

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

ORIGINAL

Application No. 1015.

Decision No. 1591

In the matter of the Application
of R. W. ELLIOTT, doing business
under the name of GARDEN GROVE
WATER COMPANY, to change his rates
for water.

R. W. Elliott, in propria persona.

THELEN, Commissioner.

O P I N I O N.

The petition herein shows that R. W. Elliott is a public utility engaged in the business of supplying water to a portion of the unincorporated community of Garden Grove, in Orange county, under the name of Garden Grove Water Company. Mr. Elliott owns a well and pump and distributing system, and supplies water to some 75 families. He has been charging the flat rate of \$1.00 per month per consumer. He now finds that a number of consumers are using excessive amounts of water and desires to charge a special rate for consumers who do any irrigating, and to charge a flat rate for other consumers so that hereafter the rate shall be a

\$1.00 per month for the use of 800 cubic feet of water, and an additional rate of \$1.00 per month for the use of water in excess of 800 cubic feet.

A hearing on this application was held in Garden Grove on June 6, 1914. A large number of citizens of Garden Grove were present at the hearing and expressed their views concerning the application, and also the larger question of a permanent and adequate supply of water for Garden Grove. While no objection was voiced to the granting of the present application, attention was drawn to the fact that three small water companies at present serve Garden Grove; that none of them is at present able to supply the entire community; that there is no

fire protection; and that it would be well to consolidate the three existing companies and to make the necessary improvements, so that the one new company can give adequate service to all people in Garden Grove, and also give fire protection.

Mr. Elliott has installed 15 meters and desires to install 23 more. He is also planning to install a new pumping plant, to be known as Plant No.2, so as to be in a position to give a more adequate supply of water to his customers. He takes the position, however, that even under the proposed new rate, he would be unable to install the necessary pipe line in connection with the new pumping plant.

Mr. Elliott's annual report for the year ending December 31, 1913, on file with the [REDACTED] shows that his operating revenue for the year 1913 was [REDACTED] operating expenses \$852.20, leaving a balance of [REDACTED] on the investment and on depreciation. [REDACTED] plant No. 1 is somewhat in excess of [REDACTED] a profit of \$208.30 falls considerably [REDACTED] return on the value of the property and p.

I find [REDACTED] the system is commendable and that Mr. Elliott [REDACTED] the additional return which will result from the change in the form of the rate, and shall accordingly recommend that the application be granted in this respect.

I am not satisfied that an order should be made limiting the period for lawn sprinkling to between seven and nine o'clock in the morning. If the system is metered and each consumer must pay for excess water, there is much reason in support of the contention that the consumer should be permitted to sprinkle his lawn when it is convenient to do so. I accordingly suggest that no order be made on this point at the present time.

I am by no means unmindful of the larger problem which is involved in the water situation at Garden Grove. The people of Garden Grove are now taking steps to incorporate a new company to take over the properties of the three existing companies and the

Commission has asked one of its hydraulic engineers to attend a public meeting which will shortly be held in Garden Grove, and to present an approximate estimate of the value of the existing properties, so that the people of Garden Grove, in forming their new water corporation and subscribing for the stock thereof, may be able to reach a fairly accurate conclusion as to the value of the systems to be taken over. The Commission desires to be of all possible assistance in helping the people of Garden Grove to reach a permanent and satisfactory solution of their water problem.

I submit herewith the following form of order:

R. W. [REDACTED], doing business
under the name [REDACTED] having applied to the
Railroad Commis. [REDACTED] to install meters
for all of his c. [REDACTED] irrigation, and to
establish the rate [REDACTED] and the Commission finding
that said rate is reasonable.

IT IS HEREBY ORDERED, that R. W. ELLIOTT, doing business under the name of GARDEN GROVE WATER COMPANY, be and he is hereby authorized to install, at his own expense, meters for all customers who use water for irrigation, and to establish, effective on July 1, 1914, the following rate to be charged for water:

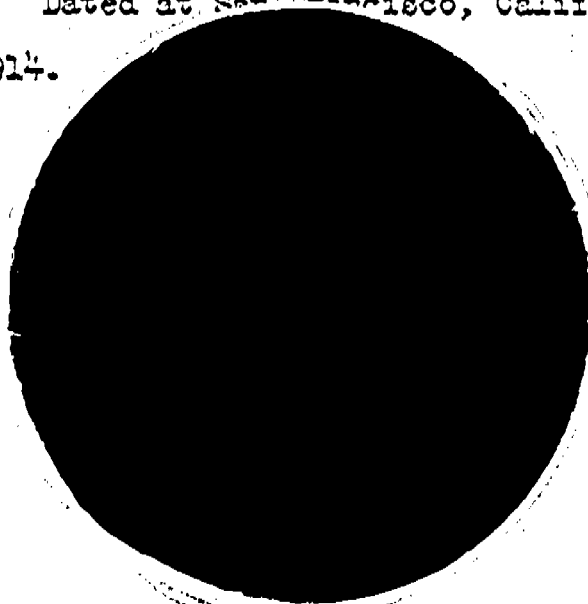
\$1.00, minimum monthly bill, for 500 cubic feet of water per month, or less.

