

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

ORIGINAL

In the Matter of the Application  
of Mokelumne River Power and Water  
Company, a corporation, for the  
establishment of a schedule of  
rates to be charged for water furn-  
ished by it in Calaveras County.

Application No. 4943.

In the Matter of the Application of  
Mokelumne River Power and Water  
Company, a corporation, to discontinue  
service of water for domestic purposes  
in the towns of Mokelumne Hill, Valley  
Springs and Campo Seco, Calaveras  
County.

Application No. 6589.

F. J. Solinsky, for Applicant.  
Joe Huberty, for consumers at Mokelumne Hill.  
J.E. Lyons, for Southern Pacific Company, a  
consumer at Valley Springs.

BY THE COMMISSION:

OPINION ON REHEARING AND ON  
PETITION TO DISCONTINUE SERVICE.

In the above entitled application No. 4943 this Commission has heretofore, on April 8, 1920, rendered its opinion and order by Decision No. 7394 establishing a schedule of water rates. Subsequent thereto, and following the filing with the Commission of a number of informal complaints by consumers, a deviation from the above established rate schedule for irrigation use from domestic services was agreed to by the company and became effective on October 13, 1920.

However, dissatisfaction with the established rate schedule continued and following informal conferences thereon, a further

hearing and investigation was instituted by this Commission on its own motion. As a result of this further hearing and investigation the Commission rendered on May 28, 1921, its supplemental opinion and order on Application No. 4943 (Decision No. 9023) establishing therein a revised schedule of rates. Thereupon, applicant petitioned for a rehearing of Application No. 4943, on the ground that the revised rate schedule was confiscatory and would require the utility to operate its ditch system at a constant loss, and the petition for rehearing was granted.

Application No. 6589 alleges in effect that the present rates are non-compensatory and do not yield a revenue sufficient to meet the bare cost of operating the system without including any charge for a depreciation annuity; that a like financial condition has confronted this utility for the past five years; and that, by reason of insufficient income, necessary repairs and renewals have been long deferred and the utility has been unable to maintain the ditch system in a proper degree of efficiency. Furthermore, that the use of water from the system has diminished considerably in recent years with the decline of mining, thereby contributing to the reduction in revenue both from mining use and from domestic use in the towns of Mokelumne Hill, Camp Seco and Valley Springs. Applicant asks to be permitted to discontinue service of water in these towns unless it be allowed to charge such increased rates as will yield the reasonable costs of operating and maintaining the system but not including at the present time any allowance for a return on the investment.

A public hearing was held in above entitled matters before Examiner Satterwhite, at Valley Springs, on April 28, 1922, of which all interested parties were notified and given an opportunity to appear and be heard.

It was stipulated at the hearing that these matters be consolidated for hearing and decision.

The ditch, some 32 miles in length, was constructed in the

early fifties for hydraulic mining purposes, which use required large volumes of water. Hydraulic mining has since ceased by reason of an Act of the California Legislature, and the present uses to which the ditch system has reverted is the supply of a few quartz mines operating intermittently, the irrigation of a small acreage and the domestic needs of the three small towns mentioned. This condition has in turn resulted in diminished revenues and the critical financial condition which now confronts the utility.

Prior to the hearing conferences between representatives of the consumers in the town of Mokelumne Hill and the company were held in an endeavor to arrive at a rate for domestic use which would satisfy both the utility and its consumers. As a result Mr. Euberty, for the consumers at Mokelumne Hill submitted at the hearing a proposed rate for domestic use which differed from that asked by the company only in minor details. After some argument of the matter an agreement was reached which contains the following stipulations:

1. That the Commission establish a minimum annual rate of \$36.00 for all residential use of water, payable in monthly installments of \$3.00 for use of 2,000 cubic feet or less of water monthly. Also that all use in excess of 2,000 cubic feet monthly be charged for at rate of 5 cents per 100 cubic feet.

2. That it be left to the discretion of the Commission to include in a rate schedule proper charges for all use of water other than residential.

In connection with above agreement as to a rate schedule, applicant stated that under present conditions it can only expect a revenue from rates to yield approximately the expense of maintenance and operation of the system without including depreciation allowance or interest return. Cooperation was requested of the consumers in promoting the use of water and in other ways that the operating revenue be made sufficient to enable the utility to continue operating its

system.

In consideration of above stipulation, applicant asked to be permitted to withdraw the above entitled Application No. 6589 to discontinue service of water.

From a consideration of all the above facts together with the records and files introduced in evidence in the prior hearings of Application No. 4943, the rate schedule set out in the following order has been computed and designed.

