

Decision No. 25460

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
O.R. GRISSOM for authority to purchase a water system near El Monte and to establish a measured rate for service.

Application No. 18425.

J.W. Falkner, for Applicant.

ORIGINAL

BY THE COMMISSION:

O P I N I O N

In this proceeding O.R. Grissom makes application for a certificate of public convenience and necessity to operate a public utility water system to serve the residents of that certain tract of land near El Monte in the County of Los Angeles, more particularly described as follows:

Tract bounded on the east by the San Gabriel River, on the south by Valley Boulevard, on the West by Peck Road, and on the north by El Monte Road.

A public hearing in this proceeding was held before Examiner Kennedy at Los Angeles.

According to the evidence, the above tract originally was subdivided by the El Monte Realty Company which installed a water system to provide service to lot purchasers, a charge of two dollars per month flat being made for each residence. In 1931, O.R. Grissom, applicant herein, purchased the plant and installed a pressure tank, together with larger and improved pumping equipment. Although the real estate operators admittedly were operating as a

public utility, through ignorance of the requirements of the Public Utilities Act, or otherwise, no authority for this transfer was requested or granted by the Railroad Commission. Under the circumstances it appears to be to the best interests of the public to approve the transfer of this public utility water works to the said Grissom.

The water is at present obtained from a 95-foot well and served to nineteen consumers by means of pressure tank equipment through approximately 3,500 feet of two-inch mains. The present operator has secured easements across the lots in the subdivision for the installation of pipe lines and no further authority for this purpose is required at this time.

Applicant has requested authority to establish a measured schedule of rates based upon a minimum monthly charge of two dollars (\$2.00) per month and also has asked for the privilege of requiring consumers to pay the costs of installation of meters. The minimum monthly charge for metered service as proposed is considerably in excess of the average rate charged by utilities operating in the general vicinity under substantially the same operating conditions and, as this rate can not be justified by the evidence herein, it will not be granted. Likewise, as no adequate reason was advanced which would warrant this Commission in departing from its usual practice of requiring utilities to provide at their own expense all service facilities which include connecting pipes and meters, applicant will be authorized to install meters only at his own expense.

The schedule of rates established in the following Order compares favorably with the charges of other utilities operating in the general vicinity and should be fair and reasonable under

existing conditions and circumstances, yielding applicant a proper return upon his investment over and above operating expenses, including depreciation.

O R D E R

O.R. Grissom having made application 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,

The Railroad Commission of the State of California hereby declares that public convenience and necessity require that O.R. Grissom operate a water system for the purpose of supplying water to the residents of that certain tract of land situate in the immediate vicinity of the City of El Monte in the County of Los Angeles and more particularly described as follows:

Tract bounded on the east by the San Gabriel River, on the south by Valley Boulevard, on the West by Peck Road, and on the north by El Monte Road.

IT IS HEREBY ORDERED that O.R. Grissom be and he is hereby authorized to purchase and acquire from El Monte Realty Company that certain water system serving the above described tract of land upon the following terms and conditions:

1. A certified copy of the final instrument of conveyance of the properties herein authorized to be transferred shall be filed by O.R. Grissom with this Commission within thirty (30) days from the date of its execution.
2. The consideration for this transfer shall not be urged before this Commission or any other public body as a finding of value for rate-fixing or for any purpose other than the transfer herein authorized.

IT IS HEREBY FURTHER ORDERED that O.R. Grissom be and he is hereby authorized 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 to his consumers in the above described tract of land in the County of Los Angeles, subsequent to the thirty-first day of December, 1932.

MONTHLY FLAT RATE

Domestic use for house, including lawn, flowers, shrubbery, etc.-----\$2.00

METER RATE

Monthly Minimum Charges:

| | |
|---------------------------|--------|
| 5/8 x 3/4-inch meter----- | \$1.50 |
| 3/4-inch meter----- | 1.75 |
| 1-inch meter----- | 2.00 |
| 1 1/2-inch meter----- | 3.00 |
| 2-inch meter----- | 5.00 |
| 3-inch meter----- | 8.00 |

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 1,000 cubic feet, per 100 cubic feet----- | \$0.20 |
| From 1,000 to 2,000 cubic feet, per 100 cubic feet----- | .15 |
| All over 2,000 cubic feet, per 100 cubic feet----- | .07 |

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IT IS HEREBY FURTHER ORDERED that O.R. Grissom 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 governing the relations with his consumers, said rules and regula-

tions to become effective upon their acceptance for filing by the Railroad 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 19th day of December, 1932.

C. J. Sealey
Leon Whaley
W. L. Linn
W. B. Hamlin
Fred G. Stewart
Commissioners.