\$1.00 for each 300 cubic feet of water used in excess of the first 500 cubic feet.

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 17th day of
June, 1914.



John M. Eschleman
H. S. Loveland
Wm. G. Gordon
Max Theiler

Commissioners.

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THELEN, Commissioner.

O P I N I O N.

The petition herein shows that R. W. Elliott is a public utility engaged in the business of supplying water to a portion of the unincorporated community of Garden Grove, in Orange county, under the name of Garden Grove Water Company. Mr. Elliott owns a well and pump and distributing system, and supplies water to some 75 families. He has been charging the flat rate of \$1.00 per month per consumer. He now finds that a number of consumers are using excessive amounts of water and desires to install meters for all consumers who do any irrigating, and to change the rate charged for water so that hereafter the rate shall be as follows:

\$1.00 per month for each consumer entitling him to the use
of 800 cubic feet of water, with an additional rate of
\$1.00 per 800 cubic feet of water used in excess of
800 cubic feet per month.

A hearing on this application was held in Garden Grove on June 6, 1914. A large number of citizens of Garden Grove were present at the hearing and expressed their views concerning the application, and also the larger question of a permanent and adequate supply of water for Garden Grove. While no objection was voiced to the granting of the present application, attention was drawn to the fact that three small water companies at present serve Garden Grove; that none of them is at present able to supply the entire community; that there is no

fire protection; and that it would be well to consolidate the three existing companies and to make the necessary improvements, so that the one new company can give adequate service to all people in Garden Grove, and also give fire protection.

Mr. Elliott has installed 15 meters and desires to install 23 more. He is also planning to install a new pumping plant, to be known as Plant No.2, so as to be in a position to give a more adequate supply of water to his customers. He takes the position, however, that even under the proposed new rate, he would be unable to install the necessary pipe line in connection with the new pumping plant.

Mr. Elliott's annual report for the year ending December 31, 1913, on file with this Commission, shows that his operating revenue for the year 1913 was \$960.50 and his operating expenses \$852.20, leaving a balance of \$108.30 to apply on interest on the investment and on depreciation. The present value of pumping plant No. 1 is somewhat in excess of \$5,000, and it seems clear that a profit of \$108.30 falls considerably short of giving the necessary return on the value of the property and providing for depreciation.

I find that the plan of metering the system is commendable and that Mr. Elliott is entitled to the additional return which will result from the change in the form of the rate, and shall accordingly recommend that the application be granted in this respect.

I am not satisfied that an order should be made limiting the period for lawn sprinkling to between seven and nine o'clock in the morning. If the system is metered and each consumer must pay for excess water, there is much reason in support of the contention that the consumer should be permitted to sprinkle his lawn when it is convenient to do so. I accordingly suggest that no order be made on this point at the present time.

I am by no means unmindful of the larger problem which is involved in the water situation at Garden Grove. The people of Garden Grove are now taking steps to incorporate a new company to take over the properties of the three existing companies and the

Commission has asked one of its hydraulic engineers to attend a public meeting which will shortly be held in Garden Grove, and to present an approximate estimate of the value of the existing properties, so that the people of Garden Grove, in forming their new water corporation and subscribing for the stock thereof, may be able to reach a fairly accurate conclusion as to the value of the systems to be taken over. The Commission desires to be of all possible assistance in helping the people of Garden Grove to reach a permanent and satisfactory solution of their water problem.

I submit herewith the following form of order:

O R D E R.

R. W. ELLIOTT, a public water utility, doing business under the name of GARDEN GROVE WATER COMPANY, having applied to the Railroad Commission for an order authorizing him to install meters for all of his customers who use water for irrigation, and to establish the rate hereinafter indicated, and the Commission finding that said rate is reasonable,

IT IS HEREBY ORDERED, that R. W. ELLIOTT, doing business under the name of GARDEN GROVE WATER COMPANY, be and he is hereby authorized to install, at his own expense, meters for all customers who use water for irrigation, and to establish, effective on July 1, 1914, the following rate to be charged for water:

\$1.00, minimum monthly bill, for 800 cubic feet of water per month, or less.

\$1.00 for each 800 cubic feet of water used in excess of the first 800 cubic feet.

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