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Decision No. 6391

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of FRESNO CANAL AND LAND CORPORATION for investigation into the matter of rates charged by it for water for irrigation purposes.) Application No. 2980.

Short & Sutherland, By W.A.Sutherland, for applicant.
J. O. Traber, for J. W. Traber, et al.
Milton M. Dearing for various holders of so-called free water contracts.

BY THE COMMISSION.

O P I N I O N.

This is an application by Fresno Canal and Land Corporation, in form for the removal of certain inequalities in the rates charged by it to its various consumers, but in effect for the purpose of increasing the charges to those of its consumers who are receiving water under so-called "free" or "reduced rate" contracts.

Public hearings were held in this proceeding at Fresno on October 2, 1917, before Commissioner Thelen, and on February 28, and March 31, 1919, before Examiner Bancroft.

In its amended application, filed by leave of the Commission, Fresno Canal and Land Corporation alleges, in effect, among other matters, that it is a public utility water corporation, duly engaged in the business of distributing water for irrigation to the public; that prior to the institution of this proceeding and in accordance with an order of the Railroad Commission, it purchased and acquired the canal system, water rights and franchises of Fresno Canal and Land Company, a like corporation,

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(formerly Fresno Canal and Irrigation Company) together with all the contracts between said last named corporation and the owners of lands supplied with water for irrigation purposes by said canal system, and the right to collect and receive the payments specified in said contracts; that under and by virtue of said contracts, said Fresno Canal and Land Company had established, and there now exists throughout the territory served by applicant, a standard rate of 62½¢ per acre per annum for the irrigation of the lands described in said contracts, the number of said contracts providing for such standard rate being approximately 18,000; that notwithstanding the establishment of said standard rate and the payment thereof by the owners of the lands described in said 18,000 contracts, the officers of said Fresno Canal and Irrigation Company, during the early years of its existence, made and entered into certain contracts with the land owners for the irrigation of the lands described therein at annual rates less than said standard rate, said contracts, however, being in all other respects identical with the standard form of contract and imposing upon said Fresno Canal and Irrigation Company, and now upon applicant, the same obligations as to service and amount of water to be furnished; that in addition to the contracts above referred to, there are in existence certain other contracts by which said Fresno Canal and Irrigation Company agrees to furnish the parties named therein with water for the irrigation of lands owned by them and referred to in such contracts without any charge whatsoever for such water, said contracts covering 1778.56 acres of land; that if all the said owners, receiving water at less than the standard rate were required by applicant to pay said rate of 62½¢ per acre, its annual revenue would be increased by an amount approximating $5,000.

Applicant introduced evidence in support of all of the

above allegations, and no counter evidence having been introduced with regard to any of them, except the question as to whether or not applicant and its predecessors in interest were or are public utilities, the Railroad Commission hereby finds that, with this exception, all of the allegations above set forth are true, leaving for more extended discussion the question as to whether or not Fresno Canal and Land Corporation and its predecessors in interest were or are public utilities.

The protestants and parties whose rates applicant desires to have raised in this proceeding may be considered under three heads: First, those represented by Mr. Dearing, who have been receiving water free of annual charge; secondly, those (such as Mr. J. O. Traber, represented by Mr. J. W. Traber) who have been receiving water at reduced rates under contracts executed in consideration of work performed for the Fresno Canal and Irrigation Company by the then owners of the land; and, thirdly, those who have been receiving water at reduced rates under contracts executed for financial considerations.

Numerous exhibits and extended briefs were filed both by applicant and by the protestants, all of which have been carefully considered by the Commission. Protestants, at the outset, raised the point that at the time the contracts in question were entered into, Fresno Canal and Irrigation Company was not a public utility. A large portion of the evidence introduced related to this question, the principal points of which we shall summarize as briefly as possible.

The articles of incorporation of Fresno Canal and Irrigation Company, which was organized in 1871, recite that the company is organized "in conformity with the requirements of an act of the Legislature of the State of California entitled 'An act to provide for the formation of corporations for certain

purposes', passed on the 14th day of April, A.D. 1853, and the several acts amendatory thereof and supplemental thereto." They further state that: "The objects for which this corporation is formed are to straighten, deepen and otherwise improve the natural channel of Kings River ********to a point at or near the head of the canal already constructed for irrigation purposes above the town of Centerville and for the construction of a canal out of Kings River ********with such branches diverging from the main canal as shall be deemed necessary for manufacturing and irrigating purposes, said canal to be used for floating logs, lumber, wood and freight of every description and for supplying water for irrigating, manufacturing and domestic purposes in such quantities as may be needed along or near the line of said canal and its branches. And for the construction of a branch canal*********to be used for the same general purposes as the main canal. And also for the further object of collecting toll for freight for logs, wood, lumber, &c. ******** and to collect rate for the use of water supplied by the same *********."

