

ORIGINAL

Decision No. 4300

Decision No. _____

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
and Effect of the Rates, Rules)
and Regulations to be Charged and) Case No. 1043
Applied by Mt. Whitney Power and)
Electric Company, as established) (On the Railroad Com-
by Decisions No. 3242 and No.) mission's Own Motion)
3278 of the Railroad Commission)

E. C. CLARK, for the Consumers
E. C. FARNSWORTH, for the Mt. Whitney Power
and Electric Company

MEEDEN, Commissioner

O P I N I O N

This is a proceeding initiated by the Railroad Commission on its own motion, for the purpose of examining into informal complaints which have been made, affecting the rates, rules and regulations of the Mt. Whitney Power and Electric Company, hereinafter called the Mt. Whitney Company, as established by the Railroad Commission in what is commonly known as the "Mt. Whitney Rate Case." The decision in that case was rendered on April 6th, 1916, and

the decision on re-hearing on April 22nd, 1916. The rates, rules and regulations established by the Railroad Commission in that proceeding were, to a considerable extent, different from those which had theretofore existed, and in working out the new rates, rules and regulations, quite a number of matters have come up, some of which appear not to have been satisfactorily adjusted between the Mt. Whitney Company and its consumers.

The Commission considered it advisable to again hold public hearings for the purpose of receiving first hand the complaints of all consumers of the Mt. Whitney Company who cared to further advise the Commission concerning matters involved in ^{the} original proceedings and of the effect of a season's application of the new schedules. It was also thought advisable to consider at this time all of the unadjusted informal complaints from patrons of the Mt. Whitney Company.

A public hearing was held in Bakersfield on February 23rd, 1917, on which day the case was submitted with the understanding that certain data which had been called for by the Commission and other data offered by the Mt. Whitney Company might be filed later and considered part of the evidence in this proceeding.

At the time of the hearing in this proceeding the following exhibits were filed:

Consumers of Mt. Whitney Power and
Electric Company, No. 1 and No. 2
A statement of tests of pumping plants
made by the Central California Elec-
tric Company, on behalf of the Tulare
County Electric Users Association,
was also introduced but not given a
formal exhibit number. For purposes
of identification it has since been
marked Consumers' Exhibit No. 3
Mt. Whitney Power and Electric
Company, No. 1

The following additional documents will also be
considered in evidence in this proceeding:

Annual Report of Mt. Whitney Power and Elec-
tric Company for the year ending December 31st,
1916.

All of the evidence taken by this Commission
in connection with Application No. 1673, in so
far as the same is pertinent to the issues in-
volved in the present proceeding.

All of the informal complaint files referred to
in the Commission's Exhibit No. 1

It was stipulated that such documents as might
be filed subsequent to the hearing should be considered as
evidence herein. Accordingly the following documents which
have since been filed by Mt. Whitney Power and Electric
Company, have been given the exhibit numbers indicated and
will be considered as being in evidence in this proceeding:

Mt. Whitney Exhibit No. 2 - Data on Agricultural
Consumers connected to the Venice
Hill, Visalia, Tulare and Delano
Substations.

Mt. Whitney Exhibit No. 3 - Connected Loads
and Demands of all Agricultural
Consumers in 1915.

Mt. Whitney Exhibit No. 4 - Correspondence and
Bills referring to Service to
Dr. George E. Shrodes and I. E. Keim

Mt. Whitney Exhibit No. 5 - Letter of March 6th, 1917, addressed to Farnsworth and McClure by R. C. Bulger, Auditor of Mt. Whitney Power and Electric Company referring to Number of Transformers purchased and Price Paid.

The following exhibit was filed by the consumers subsequent to the hearing and will be considered in evidence herein:

Consumers' Exhibit No. 1-A - Additional Reports similar to those filed as Consumers' Exhibit No. 1

The Railroad Commission's Gas and Electrical Division has prepared a statement of informal complaints filed against Mt. Whitney Company with the Commission between May 1st, 1916, and February 23rd, 1917, which will be considered in evidence herein, and marked Railroad Commission's Exhibit No. 1.

The matters concerning which complaints against the Mt. Whitney Company have been brought to the Commission's attention, may be divided into several general subjects, which will be considered in the order indicated.

I PURCHASE OF CONSUMERS' TRANSFORMERS:

1. Ownership of Supporting Structures.
2. Perpetual Right to Maintain.
3. Refusal to Purchase when Revenue is Small.
4. Prices Offered for Types of Transformers Considered to be below standard.

II EFFECT OF THE USE OF MAXIMUM DEMAND METERS:

1. Adjustment on the 94% Demand Factor Basis and Effect of Abnormal Demands.
2. Time Intervals.
3. Determination of Demands where Meters are not Available.

III CLASSES OF SERVICE NOT PROVIDED FOR UNDER ANY OF PRESENT RATES:

1. Very Short Seasonal Business.
2. Development Period Business.

IV

RIGHTS OF WAY:

1. Granted Prior to the Commission's Order of May 1st, 1916.
2. Rights of Way Required in Connection with Present and Future Extensions.

V

OTHER MODIFICATIONS OF EXISTING RATES AND RULES:

I

PURCHASE OF CONSUMERS'
TRANSFORMERS

1. Allowance for Supporting Structures:

In Decision No. 3242 in Application No. 1673 (Vol. 9, Opinions and Orders of the Railroad Commission, p. 628) the Railroad Commission, at page 652, made the following statement:-

"In determining proper rates to be charged by the Mt. Whitney Company, careful consideration has been given to this matter, and the rates herein established are based upon the assumption that the Mt. Whitney Company will acquire, on equitable terms, all transformers now owned by its consumers, and that henceforth it will continue to provide and maintain all the facilities necessary in connection with the delivery to the consumer of electric energy at the rated voltage of his utilization equipment."

