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Decision No. ✓

ORIGINAL

Decision No. 2979

BEFORE THE RAILROAD COMMISSION OF THE
STATE OF CALIFORNIA.

In the matter of the application)
of ISALAH HARTMAN for permission) Application
to fix the water rates of LORENZO)
WATER COMPANY.) No. 1916.

Isaiah Hartman for Lorenzo Water Company.

BY THE COMMISSION.

O P I N I O N

This is an application for an increase in rates charged for water furnished the residents of the unincorporated town of Lorenzo, adjoining Boulder Creek, Santa Cruz County.

Isaiah Hartman, hereinafter referred to as the applicant, seeks permission to apply the rate schedule fixed by the Trustees of the Town of Boulder Creek in their Ordinance No. 88, which ordinance was enacted in the year 1911 and was never thereafter re-enacted and provided for a substantial increase over the present uniform rate of the Lorenzo Water Company of \$1.25 per month for each consumer.

A public hearing was held in this proceeding on November 15, 1915, at Boulder Creek. At the hearing some objections were made by the consumers to the proposed increase in rates, on the ground that the present rates were excessive considering the service received, which they claimed to be inadequate.

This Commission's Decision No. 2896, "In the matter of the application of Isaiah Hartman, a public utility operating under the name of Lorenzo Water Company, to sell its water system to Jacob Hartman", shows the following values:

Cost new	\$5,951.
Annual depreciation	125.
Cost less accrued depreciation ...	2,064.

No additions have been made to the system since this appraisal was made and all the property included in that appraisement is now in use. It was stipulated at the hearing that the evidence in the above-mentioned proceeding may be considered as a part of the evidence herein.

The Commission's hydraulic engineers submitted an estimate of annual maintenance and operation expenses amounting to \$410. No other estimate was submitted, and no exception was taken by the applicant.

From the facts in the case it appears that from the present rates a fair return is being realized by the company but that owing to the fact that no

meters have been installed, a number of the consumers have been using excessive quantities of water for purposes not comprehended in the supplying of water for domestic purposes. This evil ought to be corrected and the only way it can be done is by installing meters and fixing a schedule of rates which will include a charge for metered service. Meter rates not having been in effect in the past, the result of any rate by measurement is more or less problematic, and must be considered experimental.

O R D E R

Application having been made by ISAAH HARTMAN for permission to fix the rates charged by him to consumers for water, and a public hearing having been held and the matter having been submitted;

IT IS HEREBY FOUND AS A FACT by the Railroad Commission of the State of California, that the rates charged for water by Lorenzo Water Company to its consumers, insofar as they differ from the rates set out in this Order, are unjust and unreasonable, and that the rates set out in this Order are just and reasonable, and basing its Order on the foregoing finding of fact, and the findings of fact set out in the Opinion preceding this Order.

IT IS HEREBY ORDERED by the Railroad Commission of the State of California that the Lorenzo Water Company put into effect the following schedule of rates to be charged for water supplied its consumers:

MONTHLY RATES:

Unmetered Service:

\$1.25 per month, flat rate.

Metered Service:

For the first 500 cubic feet 20¢ per hundred cubic feet;

For the next 2500 cubic feet 15¢ per hundred cubic feet;

All use in excess of 3000 cubic feet 10¢ per hundred cubic feet;

Minimum charge \$1.25.

Street sprinkling \$30. per year.

Dated at San Francisco, California, this 17th
day of December, 1915.

Max Shelton
W. H. Overland
W. A. ...
Stuart R. Dewh
Commissioners.

