - 2 (Cont'd)

lamp socket devices) of at least 2 kilowatts capacity for residences, flats or individual apartments of 8 rooms or less and 5 kilowatts for residences, flats and individual apartments of 9 rooms or more.

c. Bath rooms, halls and cellars are not classified as rooms.

d. Connected load will be taken as the name plate rating of all heating and cooking apparatus permanently connected and which may be connected at any one time computed to the nearest one-tenth of a kilowatt and in no case less than 2 kilowatts. All equipment assumed as operating at 100 per cent power factor.

e. Single phase power service ( three horsepower or less) may be combined under this Schedule in which case each horsepower of connected load shall be considered equivalent to one kilowatt of connected load in determining the minimum charge.

SCHEDULE P - 1

GENERAL POWER SERVICE:

Applicable to general commercial and industrial power service.

TERRITORY:

Entire territory served.

RATE:

A. C. Service.

<u>H. P. of Connected Load</u>	<u>Rate per K.W.H. For Monthly Consumption of</u>			
	<u>First 50 K.W.H. per H.P.</u>	<u>Next 50 K.W.H. per H.P.</u>	<u>Next 150 K.W.H. per H.P.</u>	<u>All Over 250 K.W.H. per H.P.</u>
2 - 9	4.0c	2.1c	1.3c	1.1c
10 - 24	3.6	2.0	1.2	1.0
25 - 49	3.1	1.9	1.1	0.9
50 and over	2.6	1.7	1.1	0.8

Minimum Charge:

\$1.00 per horsepower per month of installed capacity.

SPECIAL CONDITIONS:

a. This Schedule of Rates will apply to service rendered at any standard voltage in accordance with the Rules and Regulations of the Company. All necessary transformers to obtain such voltage will be supplied, owned and maintained by the Company.

b. The consumer may obtain the rates and conditions of service for a larger installation by guaranteeing the rates and minimum charges applicable to the larger installation.

c. Mercury arc rectifiers, motor generator sets, X-ray machines, battery chargers, brooders, incubators, etc., may obtain service under this schedule.