The Act of 1853, referred to in the articles, did not provide for the organization of water companies, that act being limited to "corporations for manufacturing, mining, mechanical or chemical purposes or for the purpose of engaging in any species of trade or commerce, foreign or domestic." The Act of May 14, 1862, however, which refers to the Act of April 14, 1853, and is declared to be "amendatory thereof and supplemental thereto", authorizes the formation of corporations for the purpose of "the construction of canals for the transportation of passengers and freights, or for the purpose of irrigation or water power, or for the conveyance of water for mining or manufacturing purposes, or for all such purposes." It is further provided by

Section 3 of the Act that a corporation organized thereunder shall have the right "to establish, collect and receive rates, water rents or tolls which shall be subject to regulation by the board of supervisors of the county or counties in which the work is situated." It further appears that from its inception, the Fresno Canal and Irrigation Company was willing and actually did sell water or so-called "water rights" to anyone who would sign the company's standard form of contract, which provided for a cash initial payment and annual payments thereafter, and further provided that the contract should be appurtenant to and an obligation upon, and should run with the land. The evidence on this point was naturally somewhat limited, owing to the fact that very few of the original consumers of the company are still alive. A resolution of the company's board of trustees, adopted at a meeting on June 1, 1877, reads as follows:

> "Whereas, it is the desire of this company to encourage and assist the farmers residing upon and endeavoring to cultivate lands commanded for irrigation by the canals of the company, therefore
>
> "Resolved: that it shall be the policy of this company to lease the use of water from its canals to such residents upon lands cultivated by them, at such reasonable rates as will enable the farmers to adopt and carry out a proper system of irrigation thereon, and to this end, be it further
>
> "Resolved: that the superintendent of the canals of this company be and he is hereby authorized and directed to negotiate terms of water leases with cultivators located as aforesaid and report action for confirmation to this board."

Furthermore, on cross-examination, Mr. John W. Traber, one of the protestants in this proceeding, testified as follows:

> Mr. Sutherland: Q. "Mr. Traber, in these conversations you had with Mr. Church (the president and organizer of Fresno Canal and Irrigation Company) from time to time, I understand he did say to you that he intended to dispose of all of the thousand water rights?"

A. "That was my understanding."

Q. "And each water right, so-called, represented one cubic foot?"

A. "Running through a box which would let a foot a second run through. That was our understanding."

Q. "And that was for the purpose of irrigating 160 acres of land?"

A. "160 acres."

Q. "So that the one thousand water rights would irrigate 160,000 acres?"

A. "160,000 acres, yes, sir."

Q. "And at all times, Mr. Church,--or whenever he did talk to you about the rights he had disposed of--said he was going to dispose of the whole thousand?"

A. "That was the idea we had, yes."

Q. "He didn't say he was going to dispose of it to any particular man or anybody that wanted it?"

A. "Not that I know of. There was no personality. Anybody was to have it as wanted it, as I understand."

Examiner Bancroft: "As a matter of fact, did you hear of anyone who was refused water who wanted to buy it."

A. "Not that I know of. The water was for sale and if any man had the money he could get it until the thousand was disposed of."

Protestants claimed that the Act of 1862 was repealed by the Act of April 2, 1870, but we do not so construe the latter act.

