

ORIGINAL

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

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the matter of the application of BAY POINT UTILITIES COMPANY for an order fixing water rates at Bay Point, California. ) Application No. 3491.

Wm. E. Acton, of Denman and Arnold, for applicant.

BY THE COMMISSION:

O P I N I O N

Bay Point Utilities Company applies for an order fixing rates for water served for domestic and commercial purposes in Bay Point, Contra Costa County.

Public hearings were held by Examiner Westover at Bay Point, March 11th, and San Francisco, March 13th, 1918.

Applicant was incorporated with a capital stock of \$15,000 divided into 150 shares of the par value of \$100 each for the purpose of acquiring

the water plant and system formerly owned and operated by Bay Point Light and Water Company.

Reference is made to Decision Number 3948, (See Vo. 12, Opinions and Orders of the Railroad Commission of Cal. p. 98), which authorized the transfer of the property and issuance of stock. The book cost of the water system testified to in that proceeding was \$21375 and it is now in evidence that additions and betterments built and building will total \$19532, making the total investment \$40,907. Seven lots forming part of the property are not used or useful and may be sold. The price obtainable is estimated by applicant at \$1575. Remaining cost of used and useful property is \$39482 which includes all water bearing lands and rights of way, water rights and intangibles.

Water is developed by pumping from wells and transmitted two miles to a distribution reservoir with 500,000 gallon capacity near the district served. The prevailing flat rate has been \$1.50 per month for residences and stores. The Coos Bay Lumber Company paid \$89.00 per month, this being an arbitrary deviation from rate schedule. Clyde Shipbuilding Company has recently become a patron. The water it uses has been measured, payment being withheld pending this establishment of meter rates.

Applicant indicated that its desire is to install meters and thereby provide automatic adjustment of the charge to the service rendered. The Commission has often given approval to this course.

The plant was operated during 1917 by the management of Coos Bay Lumber Company. That concern charged \$2093 to applicant for services of employees etc., and paid \$1419 direct expense, a total operating expense of \$3512. Gross revenue was \$3964.

It is anticipated that the metering of the entire system and establishment of the rate schedule herein authorized will result in adequate returns. We have considered all the testimony in determining upon the rate which it is estimated will cover the assumed annual charges which we have found proper. The result in

figures is as follows:

Maintenance and operation .....	\$2520.00
General expense.....	900.00
Insurance and taxes.....	350.00
Depreciation .....	480.00
Return on investment of \$39,482.03 .....	3159.00
Total .....	<u>\$7409.00</u>

The rates found in the order it is estimated by the Commission's engineers will prove sufficient to produce needed revenue as above estimated.

O R D E R

Bay Point Utilities Company having applied to the Railroad Commission for an order fixing rates to be charged by it for domestic water served to the inhabitants of Bay Point, Contra Costa County, and a public hearing having been held thereon, and the testimony having been submitted to the Commission, and the matter being now ready for determination,

The Commission hereby finds as a fact that the rates hereinafter set forth are just and reasonable rates and that the rates heretofore charged for water so served in so far as they differ from the rates in this order are unreasonable and unjust.

BASING ITS ORDER upon the foregoing findings of fact and upon the findings of fact contained in the opinion preceding this order,

IT IS HEREBY ORDERED that Bay Point Utilities Company be and it is hereby authorized to establish the following rates for water served in Bay Point, Contra Costa County.

1. FLAT RATES PER MONTH

1. Stores and offices,	\$1.50
2. Houses, apartments and rooming houses of 3 rooms or less,	1.25
3. Houses, apartments and rooming houses of 4 rooms,	1.50
(a) for each additional room,	0.15
4. Hotels and clubhouses with dining room,	2.50

(a) additional for each bedroom,	.15
5. Restaurants per seating capacity,	.075
Minimum, \$1.50	
6. Pool rooms,	1.25
7. Barber shops,	1.25
8. Halls,	1.25
9. Saloons,	4.00
10. Laundries,	5.00
11. Theatres,	2.00
12. Public garages,	2.50
13. Railway depots including section and bunk houses,	4.00
14. Horses and cows, each,	.10

II METER RATES.

First 500 cu. ft. used per month, per 100 cu. ft.	0.30
Next 1500 cu. ft. " " " " "	0.20
For use above 2000 cu. ft. per month, per " "	0.15

Monthly minimum for each service metered,	
5/8 inch meter,	1.25
1 inch meter,	1.75
1 1/2 inch meter and larger,	2.50

The company is hereby directed to at once install meters upon the service to Coos Bay Lumber Company.

Said applicant is directed to file with its schedule of rates suitable rules and regulations governing the service of water.

Dated at San Francisco, California, this 15<sup>th</sup> day of April, 1918.

Max Thelen

Edwin O. Edgerton

Frank R. Holman

Commissioners.