

ORIGINAL

Decision No. 6634.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Commission's investigation into the practices of Sonoma Valley Water, Light and Power Company, and the interest and responsibility of George L. Payne, Alexander D. Keyes, the Anglo and London Paris National Bank, or any of them, therein.

Case No. 1361.

By the Commission.

O P I N I O N

Certain consumers of water, receiving their supply from the system of Sonoma Valley Water, Light and Power Company, residing in Sonoma, El Verano, and vicinity, Sonoma County having complained to the Commission that the company and those interested and responsible for its operation have refused and neglected to furnish an adequate supply of water, and it appearing that some consumers have been without water for some time, the Commission instituted an investigation, on its own motion, into the practices of the company and of those responsible or interested therein.

A public hearing was held in San Francisco on August 4, 1919.

This water system served about seventy-five consumers in Sonoma, El Verano and vicinity and supplied water for fire protection through twelve hydrants to the City of Sonoma. The water supply was derived from the gravity flow of Lennox and Carriger Creeks, supplemented in the summer months, by

pumping from a well in the City of Sonoma.

Testimony showed that pumping was not commenced this season when the creek-flow diminished and that a 25,000-gallon tank, formerly used as a balancing reservoir during the pumping season, had been removed by a former employe of the company. A gate valve in the main pipe between El Verano and Sonoma was closed and consumers on the lower end of the pipe line were entirely deprived of water.

Practically all of the former consumers within the City of Sonoma have now been connected to the mains of Sonoma City Water Company, but some consumers, between the gate valve and the city limits, are without water service. The supply to other consumers is not entirely adequate and it was conclusively shown and admitted by the present operator that the 25,000-gallon tank should be reinstalled and the gravity supply supplemented by pumping.

It was shown that the capital stock of Sonoma Valley Water, Light and Power Company consists of 100,000 shares of a par value of \$1.00 each, all issued and outstanding; that the Anglo and London Paris National Bank at one time held all of the stock of the corporation as collateral for \$15,000.00 loaned by the bank. About two years ago the stock was sold to W. Chester and there was received in payment a note signed by Chester, but the stock certificates were retained by the bank.

In 1917 this water system, together with other property, was encumbered to secure certain bonded indebtedness. The bond holders, of which Mr. Payne was one, foreclosed and Mr. Payne purchased the property at foreclosure sale. This

lien was prior to all other claims against the property and George L. Payne, through foreclosure proceedings, became and now is the owner of the utility property.

As such owner, he is charged with the obligation to properly conduct this property, so as to insure to the public adequate service at reasonable rates.

O R D E R

An investigation having been instituted on the Commission's own motion in the above-entitled proceeding, a public hearing having been hold, and the Commission being fully informed in the matter, and basing its order upon the findings of fact contained in the preceding opinion;

IT IS HEREBY ORDERED, That GEORGE L. PAYNE be and he is hereby directed to begin at once and proceed diligently to install a 25,000-gallon tank, to rehabilitate the pumping plant and well and to operate the same, and do all other things necessary to furnish an adequate supply of water to the consumers receiving their water supply from the system of the Sonoma Valley Water, Light and Power Company;

AND IT IS HEREBY FURTHER ORDERED, That GEORGE L. PAYNE furnish to this Commission, each week, a written report setting forth the progress made in carrying out the terms of this order.

Dated at San Francisco, California, this 30<sup>th</sup>  
day of August, 1919.

Edwin C. Edgerton  
W. B. ...  
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Commissioners.