ORIGINAL

Decision No. 18881

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of GORE BROS., INC., for an order permitting it to discontinue public utility service.

Application No. 13753.

Schweitzer & Hutton, by Frank S. Hutton and F.C. Stevens, for Applicant.

BY THE COMMISSION:

$\underline{C P I N I O N}$

In the above entitled proceeding, Gore Bros., Inc., whose principal business is the subdivision and sale of real properties, applies to this Commission for authority to discontinue the operation of its water system supplying water for domestic purposes to certain consumers residing in Tract No. 5644, in Los Angeles County. The application alleges in effect that it is a public utility furnishing water for compensation to eleven consumers at the present time; that the system was installed in 1923 to provide temporary water service only until such time as a permanent supply could be obtained; and that such supply is now available from the municipal water system of the City of Los Angeles, which now has its water mains in the streets in front of each and every lot in the tract served. It is further alleged that the City Board of Health has found the water supply to be polluted and unfit for human consumption and demands that a safe and proper water supply be obtained without delay; wherefore, applicant requests the Railroad Commission to grant it permission

-1-

to discontinue its water service and abandon its well and system.

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

This water system was originally installed by applicant to provide a temporary water Supply to aid in the sale of its lots in Tract No. 5644, in Los Angeles County. The water is obtained from a well which is only 40 feet deep and, as the terrain in the general vicinity is comparatively low and contains a great number of cesspools, the contamination of the water is inevitable. The testimony of E.H. Mathieson, Sanitary Engineer for the Los Angeles City Board of Health, indicates that the present water supply is in a deplorable condition, being highly polluted and wholly unsafe for domestic use. At the present time, there are eleven consumers dependent upon this system for water service.

By reason of the unsafe condition of the water supplied by applicant, a few of the consumers formerly receiving water from this system have discontinued its use and are now obtaining water from the mains of the Los Angeles municipal water-works which now has its mains throughout this tract. However, in view of the promises of Gore Bros., Inc., in marketing its lots that there was already installed an adequate water system, the remaining consumers do not consider it fair that they should now be required to stand the expense of paying 80 cents per front foot and \$15.00 for a meter connection, which is required by the city to obtain service from its mains. These consumers contend that the subdivider, Gore Bros., Inc., should pay for all costs required to receive service from the city system. Unquestionably, these consumers have been imposed upon in the matter of water supply. The system installed by applicant is admittedly temporary and of misfit construction and was never at any time seriously intended to be a proper

-2-

water supply for the community served. Gore Bros., Inc., has from the start operated illegally, never having applied for or received from this Commission a certificate of public convenience and necessity to operate a public utility water-works, although it is now willing enough to apply in a legal manner to be relieved of the responsibilities of a public utility nature which it has nevertheless incurred by its distribution of water for compensation. Although this Commission cannot too strongly condemn the inconsiderate operating methods of applicant in this instance, yet the evidence shows that this system is not now being operated, and probably could not be operated, at other than a financial loss. In view of the fact that the applicant's water supply has been condemned as unfit for human consumption and that the costs of securing a safe and potable water supply will increase the present financial loss, and as other water is readily available from a reliable source, it appears that the authority requested should be granted.

ORDER

Gore Bros., Inc., operating a public utility water system supplying certain consumers in Tract No. 5644, in Los Angeles County, having made application to the Railroad Commission for authority to discontinue its public utility service in said tract, a public hearing having been held thereon, the matter having been duly submitted and the Commission being now fully advised in the premises,

IT IS HEREBY ORDERED that Gore Bros., Inc., be and it is hereby authorized to discontinue, on or after the first day of November, 1927, the service of water to all its consumers in Tract No. 5644, in Los Angeles County, upon the following terms and con-

-3-

ditions:

- 1. Gore Bros., Inc., within ten (10) days from the date of this order shall notify each of its consumers, in writing, of its intention to discontinue water service on or after the first day of November, 1927.
- 2. That, within ten (10) days after such notice has been given, applicant shall file with this Commission a certified statement to the effect that such notice has been duly given.

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 3d_____ day of Movember, 1927.

nners Commi SS