The only evidence to the effect that Fresno Canal and Irrigation Company was not a public utility is contained in a certificate extending the corporate existence of the company. This certificate recites in terms that the extension was made under and in pursuance of Section 7 of Article 2 of the Constitution of California, which provision, in terms, prohibits the legislature from extending the charter of any quasi-public corporation. Moreover, the certificate expressly declares:

"That said corporation is not a quasi-public corporation but is a corporation organized for the purpose of carrying on business and private enterprises under the statutes existing and in force at the time of the organization of said corporation." Said certificate is dated November 3, 1909, and was signed and sworn to by every stockholder, every director and the president and secretary of the Fresno Canal and Irrigation Company, including Mr. Frank H. Short, one of the attorneys for applicant in this proceeding, and if such language had been used at the time the contracts in question were entered into, it would be strong evidence as to the practices of the corporation at that time. Made as it was, however, over thirty years after the contracts referred to were executed and the practices of the company established, it can not be considered as more than an expression of opinion by the officers and stockholders of the company at the time it was made as to the status of the company. While these gentlemen may or may not have made this certificate in good faith, and while they should not be allowed to play fast and loose in a matter of this kind, nevertheless, we are of the opinion that Fresno Canal and Irrigation Company was a public utility from the time of its inception; and if this is the case, a subsequent statement by everyone connected with the company, including its attorney, that it was not a public utility could not alter its status. Protestants urge that applicant should be estopped by this certificate from now claiming that it and its predecessors in interest were and are public utilities, but for obvious reasons, this is not a case where the doctrine of estoppel can be applied.

Protestants have laid considerable stress upon the case of Thayer vs. California Development Company, 164 Cal. 117, and the case of Allen vs. Railroad Commission, 56 Cal. Dec.326,

(commonly referred to as the Lake Hemet case) in support of their contention that Fresno Canal and Irrigation Company was not a public utility. Both of these cases, however, are clearly distinguishable from this proceeding. In the former case, the Development Company had, from the outset, adopted the following method for the disposition of its water (we quote from pages 131-132 of the Court's opinion):

> "For this purpose it laid out seven separate districts in the New River Country, with distinct boundaries. In each of these it organized a private water corporation. The purpose of each corporation as expressed in its articles was to procure water for the irrigation of such lands situated within the exterior limits of the district as should belong to its stockholders, and to no other persons. ******** To these corporations and to no other persons the Development Company sold the water it diverted, receiving therefor certain shares of stock of said corporations with the right to sell the same and have them located on lands in the district by the purchasers, and with an agreement by each auxiliary company to pay thereafter an annual charge of fifty cents per acre foot for the water delivered to it. *********It appears, therefore, that the Development Company has always either directly or through auxiliary companies selected the persons to whom it would sell and distribute the water and fixed its own prices. A use thus restricted, limited and controlled by the owner is in no sense, according to the foregoing authorities, a public use."

> On page 133 of the opinion the Court states: "It is very clear from all the proceedings taken that the Development Company not only did not intend to engage in a public service, but that it was well advised concerning such service and carefully devised its plans and drew its contracts to avoid being placed in that position."

In the case of Allen vs. Railroad Commission, supra, one of the controlling factors was the fact that the Lake Hemet Water Company was organized and controlled by the stockholders and officers of the Hemet Land Company, and was simply an adjunct of the land company. As stated in the opinion of the Court in that case:

"These two corporations were in all essentials under identical ownership and control, with the same stockholders, board of directors, offices and letter heads. ***

"If it has not already become apparent it soon will be, that so far as Mr. Whittier and his associates are concerned, this was a purely private business venture for the purpose of legitimate private gain. ********* In some of the minor details these companies moved along different plans. In their essentials, however, the methods were the same. Sometimes with the land went proportionate shares of water stock to the purchaser, entitling him to the use of a given amount of water on his land. Sometimes the land and water rights were held by a single corporation and the conveyance of the land in express terms carried with it the right to the use of a given quantum of water. Mr. Whittier and his associates soon after the official map of the Hemet Land Company was approved began to advertise and sell these lands, and the practice is set forth in the finding of the commission as follows:

" ********Under the plan originally formulated by Mr. Whittier and his associates, owning both Hemet Land Company and Hemet Land and Water Company, whenever a parcel of land was sold by Hemet Land Company, the purchaser of such land desiring water thereon was obliged to purchase a water right certificate from Hemet Land and Water Company. Later, when other lands were purchased by Mr. Whittier and his associates, in addition to the original Hemet Tract, a similar arrangement was made. The land company sold the land and the water company sold the so-called "water certificates." These certificates entitled the holder to one miner's inch of water for eight acres of land.

"'On the average these land purchasers paid $75.00 per acre for their land and $75.00 per acre for their water rights appurtenant to their land.'"

