

Decision No. 5857-

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application  
of MOUNTAIN LIGHT & WATER COMPANY,  
a corporation, for an order fixing,  
adjusting and increasing the rates  
for the sale of water at Glen Arbor,  
Riverside Park, Ben Lomond and Brook-  
dale and to increase the rates for  
the sale of electricity at Brookdale,  
in Santa Cruz County, California. )

ORIGINAL

Application No. 4073.

GORDON, Commissioner.

O P I N I O N.

In this application Mountain Light & Water Company ask authority to make a change in its rates to be charged for water and electric energy.

Applicant delivers water to consumers in Ben Lomond, Brookdale, Glen Arbor and Riverside Park, Santa Cruz County, and electricity in Brookdale.

It is set forth in the application that the interest on indebtedness and operating expenses amount to the sum of \$8091.00 annually; that the gross income from both water and electric service in 1917 was \$4881.00, and that the returns to be anticipated if the Commission authorizes the rate suggested by applicant will be the sum of \$7425.00 per annum.

Public hearings were held in the above entitled matter at San Francisco on September 20th and in Santa Cruz on September 27th, 1918.

Practically no opposition was voiced against the change in rates for electric energy. It was explained by the representative of applicant that the service had been greatly improved

and that electricity is now available for use continuously, whereas when the rates now in effect were established, the power plant of applicant was operated only during certain hours of the day. The rates suggested by applicant for electric energy will therefore be recommended.

Considerable opposition was voiced against the change in water rates, as suggested by applicant. The present rates are as follows:

Schedule A. (Meter Rate):

An annual charge of \$6.00, in addition to which a monthly charge of 75 cents for the first 5,000 gallons or fraction thereof; 15 cents for each 1,000 gallons or fraction thereof for the next 10,000 gallons; 12 cents for each 1,000 gallons or fraction thereof used in excess of 15,000 gallons.

Schedule B. (Flat Rate)

An annual charge of \$6.00 in addition to which a monthly charge of 75 cents pending installation of meters.

Schedule E.

An annual charge of \$25.00 for each Sprinkling Standard or Tank.

The changes suggested by applicant are as follows:

In Schedule A make the service cumulative per annum and change the rate to an annual charge of \$15.00 payable in advance, one-half January 1st and one-half in advance July 1st of each year, or monthly in advance as the consumer may prefer, and in addition to such annual charge of \$15.00, each consumer to pay at the end of each year 25 cents for each 1,000 gallons used annually over 60,000 gallons.

In Schedule B (flat rate) change the rate to an annual charge of \$15.00, payable one-half in advance January 1st and one-half in advance July 1st of each year, or monthly in advance as each consumer may prefer, pending installation of meters.

Schedule E: Sprinkling Roads - Change the rate to be \$100.00 per each year for each sprinkling cart using water from the Ben Lomond System and \$100.00 per sprinkling season each year for each sprinkling cart using water from the Brookdale System. Said rate to cover the operation of each cart for each eight hours or fraction thereof each day.

Make a new schedule, to be called Schedule F - Fish Hatcheries. Fix an annual charge for each Fish Hatchery of \$150. payable September 1st of each year.

Certain of applicant's consumers have stated that they would not pay the increased rates suggested and have intimated that any increase would be considered sufficient cause for their discontinuance of the use of their premises and the sale to others. It is to be noted that applicant serves territory occupied continuously by only a few of the consumers, the major portion being owners of residences which are occupied only during a few of the summer months. It appears essential that this utility must not expect to gain the principal portion of its financial support from the few who are permanent residents and that this would be a discrimination favoring those who have a water supply available at all times and who see fit to use it during only a small portion of the year. The argument of the applicant for the form of rate which it suggests is supported by the fact that the water is developed from water shed lands by gravity and the expense of the company is practically the same whether any water is used or not. It is to be noted that applicant does not ask for any returns on its investment, but only a sufficient sum to cover indebtedness and operating expenses.

I believe that the amount of the minimum yearly charge should not be so great as the \$15.00 requested by applicant and will recommend in the order herein that this amount be changed to \$12.00, together with such other modifications of the rates as therein appear.

I recommend the following form of order:

O R D E R.

MOUNTAIN LIGHT & WATER COMPANY having applied to the Railroad Commission for an order authorizing it to fix, adjust and increase its rates for the sale of water in Ben Lomond, Brookdale, Glen Arbor and Riverside Park, Santa Cruz County, and

for the sale of electricity in Brookdale, Santa Cruz County, public hearings having been held and the matter being now ready for decision.

THE RAILROAD COMMISSION HEREBY FINDS AS A FACT that the rates herein established are just and reasonable rates, and that the rates heretofore charged by Mountain Light & Water Company are unjust and unreasonable insofar as they differ from the rates herein established.

Basing its order on the foregoing finding of fact and on the further findings contained in the opinion which precedes this order,

IT IS HEREBY ORDERED that Mountain Light & Water Company be and the same is hereby authorized to file with the Railroad Commission within twenty (20) days from the date of this order, and thereafter charge the following rates for water and electric energy served in the above mentioned territory:

ELECTRIC RATES

Schedule "A" (Meter Rates)

Residence and household lighting service, including hotels and boarding houses of less than ten (10) rooms, 10 cents per kilowatt hour.

Annual minimum - calendar year - \$15.00

Schedule "B" (Meter Rates)

Commercial Lighting: 10 cents per kilowatt hour.

Minimum calendar year: Hotels and boarding houses of  
25 rooms and over per annum.....\$50.00  
Hotels and boarding houses of  
10 to 25 rooms, per annum..... 20.00

Commercial business places including barber shops and bath houses, per annum..... 15.00

Schedule "C" (Flat Rate)

Residence and Household Lighting Service:

Applicable to small cottages, per calendar year \$10.00

Under this schedule the company reserves the right at its option to install meters and charge meter rates with \$10.00 annual minimum.

Fish Hatcheries - per annum - \$30.00

WATER RATES.

Schedule "A" (Meter Rates)

For each meter installed and single payment made on account of same, \$12.00 minimum annual charge, for which 5,000 cubic feet of water may be used at any time in the calendar year covered by the payment.

Additional water - 20 cents per 100 cubic feet.

Schedule "B" (Flat Rate)

An annual charge of \$15.00, payable in advance.

Schedule "C"

Sprinkling roads, \$100.00 per year for each sprinkling cart using water from pipe lines of Mountain Light & Water Company.

Schedule "D"

Fish Hatcheries - an annual charge of \$150.00, payable September first.

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 21st day of October, 1918.

Edmund O. Edgerton  
Arthur H. ...  
...  
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Commissioners.