The evidence shows that by reason of large seepage losses in the 12 mile section of the ditch system from Mokelumne Hill to Valley Springs, applicant has been unable during several past seasons to deliver a sufficient supply of water to consumers in the town of Valley Springs during certain periods in the summer months. It appears that this condition can best be remedied by a considerable expenditure for repairs and renewals, for which expense funds are not available because of the small revenue possible from the present uses of water.

Under the circumstances, it is advised that applicant make such repairs to this section of the ditch as its funds will permit and endeavor to deliver the supply required by consumers in Valley Springs.

#### O R D E R

Proceedings having been brought before the Railroad Commission as entitled above, the matters having been consolidated for hearing and decision and being now submitted:

IT IS HEREBY FOUND AS A FACT that the present rate schedule of Mokelumne River Power and Water Company, insofar as it differs from the rate schedule herein set out, is unjust and unreasonable and that the rates herein established are just and reasonable rates to be charged by said company for water.

And basing its order upon the foregoing finding of fact and the other statements of fact contained in the opinion which precedes this order;

IT IS HEREBY ORDERED, that Mokelumne River Power and Water Company be and it is hereby authorized and directed to file with the Railroad Commission within twenty (20) days from the date of this order the following schedule of rates, to apply to all service rendered on and after July 1, 1922:

#### RATE SCHEDULE

<u>Flat Rates for Domestic Use:</u>	<u>Per Month</u>
1. For all residential use including irrigation of premises, a minimum annual charge of \$36.00 for 2,000 cubic feet of water or less per month, payable in equal monthly installments,....	\$3.00
2. For private boarding houses, in addition to the residential rate, each roomer or boarder,.....	0.20
3. Livery stables and stockyards, per average number of stock fed, each,.....	0.35
Minimum charge,.....	3.50
4. Public garages, average four autos or less,.....	3.50
For each additional automobile,.....	.50
5. Hotels, creameries, slaughter-houses, bottling works and laundries, according to use of water,...	\$3.50 to 9.00
6. For stores, shops or business places not otherwise listed,.....	2.50
7. Additional for each bath tub, flush toilet or urinal in 3 to 6, inclusive,.....	0.35
8. Barns in connection with stores or shops, not more than two horses,.....	0.50
For each additional horse,.....	0.25
9. For cold storage machines in addition to store rates,.....	\$2.00 to 5.00
10. For use of hose in front of stores or shops for washing windows and sprinkling sidewalks and roadway, according to use,.....	\$0.25 to 1.00
11. Water motors, according to size,.....	\$0.75 to 3.00
12. For each hydrant especially installed for fire protection or for the individual use of persons, firms or corporations for fire service exclusively,.....	\$0.75

Meter Rates:Per Month

1. For all residential use including irrigation of premises, a minimum annual charge of \$36.00 for 2,000 cubic feet of water or less per month, payable in equal monthly installments,..... \$3.00
- All use over 2,000 cubic feet per month, per 100 cubic feet,..... 0.05
2. For all use of water other than residential--
  - 1500 cubic feet or less per month--..... 3.00
  - Between 1500 and 5000 cubic feet per month,..... 0.15
  - All over 5000 cubic feet per month,..... 0.05

Meters may be installed at the option of the consumer or the company. When a meter is installed at the request of a consumer, a deposit may be required, such a deposit to be returned to the consumer as a credit on monthly water bills at a rate of one-seventh of the monthly bills for water used.

IRRIGATION, MINING AND INDUSTRIAL USES - OPEN DITCH SERVICE.For Irrigation Season:Per Miner's Inch per Day

- |  |        |
|--|--------|
| 24-hour service, continuous flow,.....     | \$0.35 |
| 12-hour service, continuous flow,.....     | 0.20   |
| 24-hour service, non-continuous flow,..... | 0.45   |

For Calendar Year:

- |  |        |
|--|--------|
| 24-hour service, continuous flow,..... | \$0.30 |
| 12-hour service, continuous flow,..... | 0.15   |
- Minimum annual payment will be the equivalent of 1/4 of a miner's inch continuous flow for irrigation season of 5 months. Miner's inch equals 1/40 of a cubic foot per second.

IT IS HEREBY FURTHER ORDERED that within thirty (30) days from the date of this order, applicant file with this Commission revised and amended rules and regulations governing service of water to consumers to become effective upon their acceptance by this Commission.

IT IS HEREBY FURTHER ORDERED that Application No. 6589, as entitled above be and it is hereby dismissed.

Dated at San Francisco, California, this 14th day of April, 1922.

*[Handwritten Signature]*  
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*[Handwritten Signature]*

*[Handwritten Signature]*  
 Commissioners.