In other words, the Court found that the Lake Hemet Water Company never purported to serve anyone but purchasers of land from the Hemet Land Company; while in this proceeding the testimony shows that the Fresno Canal and Irrigation Company was an irrigation company pure and simple; not a real estate or land company, but operated for the purpose of selling water to land owners along its system; and that it sold water to to all such land owners who would pay the price demanded by it and who would sign its standard form of contract.

The fact that the Canal Company required all irrigationists to sign a standard form of contract before receiving water does not in itself prove that the company was not a public utility. It was argued that the consumers would not have had to sign such a contract if applicant had been a public utility, but to hold that requiring its consumers to sign such contracts would preclude a company from being a public utility would certainly give any quasi-public corporation a very easy means of avoiding the responsibilities of public service. As a matter of fact, it was not so very long ago that practically all electric power companies required every user of electric energy to sign a contract in which the rate was fixed for each particular user, and often arbitrarily fixed. Even railroad companies required the traveling public and shippers of freight to sign contracts when purchasing certain tickets or making shipments at so-called "reduced rates"; yet no one would claim that the power companies or the railroad companies thereby avoided becoming public utilities. It might well be held that the entire rates to be received by the irrigation company for the delivery of water, consisted of the initial payment and the annual payments, which latter are admittedly extremely low, and all of which are open to revision by the proper regulatory body.

From the evidence introduced in this proceeding, the Commission finds that Fresno Canal and Irrigation Company was, from the time it first commenced to do business, a public utility; and that applicant likewise has been a public utility since its organization.

Mr. Dearing, on behalf of the so-called free water users, urged that even if Fresno Canal and Irrigation Company, at the time it entered into the contracts with his clients' predecessors in interest, was a public utility, nevertheless, ~~that~~ these contracts are valid and binding. In order to pass upon this point it will

be necessary to consider separately these original contracts, of which there are three, known respectively as the Hyde contract, the Wood contract and the Statham contract. For the purposes of this proceeding, it was admitted that all of Mr. Dearing's clients are holders of alleged water rights originally granted under one of the three contracts above mentioned.

In the case of the Hyde contract, it appears that the early settlers in Centerville had appropriated water from the Kings River, constructed a ditch and actually applied the water to irrigate their lands. The ditch used by these settlers was known as the Centerville Ditch, and was apparently the first appropriation of water from the river. It appears that some trouble later arose with the Fresno Canal and Irrigation Company, at which time these settlers were using approximately seven cubic feet of water per second on their various holdings. After certain negotiations with the settlers, Mr. M. J. Church agreed on behalf of the Fresno Canal and Irrigation Company that, in consideration of the settlers turning over the ditch known as the Centerville Ditch, to the Canal Company, the latter would refund to them the actual cost of constructing said ditch and in addition give them an equal amount of water, free from annual charges, out of its own ditch. A written contract was later drawn up in this connection, which, however, did not recite the circumstances which led up to its execution.

In the case of the Wood contract, it was contended by Mr. Dearing that this agreement was entered into in consideration of a cash payment and the transfer by Wood to the Fresno Canal and Irrigation Company of certain shares of stock of the Centerville Canal and Irrigation Company, which was the corporate name in which the Centerville Ditch was held, and that the Fresno Canal and Irrigation Company was in this case giving the so-called free

water rights to Wood in exchange for rights which he held to water through stock of Centerville Canal and Irrigation Company. The acquisition of the Centerville Ditch was apparently an important acquisition to Fresno Canal and Irrigation Company; but the evidence introduced by Mr. Dearing was not sufficient to enable us to pass upon the question as to whether rights to an equal amount of water were actually transferred by Wood to the company as part consideration for the contract.

The Statham contract was entered into on May 29, 1871, between Fresno Canal and Irrigation Company and A. H. Statham. It provided that the Canal Company should furnish Statham water for the irrigation of his land free of charge. Later, certain other contracts were entered into in consideration of the relinquishment of claims under the old Statham contract. No evidence was introduced, however, showing that any water rights were transferred by Statham as consideration for this contract, and if no such rights were involved, it naturally follows that such a contract would not be binding as to ~~tkm~~ rates if this Commission saw fit to change such rates, and any later contracts made in consideration of the relinquishment of rights under the Statham contract would have no more effect than the Statham contract itself.

