

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

BEFORE THE RAILROAD COMMISSION  
OF THE STATE OF CALIFORNIA.

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ORIGINAL

Decision No. 3521

In the Matter of the Application  
of FRANK P. CADY and RILLA E. CADY  
for an order authorizing a revision  
of charges for water service.

Application No. 3521.

J. E. Pardee and  
J. A. Pardee for  
applicants.

G. C. Julian, for the  
town of Susanville and  
for consumers.

BY THE COMMISSION:

O P I N I O N

In this application, Frank P. Cady and Rilla E. Cady owners in common of the Susanville Water Works ask that a revision of rates be made for water sold in Susanville and vicinity, Lassen County. In November, 1915, Decision No. 2905, this Commission established the rates which are now <sup>being</sup> collected by the utility. In the present application the utility alleges that during 1916 and 1917 the revenue decreased and was not sufficient for the annual charges of \$7100.00 established by the Commission as equitable.

A public hearing in this proceeding was held at Susanville May 16th, 1918. Evidence was presented in behalf of applicant and of consumers. The evidence showed that the

operating revenue in 1917 amounted to \$6679.72 and the operating expenses and taxes, \$2971.69, of which \$350.00 was extraordinary expense due to the freezing of the pipes not likely to recur for many years. Allowance for interest and depreciation amounted to \$4,460.00 and the apparent deficit \$402.00, which the utility contends should be made up by increased rates. The evidence shows that an increase in the population of the town is expected in the immediate future through <sup>completion</sup> of a new mill and factory and that there is now a greater population than during 1917. Under these circumstances there should be an increase in revenue during 1918 over that in 1917 without rate change. In the order accompanying this opinion adjustments will be made in the flat rates for residences, which, by measure of their number and size will produce the desired additional revenue. A reduction in the charge above 1000 cubic feet monthly where the use is for irrigation, we believe, will not decrease the revenue of the company and will encourage increase in the areas devoted to production of food stuff. The utility made no claim for increased compensation due to additions and betterments to the system since the former proceedings. We believe that the increasing population will provide revenues sufficient for such compensation.

O R D E R

FRANK P. CADY and RILLA E. CADY having applied to this Commission for an order establishing rates for water furnished to

the inhabitants of the town of Susanville and contiguous territory in Lassen County, and a public hearing having been held, and the Commission being fully advised in the premises,

IT IS HEREBY FOUND AS A FACT by the Railroad Commission of the State of California that the rates set out in this order are just and reasonable rates to be charged by applicant to its consumers for water. Basing its order on the foregoing findings of fact and the further findings of fact contained in the opinion preceding this order,

IT IS HEREBY ORDERED that applicant is authorized to file with this Commission the following residence and irrigation rates such rates to take the place of the corresponding items in the present schedule, said rates to become effective July 1st, 1918.

FLAT RATES.

13. Residence rates for five rooms and less	\$ .90
For each additional room	.15

Meter Rates.

All use above 1000 cu. ft. per month  
for irrigation purposes 5¢ per 100 cu. ft.

Dated at San Francisco, California, this 3<sup>d</sup> day of

*July*  
~~June~~, 1918.

Erwin C. Engstrom

H. B. Stewart

Frank R. DeWitt

Commissioners