

Decision No. 6943

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of the
EL MODENA DOMESTIC WATER COMPANY for an
Order authorizing an Increase of Rates.

Application No. 4699.

F. G. Drumm, for Applicant.

By the Commission:

O P I N I O N

This is the application of the El Modena Domestic Water Company, furnishing water as a public utility to consumers in and in the vicinity of the town of El Modena, Orange County, for authority to increase its rates.

The application states in effect that the water sold is used by approximately ninety families for domestic and irrigation purposes; that the water is at present being sold under flat rates; that as a result of the absence of meters there is much wastage and unnecessary use of water and its supply is insufficient to give good service under these conditions; that the present rate schedule does not produce sufficient revenue to maintain and operate the system and yield any return upon the issued capital stock or permit of additions or betterments to the system,

WHEREFORE, applicant desires this Commission to grant an increase in rates, that it may be able to install

was established, however, that dissatisfaction with the service existed among the consumers.

The installation of meters on all services will undoubtedly result in improved service throughout the system. This Commission favors a measured service for water sales in order to conserve water and more equitably distribute the cost of service among the consumers.

From the data submitted, it is found that the reasonable maintenance and operation cost per annum is \$900.00, and the annual depreciation annuity, based on the estimated useful life of each of the depreciable elements of the system and computed by the six per cent sinking fund method, is \$50.00. Available records and information shows an approximate original cost of \$6775.00.

The rate hereinafter set out is designed to produce not only sufficient revenue to cover the above items for maintenance, operation and depreciation annuity, but also a reasonable interest allowance.

ORDER

Application having been made by the El Modena Domestic Water Company, a public utility, for authority to increase the rates charged its consumers, a public hearing having been held and the Commission being fully informed in the matter,

IT IS HEREBY FOUND AS A FACT that the rates now charged by the El Modena Domestic, in so far as they differ from the rates herein established are unjust and unreasonable, and that the rates herein established are just and reasonable rates.

IT IS FURTHER FOUND AS A FACT that the service provided by this utility is inadequate and unsatisfactory.

meters on the service branches and otherwise improve the system.

A public hearing in this proceeding was held at Los Angeles before Examiner Encall.

The El Modena Domestic Water Company was organized under the laws of the State of California on September 3, 1914; shortly afterward it acquired all the property of a mutual association of the same name. A very large portion of the physical property is now over 30 years old and is admittedly in poor condition. The water is obtained from a well and plant belonging to and operated by W. H. Flippen, for the operation of which plant the El Modena Domestic Water Company pays seventy (70) cents per hour. The company owns shares in the John T. Carpenter Water Company, a mutual concern, and makes use of this asset in times of heavy draft or interruption in the service received from the Flippen plant.

The rates in effect at present, and claimed by applicant to be insufficient, are as follows:

Rate for water for domestic use, flat rate of \$1.00 per month, payable in advance on the first of the month.

A charge of 5 cents extra per month for each head of stock watered, and 25 cents per month for each lawn or garden.

The rate suggested by applicant is:

A minimum of \$1.25 per month for 600 cubic feet or less of water, payable in advance on or before the 5th day of each month, and 20 cents for each additional 100 cubic feet above 600 cubic feet.

Though notices were distributed to all consumers prior to the hearing, so that all those who were interested might be present and enter any protest against rules, rates, service, or any other pertinent point, no one was present nor was any protest against the proposed increase made. It

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

IT IS HEREBY ORDERED that the El Modena Domestic Water Company be and it hereby is authorized and directed to file with the Railroad Commission of the State of California, within twenty (20) days of the date of this order and thereafter charge the following rates:

For the first 400 cubic feet or less, \$1.00 per month.

For use over 400 cubic feet per month, \$0.20 per 100 cubic feet.

IT IS FURTHER ORDERED that applicant provide at all times adequate service to each consumer receiving water from the system.

IT IS FURTHER ORDERED that the El Modena Domestic Water Company file its complete proposed rules and regulations with this Commission for its approval and shall thereafter put into effect such rules and regulations as amended and corrected by this Commission.

Dated at San Francisco, California, this 17th day of December, 1919.

Edwin O. Edgerton
W. L. ...
Frank P. ...
H. B. ...
Livingston ...

Commissioners