

Decision No. 23423

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of American States Water Service Company of California for a Certificate of Public Convenience and Necessity; for an order authorizing it to exercise franchise rights; and for an order establishing rates.

ORIGINAL

Application No. 16575.

W.C. Kennedy, for Applicant.

BY THE COMMISSION:

OPINION ON REHEARING

The Railroad Commission in its Decision No. 22971, dated the seventeenth day of October, 1930, granted the American States Water Service Company of California, a corporation, a certificate of public convenience and necessity to operate a water system in Midway Park Tract No. 9897, Los Angeles County, and among other things directed the company to file with the Railroad Commission a schedule of rates to be charged for the service to be rendered based upon a monthly minimum charge of one dollar and twenty-five cents (\$1.25) for measured service.

The opinion in said decision sets forth among other things that the proposed schedule of rates submitted by applicant is somewhat higher than the rates now charged by it in adjacent territory and, in view of the fact that the systems will be interconnected, it would be more reasonable and proper to have the rates uniform throughout, thereby avoiding unfair discrimination

in the same class of service. On November 7, 1930, applicant filed a petition for rehearing, in which it is alleged that the prescribed rates are not those charged in adjacent territory but apply to a territory approximately one and one-half miles distant and lying wholly within the limits of the City of Los Angeles and that these rates should not be fixed for the service area covered by this application which is semi-rural in character. It is further alleged that the monthly minimum charge prescribed by said decision is lower than that charged in other similar and rural areas situated in the general vicinity and that operation thereunder will result in a serious financial embarrassment to applicant in the conduct of its business in this particular area.

A rehearing of the above entitled proceeding was granted under date of November 21, 1930, and held before Examiner Satterwhite at Los Angeles.

The testimony of Mr. E.V. Anderson, General Superintendent of the company, indicated that the main pipe line passing through this new service area was installed primarily for the transmission of water from the well located in Midway Park Tract acquired to augment its present water supply for distribution and use within the city limits of Los Angeles. The additional evidence presented in this proceeding indicates that a strip of undeveloped land approximately one and one-half miles in width, in which the company holds no certificate of public convenience and necessity to serve water, intervenes between the Midway Park Tract and its other water plants.

In view of the above facts and also the sparsely settled character of the service area involved in this application, there

being but four consumers now receiving service, it appears that a basic monthly minimum charge of one dollar and fifty cents (\$1.50) for 5/8-inch by 3/4-inch meters is a reasonable rate to be charged for the service to be rendered and it will accordingly be authorized in the following Order.

ORDER ON REHEARING

American States Water Service Company of California, a corporation, having filed a petition requesting a further hearing in this matter in order to permit the introduction of further evidence therein, the Commission having issued its order reopening the proceeding and a further public hearing having been held thereon, and the matter having been submitted and being now ready for decision,

IT IS HEREBY ORDERED that the schedule of rates established by the Commission in its Decision No. 22971, dated October 17, 1930, be and the same is hereby modified and amended to read as follows:

IT IS HEREBY ORDERED that American States Water Service Company of California, a corporation, be and it is hereby directed to file with the Railroad Commission of the State of California, within thirty (30) days from the date of this Order, the following schedule of rates to be charged for all service rendered subsequent to the 1st day of March, 1931.

MINIMUM MONTHLY CHARGES

For 5/8-inch meter-----	\$1.50
For 3/4-inch meter-----	1.75
For 1-inch meter-----	2.00
For 1 1/2-inch meter-----	4.00
For 2-inch meter-----	6.00
For 3-inch meter-----	12.00
For 4-inch meter-----	18.00

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 Meter Rates."

MONTHLY METER RATES

All classes of service except fire hydrant rentals:

0 to 600 cubic feet, per 100 cubic feet--	\$0.25
600 to 2,000 cubic feet, per 100 cubic feet--	.20
2,000 to 6,000 cubic feet, per 100 cubic feet--	.15
6,000 to 10,000 cubic feet, per 100 cubic feet--	.12
All over 10,000 cubic feet, per 100 cubic feet--	.10

IT IS HEREBY FURTHER ORDERED that in all other respects said Decision No. 22971 shall remain in full force and effect.

Dated at San Francisco, California, this 24th day of

February, 1931.

C. Seaver

Leon C. Whittell

W. J. Lewis

W. B. Harris

Fred G. Stewart
Commissioners