In carrying out this order, Mt. Whitney Company requires its consumers to sign a bill of sale containing the following clause:

"And said first party * * * does hereby sell, transfer and convey unto the Mt. Whitney Power and Electric Company, * * * the following described transformer, to-wit:
(Detailed description of transformer)
Together with all attachments, structures and appliances used in the installation and operation thereof, ***."

Numerous complaints have been received by the Commission to the effect that Mt. Whitney Company has required the conveyance to it of the structures supporting the transformers at prices which do not include an allowance for the same, although these structures were originally installed at the consumer's expense.

In answer to this complaint Mt. Whitney Company urges that this clause was simply intended to include the incidents necessarily going with the transformers. It also alleges that between 85 and 90 per cent of consumers' transformers have already been purchased, and that to reopen this question now would necessitate duplication of the work connected with the obtaining of certificates of title and the execution of bills of sale. This, it is claimed would entail a great deal of expense and delay and invite controversies as to the present ownership. Mt. Whitney Company further urges that when consumers have made objection to this clause before executing the bill of sale, the clause has been stricken out, as in most instances the Company preferred to erect a new

and standard structure rather than be required to pay for the supporting structures now in service.

Mt. Whitney Company has apparently attempted in good faith ~~to~~ promptly ^{to} carry out the Commission's order with reference to the purchase of transformers which were owned by its consumers prior to May 1, 1916, and I am, therefore, loath to open up the subject again at this time, particularly in view of the fact that the matter of transformer structures is of relatively minor importance. While Mt. Whitney Company should have the right to use the transformer platforms, erected at the expense of its consumers, during the period when service is being supplied to such consumers, the utility should not have the right to remove such structures from the consumer's premises or to retain any property right therein after service to the premises has been discontinued.

In regard to transformers not yet purchased, Mt. Whitney Company should make clear to the consumer just what part of the equipment he is receiving payment for, and should call the consumer's attention to his right to modify the objectionable clause in the bill of sale in accordance with the suggestions herein contained.

2. Perpetual Right to Maintain Transformers:

A second clause which some consumers have found objectionable in the transformer bills of sale provides that

with the equipment purchased the right is conveyed by the seller to Mt. Whitney Company.

"* * * and its successors and assigns forever, with the right to said second party, its successors and assigns, to maintain, repair, replace or remove such transformer, with sufficient ground space therefor and with the right of ingress to and egress from the premises where such transformer is installed, for each and all such purposes."

Those who have made complaint as to this provision in the bill of sale regard the aforesaid clause as giving Mt. Whitney Company a perpetual right to maintain transformers and supporting structures on the property of a consumer even though the service may at some future time be permanently discontinued. The complaining consumers contend that this provision constitutes a cloud on the title of their property and as such is an entirely unjustified requirement on the part of the utility. Inasmuch as there can be no possible advantage to the Mt. Whitney Company in maintaining such transformers and structures on the premises of a consumer after the facilities are no longer required for the delivery of electric service, Mt. Whitney Company has advised the Commission that where objection to this clause was brought to its attention the consumer has been allowed to strike said clause from the bill of sale before executing the same. Where consumers have any objection in this regard and were not advised of their right to

eliminate the same from the bill of sale which they have already executed, the Mt. Whitney Company will, upon application furnish a written statement to the effect that neither such transformer nor the supporting structure will be maintained on the premises of the consumer after the cessation of the delivery of electric service.

3. Refusal to Purchase Transformers where Revenue is Small:

In carrying out the Commission's order relative to the purchase by Mt. Whitney Company of consumers' transformers used by that utility for the delivery of electric service prior to May 1st, 1916, Mt. Whitney Company has, in a few instances, refused to acquire certain transformers which are used in connection with service yielding a revenue which the utility deems insufficient to justify such an investment. Inasmuch, however, as the Commission, in making its original order, took into consideration the transformer situation as a whole in its relation to the Company's gross revenue, Mt. Whitney Company is not justified in refusing to purchase the equipment in such cases, and it should proceed at once to acquire all of the transformers which were owned by its consumers on May 1st, 1916, regardless of any consideration of individual revenue.

4. Prices offered for Types of Transformers Considered to be Below Standard.

On account of its unfortunate experience with certain types of transformers formerly in service on its system, Mt. Whitney Power and Electric Company has felt that such equipment is not entirely applicable to the conditions which prevail on its system, and that it cannot, therefore, offer to pay as much for such transformers as it should and has paid for equipment which is fully adequate under its operating conditions.

A consideration of the number of transformer failures in relation to the number of each type in service on the Mt. Whitney Company's system, together with a consideration of the internal design and insulation has led Mt. Whitney Company to establish the following percentages upon a full present value which it is prepared to pay for standard transformers:

Table I

Mt. Whitney Company's
Classification of Standard
and Below Standard Types of Transformers

General Electric	100%
Ft. Wayne	100%
Stanley	100%
Westinghouse	100%
Allis-Chalmers, 1915 Type	100%
Allis-Chalmers, old Type	50% of Standard Value
Wagner	75% of Standard Value
Crocker-Wheeler	75% of Standard Value
Maloney	50% of Standard Value
American	50% of Standard Value
Kuhlman	50% of Standard Value
Triumph	50% of Standard Value

The Commission does not believe that the welfare of the community served by the Mt. Whitney Company would be furthered if it were required to purchase equipment which is not properly suited to its operating conditions. It is realized, however, that consumers will meet with considerable difficulty in finding a market for second-hand transformers if these are not taken over by the Mt. Whitney Company. Equipment of the types mentioned may be overhauled, and at some expense changed so that it can be operated under the conditions which obtain on this system, and it therefore is of some material value to the Mt. Whitney Company. Mt. Whitney Company should be permitted to continue to purchase transformers on the basis outlined above. Of course, any consumer who does not consider these prices to be satisfactory has the right to dispose of his transformers in any other manner in which he sees fit, whereupon Mt. Whitney Company will replace them with its own equipment for the continuance of his service.

