

ORIGINAL

Decision No. 41064

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BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the matter of the application	}	Application No. 2699.
of MARTINEZ LAND COMPANY, a cor-		
poration, for a certificate that		
public convenience and necessity		
require it to serve water adjacent		
to Martinez, and for an order		
fixing rates for water service.	}	

J. E. Rogers and A. F. Bray for applicant.

BY THE COMMISSION:

O P I N I O N.

A public hearing in this proceeding was held at Martinez on March 15, 1917, being conducted by Myron Westover, Examiner.

Martinez Land Company was incorporated in September, 1915, for the general purpose of subdividing and selling land in and adjacent to Martinez, Contra Costa County. As an incident to its business it installed a water plant which since October, 1915, has been supplying water upon its tracts of some 126 acres, in unincorporated territory adjacent to Martinez, about one-third thereof being piped. Its system was constructed because its subdivisions lie at such an elevation that the territory could

not be served at the time by the Port Costa Water Company, which serves water in Martinez, and serves one consumer in that portion of the subdivisions lying east of Veale Avenue. Applicant's manager testified that it could and would serve as needed in that portion of the tracts lying west of Veale Avenue and south of Pacheco Boulevard and Bush Avenue, which form their northerly boundary, and that the portion east of Veale Avenue could be served by Port Costa Water Company.

Applicant has not applied for nor been granted authority to serve water in the territory described. At the suggestion of the Commission the application was so amended at the hearing that it would include a prayer for a certificate that public convenience and necessity require the applicant to maintain its water system, and serve the territory described above. Port Costa Water Company has since indicated in writing that it has no objection to such service by applicant, and does not desire to serve the said territory to the west of Veale Avenue. No other water utility serves this vicinity.

Applicant's pipes are laid in private streets in unincorporated territory. It offered to dedicate the streets in its several subdivisions, but its offers of dedication were severally, officially and formally rejected. It therefore does not need any franchise for such service.

Applicant's water system consists of a 12 inch well 300 feet deep, with tanks, tank house, pump, motor and 1,230 feet 4 inch casing 8500 feet 2 inch

and 2050 feet of $1\frac{1}{2}$ inch standard screw dipped pipe with 36 $\frac{3}{4}$ inch service connections. It presented no engineering testimony but its manager testified that the cost of the plant including three lots used in connection with it, estimated at \$1800, their selling price, was \$6,088.18.

Mr. C. H. Loveland, one of the Commission's assistant engineers, called by the Commission, presented an estimate of the cost new of the system, totaling the sum of \$4160, excluding real estate. Only a small portion of the three lots is used, the well and tanks being placed on the rear of two lots and the third used only for a right of way for mains.

Applicant has no present income from its water service. It has not filed any schedule of rates, and has not heretofore sought to collect for water served. It now asks authority to collect for water served since October, 1915, at rates requested by it. Section 17 (b) of the Public Utilities Act provides that a public utility may collect only those rates specified in its schedules on file and in effect at the time of service. The right to charge for the service could have been heretofore procured by filing the schedule with the Commission. Under these circumstances the right to collect for past service cannot be given.

As to rates for the future, applicant very properly does not ask any return on its investment, considering that as part of the cost of development of its properties, estimates have been made of the income which applicant will need to meet the cost of electric energy; labor and miscellaneous expenses, and to provide an annual sinking fund sufficient to replace its system as needed.

The rates provided in the order it is estimated will produce sufficient revenue for the purpose. The flat rates provided are those requested except that a lower minimum is provided for houses of less than six rooms.

O R D E R.

MARTINEZ LAND COMPANY, a corporation, having applied to the Railroad Commission for a certificate that public convenience and necessity require it to serve water in the territory described herein and for an order establishing water rates for such service, and a public hearing having been held thereon,

The Railroad Commission of the State of California does hereby find that public convenience and necessity require that Martinez Land Company serve water in that portion of its tracts near Martinez, Contra Costa County, lying south of Pacheco Boulevard, west of Veale Avenue, east and southeast of Bush Avenue and upon all lots facing on both sides of Ford Avenue, Shell Avenue, Magnolia Avenue and West Shell Avenue.

IT IS HEREBY FURTHER ORDERED by the Railroad Commission of the State of California that said Martinez Land Company within thirty (30) days from ~~the~~ date file with the Commission and put into effect the rates set forth below, which are hereby found to be just and reasonable rates, to-wit:

For residence of not more than 4 rooms, toilet and bath	\$1.00 per month
Each additional room25 " "
Stores	3.00 " "
Lodging houses	3.00 " "
Hotels	5.00 " "

All other water sold at meter rates.

METER RATES.

400 cubic feet or less	\$1.00 per month
400-1000 " "	.20 " 100 cu.ft.
Over-1000 " "	.15 " " "

Dated at San Francisco, California, this 29th
day of January, 1917.

Max Thelen
H. D. ...
Edwin O. Edgerton
Frank R. ...
Commissioners.