

Decision No. 28695

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

ORIGINAL

In the Matter of the Application of J.L. Curtis, proprietor of Salida Water Works, for an order authorizing an adjustment of the rates and fixing the rates to be charged for water in the Town of Salida, County of Stanislaus, State of California.

Application No.15070.

Brown and Chamberlain, by H.L. Chamberlain,
for applicant.

G. Van der Veek, in persona propria,
a consumer.

BY THE COMMISSION:

O P I N I O N

In this proceeding, J.L. Curtis, operating under the fictitious name and style of Salida Water Works and engaged in the business of supplying water to consumers in and near the Town of Salida, Stanislaus County, asks the Commission to adjust the rates charged for water and to fix the charges for certain service that is not provided for in the schedule of rates heretofore established.

A public hearing was held in the above proceeding before Examiner Rowell at Salida, Stanislaus County.

The water supply for the system is obtained from a

ten-inch well and pumped into two 8,500-gallon storage tanks from which it is distributed by gravity through approximately 8,450 feet of mains, varying from 4 to $1\frac{1}{2}$ inches in diameter. There are 58 consumers, two of which are metered.

The rates now in effect were established by this Commission in its Decision No. 4387, dated June 12, 1917, and are as follows:

RATES

Flat Rates:

Residences-----	\$1.50 per mo.
Hotels-----	3.00 per mo.
Cheese Factory-----	2.50 per mo.

Meter Rates:

Monthly minimum for residences and domestic use-----	\$1.25 per mo.
Monthly minimum for all other use-----	1.50 per mo.
First 2,000 cubic feet-----	0.15 per 100 cu.ft.
Next 8,000 cubic feet-----	0.10 per 100 cu.ft.
Over 10,000 cubic feet-----	0.05 per 100 cu.ft.

At the hearing Mr. Curtis testified that the rates established by the Commission in the above mentioned decision did not provide for irrigation and other service to domestic users, or for the various classes of service required for a number of new commercial enterprises that have located in Salida since the rates were established. The Commission is asked to establish rates that will apply to existing conditions.

Applicant presented no appraisalment or statement of revenues and expenses other than such data as have been filed in his Annual Reports to the Commission.

D.H. Harroun, one of the Commission's hydraulic engineers, presented a report setting forth an appraisement of the plant based upon the estimated original cost as of November 1, 1928, together with a study of revenues and operating expenses which is summarized below:

Estimated Original Cost of Plant-----	\$6,055.
Estimated Future Operating Costs, including \$118. Annual Depreciation based upon 5% sinking fund method-----	917.
Revenues for 1928 (Estimated in part)-----	1,200.
Available for Return-----	283.
Net Return on Investment (Percentage)-----	4.7%

The evidence indicates that an adjustment of existing rates is advisable at this time, primarily to more equitably distribute the charges in accordance with the present use of water. The rate schedule set out in the following order will provide sufficient revenue to cover maintenance and operation expenses, depreciation, and a reasonable return on the investment, and also will remove present discrimination without materially altering the basic rate for household and domestic service. In this connection, it is suggested that meters be installed on the larger consumers, especially for commercial and industrial uses, as measured service will provide a fairer and more accurate method of determining the proper charges for the service rendered.

O R D E R

J.L. Curtis, operating under the fictitious firm name and style of Salida Water Works, having made application to this Commission as entitled above, a public hearing having been held

thereon, the matter having been submitted and the Commission being now fully advised in the premises,

It is hereby found as a fact that the rates and charges of J.L. Curtis for water delivered to consumers, 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 for the service rendered and, basing its order upon the foregoing findings of fact and upon the further statements of fact contained in the opinion which precedes this order,

IT IS HEREBY ORDERED by the Railroad Commission of the State of California that J.L. Curtis, operating under the fictitious firm name and style of Salida Water Works, be and he is hereby authorized and directed to file with this Commission, within thirty (30) days from the date of this order, the following schedule of rates to be charged for all service rendered subsequent to December 31, 1928:

MONTHLY FLAT RATES

1. Residences of five rooms or less, occupied by a single family-----	\$1.50
For each additional family-----	1.00
For each additional room-----	0.10
2. Apartments, flat buildings or residences, when occupied by only one family-----	\$1.50
When occupied by additional families for each additional family-----	1.00
3. Sprinkling or irrigation of lawns, shrubbery, gardens, etc., payable every month in the year, up to 3,000 square feet, per 100 square feet of surface watered-----	\$0.03
Over 3,000 square feet, per 100 square feet of surface watered-----	0.015
4. Blacksmith shop-----	1.50
5. Pool halls-----	1.75
6. Barber shops-----	2.00
7. Banks-----	1.50
8. Public halls-----	1.50
9. Churches-----	1.50
10. Hotels-----	3.00
11. Lumber yards-----	1.50
12. Garages-----	2.50
13. Railroad Use - Station and Packing Houses-----	3.50
14. Condensery (Standby Service)-----	3.00

METER RATES

Monthly Minimum Charges:

5/8 x 3/4-inch service-----	\$1.50
3/4-inch service-----	2.00
1-inch service-----	2.50
1 1/2-inch service-----	3.50
2-inch service-----	5.00

Each of the foregoing "Monthly Minimum Charges" will entitle the consumer to the quantity of water which that monthly minimum charge will purchase at the following "Monthly Quantity Rates."

Monthly Quantity Rates:

From 0 to 600 cubic feet, per 100 cubic feet-----	\$0.25
Next 900 cubic feet, per 100 cubic feet-----	0.20
Next 2,500 cubic feet, per 100 cubic feet-----	0.15
All over 4,000 cubic feet, per 100 cubic feet-----	0.12

Any consumer is entitled to metered service upon application therefor and the utility may meter any and all service connections.

IT IS HEREBY FURTHER ORDERED that said J.L. Curtis be and he is hereby directed to file with the Railroad Commission, within thirty (30) days from the date of this order, rules and regulations to cover the distribution of water to consumers, said rules and regulations to become effective upon their acceptance for filing by this Commission.

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 21st day of January, 1929.

Thor S. Lott
Chas. H. ...
Frank ...
Leon Whitell
M. J. ...
 Commissioners