

Decision No. 6379

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the Matter of the Application )  
of Interurban Land Company for )  
permission to discontinue the sale ) Application No. 4299  
of water or for an increase of )  
rates. )

R. W. Higgins for Applicant.

BY THE COMMISSION.

O P I N I O N

This is the application of the Interurban Land Company, a public utility, engaged in serving water in the vicinity of Santa Paula, California, for an order of this Commission authorizing applicant to discontinue said service.

The Interurban Land Company has been serving water in the vicinity of Santa Paula to owners of land thereabouts since the year 1906. Within the past three years subterranean water has been developed by its consumers until in the year 1918 applicant received a revenue of less than \$1,000.00 which is approximately ten percent. of the revenue which it enjoyed in former years. Owing to the development of this other water source, its service is now confined to eight consumers whose irrigated properties have an area of 363 acres. In order to obtain this revenue of less than \$1,000.00, in the year 1918, applicant spent the following amounts:

Repairs to Ditch - - - - -	\$ 998.90
Pipe repairs - - - - -	126.05
Power - - - - -	2516.10
Salaries- - - - -	770.00
Oil, etc., - - - - -	85.47
Taxes and Insurance- - - - -	<u>372.50</u>

Total \$4869.02

Testimony shows that there is no possibility of applicant obtaining more consumers or a demand for any greater area to irrigate than that which is at present being irrigated. On the contrary it was testified at the hearing that some of the present consumers are now drilling wells in anticipation of securing their own supply of water. The books of the applicant place the value of the distributing system at \$44,310.10. D. M. Boyd, Manager and Director of the plant testified that if allowed to discontinue the service it was the applicant's plan to scrap the physical properties, which scrap value had been appraised by an engineer hired for that purpose by the company, at \$7,500.00. In addition to the scrap value of the distributing system, applicant owns a superintendent's house, about two acres of land surrounding same, water rights, etc.

At the hearing applicant requested that it be allowed to discontinue service or sell the distributing system, pumps, etc. to the consumers for the sum of \$8,250.00, or have the Commission fix a rate which would be compensatory in the premises.

It will be seen from a statement of the revenues and expenses of this company, exclusive of any return on investment or depreciation, that in order to obtain the <sup>water</sup> power maintenance and operating expenses necessary to the conduct of the business and serve the present consumers, that it will be necessary to sell water at the rate of \$2.00 per miner's inch per day, which rate is absolutely prohibitive and the establishment of which would result in a loss of the few remaining consumers of applicant. There remains nothing for the Commission to do but to grant the application for discontinuance.

A certain length of time will be necessary, however, for these consumers to provide themselves with water from the subterra-

nean supply. A continuation of service by the utility during the present irrigating season, will, we believe, allow ample time for the consumers to readjust themselves to new conditions.

O R D E R

Interurban Land Company, a corporation, having made application for permission to discontinue water service, a public hearing having been held in the matter, the Railroad Commission being fully advised in the premises,

IT IS HEREBY ORDERED that Interurban Land Company, a corporation, be and it is hereby given authority to discontinue such service on and after January 1st, 1920.

Dated at San Francisco, California, this 3<sup>d</sup>  
day of June 1919.

Edwin A. Edinger  
H. D. Loveland  
H. A. ...  
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