

Decision No. 5684

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

Glenview Improvement Club,)
Complainant,)
vs.)
Peoples Water Company,)
Defendant.)

Case No. 900.

City of Berkeley,)
Complainant,)
vs.)
Peoples Water Company,)
Defendant.)

Case No. 943.

City of Richmond,)
Complainant,)
vs.)
Peoples Water Company,)
Defendant.)

Case No. 987.

In the Matter of the Commis-)
sion's Investigation into)
rates, rules and regulations)
of Peoples Water Company.)

Case No. 1008.

EDGERTON, Commissioner.

OPINION AND ORDER ON APPLICATIONS FOR REHEARING.

Applications for rehearing have been filed herein by the Cities of Alameda, Richmond, Berkeley and Emeryville.

The City of Berkeley alleges that it has a fixed income and that it is impossible for it to meet any increased general service payment to the Water Company during the ensuing fiscal year. The Cities of Alameda and Emeryville allege that it is to the best interests of those municipalities that the increase in initial public use charge should be paid by consumers rather than by the municipi-

palties, and the City of Richmond asks for a rehearing on the ground that the rate of 20 cents per 100 cubic feet for large use is excessive and that a lower rate for such use should be established as an essential condition for the industrial growth and development of the city.

Since the order herein was made, it has developed that a number of the municipalities which were called upon by that order to pay an increased rate for water find it difficult or impossible to meet such increase by reason of municipal budgets having already been made up and, in some instances, the tax rate being such as to make the raising of additional money for this purpose impossible.

I therefore recommend that the municipalities affected be relieved for the ensuing fiscal year from the payment of increased rates for general service furnished by the Water Company.

A careful review of the evidence leads me to the conviction that the rates heretofore fixed by the Commission will not result in the East Bay Water Company receiving two million dollars a year gross income, and in view of the fact that an increased contribution by the municipalities will not be had for the ensuing fiscal year and that the Commission is convinced that this company should have two million dollars gross income per year, it becomes necessary to revise the rates heretofore fixed in order that this income will reasonably be assured.

The rates hereinafter set out in the order attached to this opinion are designed to obtain this annual sum for the company and are based upon the principle of assessing a fixed service charge and in addition, a charge for water consumed dependent upon quantity.

It should be clearly understood that the Commission in no wise recedes from its conclusion heretofore announced, that municipalities should bear the increased charges set out in the previous order, but that the practical impossibility of collecting

such charges during the next fiscal year is recognized and for this reason, these increased charges are not at this time assessed.

However, these municipalities must expect that at the appropriate time, when they are in a position to pay these increased charges, the rates of East Bay Water Company will be revised with a view to lifting this burden from general consumers and placing it where it belongs, upon the municipalities.

Herewith form of order:

O R D E R.

Application for rehearing having been made by the Cities of Alameda, Richmond, Berkeley and Emeryville, and it appearing that a public hearing is not necessary to be had upon such application,

IT IS HEREBY ORDERED by the Railroad Commission of the State of California that the order heretofore made herein, dated the first day of July 1918, is hereby cancelled and annulled.

IT IS HEREBY FOUND AS A FACT by the Railroad Commission of the State of California that the existing rates of EAST BAY WATER COMPANY are unjust and unreasonable and that the rates hereinafter set out are just and reasonable rates to be charged for the service of water by said company to its consumers.

IT IS HEREBY ORDERED by the Railroad Commission of the State of California that East Bay Water Company is hereby authorized to file with this Commission a schedule of rates, to be effective as of August 1, 1918, as follows:

PUBLIC USE.

Fire hydrant rentals as provided for by City Ordinance in effect during fiscal year 1917-1918.

In El Cerrito, newly incorporated - \$2.50 per month per fire hydrant.

All water used through meters at general use charges.

Water used for street sprinkling and flushing sewers considered as one amount, although taken from various hydrants.

Road and street hydrants, other than under fire hydrants, charge at the rates given for private fire services, by size of connection.

GENERAL USE CHARGES MONTHLY.

Service charge for each meter in use:

<u>Size Meter</u>	<u>Per Month</u>
5/8"	\$.50
1"	1.50
1 1/2"	2.50
2"	4.50
3"	8.00
4"	12.50
6"	25.00

Unit price for water used up to 50,000 cubic feet - 23¢ per 100 cu.ft.
For water used above 50,000 cubic feet - 19¢ per 100 cu. ft.

UNMETERED SERVICES AND PRIVATE FIRE TAPS.

<u>Size Service</u>	<u>Per Month</u>
1 1/2"	\$1.50
2"	3.00
3"	6.00
4"	9.00
5"	12.00
6"	18.00
8"	30.00
12"	50.00
16"	100.00

IT IS HEREBY FURTHER ORDERED that before thirty days from the date hereof, said company shall submit to this Commission for its acceptance, rules and regulations for the service of water to its consumers.

IT IS HEREBY FURTHER ORDERED that within ninety days from the date of this order, the company shall file for the approval of the Commission a plan for the disposal of superfluous lands and a statement of the time within which such disposal will be made, and shall also within said ninety days file for the approval of the Commission a plan for the construction and putting into operation of modern filtration plants, together with a statement of the time within which such plan shall be completed.

IT IS FURTHER ORDERED that within ten days from the date of this order, the Company shall submit for the approval of the Commission, a stipulation in writing, designed to make effective the plan of treating operating expenses as mentioned in the opinion preceding the order made herein on the first day of July, 1918.

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 13th day of August, 1918.

Edwin O. Edgerton

Alvin G. Gordon

Arthur R. DeLoach

Commissioners.