Practically no complaint has come to our attention with regard to the prices which Mt. Whitney Company has paid its consumers for standard equipment, the same having been purchased on the basis of prices which Mt. Whitney Company would have to pay at the present time to replace it, less 5 per cent per annum depreciation for the period prior to May 1, 1916, during which the transformer has been in service.

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II.

EFFECT OF THE USE OF MAXIMUM DEMAND METERS

1. Adjustment on the 94 Per Cent Demand Factor Basis
and Effect of Abnormal Demands:

The rates for agricultural service which became effective May 1st, 1916, by virtue of this Commission's order, provided that certain charges shall be based upon the rated capacity of the consumers' motors or other utilization equipment, and that in special cases where either the consumer or the Company required the measurement of the actual demand, the rates which will then apply, shall be greater than those based upon the rated capacity by the ratio of 100 to 94. In determining this rate, the Commission took into account the relation between the sum of all maximum demands of agricultural plants on record, and the rated capacity of the same plants. These demands were determined by tests taken once a year under normal running conditions at the consumer's plant, which was the only information available at the time the Commission's decision was rendered. It appears now that the load which will

be registered by a meter which records the average demand for the highest 15 minute period during each month, will, in general, be greater than the load shown by the former method of testing.

The re-adjustment on the basis of a 94 per cent demand factor appears to be incorrect when applied to the present method of determining maximum demands and should be discontinued. The order herein will provide that in the future the rates which now apply when based upon the connected load, will be the same per horsepower as when the load is measured by a demand indicating instrument.

2. Time Interval:

One reason for the higher readings shown by the demand indicating meters is that they record the starting load on centrifugal pumps, which is materially greater than the running load due to the larger volume of water discharged before the head on the well is drawn down to normal. It has been suggested that this situation might be materially relieved by increasing the time interval over which the average demand is measured from 15 minutes to a one hour period. Investigation of this suggestion shows that while this would somewhat reduce the demands taken on the centrifugal plants, it would not be of any material assistance to

those where plunger pumps are in service, and even where it would afford some relief it would not fully eliminate the effect of starting loads.

I find also that there is considerable variation from month to month in the records shown by these demand meters, and that but very few were actually installed prior to September 1916. I find that sufficient information is not at present available as to the average annual operation of these meters, and am convinced that I would not be warranted in recommending any change in this time interval at present.

I desire to draw consumers' attention to the fact that with a little care, in many instances they will be able to control their abnormal demands so that they will not materially increase the monthly charges. For instance, in starting a centrifugal pump if a valve is installed in the discharge pipe whereby the stream can be reduced during the starting period, the valve being gradually opened as the head on the well is reduced, the load can be prevented from exceeding that under normal running conditions. Similarly in the case of use of plunger pumps for delivery of water

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to domestic tanks which are at a higher level than the original discharge for irrigation purposes, the demand may be kept down by not entirely filling such tanks at one operation, or in other words, creating a high demand for a full 15 minute period. In general the time required to fill such tanks is not materially in excess of 15 minutes so that probably by spreading the operation over two such periods the demand could be kept within that resulting from the normal use of the plants for irrigating purposes.

A third cause of high demands which has been brought to our attention is that produced by the use of plunger pumps to deliver water to two or more different levels, in which event the load recorded by the meter is, of course, that produced by the delivery to the highest of these. I believe that in this case, however, it is entirely proper for the consumer to pay for the load so created, inasmuch as the same continues for a material period of time, and is that for which Mt. Whitney Company must maintain transformer, transmission and generating capacity.

3. Determination of Demands where Meters
Are Not Available:

Mt. Whitney Company has the option of installing demand meters at its own expense in cases where the actual load is materially in excess of the rated capacity. An analysis of the agricultural consumers on this system during the year 1915, indicates that a considerable percentage of the connected horsepower creates loads in excess of 100 per cent of the rated capacity. Due to the difficulty of obtaining meters of the demand type in the present market, Mt. Whitney Company has been unable to exercise its option in this regard. It is not fair to Mt. Whitney Company that it continue to lose the revenue to which it is entitled in these cases on account of a scarcity of meters, over which it has no control.

If Mt. Whitney Company takes a test under normal running conditions at the present time, and finds in any case that the demand factor is in excess of 100 per cent, and if in each such case it files with this Commission notice of its intention to install a demand meter as soon as the same is available, and at the same time serves a similar notice upon the consumer advising him that until such meter is installed

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he has the right to demand a new test not oftener than once in three months without expense to himself, Mt. Whitney Company may, beginning with the date upon which such notice is filed, charge such consumer on the basis of the last demand test on record until the meter is actually installed, or until a new test is taken. The present rule which has been established informally, should continue to the effect that in the case where a consumer whose demand factor is lower than 100 per cent has requested and paid the fee for a demand meter, and where such a meter is not available, Mt. Whitney Company shall bill on the last demand test on record, provided that either the consumer or the Company may require a new test at any time. To this rule should be added the provision that consumers of this class requiring tests oftener than once in two months shall bear the actual expense of the same.

III.

CLASSES OF SERVICE NOT ECONOMICALLY SUPPLIED UNDER ANY OF THE PRESENT RATES.

