

ORIGINAL

Decision No. 4387

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BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the matter of the application of J. L. CURTIS for permission to increase rates charged for water supplied by him to various con- sumers in the Town of Salida.	} Application No. 2823. }
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Brown and Hindman for petitioner.

BY THE COMMISSION:

O P I N I O N

A public hearing was conducted by Examiner Westover upon the above application to increase rates for service of domestic water to the inhabitants of Salida, Stanislaus County.

Applicant's plant serves nineteen households, four business houses, one hotel, club house, school and a rooming house and living quarters on applicant's property, where he also keeps a number of domestic animals. His present monthly flat rates are \$1.50 for residences, \$3.00 for hotels and \$2.50 for the cheese factory. These rates he asks leave to increase to \$2.00 per month for residences and stores, \$5.00 per month for the cheese factory, \$3.50 per month for the hotel and a monthly lawn and garden rate during the irrigating season, based on an area of 250 square feet.

The principal controversy at the hearing arose over the amount of water used by the plant of Carpenter Cheese Company, said to be the largest in the world, and what its water rate should be.

The hearing also developed considerable complaint as to the service. It appears that water is frequently turned off from the entire system for the purpose of making repairs, but that the system is so arranged that repairs can be made by turning off only certain portions of the system. There was also complaint that the tanks become empty, most often in the early morning hours, apparently because some careless patron lets the water run all night. At times the tanks run over because the pump is not stopped in time. Most of the complaints can be eliminated by the use of an automatic device for starting and stopping the pump and by turning off water in only the part of the system undergoing repair.

Applicant's pumping plant and tankhouse are on a parcel of land 120'x 160' used also as the site of a rooming house and warehouse. The tankhouse contains living rooms. This property entire cost \$6000 three years since. The plant was installed about 1909, except for the present motor, appraised by applicant at \$380, added about 1912.

Applicant submits an appraisement of the property totaling \$6,874.40. The actual cost of the property is not available.

The plant was inspected by Mr. James Armstrong, one of the Commission's assistant hydraulic engineers, under

the stipulation that his report might be submitted in evidence subsequent to the hearing. He estimates the depreciated cost of well, pump, motor, distributing system and two 15,000 gallon tanks, and excluding real estate and pump house, at \$3256 using average prices, and annual depreciation by straight line at \$166 per year. The annual gross revenue is about \$456 without charge for applicant's rooming house and stock and the quarters in the tankhouse. The power bills average about \$200 per year. Applicant asks an allowance of \$15 per month for time devoted to the plant. Detail of other operating expenses was not supplied.

Applicant's difficulty seems to arise from the fact that he pays a definite rate for power used in pumping water, but is not equipped to restrain unnecessary use by consumers.

The most equitable distribution of charges between users and between users and the utility is by measurement of the supply delivered.

We therefore authorize a meter rate, the present flat rates to remain in force until meters are installed, which may be at the option of either applicant or his consumers.

Applicant makes the point that he is not operating a public utility and the Commission therefore has no jurisdiction. We find that he is and for some time has been operating a public utility as defined by the Public Utilities Act and Chapter 80 of the Laws of 1913 and as interpreted by the Commission and the Supreme Court in numerous similar cases.

O R D E R

J. L. CURTIS having applied to the Railroad Commission for an order authorizing an increase in rates charged by him for water sold in Salida, Stanislaus County, and a public hearing having been held and sufficient showing not having been made to justify a change in the present flat rates of applicant, the application to increase said flat rates is hereby denied.

The Railroad Commission hereby finds as a fact that the rates herein established for metered service are just and reasonable rates to be charged by J. L. Curtis in Salida and basing its order on the foregoing findings of fact and on the findings of fact which are contained in the opinion which precedes this order,

IT IS HEREBY ORDERED that J. L. Curtis be and he is hereby authorized to file with the Railroad Commission within 30 days the following schedule of alternative rates to be charged by him for water served the inhabitants of Salida and vicinity.

First 2000 cubic feet at 15¢ per 100 cubic feet

Next 8,000 cubic feet at 10¢ per 100 cubic feet.

All water used in excess of 10,000 cubic feet at 5¢ per 100 cubic feet.

Monthly minimum bill for residences and domestic use \$1.25.

Monthly minimum bill for all other use \$1.50

Dated at San Francisco, California, this
12th day of June, 1917.

Max Wheeler
H. D. ...
Edwin D. Edgerton

Commissioners.