Decision No.____



Decision No. 3 Po 3

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of E. W. PETERSEN for increase in water rates charged to L. H. WHITE.

In the matter of the application of E. W. PETERSEN for increase in water rates charged to W. G. EVANS and P. D. MCRAE. Application No. 2570.

Application No. 2571.

E. W. Petersen for applicant. R. G. Dilworth for Coronado Water Company and San Diego & Southeastern Railway Company. W. G. Evans and P. D. McRae in propria persona.

BY THE COMMISSION:

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Applicant serves water for domestic and irrigation uses in territory south of San Diego which includes Palm City, South San Diego and Imperial Beach. This territory was formerly served by Coronado Water Company and it still serves water to San Diego County at four points for street sprinkling and also to Messrs. Evans and McRae. It formerly served water to San Diego Southeastern Railway Company but that service is not being used at present. Coronado Water Company is willing that these patrons and L. H. White should be served by applicant as it has no other patrons in the vicinity.

All of said patrons are now being served at the rate of 12c per thousand gallons which rate applicant asks permission to raise to 15c per thousand gallons. He reports that the county is willing to pay an increased rate.

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The railway company expressed its willingness to pay that rate for such water as it may use. The other three patrons, however, object to the increase in rate but have no objection to dealing with applicant. As to service to the county and to the railway company there appears no reason why this matter should not be arranged informally without further reference to the matter herein.

All of the service pipes and meters throughout the territory which applicant desires to take over were installed by and are owned by the patrons. The number of connections served by applicant in the district during September was 117. It buys water from Coronado Water Company at E¢ per thousand gallons and sells it at 15¢ per thousand gallons with a monthly minimum payment of \$1.50. Messers. White, Evans and McRae also buy water from Coronado Water Company at the same rate. Mr. Evans distributes to a group of nine neighbors besides himself at the rate which he pays and Mr. McRae distributes to three neighbors besides himself at the rate which he pays. Mr. Evans receives \$1.00 a month for vollecting and remitting charges for water served to the ten patrons through his service connection.

Applicant desires to take over the business because he serves all of the other water users in the territory. He wishes to increase the rate so that the rate throughout the territory will be uniform.

The Evans and McRae rate was fixed by one year contracts with Coronado Water Company which expired several years ago but the rate has been continued in effect. The rate to Mr. White is established in a contract dated March 23, 1892, under which his predecessor in title gave to Coronado Water Company a right of way for water pipes

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across a ten acre tract and was to receive water for an indefinite period at the 12¢ rate. The ten acre tract was later subdivided and sold to various persons, all of whom except said White are now receiving water from applicant through other connections and paying therefor at the 15¢ rate.

Coronado Water Company is collecting data on which to base an application for increase in its rates. The application, when presented, may result in a change in the 12¢ rate above referred to. There was nothing presented at the hearing of the above application to indicate whether the 12¢ rate or the 15¢ rate now paid by patrons of the district is a just and reasonable rate and nothing appears by which we feel justified in increasing the rate at this time.

<u>ORDER.</u>

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E. W. PETERSON having applied to the Railroad Commission of the State of California for authority to supply water to W. G. Evans and P. D. MoRae through the taps of Coronado Water Company and to charge therefor 15¢ per thousand gallons with a minimum monthly payment of \$1.50, in which application said Coronado Water Company joins, and said E. W. Peterson having applied to the Railroad Commission for authority to increase the rate for water served to L. H. White to 15¢ per thousand gallons with a minimum monthly charge of \$1.50, and a public hearing having been held thereon,

IT IS HEREBY ORDERED that each of said applications be and they are hereby denied without prejudice.

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Dated at San Francisco, California, this 19th day

of October, 1915.

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Commissioners.