1. Very Short Seasonal Business:

Certain consumers who require stand-by service

to supplement water received from gravity systems, and others who do not require continuous service, such as those who pump for the irrigation of deciduous fruits, cannot afford to operate under the present agricultural rates due to the high demand charges.

It appears that Mt. Whitney Company would be able to acquire a considerable amount of such business, which must now necessarily be served by gasoline engines or other similar motive power, if a more favorable rate were made available for such low load factor operation. I believe this situation can be taken care of by extending the application of Industrial Schedule No. 7, so that it will include agricultural service also, and this extension will be made by the order herein.

2. Development Period Business:

It has also been suggested that during the farmer's development period, while he is getting his land ready for cultivation, he is often not able to operate his plant to its full capacity, and that some more favorable rate should be made available under these circumstances. I believe that the application of Schedule No. 7 to this class of agricultural service will relieve this situation also.

IV.

RIGHTS OF WAY

1. Rights of Way Granted Prior to the Commission's
Order of May 1st, 1916:

In regard to the subject of rights of way, the Commission in its Decision No. 3242, at page 647, said::

"The agricultural power contracts of the Mt. Whitney Company all provide that the purchaser grants to the utility not merely the right to erect and maintain its lines to the consumer's motor, but also beyond the motor over the consumer's lands to the lands of other people. The consumer is thus compelled, as a condition of securing service for himself, to grant a property right in his land in connection with an entirely disconnected service to other people. This provision is unreasonable and should be eliminated in so far as it refers to a right of way beyond the consumer's own installation, or to a right of way to the consumer's installation extending beyond the use of the service by the consumer."

This order, of course, could not be made retroactive and could not therefore be considered to revoke the rights of way which had previously been exercised by Mt. Whitney Company and which are now occupied by pole lines serving its other consumers.

Inasmuch, however, as such former grants were made in perpetuity, and were worded in general terms such that Mt. Whitney Company was given the right to at any time extend its lines beyond the consumer's plant and across his land in any direction to furnish service to other consumers, the question has been raised as to whether in the light of this Commission's decision as above quoted, Mt. Whitney Company can in the future extend its lines in accordance with such rights of way. Mt. Whitney Company urges in this regard that such rights of way, even though they may not have been exercised in the past, have a very real value to it; that they were acquired for a valuable consideration; that they are covered by the Company's trust deed and cannot be released without the consent of the trustee; and that it is not within the jurisdiction of this Commission to disturb such rights granted prior to May 1st, 1916. I am convinced that Mt. Whitney Company's position in this regard has considerable merit. The Company states, however, that it has always been its practice in exercising these rights to consult the property owner's convenience as to the location of its lines, so that they will cause a minimum of inconvenience to the property owner. It is the Company's endeavor to construct such lines, wherever possible, along fence lines and in the most direct route possible.

2. Rights of Way Acquired in Connection with
Present and Future Extensions:

In connection with the extensions of its lines across private property which have been constructed since May 1st, 1916, Mt. Whitney Company has obtained rights of way from a number of consumers containing the following language:

"I, * * *, party of the first part, * * * do by these presents grant unto the Mt. Whitney Power and Electric Company * * * a right of way for erecting, constructing, maintaining, removing, renewing, repairing and operating thereon poles and a pole line * * *. All for the transmission and distribution of electric current for lighting, power and other purposes * * * over and across certain real property situated in the County of _____, State of California, which right of way is described as follows; to wit: (Particular description of definite right of way) together with the right of ingress thereto and egress therefrom at all times for any and all such purposes."

The Tulare County Electric Users Association makes complaint against such forms of right of way on the ground that they constitute a permanent grant, and are therefore contrary to the intent of the Commission's aforesaid decision to the effect that rights of

way extending beyond the use of the service by the consumer are unreasonable, and should be eliminated from the agricultural power contracts of the Mt. Whitney Power Company. It is true in so far as the granting of such rights of way may have been made an absolute precedent to granting of service, that the same are contrary to the spirit of the Commission's decision on this point. The question arises, however, as to whether the Company must extend its lines on private property at its own expense, and this question must be considered in each individual case. Undoubtedly at this time the consumer has the right to refuse a right of way, whereupon it might be necessary for him under these conditions to build his own lines across his private property to the nearest highway to get service, in which case, of course, the Company would not be interested in having a right of way across his private land, but if the Company must put its installation on another man's land, and must extend that on to serve his neighbor, then, of course, there should be some protection for the investment of the Company as well as for that of the neighbor.

I simply desire to point out some of the difficulties that might arise by making a general order in this regard. The Commission has already ruled that

the Company cannot require a right of way beyond the term of the contract, and that being the case, it is not logical or proper in all cases to require that the Company, at its own expense, install lines on private property that it may be required to remove after a three year period. There are cases where it would probably be justified in doing so, and in such cases the consumer might refuse such right of way. There are many others where the Company would not be so justified, whereupon the consumer, himself, would be called upon to bear a portion of the expense, at least, of building lines on his own property. Obviously if the line on private property is only intended to serve one particular consumer, the public is not interested in that line any further, because its purpose is merely to serve the individual and not the general public, but if the line can be maintained under some equitable arrangement as to a right of way, it might be that under certain conditions the cost of the joint service would be reduced. It is very necessary in these cases to have a mutual understanding between the Company and the consumer as to the location of the lines, and as to whether or not they shall be left on private property indefinitely. The consumer will always have the option of building such lines at his own expense. The Commission's order in this regard will still remain in effect, it being borne in mind, however, that there is nothing in that decision which would require the Company

to make, at its own expense, an unprofitable extension across the consumer's premises where it has no right of way to protect such investment.

V.

