

ORIGINAL

Decision No. 19617

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of  
CORONA CITY WATER COMPANY, a corpora-  
tion, for an increase in rates.

Application No. 13979.

E.H. Mitchell, for Applicant.

Walter S. Clayson, City Attorney,  
for City of Corona.

CARR, COMMISSIONER:

O P I N I O N

Corona City Water Company, a corporation, engaged in the public utility business of supplying water for domestic, industrial and municipal purposes to the inhabitants of the City of Corona, Riverside County, makes application in this proceeding for authority to increase its rates.

The application alleges in effect that the present rates charged are non-compensatory, being insufficient to provide the interest return which applicant is reasonably entitled to receive on the fair value of the properties devoted to the public use.

A public hearing was held in this matter at Corona on January 12, 1928, and the matter is now under submission and ready for decision.

The schedule of rates at present in effect was established by this Commission in its Decision No. 7651, issued June 1, 1920, 18 C.R.C. 280, and is as follows:

MINIMUM MONTHLY PAYMENTS

For 5/8-inch meter-----	\$ 1.00
For 3/4-inch meter-----	1.50
For 1-inch meter-----	2.00
For 1 1/2-inch meter-----	3.00
For 2-inch meter-----	5.00

MEASURED RATE SCHEDULE

0 to 500 cubic feet, per 100 cubic feet-----	\$ .20
500 to 1,000 cubic feet, per 100 cubic feet-----	.15
1,000 to 2,000 cubic feet, per 100 cubic feet-----	.12
Over 2,000 cubic feet, per 100 cubic feet-----	.08

The following rates were established by the Commission in Decision No. 2054, dated January 8, 1915, and have been in effect since February 1, 1915:

RATES FOR FIRE SERVICE  
AND  
OTHER MUNICIPAL USES

4-inch fire hydrants off 4-inch main, or larger mains, each per month-----	\$ 1.00
Fire hydrants off smaller diameter than 4-inch, each per month-----	.25
Water for flushing sewers, per month-----	40.00
Water for street sprinkling, per 100 cubic feet-----	.075

Testimony was presented by witnesses for the company and the Commission respecting cost of the applicant's property and its value, revenue and operating expenses and prospects for the future, a careful consideration of all of which leads to the conclusion that the present rate structure of the company is not fairly compensatory and that applicant is entitled to charge somewhat higher rates than those now in effect.

The rate structure authorized in the order is not out of line with those charged by other water companies comparable to this and should, with a reasonable increase in business, produce a revenue which will yield the company a reasonable return upon the fair value of its property.

I recommend the following form of order:

O R D E R

Corona City Water Company, a corporation, having made application to this Commission for authority to increase its rates, a public hearing having been held thereon, the matter having been submitted and the Commission now being fully advised in the premises,

IT IS HEREBY FOUND AS A FACT that the present rates of Corona City Water Company, in so far as they differ from the rates herein established, are unjust and unreasonable and that the rates herein established are just and reasonable rates to be charged by said company for water service.

Basing its order upon the foregoing findings of fact and upon the other statements of fact in the opinion preceding this order,

IT IS HEREBY ORDERED that Corona City Water Company be and it is hereby authorized and directed to file with this Commission, within twenty (20) days from the date of this order, the following schedule of rates, said rates to be charged for all service rendered subsequent to the 30<sup>th</sup> day of April, 1928.

METER RATES

Minimum Monthly Charges:

For 5/8-inch meter-----	\$ 1.25
For 3/4-inch meter-----	1.75
For 1-inch meter-----	2.50
For 1 1/2-inch meter-----	4.50
For 2-inch meter-----	6.00
For 3-inch meter-----	10.00

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 following "Monthly Quantity Rates".

Monthly Quantity Rates:

For 600 cubic feet, or less-----	\$ 1.25
Next 1,400 cubic feet, per 100 cubic feet-----	.16
Next 3,000 cubic feet, per 100 cubic feet-----	.13
Next 10,000 cubic feet, per 100 cubic feet-----	.10
Over 15,000 cubic feet, per 100 cubic feet-----	.08

MUNICIPAL USE

- 1. Water used for street sprinkling and sewer flushing, by computed or measured quantity, per 100 cubic feet-----\$ .08
- 2. For each fire hydrant owned by the city, installed on a 4-inch, or larger, pipe main----- 1.50
- For each fire hydrant owned by the company, installed on a 4-inch, or larger, pipe main----- 2.00
- For each fire hydrant owned by the city, installed on smaller than 4-inch pipe mains----- .50
- For each fire hydrant owned by the company, installed on smaller than 4-inch pipe mains----- .75
- 3. All other municipal use of water, including public buildings, schools and irrigation of parks and grounds, to be charged for at regular meter rates.

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 17<sup>th</sup> day of April, 1928.

Leon Whiteall

Clarence

Thos. H. ...

Commissioners.