Decision No. 24172.

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BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of) VICTORIA LYELLE, BELLA SCIARINI,) LEO SICOTTE, as Administrator with) the Will annexed of the Estate of) Aime A. Sicotte, Deceased, NETTIE) BRANDT, R. E. FRENCH and HENRY A. M.) DeCHESNE, JR., for permission to) discontinue water service.



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Application No. 17670

Breed, Burpee and Robinson, by H.L.Breed, for applicants.

BY THE COMMISSION:

OPINION

Petitioners Victoria Lyelle, Bella Sciarini, Leo Sic-Otte, as Administrator with the Will annexed of the Estate of Aime A. Sicotte, deceased, Nettie Brandt, R. E. French and Henry A. M. DeChesne, Jr., owning as tenants in common and operating a public utility water system in the City of Oakland, hereinafter sometimes referred to as the Eighth Street Water Plant, ask permission to abandon the operation of such water plant.

In general, the distributing system of applicants' water plant is located between Seventh and Ninth Streets and between Peralta and Pine Streets in the western part of the City of Oakland. It is of record that the water supply has been and is now being obtained from three wells. The water from these wells is becoming brackish and sand is coming in the wells. Because of this situation a new well should be immediately installed, if the water plant is to be continued in operation. In addition, the City of Oakland has condemned one tank and has ordered its removal

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because of its encroachment on its property. The cost of the improvement is estimated as \$3,500.00.

The distributing system consists of 385 feet of 1-1/2" pipe, 3665 feet of 2" pipe, 100 feet of 3" pipe and 140 feet of 4" pipe. The total investment in the system is estimated at \$10,000.00. Approximately 155 consumers are attached to the water system. The system is not metered nor have applicants of late, because of the poor quality of water, been able to collect all of the water bills. During 1930 the revenues amounted to \$1,680.50 and for the first eight months of 1931, to \$1,079.37.

The testimony shows that the present owners of this water system are unable to finance the necessary improvements and that they have been anable to secure any additional loans on the properties. Were they, or any one else, to finance the necessary improvements, the rates would have to be increased in order that the owner of the property would realize a reasonable return on the investment. If the rates were increased to net such a return it is felt that the consumers would leave the utility and apply for service from the East Bay Municipal Utility District. The District's pipes are in many of the streets which traverse the area served by applicants. According to the record the East Bay Municipal Utility District has consented to supply water to all the present consumers of the Eighth Street Water Plant who desire such service, the service installation to be made without cost to the consumers and the service to be rendered at the District's regular schedule of rates, subject to the rules of the District covering similar service.

A notice of the hearing on this application was mailed to each consumer. No one appeared at the hearing to protest the granting of the application.

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We find that any rate which would return to the owners of this water plant the cost of operating the same and a reasonable return, would be more than the service would be worth.

ORDER

Application having been made to this Commission, as entitled above, a public hearing having been held thereon before Examiner Fankhauser, the matter having been submitted and the Commission having considered the record herein and being of the opinion that this application should be granted, therefore,

IT IS HEREBY ORDERED, that for the reasons set out in the preceding opinion Victoria Lyelle, Bella Sciarini, Leo Sicotte, as Administrator with the Will Annexed of the Estate of Aime A. Sicotte, Deceased, Nettie Brandt, R.E. French and Henry A. M. DeChesne, Jr., be, and the same are hereby, authorized to abandon on December 15th, 1931, or earlier, if all their consumers are obtaining water from another source, the operation of their public utility water plant, referred to in this proceeding and furnishing water to the area set forth in Exhibit No. 3 filed in this proceeding, provided that-

1. Within fifteen (15) days after the date hereof applicants shall notify in writing each and every consumer of their intention to abandom their public utility water service and of the time when such service will be discontinued, as herein authorized, and shall within twenty(20) days after the date of this order, file with the Commission an affidavit showing that said notice was given to said consumers, together with a copy of said notice.

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2. This order will become effective fifteen(15) days after the date hereof.

DATED at San Francisco, California, this <u>1646</u> day of October, 1931.

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Commissioners.

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