

ORIGINAL

Decision No. 2585

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application	)	
of CARL F. SCHADER for a certificate	)	
of public convenience and necessity,	)	Application No. 1575.
and for the establishment of rates.	)	

Carl F. Schader, in propria persona.

LOVELAND, Commissioner:

OPINION

Applicant alleges that public convenience and necessity require the construction and operation of a water system in the unincorporated town of Calipatria, Imperial County, and prays that the Commission issue a certificate of public convenience and necessity and establish rates to be charged for water for domestic use.

Applicant's principal business in Calipatria is the sale of the townsite forming part of Sections 15 and 16, Township 12 South, Range 16 East, S.B.B. & M., and applicant, together with an unincorporated association known as the Imperial Valley Farm Lands Association, owns all of these lands not transferred to individuals. The tract above described has been subdivided into building lots, a number of which have been sold.

Water to supply the town is purchased from Imperial Valley Irrigation Company #5. A ditch extends from their canal to a settling reservoir at the outskirts of the town. The water is then pumped into tanks and then flows into the distribution system now serving some 70 connections.

A public hearing in this proceeding was held in Los Angeles on June 8, 1915. The book cost of the system as presented by applicant is \$10,355., exclusive of real estate, which it is estimated has a value of \$4,000. At the hearing H.V. Johnston, Assistant Hydraulic Engineer of the Commission submitted a valuation, evidencing estimated cost of the property as \$11,046., plus \$2,800. for real estate and stock in the Imperial Valley Water Company #3, a mutual company; and \$350. as the annual depreciation. The income of applicant for 1914, as shown by his books, was \$1,661. The Commission's Hydraulic Engineers have estimated applicant's annual operating expenses as \$978. per annum. They also estimate that only one-fifth of the system is used at present. This system was constructed as an adjunct to and an aid in the sale of real estate, and has a present capacity to serve a much greater demand than is now supplied.

The system was obviously constructed to provide for complete development of the community and to attract settlers. Calipatria is a new community and may develop rapidly. For this reason I feel that the present consumers should not be charged with the burden of producing returns upon the entire investment and that the loss, if any, of operating the system should be borne as a part of the expense of marketing the lots until such time as the town is developed.

This Commission has discussed fully in a number of instances, and particularly in City of Huntington Beach vs. Huntington Beach Company, Decision No. 1730, and in Rogers, et al. vs. Sacramento Valley Westside Canal Company, Decision No. 2483, the injustice of charging against present consumers a system built unreasonably beyond present demands.

In fixing rates for this system it is contemplated that the Realty Company will recompense the water utility for

water used in sprinkling streets and for other public purposes. Until the town is incorporated the Realty Company, as promoter, is the one principally benefited by making the town more attractive to prospective purchasers of lots and is the only source from which rates for water used for public purposes can be collected.

I submit herewith the following form of order.

ORDER

Carl F. Schader having applied to this Commission for a certificate that public convenience and necessity require the construction and operation of a system for the production and distribution of water to the unincorporated town of Calipatria, Imperial County, and for an order establishing the rates to be charged for water for domestic purposes, and a public hearing having been held and the proceeding herein having been submitted,

IT IS HEREBY DECLARED that public convenience and necessity require the construction and operation by applicant of a public utility water system in the unincorporated town of Calipatria, Imperial County, and

IT IS HEREBY ORDERED that the applicant be and he is hereby authorized to put into effect, within thirty days from the date of this order, the following rates for water supplied for domestic purposes, which rates the Commission hereby finds as a fact to be just and reasonable:

Tenement buildings, lodging houses, or residences - 6 rooms or less, one toilet, one bath, and water for irrigating one lot not to exceed 60 ft. x 150 ft. in size .....	\$2.00	per month
Each additional room .....	.10	" "
Each additional bath, toilet or urinal.....	.25	" "

Horses or cows, one .....	\$ .25	per month	
Each additional horse or cow ...	.15	"	"
Automobiles, each.....	.40	"	"
Small stores and shops.....	2.00	"	"
Hotels, for each room having running water, or bath.....	.25	"	"
For all other rooms.....	.10	"	"
Hotels, with dining room in connection, an additional charge of .....	4.00	"	"
Restaurants and eating houses.....	4.00	"	"
Business blocks not exceeding five offices.....	2.00	"	"
Each additional office.....	.10	"	"
Stores, warehouses, butcher shops, confectionery shops, halls, billiard parlors, etc. ....	2.00	"	"
Drug stores and bakeries .....	2.50	"	"
Barber shops, one chair only.....	2.00	"	"
Each additional chair.....	.25	"	"
Photograph Galleries.....	2.00	"	"
Laundries.....	4.00	"	"
Public Baths, each.....	1.00	"	"
Public water troughs, each.....	1.50	"	"
Steam boilers or gas engines, per horse power.....	.50	"	"
Soda Fountains, each .....	1.00	"	"
Cotton Gins, for not more than a six-stand gin.....	3.00	"	"
For each additional gin.....	.40	"	"
Lime for building purposes, each 100 sq. yds. plastered.....	.50		
Each 1000 brick laid.....	.15		
For all purposes, per barrel lime.....	.15		
Cement for construction work, each 100 sq. ft. cement walks.....	.20		
Concrete curb per lin. ft.....	.20		
Graded streets, water used in settl- ing streets, per 100 lin. ft....	1.00		
Fire Hydrants, each.....	1.00		

Meter rates, 0 to 2000 cu. ft.,  
each 100 cu. ft. ....\$ .25  
2000 cu. ft. up, each 100 cu. ft. .... .15  
Minimum 600 cu. ft. .... 1.50

For irrigating lots, per 100 sq. ft. .... .01

For water used for municipal purposes, meter  
rates shall apply unless otherwise noted.

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 9th  
day of July, 1915.

H. D. Overland  
Edw. G. Gordon  
Edwin O. Edgerton

Commissioners.