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Decision No. _____

ORIGINAL

Decision No. 3891

BEFORE THE RAILROAD COMMISSION OF THE
STATE OF CALIFORNIA.

In the matter of the application
of POINT ARENA ELECTRIC LIGHT
COMPANY to increase rates.

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Application
No. 2249.

A. Brown for Applicant.
N. P. Howe, Mayor of City of Point
Arena, for protestants.

BY THE COMMISSION.

O P I N I O N

This is an application of POINT ARENA ELECTRIC LIGHT COMPANY for permission to increase rates in the City of Point Arena.

The Point Arena Electric Light Company was first placed in operation in 1905. Several changes were made in the power plant, energy now being generated by a 45 K.W., 2,200 volt, 60 cycle, single phase generator, belt driven by a fifty horsepower Sampson gas engine.

Energy is transmitted for a distance of one mile at generator voltage, where it is stepped down to secondary voltage of 110 for supplying the City of Point Arena. With one exception all consumers receive lighting service at flat rates.

Originally an all-night lighting service was given, but as the company was operating at a loss, this was changed to service until midnight, and during the winter months a morning service.

A valuation was made by the Gas and Electric Department of this Commission, results of which are tabulated as follows:

VALUATION

POINT ARENA ELECTRIC LIGHT COMPANY

	<u>Estimate Cost</u> <u>now.</u>
C- 7 Power Plant Buildings and General Structures	\$ 535.00
C-12 Gas Power Plant Equipment	3215.00
C-13 Miscellaneous Production Equipment	50.00
C-14 Poles and Fixtures	580.00
C-15 Overhead System	350.00
C-20 Line Transformers and Devices ...	532.00
C-21 Electric Services	254.00
C-23 Electric Street Lighting System .	88.00
General Overhead	<u>500.00</u>
Total Capital	\$6114.00

The engineers of the Commission have investigated the cost of operating the electric plant and find the following results:

Operating Expenses during 1915 of
Point Arena Electric Light Company.

E- 1 to E-23 Production Expenses and
Repairs to Capital

Fuel	\$1,335.06	
Labor	780.00	
Rent of Land	180.00	
Repairs	<u>43.50</u>	
Total		\$2,338.56

E-34 to E-59 Distribution Expenses and
Repairs to Capital

Pole line labor	\$ 100.00	
Pole line material	<u>55.97</u>	
Total		\$ 155.97

E-60 to E-65 Commercial Department, Labor,
Supplies and Expenses

Collecting	\$ 42.00	
Printing	7.00	
Telephone	<u>25.00</u>	
Total		\$ 74.00

E-66 to E-68 Salaries and Expenses of Gen-
eral Officers

Manager's salary	\$ 500.00	
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E-91 Taxes	<u>167.54</u>	
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Total Operating Expenses		\$3,236.07
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ESTIMATED OPERATING EXPENSES FOR 1916
of
POINT ARENA ELECTRIC LIGHT COMPANY.

E- 1 to E-23 Production Expenses and Re-
pairs to Capital

Fuel	\$1,668.00	
Labor	780.00	
Rent of land	180.00	
Repairs	<u>44.00</u>	
Total		\$2,672.00

E-34 to E-59 Distribution Expenses and
repairs to capital

Pole line labor	\$ 20.00	
Pole line material	<u>10.00</u>	
Total		\$ 30.00

E-60 to E-65 Commercial Department, labor,
supplies and expenses

Collecting	\$ 42.00	
Printing	7.00	
Telephone	<u>25.00</u>	
Total		\$ 74.00

E-66 to E-68 Salaries and Expenses of Gen-
eral Officers

Manager's salary	\$ 200.00	
Manager's expenses	<u>25.00</u>	
Total		\$ 225.00

E-69 to E-76 Miscellaneous General Expenses

Fire insurance	\$ 40.00	
Casualty Insurance	<u>70.00</u>	
Total		\$ 110.00
Total Operating Expenses (exclusive of taxes)		\$3,111.00

The cost of fuel has been increased, due to advance in price of distillate over 1915.

