

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of)
Covina City Water Company for per-) Application No. 417.
mission to increase rates.)

Gibson, Dunn & Crutcher and E. E. Bacon
for applicant.
A. M. Pence for the City of Covina.

EDGERTON, COMMISSIONER.

O P I N I O N

This is an application by the Covina City Water Company for permission to increase rates.

Applicant is a public utility serving water to the inhabitants of the City of Covina and its vicinity, said city being a city of the sixth class.

On the 22d day of January, 1913, at a special election held in said city, there were submitted to the electors the following propositions:

1. Shall the City of Covina retain its power of control over water corporations.
2. Shall the City of Covina retain its power of control over gas corporations.

On proposition No. 1, ballots cast were as follows:

Yes - 12	No. - 157
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On proposition No. 2, ballots cast were as follows:

Yes - 12	No - 168
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Thereafter, the Board of Trustees of said city regularly declared the result to be that the City of Covina had elected not to retain its powers of control over water corporations and gas corporations.

Thereafter, this application was filed, and a doubt having arisen as to whether or not said election was valid, the

matter was set down for argument.

The so-called Hewitt Act, being Chapter 40 Statutes of Special Session of the Legislature of 1911, provides a scheme for presenting to the electors of any city and county, or incorporated city or town the question of the retention or relinquishment of such cities' powers over public utilities within their boundaries. The Act enumerates ten propositions, each proposition naming a specific utility and putting the question as to whether or not power over such utility shall be retained. The City of Covina presented for the votes of the electors only two of the propositions out of the ten enumerated in the Hewitt Act, and the question was as to whether or not all of the propositions enumerated in that Act must be submitted.

However, at the hearing held for the purpose of considering this legal question, both the City of Covina and the applicant water company took the position that the election held in said city was valid and that said company was now under the jurisdiction of the State Railroad Commission.

I recommend that this Commission do not at this time and in this proceeding pass upon the question of law involved, but that in view of the agreement of both the city and the utility company that this Commission has jurisdiction, that such jurisdiction be assumed and that the application take its regular course to a hearing on the merits.

I submit herewith the following form of order:

O R D E R

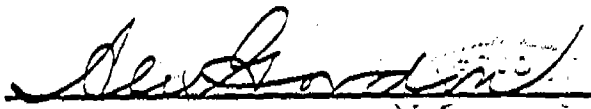


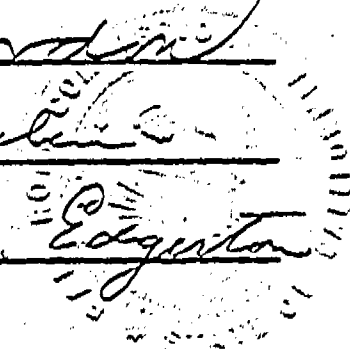
Application having been made by the Covina City Water Company for permission to increase rates and action by the Commission on said application having been suspended pending a hearing on the question of whether or not the City of Covina had successfully voted to relinquish its jurisdiction over such

company to the Railroad Commission, and it appearing to the Commission that jurisdiction over said utility company should be assumed by this Commission,

IT IS HEREBY ORDERED that said application be entertained as regularly filed and before the Commission, and that the application take its regular course to a hearing on the merits of the matters contained therein.

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 19th day of April, 1913.

Commissioners.