As to the Hyde contract, however, the Commission finds that the holders of those early water rights in effect simply transferred their rights to take water out of the Kings River for the right to take an equal or lesser amount of water of the same river from the company's canal and did not thereby lose their original rights to this amount of water, and that their successors in interest are, accordingly, entitled to such water free of charge, as provided in their contracts. If the circumstances were similar in the cases of the Wood and Statham contract or contracts through which any other holders of so-called free water rights are obtaining their water, then our conclusion in their cases would be the

same; but so far as the evidence introduced in this proceeding is concerned, the only rights proved to be in this class are those derived under the Hyde contract.

As to the second class of protestants, namely, those who have been receiving water at a reduced rate under contracts executed in consideration of work performed for the Fresno Canal and Irrigation Company by the owners of land, the case of Mr. J.M. Trabor may be taken as a typical example. It appears that in the early part of 1875, M. J. Church stated to Mr. Trabor and other settlers of land approximately 18 miles southeast of Fresno, that he had appropriated certain waters from Kings River to be diverted upon the plains and that he was compelled to construct a canal through the bluff of the Kings River; that he had his dam built but did not have sufficient money to excavate the canal through said bluff, which, according to the estimate of his engineer, would cost approximately $6000; that he was willing to pay for the labor of making this cut in water rights at $250 a share, or that he would give twenty-four "water rights" to any twenty-four men who would make the excavation, hereafter referred to as the "long cut"; that after several meetings the settlers agreed with Mr. Church that twenty-four of them would do the work, in pursuance of which they proceeded to make the cut, working for ten weeks or more, furnishing their own horses and tools and undergoing considerable hardships in order to perform the task. After these men had excavated the long cut, the Fresno Canal and Irrigation Company built a ditch to a point near Sanger, which was known as Lone Tree Channel, and from that point these settlers constructed their own ditches to their lands; that in accordance with their verbal agreement, after the work had been completed, the Fresno Canal and Irrigation Company entered into written contracts with the men who performed the work, said contracts being in the regular standard form, but executed in consideration of the work done by

these men, and providing for payment by the land owners of "assessments" of $25.00 per year per 160 acres. Mr. Traber also offered evidence to the effect that prior to the actual commencement of the work, Mr. Church had told these settlers that the work had to be done, that the franchise under which he was to procure his water had been granted to him in 1871, that he had put a wooden bulkhead in the river, which was in rather bad shape, and that if the work was not done within a specified time his franchise would be forfeited.

There is no question but that the work performed by these settlers constituted a valuable consideration for the contracts executed by the Fresno Canal and Irrigation Company and that if this company had not been a public utility at the time of the performance of the work, the contracts would be binding. But admitting this, we are unable to distinguish between the performance of two hundred and fifty dollar's worth of work by each of the twenty-four settlers and the payment of $250 in cash by other settlers for similar contracts. We are accordingly of the opinion that this class of contracts should be considered as in every respect similar to the third class of contracts, namely, those executed in consideration of money payments, but providing for less than the standard annual charge of 62 1/2¢ per acre.

This Commission has repeatedly held that rates established by contracts similar to these last mentioned contracts will not stand in the face of different rates authorized or established by this Commission. This matter was fully discussed and settled by the Commission in Decision No.536, Application No.118, In the Matter of the Application of James A. Murray and Ed Fletcher for an Order Authorizing and Permitting an Increase in the Rentals, Tolls and Charges for Water Furnished by Them

and Service Rendered by Them in Furnishing Water in the County of San Diego. (Vol. 2, Opinions and Orders of the Railroad Commission of California, p. 464). In the opinion in that proceeding, Commissioner Eshleman, after exhaustively reviewing the authorities, states, at page 494:

> "So that without going further into the general rule applying to contracts of public utilities respecting their public utility functions, I feel that we are justified in concluding that even as to a public utility water corporation, concerning which the decisions have been much more confusing than concerning any other kind of a utility, the right to fix a rate by contract is subject to the power of the State to substitute a rate fixed by the properly constituted authorities for the rate agreed upon by contract, and the sole function of contracts between a water company and its consumers, is to fix the relationship of the parties before the public authorities shall have acted, and in addition thereto probably would have the effect as to the land involved to 'establish its status as land permanently entitled to share in the public use'".