Although a manager's salary of \$500. per annum is carried on the books of the company, \$200. is considered ample for this item.

Gross Revenue for the year 1915 was \$2,978.80; revenue for the year 1916, with present rates continuing, is estimated to be \$3,100, which is less than the annual operating expense, not including taxes or a depreciation annuity, nor allowing for any return upon the investment.

Present rates of the Point Arena Electric Light Company are:

RESIDENCE

1 light	\$.50
2 lights	.75
3 lights or over	.25 each

STORES.

10 lights	\$.80 each
11 lights or over	.70 each

HOTELS.

First 10 lights	\$.50 each
Second 10 lights	.40 each
Third 10 lights	.30 each
All over 30 lights	.25 each

SALOONS

1 or more lights	\$1.25 each
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LIVERY STABLE OR GARAGE

First 5 lights	\$.80 each
All over 5 lights	.70 each

Present rates, continued.

OFFICE

First 3 lights \$.80 each
All over70 each

PUBLIC HALL OR LODGE ROOM

For each light each meeting \$.05 each

CHURCHES

Each light per month \$.10 each

STREET LIGHTS

Each light per month \$1.50 each

Porch or house lights burned all night or
while plant is running \$1.50 each

Above rates figured on a 40 watt lamp basis.

METER RATE

15¢ per K.W.H.

Minimum rate for 5 lights or under .. \$1.00

Minimum rate for 11 to 15 lights 2.50

Meter installed at consumer's expense.

As the future increase of revenue under the present rates will be very small, and the past revenue has not been sufficient to pay more than operating expenses, it appears that relief should be granted the company and a schedule of increased rates made effective.

The rates which are made effective in the following order are substantially those which are ask-

ed for by the applicant, and while not sufficient to yield a fair return upon the investment, will afford considerable relief to the company.

O R D E R

POINT ARENA ELECTRIC LIGHT COMPANY having applied to this Commission for an increase in rates and a public hearing having been held and the same having been submitted, and being now ready for decision, the Railroad Commission of the State of California hereby makes the following finding of fact:

1. The Railroad Commission finds that the rates of the Point Arena Electric Light Company are less than the reasonable cost of service and are unjust and unreasonable in so far as they differ from the rates herein established, and that the rates herein established are just and reasonable.

IT IS HEREBY ORDERED that Point Arena Electric Light Company, from and after December 1, 1916, charge and collect for electric energy sold by it in the City of Point Arena, the following rates:

RESIDENCE RATE

1st light	\$.65 per mo.
2nd light and over	.40 ea. per mo.

STORE RATE

1st 10 lights..... \$1.00 ea. per mo.
All over 10 lights90 ea. per mo.

HOTEL RATE

First 10 lights \$.65 ea. per mo.
Second 10 lights55 ea. per mo.
Third 10 lights45 ea. per mo.
All over 30 lights35 ea. per mo.

SALOON RATE

Each light \$1.50 per mo.

LIVERY STABLE OR GARAGE RATE

Each light \$1.00 per mo.

OFFICE RATE

Each light \$1.00 per mo.

PUBLIC HALL OR LODGE ROOM RATE

For each light each meeting .. \$.07

CHURCH RATE

For each light per month \$.15

STREET LIGHTING RATE

For each light per month \$1.75

OTHER RATES

Porch or house light burning con-
tinuously while plant is running \$1.75 per mo. ea.
Electric iron75 per mo.

Above rates are figured on a 40 watt lamp basis.

OPTIONAL METER RATE

\$.20 per K.W.H.
Minimum monthly bill \$4.00.

IT IS FURTHER ORDERED that Point Arena Electric Light Company shall file with the Railroad Commission, within twenty (20) days from the date of this order, a schedule of rates as herein set forth, and that the rates herein established will be effective on and after December 1, 1916.

Dated at San Francisco, California, this 21st
day of November, 1916.

H. D. Howard
W. E. Gordon

Frank R. DeBruin
Commissioners.