

Decision No. 7069.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
F. S. Labadie for permission to in-)	Application No.4366
crease water rates at Camptonville.)	

F. S. Labadie in propria persona.

Richard Belcher for Consumers.

BY THE COMMISSION.

O P I N I O N

Applicant in the above entitled matter is the owner of a public utility water system and is engaged in the business of selling and distributing water for domestic and irrigation purposes in Camptonville, Yuba County, California.

A public hearing was held in this matter at which applicant testified that the present rates are not sufficient to meet the operating expenditures and provide a reasonable interest on his investment, and requests that a 20 per cent. increase be granted.

The rates at present in effect are as follows:

To consumers who dip water from the flume,	\$.25	per	week
To consumers who have water piped to			
their premises,50	"	"
Meek Mercantile Company,	2.50	"	"
Pauley Brothers (stable),	1.50	"	"
Pete Peterson,	1.25	"	"

The reservoir which supplies water for this utility, and

the ditch leading to it from Campbell's Gulch, were constructed in about 1853 and the water was used to operate a mill. Later a pipe line was installed through the town of Camptonville for the purpose of furnishing water for domestic and irrigation use, and the system as a whole has since been operated as a public utility.

The consumers under this system filed formal protest against paying any higher rates, it being alleged by them that the water is unfit for domestic use; that the supply is inadequate, and that the system is in a condition of disrepair and in need of improvements.

At appears that the matter of the sanitary conditions existing under this system was made a matter for investigation by the State Board of Health and that a report has been filed by them setting out recommendations that appear to be just and reasonable to both the consumers and the utility.

An estimate of the original cost of the system was submitted by Mr. Wm. Stava, one of the Commissions Hydraulic Engineers, of \$3,218, and an annual replacement fund of \$36. It was testified at the hearing that the purchase price of the system was \$1300.

Recently a new 8-inch flume was installed at a cost of \$400. At present the Company has on hand 2200' of 4" redwood pipe, and the installation of this, together with additional services, will cost approximately \$1400. Thus the estimated total investment will amount to \$3,100.

Basing his estimate of the probable annual maintenance and operation expenses of this system on a comparison with similar systems, Mr. Stava submits the following:

Superintendence	\$360
Repairs	100
General Expense	100
Total	<u>\$560</u>

and the total annual charges properly chargeable against the consumers are estimated as follows:

Interest on \$3100 at 8%.....	\$ 248
Operating Expense.....	560
Replacement Fund at 6%.....	36
Total.....	<u>\$ 844</u>

The evidence shows that applicant has a yearly income of \$734. from the following sources:

Domestic water use.....	\$ 584
Irrigation water use.....	30
Applicant's water use.....	121

With the extension of the new pipe line, the income will be increased by at least \$65 per month by furnishing service through pipes to consumers who now dip water from the flume.

It was also shown that there is a demand for 46 inches additional water for irrigation purposes for a period of about five months of each year. It appears that the water is available and that applicant's income could be materially increased by these sales.

It is apparent, upon the showing made, that no increase in the present rates is justified, and that the application should be denied; but it further appears that the present form of rate is unsatisfactory. The schedule established in the following order changes the rate from a weekly basis to a monthly basis and is designed to produce the same income now being received by applicant.

It is shown by the evidence submitted that consumers' contention in regard to the quality of the water furnished, the condition of the system, and the inadequacy of the supply has merit. The State Board of Health has made its recommendations in relation to methods of removing the cause of the poor quality of the water, and we cannot urge too strongly that applicant proceed with diligence in the manner outlined by the State Board of Health in its recommendations.

O R D E R

F. S. LABADIE having applied for authority to increase the rates charged for domestic and irrigation water supplied by a public utility water system owned and operated by him to consumers at

Camptonville, Yuba County, and a public hearing having been held, and the Commission being fully apprised in the premises,

IT IS HEREBY FOUND AS A FACT, that the evidence submitted does not justify an increase of rates,

And basing its order upon the foregoing finding of fact and upon the other statements of fact contained in the opinion which precedes this order,

IT IS HEREBY ORDERED that the application of F. S. Labadie for authority to increase rates be, and the same is hereby denied.

IT IS FURTHER ORDERED that the following schedule of rates, being a change from the weekly basis to a monthly basis and designed to produce the same income as now being received by applicant, be and the same is hereby established; said schedule to be placed on file with the Railroad Commission within twenty (20) days of the date of this order and to be placed in effect on and after March 1, 1920:

To consumers who dip water from the flume.....	\$1.10	per month.
To consumers who have water piped to their premises.....	2.20	" "
School.....	1.50	" "
Moak Mercantile Company.....	11.00	" "
Pauley Brothers (Stable).....	6.00	" "
Hotel.....	8.00	" "

All irrigation, for a season of six months for 1000 sq. ft. or less, 50 cents per month; for each additional 1000 sq. ft. or fraction thereof, 25 cents per month.

Dated at San Francisco, California, this 5th day of February, 1920.

Edwin J. Edgerton
H. D. ...
Frank ...
H. B. ...
Commissioners.