Inasmuch as the consumers receiving water under the "reduced rate" contracts are paying less for the same class of service than those who are receiving water under contracts at the so-called "standard rate" of 62 1/2¢ per acre, all of whom paid at least as large initial payments, and no just cause appearing for such discrimination, it becomes necessary for us to order the discrimination removed.

Applicant introduced testimony at the hearing in Application No. 4325, which it was stipulated might be considered in evidence in connection with the present proceeding, as to the value of its operative property, its gross income and its

operating expenses. While the Commission was not able to have its engineers make an appraisal of this property for the purpose of this proceeding, and while we are not in a position at this time to attempt to fix any valuation for applicant's entire plant, nevertheless, there is no question but that the annual rate of 62 1/2¢ per acre plus the initial payment, for service such as applicant is rendering, is one of the lowest rates in the State, and we do not believe that any of the protestants would claim that it is an exorbitant or unreasonable rate, their contention having been throughout not that the increased rates asked for were unreasonable, but that their lower rates were fixed by contract.

The evidence, however, brought out the fact that applicant has been collecting, from practically all of its consumers receiving water at the standard rate, an initial charge of from $500 to $1600 per 160 acres for so-called water rights. Furthermore it has been, and apparently still is, the practice of applicant to refuse to allow its consumers to discontinue paying for water under their respective contracts, even if they receive no water whatsoever and wish to abandon all their rights under such contracts. In cases such as this, it has been the policy of applicant either to transfer the water rights to some other water user located on other land, in which case applicant would generally cancel the contract, but without returning to the original water user the initial payment thereon, or, if it could not re-locate the "water right" on some other land, it would charge the land owner the entire amount of annual water rental to be paid until the expiration of the contract in 1921, minus a discount of 7%. Applicant would then later "sell" this same water right to some other consumer and pocket the "bonus". We are at a loss to understand under what theory Fresno Canal and

Land Corporation, which asks us to annul its contracts because it and its predecessors in interest have for the last 48 years been public utilities, can require its water users to pay it a bonus before giving them any contract water, provided it has any to sell, and at the same time charge its old consumers, under contracts which the latter desire to annul, for water which they do not receive. Such a practice is, in our opinion, not only inequitable but absolutely illegal and must be discontinued at once.

O R D E R.

FRESNO CANAL AND LAND CORPORATION having filed its petition in the above entitled proceeding, as set forth in the opinion which precedes this order, public hearings having been held thereon and the Commission being fully apprised in the premises,

THE RAILROAD COMMISSION HEREBY FINDS AS A FACT that those annual rates charged by Fresno Canal and Land Corporation which are below sixty-two and one-half (62 1/2) cents per acre, with the exception of those contracts for so-called "free water" which were issued in exchange for water rights surrendered, are unjust, unreasonable and discriminatory and that the rates herein authorized are just and reasonable rates.

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

IT IS HEREBY ORDERED:

1. That Fresno Canal and Land Corporation shall, on or before the 31st day of July, 1919, abate said discrimination.

2. Fresno Canal and Land Corporation is hereby authorized to charge and collect from all contract users of water an annual charge of sixty-two and one-half (62 1/2)cents per acre, with the exception of those consumers who are receiving water under contracts for free service or reduced rates which were executed in exchange for actual water rights transferred to applicant's predecessor in interest, such as the Hyde contract, referred to in the foregoing opinion, or contracts executed in consideration of the relinquishment of rights under said original contracts.

3. Said Fresno Canal and Land Corporation shall, on or before the 31st day of July, 1919, file with this Commission copies of all contracts for service of water free or at reduced rates, which were executed in exchange for actual water rights transferred to applicant or its predecessor in interest, and also a list of all persons now receiving such service under or through this class of contracts, together with the size and description of each parcel of land so served.

4. Said Fresno Canal and Land Corporation shall immediately cease charging contract users of water any initial payment for the execution of contracts over and above the annual rate of sixty-two and one-half (62 1/2) cents per acre per year, and shall not make or collect any charge from present contract holders under the standard form of contracts for water rentals when the latter refuse to take water and offer to surrender and cancel their contracts.

5. On or before July 31, 1919, Fresno Canal and Land Corporation shall file with the Railroad Commission its new schedule of rates and its revised rules and regulations.

in accordance with the opinion which precedes this order.

Dated at San Francisco, California, this 6th day of June, 1919.

Edwin O. Edgerton

Arthur C. Alvord

H. M. Brundige

Commissioners.