OTHER MODIFICATIONS OF EXISTING RATES AND RULES.

Nearly a year's experience in the application of the schedule of rates and the rules and regulations established by the aforesaid decisions of the Commission has indicated certain minor changes necessitating the revision of some of them. The recent establishment of certain large irrigation and reclamation projects in Mt. Whitney Company's territory has made it necessary to establish additional schedules to take care of this type of service. All schedules which should be revised appear in said Decision No. 3278, (Vol. 9, Opinions and Orders of the Railroad Commission, p. 788).

Schedule No. 1, General Domestic Lighting Rate, should
be revised ~~substantially~~ to read as follows:

SCHEDULE NO. 1.

General Lighting Rate

Metered Service

Applicable to all lighting installations and to small power and appliances used in connection with lighting service.

Service will normally be supplied single phase at 110 volts, 2 wire, or 220 volts, 3 wire, at option of the Company.

First 20 kilowatt hours per month per meter,
8¢ per kilowatt hour,
Over 20 kilowatt hours per month per meter,
4¢ per kilowatt hour.

Minimum monthly charge \$.75 per meter for installations of 5 kilowatts capacity or less.

Minimum monthly charge \$.75 per meter plus \$1.00 per kilowatt capacity or fraction thereof, for each kilowatt installed in excess of 5 kilowatts.

Schedule No. 2, General Commercial Lighting Rate, should be revised to read as follows:

SCHEDULE NO. 2.

Optional Lighting Rate

Metered Service Demand Basis

Applicable to all lighting installations and to small power and appliances used in connection with lighting service.

Service will normally be supplied single phase at 110 volts, 2 wire, or 220 volts, 3 wire, at option of the Company.

\$2.25 per month per kilowatt of measured maximum demand to which charge shall be added an energy charge of 1 cent per metered kilowatt hour for all electric energy consumer.

Minimum monthly bill \$10.00

Watt demand indicators and watt hour meters will in all cases be installed and maintained by the Company at its own expense under this rate.

Consumer's charge each month will be based on the average measured maximum demand during any period of fifteen minutes occurring in that month.

Schedule No. 4, Agricultural Service, Contract Flat Rates, should be revised by the elimination of reference to the readjustment on the basis of 94 per cent demand factor, and should be amplified by the addition of a clause as to its use for domestic purposes in connection with the installation of a demand meter, and also during the off-pumping season. This schedule should ^{read} ~~be~~ as follows:

SCHEDULE NO. 4.

Agricultural Service

Contract Flat Rates

Applicable to all agricultural or rural power and other service. Service will normally be supplied at 110 or 220 volts.

One Month's Continuous Service	\$7.00	per Horsepower
Two Months' Continuous Service	12.15	per Horsepower
Three Months' Continuous Service	16.45	per Horsepower
Four Months' Continuous Service	20.25	per Horsepower
Five Months' Continuous Service	23.65	per Horsepower
Six Months' Continuous Service	26.80	per Horsepower
Seven Months' Continuous Service	29.75	per Horsepower
Eight Months' Continuous Service	32.50	per Horsepower
Nine Months' Continuous Service	35.10	per Horsepower
Ten Months' Continuous Service	37.60	per Horsepower
Eleven Months' Continuous Service	40.00	per Horsepower
Twelve Months' Continuous Service	42.30	per Horsepower

The above flat rates are based upon the connected load in motors or other utilization equipment, except lamps and devices for domestic service, which can be connected at any one time to the Company's supply system. Under normal conditions meters will not be installed by the Company on strictly flat rate business but at the Consumer's request demand indicating and watt-hour meters will be supplied at a charge of \$7.50 per year or fraction thereof and the flat rate charges ~~will be based on the average measured maximum demand over a period of 15 minutes during each and every month in which service is furnished by the Company.~~ will be based on the average measured maximum demand over a period of 15 minutes during each and every month in which service is furnished by the Company.

Where a contract is made for twelve months continuous service, and the consumer makes application and pays \$7.50 for each year or fraction thereof in advance for the installation of a demand indicating instrument and watt-hour meter, or where the Company installs a demand indicating instrument and watt-hour meter in accordance with Rule No. 13 of the Rules and Regulations of this Company, and his charge being based on the average measured maximum demand for a period of 15 minutes during each and every month in which service is furnished by the Company, the consumer will be permitted the use of cooking and heating appliances, but not lighting.

In no event shall the monthly minimum charge be based on less than 50% of the connected load. The minimum monthly bill under this portion of the rate will be the flat rate for one horsepower.

Where a contract is made for a seasonal period of not less than three months, at the expiration of said seasonal service or any extension thereof, the consumer will be supplied with current for all purposes for the remaining months of the year as follows:

First 20 kilowatt hours per month per meter
8¢ per kilowatt hour.
Next 50 kilowatt hours per month per meter
4¢ per kilowatt hour.
Over 70 kilowatt hours per month per meter
2¢ per kilowatt hour.
Minimum monthly charge 50¢ per horsepower connected.
Minimum monthly bill under this portion of the rate shall be \$1.00.

Similar changes should be made in Schedules No. 5, No. 6 and No. 6-a, and they should now read as follows:

SCHEDULE NO. 5.

Agricultural Service.

Non-Contract Flat Rates.

Applicable to all agricultural or rural power and other service. Service will normally be supplied at 110 or 220 volts.

