

ORIGINAL

Decision No. 6065

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the matter of the application  
of ANADOR ELECTRIC LIGHT AND POWER  
COMPANY for an order increasing elec-  
tric rates.

} Application No. 41192

C.P. Cutton and T. J. Ryan for applicant.

BY THE COMMISSION:

O P I N I O N

This is an application of Anador Electric Light and Power Company for an order of the Commission modifying its electric rates, made necessary by the increased cost of labor and materials and of current purchased.

A public hearing upon the application was held by Examiner Westover at Jackson.

Applicant purchases electric energy from the Pacific Gas and Electric Company which it distributes and sells for light and power purposes in the towns of Jackson, Sutter Creek, Anador City, Lone, Dry Town and intervening territory, all in Anador County, and for said purpose owns and operates an electric distribution system consisting of twelve miles of high tension electric transmission lines, substations located at

Satter Creek, Jackson and Ione, and approximately fifty (50) miles of primary and secondary overhead distribution lines.

A valuation was made of the applicant's property by R. M. Vaughan, Assistant Engineer of the Commission's Gas and Electric Division, and submitted in evidence. The total reproduction value of the property was found by him to be \$150,977.00, exclusive of franchises, working capital or any intangible values. Applicant submitted no valuation but alleges in its application that the fair value of its property is in excess of \$150,000. It also asks an allowance of \$3800, being two months estimated operating expenses as working capital.

Table No. I following sets forth the electric operating revenue and expenses for 1917, 1918 and estimate for 1919. In estimating revenue for 1919, we assume an increase in consumption of energy of about 4% due to cessation of hostilities in Europe.

TABLE NO. I

AMADOR ELECTRIC LIGHT AND POWER COMPANY  
ELECTRIC OPERATING REVENUE AND EXPENSES.

	1917	1918 Dec. Esti- mated	1919 Esti- mated Present rates	1919 Esti- mated New rates
No. of Consumers - Dec. 31st -	<u>1187</u>	<u>1075</u>	<u>1100</u>	<u>1100</u>

TABLE NO. 1, Cont'd.

Operating revenues:				
Street lighting	\$ 3,981	\$ 4,014	\$ 4,025	\$ 4,428
Commercial lighting	30,596	24,450	25,000	30,500
Power	5,946	3,834	3,850	4,544
Total revenue	<u>\$38,523</u>	<u>\$ 32,298</u>	<u>\$ 32,875</u>	<u>\$ 39,472</u>
Operating expenses:				
Current purchased	\$ 8,034	\$ 8,123	\$ 9,150	\$ 9,150
Transmission expense	688	740	700	700
Distribution expense	126	-	-	-
Commercial expense	2,049	2,193	2,400	2,400
General & Misc. expense	4,268	4,699	6,630	6,630
Repairs	2,805	4,417	5,000	3,000
Insurance	319	549	350	350
Taxes	2,465	2,619	1,950	2,300
Total operating expenses	<u>\$ 20,754</u>	<u>\$ 25,140</u>	<u>\$24,150</u>	<u>\$ 24,530</u>
Available for depreciation and return	\$ 17,569	\$ 9,158	\$ 8,695	\$ 14,942
Annual depreciation (Est.)	4,500	4,500	4,500	4,500
Net available for return	<u>\$ 13,069</u>	<u>\$ 4,658</u>	<u>\$ 4,195</u>	<u>\$ 10,442</u>
Rate of return on \$150,997, plus \$3800 working capital	8.45%	3%	2.7%	6.8%

About \$2,000 per annum has been expended on the system to bring it to conformity with the requirements of Chapter 600, Statutes of 1915. This work should be completed during 1919 and operating expenses will be reduced accordingly.

As applicant states in the application, its business is limited almost entirely to supplying electric service to a territory, the population of which is dependent upon the gold mining industry, and is, to that extent, exposed to the hazards and uncertainties attending mining enterprises: that at the present time a serious depression exists in the mines of Amador County, some of which have stopped work, and virtually all of which have been compelled to reduce their operations and curtail their activities, resulting in a reduction of ten per cent in the number of domestic consumers, and of more than fifteen per cent in the quantity of energy sold in its domestic service during the past two years; and that there is no indication that this condition will improve in the immediate future. It is considered temporary, however.

Under<sup>all</sup>/the conditions shown, the rates set forth in the order are just and reasonable.

#### O R D E R.

AMADOR ELECTRIC LIGHT AND POWER COMPANY having applied to the Railroad Commission for an order fixing electric rates, a public hearing having been held, and the matter having been submitted and being now ready for decision,

THE RAILROAD COMMISSION HEREBY FINDS AS A FACT that the rates now charged for electric service by applicant are insufficient to provide applicant with an adequate return, and in so far as they differ from the rates herein established are not just and reasonable rates, but that the rates herein established are just and reasonable rates for service under existing conditions.

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

IT IS HEREBY ORDERED that Amador Electric Light and Power Company be and it is hereby authorized to establish and file with the Railroad Commission the following rates for electric service, to be effective for all bills rendered on and after December 31, 1918.

SCHEDULE NO. 1

Residence and Commercial Lightings.

First	30 K.W.H. per meter per month.....	10¢	per K.W.H.
Next	70 " " " "	8¢	"
All over	100 " " " "	6¢	"

Minimum bill \$1.25 net per meter per month.

SCHEDULE NO. 2.

Combination domestic lighting, heating and cooking.

First	30 K.W.H. per meter per month.....	10¢	per K.W.H.
Next	60 " " " "	4¢	"
All over	100 " " " "	3¢	"

Minimum charge 50¢ per kilowatt of installed capacity but not less than \$2.50.

SCHEDULE NO. 3.

General Power Service.

First	40 K.W.H. per horsepower per mo....	5¢	per K.W.H.
Next	60 " " " "	3¢	"
"	100 " " " "	2¢	"
All over	200 " " " "	1½¢	"

Minimum bill \$1.00 per horsepower of active connected load per month but not less than \$2.00 per month.

SCHEDULE NO. 4.

General Power Service  
where connected H.P. exceeds 49 H.P.

First	3,000	K.W.H.	.....	3 $\frac{1}{2}$ %	per	K.W.H.
Next	4,000	"		3 $\frac{1}{2}$ %	"	"
All over	6,000	"		1 $\frac{1}{2}$ %	"	"

Minimum bill \$1.00 per horsepower of active connected load per month.

SCHEDULE NO. 5.

Street Lighting Service

Rate

For 40 watt Tungsten lamp, \$1.10 per month, including renewals and maintenance.

Dated at San Francisco, California, this 15<sup>th</sup>  
day of January, 1919.

*Edwin G. Edgerton*  
*H. D. [unclear]*  
*Stanley [unclear]*  
*H. B. [unclear]*

Commissioners.