

ORIGINAL

Decision No. \_\_\_\_\_

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the matter of the application	:
of MARY E. RIDEOUT, et al. for an	:
order of the Railroad Commission	: Application No. 3330.
fixing the water rates of a certain	:
water system operated by them in the	:
town of El Pizmo, San Luis Obispo	:
County, California.	:

Jerome P. Andrews for applicant.

BY THE COMMISSION:

O P I N I O N

Applicants ask the Commission to fix proper rates, rules and regulations governing the service of domestic water by them in the Town of El Pizmo, San Luis Obispo County.

A public hearing upon the above application was held by Examiner Westover at El Pizmo, California.

The water system in question was acquired by ancestors of applicants through a foreclosure of mortgage on the unsold lots in the townsite of El Pizmo

and on the hotel and its cottages.

The real estate and water system was inherited by applicants. The water system has not been segregated by them from the real estate but they allege in the application upon information and belief that the system cost originally about \$7000 to install.

The water system consists of a 20 horsepower engine with suitable pump and four wells from which water is pumped to a cement lined reservoir and thence distributed through 58 services, 36 of which are now active.

The only rates now in effect are eight classes of flat rates, most of the consumers paying a rate of \$1.50 per month for residences. No charge has heretofore been made for service to the hotel or its cottages nor to the tent city operated during the summer by some of the applicants.

Mr. Milo E. Brinkley, one of the Commission's assistant hydraulic engineers, made an examination and appraisal of the plant. His estimate of its reproduction cost <sup>is</sup> \$7739 at the average normal prices for materials; and that the annual depreciation on a 5% sinking fund basis is \$262. The system was overbuilt at the time it was installed. Part of this cost was no doubt realized from real estate operations of the original owners and should not be chargeable to the rate payers in rates. The flat rates found in the order will probably reduce the monthly bills for many residences and somewhat increase bills for water served for commercial uses to the proportion such uses usually bear to residence uses. It is estimated that

the new rates will provide \$850 for maintenance, operation and taxes, \$252 for annual depreciation of plant and a suitable return on \$6000 representing plant investment.

Meters may be installed on this system at the option of the utility or the consumer. On the facts of this case, when the consumer requests the installation the utility may require the consumer to deposit the cost of installing the meter, said cost to be allowed to the consumer in rates, the allowance to be one-half of the monthly water bill until the amount of the deposit has been absorbed. The rules and regulations filed by petitioner may so provide.

#### O R D E R

MARY E. RIDEOUT, et al. having applied to the Railroad Commission for an order fixing proper rates, rules and regulations governing the service of domestic water at El Pizmo, San Luis Obispo County, and a public hearing having been held upon said application, the matter having been submitted and being now ready for decision,

IT IS HEREBY FOUND by the Railroad Commission that the rates fixed by this order are just and reasonable rates for the service of domestic water in El Pizmo and that the present rates are unjust and unreasonable in so far as they differ from the rates herein fixed.

Basing its order upon the above finding of fact and upon the findings of fact in the

opinion preceding these facts.

IT IS HEREBY ORDERED by the Railroad Commission of the State of California that applicants be authorized and empowered to file and thereafter collect the following schedule of rates and establish the following rules and regulations:

Monthly Rates.

I. Flat Rates

1. Stores and offices	\$	1.25
2. Houses, apartments, and rooming houses of 3 rooms or less, (a) for each additional room		1.25 .15
3. Hotel - (a) Dining room and kitchen (b) Bedrooms in hotel or detached per room		5.00 .30
4. Restaurants per seating capacity Minimum - \$1.50		.075
5. Barber shops		1.50
6. Horses or cows, each		.10
7. Saloons or bars		5.00
8. Soda fountains and ice cream parlors		1.50
9. Public garages		3.00
10. Public bath houses		1.50
11. Houses and tents with faucet only on outside		0.75
12. Lawns, flowers and gardens per 100 sq. ft. during irrigation		0.04

II. Meter Rates

Minimum for 250 cu. ft. or less	1.00
All use over 250 cu. ft. per 100 cu. ft.	.25

Dated at San Francisco, California, this 12<sup>th</sup> day of March, 1918.

Max Steffen  
H. J. ...  
Edwin O. ...  
Frank ...  
Commissioners.