

Decision 5830-

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application  
of CROWN WATER COMPANY for order  
fixing meter rates for domestic  
water and deposit by user when  
meter installed, returnable when  
use ceases, and metered water paid  
for.

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) Application No. 3538.  
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G. E. Campbell for applicant.

By the Commission,

O P I N I O N

ORIGINAL

This is an application by the Crown Water Company for an order establishing a measured rate schedule and certain rules and regulations. The application alleges in effect that the applicant is delivering water for domestic and irrigation purposes in and in the vicinity of Perry, Los Angeles County; that applicant is a corporation organized under the laws of the State of California, that the present method of charging for water by flat rates encourages waste and works for poor service. Applicant asks that a measured rate schedule be established.

The present rate schedule in effect is \$1.25 per month per consumer for domestic service and \$2.00 per hour's operation of pump for irrigation service. Applicant asks that the following rate schedule be established:

300 cubic feet or less -- -- -- -- \$1.00 per mo.  
Excess -- --- -- --- -- --- -- .10 per/cu.ft.

A public hearing was held in this proceeding by Examiner Encell in Los Angeles, California.

The flat rates now in effect were established by this Commission in Decision No. 3889, "In the Matter of the Application of Crown Water Company for an order authorizing an increase in water rates", No. 2345, reported in Vol. 11, Opinions and Orders of the Railroad Commission, at page 1004. Reference is made to the above mentioned decision for description of the system, territory served and general service conditions.

A number of informal complaints have been filed by this company's consumers alleging that service is inadequate and that the utility is not exercising reasonable diligence in enlargements, betterments and operation.

It is primarily the duty of utilities to deliver a sufficient supply of water to meet the needs of its consumers and maintain good service. Consumers should not pay more to the utility than the service is reasonably worth and we recommend that this company improve its service in order that the charge which it now seeks to have established herein, be commensurate with the service rendered.

Applicant asks that a rule be established permitting it to require of consumers a deposit of \$10.00 for each meter installed and that meters be installed at its option. The amount deposited to be returned to the user when service is discontinued. While, we realize that applicant's financial condition is poor and that it is without funds with which to buy the meters required, the above rule is contrary to the decisions and practices of this Commission. We shall, however, permit applicant to establish a rule whereby the consumer will deposit the cost of the meter, which deposit is to be credited on water bills.

The rate schedule which applicant seeks to have established will not yield a gross revenue in excess of the annual charges

established in Decision No. 3889. The elimination of the rule permitting applicant to demand a deposit for installation of meters will entail an expense which applicant did not foresee when this application was filed and in our opinion the rate schedule requested does not equitably distribute the burden. We are, therefore, establishing a rate schedule which will more equitably distribute the burden and produce a revenue at least equal to that which would be produced by the rate schedule suggested by applicant.

O R D E R

THE CROWN WATER COMPANY having made application to this Commission for an order fixing meter rates and a public hearing having been held, the matter having been submitted and being now ready for decision,

IT IS HEREBY FOUND AS A FACT that the measured rate schedule herein established is fair and reasonable and basing its order upon the foregoing findings of fact,

IT IS HEREBY ORDERED that Crown Water Company be, and it is hereby authorized and directed to file with this Commission and put into effect the following measured rate schedule.

400 cu. ft. or less	-- -- -- --	\$1.00 per mo.
Excess	-- -- -- --	\$.15 per 100 cu. ft. per mo.

IT IS FURTHER ORDERED that Crown Water Company file amended rules and regulations within twenty days from the date of this order which shall include a rule providing for a deposit to cover the cost of installation of meters and the application of the amount deposited on water bills. .

Dated at San Francisco, California, this 1st day  
~~of September,~~ <sup>October</sup> 1918.

Edwin J. Edgeston  
H. D. Lowell  
Alex. Gordon

Commissioners