

Decision No. 21128

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the investigation  
of the propriety and reasonableness  
of a proposed schedule of rates of  
Portola Water Company.

Case No. 2677.

E. I. Lane, for Portola Water Company.

WHITSELL, COMMISSIONER:

O P I N I O N

On March 11, 1929, Portola Water Company, a corporation, filed with the Railroad Commission a schedule of rates setting forth new rates and charges for all measured water service and for certain classes of flat rate service to be charged to the consumers living in North Portola who are supplied with water by said company. As it appeared that the schedule as submitted might possibly result in certain increases in the rates heretofore charged, the Commission thereupon issued its order suspending the effective date of said schedule of rates and at the same time instituted an investigation upon its own motion into the propriety and reasonableness of rates and charges as set forth in said schedule.

A public hearing in this matter was held in Portola, Plumas County, on the ninth (9th) day of May, 1929.

From the evidence, it appears that the North Portola water system was formerly owned by Charles Gulling and was acquired by the Portola Water Company by authority of this Commission in its Decision No. 19627, dated April 16, 1928. The water service on this system has been furnished under flat rates, identical with the

flat rates in effect on the system serving the Town of Portola, which is owned and operated by the Portola Water Company. Since acquisition of the Gulling system, the company has spent a considerable amount of money in interconnecting this plant with the main water works in Portola. The former inadequate water supply and lack of pressure already have been practically eliminated and will be further improved through the proposed expenditure of approximately \$3,000. to be made this year by the present owners contemplating the installation of larger sized mains capable of supplying fire protection to this community.

The testimony indicates that there are at the present time about thirty consumers on the North Portola system and that, to date, the revenues under existing rates have barely equaled the cost of operation, including depreciation. It further appears that the proposed schedule of metered rates, which in all respects is identical with the present schedule of rates established by the Commission for the Portola Water Company's system, will not result in any substantial increase at this time in the revenues derived from the North Portola system. The installation of meters will conserve water through the elimination of possible carelessness and waste of water frequently obtaining under flat rate service and, as the main Portola system is fully metered, it will also remove the existing discrimination resulting from a part of the water users being charged under flat rates.

No protests were made by any consumers against the establishment of a meter rate for North Portola. Under these circumstances, it appears that the rates throughout the entire system operated by this company should be made uniform and that said company should be authorized by the Commission to charge the same schedule of rates for service in North Portola as in Portola.

The following form of Order is recommended:

O R D E R

The Commission on its own motion having instituted an investigation into the propriety and reasonableness of the proposed schedule of rates filed by the Portola Water Company, a corporation, to be charged for water service rendered to its consumers in North Portola, 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 ORDERED that Portola Water Company is hereby authorized to charge for all service, both flat and measured, rendered to its consumers in North Portola on and after the first (1st) day of June, 1929, the same schedule of rates as is now in effect or may hereafter be lawfully established for service rendered by said company in the Town of Portola, County of Plumas.

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 20<sup>th</sup> day of May, 1929.

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Commissioners.