

Decision No. 6382

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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C. M. HARRIS, et al,

Complainants,

vs.

CALIFORNIA VINEYARDS AND
IMPROVEMENT COMPANY, a
corporation,

Defendant.

Case No. 1171

In the Matter of the Application
of the California Vineyards and
Improvement Company, a corporation,
for an order fixing Rates to be
Charged for Water.

Application No. 4337

E. H. Jolliffe for Complainants in Case No. 1171

Archie D. Mitchell for Defendant in Case No. 1171
and for Applicant in Application No. 4337

C. M. Harris for Consumers in Application No. 4337

BY THE COMMISSION.

O P I N I O N

The complaint in this proceeding alleges in effect that defendant, which supplies water for domestic purposes to residents of North Cucamonga, San Bernardino County, has failed to furnish an adequate supply of water, although complainants have paid regular rates. The Commission is asked to require defendant to supply sufficient water.

Defendant in its answer alleges that its articles of incorporation do not authorize it to distribute water; that it does not own the distribution system through which water is supplied;

that its only source of water supply is through ownership of twenty shares of stock of Cucamonga Water Company entitling it to a flow of two miner inches of water and that it does not at all times receive the water to which it is entitled. Defendant therefore asks that it be discharged from further obligation to deliver water and that the complaint be dismissed, or that the Commission fix rates and compel Cucamonga Water Company to furnish a constant flow of water at uniform pressure.

Subsequently defendant filed the above entitled application for increased rates, and public hearings were held in both proceedings at Upland.

California Vineyards and Improvement Company was organized about 1907 and, in connection with its other business, acquired title to about 160 lots in North Cucamonga Townsite. It has assumed the responsibility for and maintained and operated the water system laid in the streets and collected rates for many years. It is undoubtedly a public utility. There are now about 80 services on the system, all metered. The present rates are \$1.00 per month for 10,000 gallons with larger amounts in proportion.

The Company's only source of water supply is through ownership of 20 shares of stock of Cucamonga Water Company and the use of two additional shares not owned. Testimony shows that at times, especially during the summer months, the water supply has been inadequate by reason of low pressure in the mains of the Cucamonga Water Company. However, that Company is not a party to this proceeding and it will be necessary to compel California Vineyards and Improvement Company to install a storage tank of at least

20,000 gallons capacity. to increase pressure.

Applicant herein makes no claim for a return upon any capital investment except upon 20 shares of water stock valued at \$2000.00 and approximately \$1000.00 worth of meters. A reasonable additional allowance for the cost of storage tank will increase this capital investment to \$3800.00, and full provision will be made in the rate schedule for depreciation annuity on the entire distribution pipe system, as well as on meters and storage tank.

Revenues for the year 1918 were \$1309.00 and an analysis of maintenance and operating expense and full consideration of all other matters involved indicates that the required annual charges are as follows:

Interest at 8% on \$3,800. - - - - -	\$304.
Depreciation Annuity- - - - -	236.
Maintenance and Operating Expense - - -	<u>1100.</u>
Total Charges	\$1640.

It is estimated that the rates set out in the following order will produce the necessary revenue to cover the above annual charges.

O R D E R

C. M. Harris and others having made complaint in the above entitled proceeding and California Vineyards and Improvement Company having made application for increased rates, public hearings having been held in both proceedings, and being fully informed in the matters,

THE RAILROAD COMMISSION HEREBY FINDS AS A FACT that the service rendered by California Vineyards and Improvement Company is inadequate and that the rates charged

by said Company are unjust and unreasonable in so far as they differ from the rates herein established and that the rates herein established are just and reasonable rates to be charged by California Vineyards and Improvement Company for water delivered to consumers in North Cucamonga and vicinity.

Basing this order upon the foregoing findings of fact and upon the findings contained in the opinion preceding the order,

IT IS HEREBY ORDERED that California Vineyards and Improvement Company deliver to its consumers an adequate supply of water, and file with the Railroad Commission, within twenty days of the date of this order, detailed plans for the improvement of its water system by the installation of a tank of not less than 20,000 gallons capacity. Upon approval by the Commission of the plans for the contemplated improvements the company shall proceed with due diligence thereafter to execute such plans, and shall report progress every thirty days thereafter until completion of the improvements, and

IT IS HEREBY FURTHER ORDERED that California Vineyards and Improvement Company be and the same is hereby authorized and directed to file with the Railroad Commission, within twenty days from the date of this order, and thereafter charge the following rates for water supplied to residents of North Cucamonga and vicinity:

<u>RATE SCHEDULE</u>		
From 0	to 500 cubic feet, per 100 cu.ft.	\$0.20
"	500 to 1500 " " " " "	0.15
Over	1500 " " " " "	0.12
Monthly minimum payment - - - - -		1.00

Dated at San Francisco, California, this 3^d
day of ~~May~~ ^{June}, 1919.

Edwin O. Edwards
W. B. Lowland
H. B. Brundage

Commissioners.