First Month's Service	\$7.00	per Horsepower
Second Month's Service	5.15	per Horsepower
Third Month's Service	4.30	per Horsepower
Fourth Month's Service	3.80	per Horsepower
Fifth Month's Service	3.40	per Horsepower
Sixth Month's Service	3.15	per Horsepower
Seventh Month's Service	2.95	per Horsepower
Eighth Month's Service	2.75	per Horsepower
Ninth Month's Service	2.60	per Horsepower
Tenth Month's Service	2.50	per Horsepower
Eleventh Month's Service	2.40	per Horsepower
Twelfth Month's Service	2.30	per Horsepower

The consumer taking service under these rates will be required to pay for the cost of the initial service connection and also the cost of any subsequent disconnections or reconnections made at his request.

The above flat rates are based upon the connected load in motors or other utilization equipment, except lamps and devices for domestic service, which can be connected at any one time to the Company's supply system. Under normal conditions meters will not be installed by the Company on strictly flat rate business but at the Consumer's request demand indicating and watt-hour meters will be supplied at a charge of \$7.50 per year or fraction thereof and the flat rate charges ~~per month per horsepower connected load~~ will be based on the average measured maximum demand over a period of 15 minutes during each and every month in which service is furnished by the Company.

In no event shall the monthly minimum charge be based on less than 50% of the connected load. The minimum monthly bill under these rates for an installation of less than one horsepower will be the flat rate for one horsepower.

SCHEDULE NO. 6.

Agricultural Service.

Meter Rates

Applicable to all agricultural or rural power and other service. Service will normally be supplied at 110 or 220 volts.

CONTRACT BASIS.

Demand Charge for Three Months' or less Continuous Service,	\$9.80 per Horsepower;
Demand Charge for Four Months' Continuous Service,	\$11.75 per Horsepower;
Demand Charge for Five Months' Continuous Service,	\$13.45 per Horsepower;
Demand Charge for Six Months' Continuous Service,	\$15.00 per horsepower;
Demand Charge for Seven Months' Continuous Service,	\$16.40 per Horsepower;
Demand Charge for Eight Months' Continuous Service,	\$17.70 per Horsepower;
Demand Charge for Nine Months' Continuous Service,	\$18.90 per Horsepower;
Demand Charge for Ten Months' Continuous Service,	\$20.00 per Horsepower;

SCHEDULE NO. 6. (Continued).

Demand Charge for Eleven Months' Continuous Service,
\$21.05 per Horsepower;
Demand Charge for Twelve Months' Continuous Service,
\$22.05 per Horsepower;

To the demand charge, which is payable in equal monthly installments, shall be added the following energy charge;

ENERGY CHARGE: \$.005 per Kilowatt Hour.

The Demand Charges under this schedule are based on the connected load in motors or other utilization equipment except lamps and devices for domestic service, which can be connected at any one time to the Company's supply system, and the meters regularly supplied are of the recording watt-hour type. At the consumer's request, however, the Company will furnish and install demand indicating instruments at a rate of \$3.00 per year or fraction thereof, and the demand charge will be based on the average measured maximum demand for a period of 15 minutes during each and every month in which service is furnished by the Company.

In no event shall the monthly minimum charge be based on less than 50% of the connected load. The minimum monthly bill will be the demand charge for one horsepower.

Where a contract is made for twelve months continuous service, and the consumer makes application and pays \$3.00 for each year or fraction thereof in advance for the installation of a demand indicating instrument and watt-hour meter, or where the Company installs a demand indicating instrument and watt-hour meter in accordance with Rule #13 of the Rules and Regulations of this Company, and his charge being based on the average measured maximum demand for a period of 15 minutes during each and every month in which service is furnished by the Company, the consumer will be permitted the use of cooking and heating appliances but not lighting.

Where a contract is made for a seasonal period of not less than three months, at the expiration of said seasonal service or any extension thereof, the consumer will be supplied with current for all purposes for the remaining months of the year as follows:

SCHEDULE NO. 6. (Continued).

First 20 kilowatt hours per month per meter,
8¢ per kilowatt hour.
Next 50 kilowatt hours per month per meter,
4¢ per kilowatt hour.
Over 70 kilowatt hours per month per meter,
2¢ per kilowatt hour.
Minimum monthly charge 50¢ per horsepower
connected.
Minimum monthly bill under this portion of the
rate shall be \$1.00.

SCHEDULE NO. 6-A.

Agricultural Service.

Meter Rates.

Applicable to all agricultural or rural power and
other service limited only by the demand upon the
Company's system. Service will normally be supplied
at 110 or 220 volts.

NON-CONTRACT BASIS.

Demand Charge for First Month's Service,
\$4.50 per Horsepower;
Demand Charge for Second Month's Service,
\$3.00 per Horsepower;
Demand Charge for Third Month's Service,
\$2.30 per Horsepower;
Demand Charge for Fourth Month's Service,
\$1.95 per Horsepower;
Demand Charge for Fifth Month's Service,
\$1.70 per Horsepower;
Demand Charge for Sixth Month's Service,
\$1.55 per Horsepower;
Demand Charge for Seventh Month's Service,
\$1.40 per Horsepower;
Demand Charge for Eighth Month's Service,
\$1.30 per Horsepower;
Demand Charge for Ninth Month's Service,
\$1.20 per Horsepower;
Demand Charge for Tenth Month's Service,
\$1.10 per Horsepower;
Demand Charge for Eleventh Month's Service,
\$1.05 per Horsepower;
Demand Charge for Twelfth Month's Service,
\$1.00 per Horsepower.

SCHEDULE NO. 6-A (Con.)

To the demand charge shall be added the following energy charge:

ENERGY CHARGE: \$.005 per Kilowatt Hour.

The consumer taking service under Non-Contract rates will be required to pay for the cost of the initial service connection and also the cost of any subsequent disconnections or reconnections made at his request.

The demand charges under this schedule are based on the connected load in motors or other utilization equipment, except lamps and devices for domestic service, which can be connected at any one time to the Company's supply system, and the meters regularly supplied are of the recording watt-hour type. At the consumer's request, however, the Company will furnish and install demand indicating instruments at a rate of \$3.00 per year or fraction thereof, and base the demand charge upon the average measured maximum demand over a period of 15 minutes during each and every month in which service is furnished by the Company, but in no event shall the charge be based on less than fifty per cent of the connected load.

The minimum bill for an installation less than one horsepower will be the demand charge for one horsepower.

It appears to be advisable under certain conditions to make the general power rates interchangeable, and also to make Schedule No. 7, the General Power Metered Rate, applicable to agricultural service. Schedules No. 7, No. 8 and No. 8-a will, therefore, be revised as follows:

SCHEDULE NO. 7

GENERAL POWER RATE

Metered Service

Applicable to all agricultural and general power installations. Service will normally be supplied at 110 or 220 volts.

Four cents per kilowatt hour for first 200 kilowatt hours consumed during any month.

Two cents per kilowatt hour for all energy used during any month in excess of 200 kilowatt hours.

Minimum Charges

For continuous industrial service supplied from secondary distribution system, \$1.00 per month per horsepower connected.

For Seasonal Industrial Service

Each month of a 3	Mos. period	\$3.25	per horsepower	connected
" " " 4	" "	2.50	" "	" "
" " " 5	" "	2.05	" "	" "
" " " 6	" "	1.75	" "	" "
" " " 7	" "	1.55	" "	" "
" " " 8	" "	1.40	" "	" "
" " " 9	" "	1.25	" "	" "
" " " 10	" "	1.15	" "	" "
" " " 11	" "	1.05	" "	" "
" " " 12	" "	1.00	" "	" "

For all service supplied from rural lines, \$12.00 per year or fraction thereof per horsepower connected.

Minimum Bill

Minimum monthly bill where service is supplied from secondary distribution systems, \$1.00 per month per meter.

Minimum seasonal bill the equivalent of the minimum charge for 3 months service for one horsepower.

Minimum bill for service supplied from rural lines, \$30.00 per meter.

SCHEDULE NO. 8

INDUSTRIAL POWER RATES

Metered Service

Applicable to all classes of power installations not otherwise specifically provided for in separate schedules. Service will normally be supplied at 110 or 220 volts.

\$1.50 per month per Horsepower connected to which charge shall be added an energy charge of one-half ($\frac{1}{2}$) cent per kilowatt hour for all electric energy supplied.

Minimum monthly bill \$5.00.

Where the demand charge is based on the connected load ordinary recording watt-hour meters are regularly supplied by the Company. At the consumer's request, however, demand indicating instruments will be supplied at an additional charge of \$.25 per month, in which case the rate will be based on the average measured maximum demand over a period of fifteen minutes during each and every month in which service is furnished by the Company, and the demand charge will be readjusted on the basis of 79% demand factor.

If the installation remains connected to the Company's system during only a portion of the year, the monthly minimum charge during each month of such period shall be as follows:

Each month of a 3 months' period	\$3.25 per horsepower connected
Each month of a 4 months' period	\$2.50 per horsepower connected
Each month of a 5 months' period	\$2.05 per horsepower connected
Each month of a 6 months' period	\$1.75 per horsepower connected
Each month of a 7 months' period	\$1.55 per horsepower connected
Each month of a 8 months' period	\$1.40 per horsepower connected
Each month of a 9 months' period	\$1.25 per horsepower connected
Each month of a 10 months' period	\$1.15 per horsepower connected
Each month of all months' period	\$1.05 per horsepower connected
Each month of a 12 months' period	\$1.00 per horsepower connected

SCHEDULE NO. 8-A

INDUSTRIAL POWER RATES

Metered Service

Applicable to all classes of power installations not otherwise specifically provided for in separate schedules. Service will normally be supplied at 110 volts or 220 volts.

\$2.50 per month per kilowatt of measured maximum demand, to which charge shall be added an energy charge of four-tenths of one cent (\$.004) per kilowatt hour for all energy supplied.

Minimum monthly bill to be based on fifty per cent of the connected load and in no event to be less than \$20.00.

Watt demand indicators and watt-hour meters will in all cases be installed and maintained by the Company at its own expense under this rate.

Consumers' charge will be based on the average measured maximum demand over a period of fifteen minutes during each and every month in which service is furnished by the Company.

If the installation remains connected to the Company's system during only a portion of the year, the monthly minimum charge during each month of such period shall be as follows:

Each month of a 3 months' period		\$3.25 per horsepower connected
"	" 4	\$2.50
"	" 5	\$2.05
"	" 6	\$1.75
"	" 7	\$1.55
"	" 8	\$1.40
"	" 9	\$1.25
"	" 10	\$1.15
"	" 11	\$1.05
"	" 12	\$1.00

In addition to Schedule No. 9, Schedule No. 9-a and No. 9-b will be added for the accommodation of reclamation districts and other classes of service of a similar nature.

SCHEDULE NO. 9-a

Special Optional Development
Rate
Contract Irrigation Service Only

Applicable to Irrigation Districts and similar service where the aggregate installed capacity of all the plants of the consumer equals or exceeds 1,000 horsepower, provided that the average installed capacity of all the separate plants equals or exceeds 100 horsepower, and provided further that no installation requiring a separate delivery point is less than 30 horsepower.

Energy to be delivered and metered at 2,200 volts or 440 volts .

\$2.70 per month per kilowatt of measured maximum demand, to which charge shall be added an energy charge of one-quarter ($\frac{1}{4}$) cent per kilowatt hour for all energy supplied.

Development Period

<u>Period</u>	<u>Minimum Annual Charge per k.w. installed Five Year Contract</u>	<u>Minimum Annual Charge per k.w. installed Eight Year Contract</u>
First Year	\$6.00	No. Minimum Charge
Second Year	9.00	\$6.00
Third Year	12.00	\$9.00
Fourth Year	15.00	12.00
Fifth Year	18.00	15.00
Sixth Year		18.00
Seventh Year		18.00
Eighth Year		18.00
Average	<u>\$12.00</u>	<u>\$12.00</u>

Minimum charge after contract period; \$12.00 per year per kilowatt of installation.

The above rate, including a development period, will be supplied only under contract for the full period required to obtain an average minimum charge of \$12.00 per kilowatt per year.

SCHEDULE NO. 9-b

Special Optional Development Rate

Contract Irrigation Service Only

Applicable to Irrigation Districts and similar service where the aggregate installed capacity of all the plants of the consumer equals or exceeds 1,000 horsepower; provided that the average capacity of all of the separate plants equals or exceeds 100 horsepower, and provided further, that no installation requiring a separate delivery point is less than 30 horsepower.

Energy to be delivered and metered at 2,200 volts or 440 volts .

\$2.70 per month per kilowatt of measured maximum demand to which charge shall be added an energy charge of one-quarter ($\frac{1}{4}$) cent per kilowatt hour when the annual minimum charge is \$12.00 per kilowatt per year.

Development Period

During the development period which shall not exceed three years, a minimum guarantee of less than \$12.00 per kilowatt per year of installed capacity may be selected by the consumer, in which event the energy charge shall be as follows:

Annual Minimum	\$11.00 per k.w.	Energy Charge	\$.00275 per k.w.h.
Annual Minimum	10.00 per k.w.	Energy Charge	.00300 per k.w.h.
Annual Minimum	9.00 per k.w.	Energy Charge	.00325 per k.w.h.
Annual Minimum	8.00 per k.w.	Energy Charge	.00375 per k.w.h.
Annual Minimum	7.00 per k.w.	Energy Charge	.00400 per k.w.h.
Annual Minimum	6.00 per k.w.	Energy Charge	.0045 per k.w.h.
Annual Minimum	5.00 per k.w.	Energy Charge	.0048 per k.w.h.
Annual Minimum	4.00 per k.w.	Energy Charge	.0053 per k.w.h.
Annual Minimum	3.00 per k.w.	Energy Charge	.00585 per k.w.h.
Annual Minimum	2.00 per k.w.	Energy Charge	.0064 per k.w.h.
Annual Minimum	1.00 per k.w.	Energy Charge	.0071 per k.w.h.
No Minimum			.0078 per k.w.h.

A contract for not less than three times the development period selected will be required in all cases where service is supplied under this schedule.

Rule No. 7, "Maximum Demand Rates and Meter Charges," as it now appears in the Mt. Whitney Company's rate schedules on file with the Railroad Commission should be revised to read as follows:

NO. 7

MAXIMUM DEMAND RATES AND METER CHARGES

In all cases, where the rate is based upon the measured maximum demand of any motor installation as distinguished from the connected load, the measured maximum demand for which the Company will charge the consumer under the said rate will be the greatest average demand delivered and registered during any fifteen minute interval, during each and every month in which service is furnished by the Company, provided that in no event shall any such charge be based on less than fifty per cent of the rated capacity of any single motor installation. If during any month, however, no maximum demand measurement is indicated by the meter or meters for such purpose, and such non-registration is due to the failure of such meters, then the maximum demand to be used by the Company in computing the consumer's bill for any such month shall be the next previous maximum demand used. Whenever any consumer entitled thereto requests the Company to install any demand indicating and watt-hour meter or meters, such request shall be in writ-

ing on a blank form therefor to be furnished by the Company, and the charge to be made for such installation for the first year or fraction thereof shall be paid by the consumer to the Company prior to such installation, and each subsequent charge therefor per year or fraction thereof shall be paid by the consumer in advance. All demand indicating and watt-hour meters will be read by the Company at least once each month.

Any other rules and regulations which Mt. Whitney now has in effect, and which are contradictory to any of the provisions of the order herein, should be revised accordingly and refiled by Mt. Whitney Company.

I submit the following form of order:

O R D E R

A public hearing having been held in the above entitled proceeding, and the same having been submitted and being now ready for decision, the Railroad Commission makes the following findings of fact:

(1) The Railroad Commission finds that the rates, rules, regulations, contracts and practices of Mt. Whitney Power and Electric Company are unjust and unreasonable in so far as they differ from the rates, rules, regulations, contracts and practices found to be just and reasonable in the Opinion which precedes this Order.

(2) The Railroad Commission hereby finds that the rates, rules, regulations, contracts, practices and acts to be performed by Mt. Whitney Power and Electric Company as set forth in the Opinion which precedes this Order are just and reasonable rates, rules, regulations, contracts, practices and acts to be established, charged, collected, enforced and performed by Mt. Whitney Power and Electric Company.

Basing its order on the foregoing findings of fact and on each statement of fact contained in the Opinion which precedes this Order,

IT IS HEREBY ORDERED that Mt. Whitney Power and Elec-

tric Company be, and the same is hereby ordered and directed to establish and file with the Railroad Commission on or before May 20, 1917, the rates, rules, regulations, contracts and practices set forth in the Opinion which precedes this Order, and that Mt. Whitney Power and Electric Company be, and the same is hereby ordered and directed to perform each act which the Opinion which precedes this Order states should be performed by it.

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 8th
day of May, 1917.

Max Thelen

H. J. Howard

Alfred Gordon

Edwin O. Edgerton

Arthur R. Warner

Commissioners.