

Decision No. 7103.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of)
Maggie L. Nofziger to increase water)
rates in Coachella, County of River-)
side, California.)

Application No. 4872.

D. I. Nofziger for Applicant.

Chas. B. Jones for Protestants.

BY THE COMMISSION.

O P I N I O N

MAGGIE L. NOFZIGER, applicant herein, is engaged in the business of selling water for domestic purposes in the town of Coachella, Riverside County, California, and asks for authority to increase rates. Applicant alleges that the present rates will not produce sufficient revenue for operating expenses, depreciation, and interest on the investment, and asks that a reasonable rate be established.

The rate schedule now in effect is as follows:

| | |
|---|--------|
| Minimum per month, residences,..... | \$1.50 |
| " " " " , business property,..... | 2.00 |
| For 800 cu. ft. or less,..... | 1.25 |
| For use over 800 cu. ft. -- 12¢ per 100 cu. ft. | |

The Commission's engineers submitted an appraisal of this system which shows an estimated cost new of \$8,692. and a replacement fund, computed by the sinking fund method, of \$133. This appraisal was the only one submitted at the hearing. Applicant acquired the system from Holliday and Hook for \$5000. and asks a return on this amount.

Records of the Company were examined by the Commission's Engineers, who report that these records show an operating expense during 1918 of \$1,632.15, and a gross operating revenue of \$1,277.75. Applicant acquired the system in June, 1919, and reports operating expense for July and August of \$312 and a gross revenue of \$244. These charges for maintenance and operation expense include the expense of applicant, who resides in Glendale, of traveling to and from Coachella, where she spends three or four days each month making collections and supervising repairs. For this service a charge for salary of \$75 per month is made. The evidence shows that collections could be made by the local representative on a 10 per cent. basis, and that the charge for superintendence of this character is excessive.

After carefully considering the evidence regarding these operating expenses and other elements of sum to be annually produced by rates, it appears that the following are reasonable:

| | |
|-------------------------------|------------|
| Operating Expense, | \$1,393 |
| Replacement Fund, | 133 |
| Return on \$5000 at 8%, | <u>400</u> |
| Total, | \$1,926 |

The rates which are established in the order following, are designed to produce the above amount.

It appears from the evidence that a material quantity of water is wasted by consumers. This is undoubtedly due to the fact that water is delivered without measurement. This Commission has stated many times that in its opinion the fairest method of delivering water is upon a measured basis. This works for the conservation of the supply and a proper distribution of the cost of service among the consumers. We recommend that applicant institute a program of meter installation.

O R D E R

MAGGIE L. NOEZIGER having applied to this Commission for

authority to increase the rates charged by her for water in the town of Coachella, Riverside County, California, 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 rates now being charged for water by Maggie L. Nofziger in Coachella, 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 to be charged by her for water,

and basing its order upon the foregoing finding of fact and upon the further statements of fact contained in the opinion preceding this order,

IT IS HEREBY ORDERED that Maggie L. Nofziger be, and she is hereby authorized to file with this Commission within twenty (20) days of the date of this order, and thereafter charge, the following rates:

| | | | |
|--|------|---|---|
| Tenement buildings, lodging house or residences, 5 rooms or less, one toilet, one bath and water for irrigating not to exceed 3000 sq.ft. of lawn and garden, \$1.75 per Mo. | | | |
| Each additional room, | .10 | " | " |
| Each additional toilet, bath or urinal, | .25 | " | " |
| Horses or cows, one, | .25 | " | " |
| Each additional horse or cow, | .15 | " | " |
| Automobile, each, | .25 | " | " |
| Small stores and shops, | 2.00 | " | " |
| Hotels, base rate, | 2.00 | " | " |
| For each room having running water or bath, | .25 | " | " |
| For all other rooms, | .10 | " | " |
| Hotels with dining room in connection, an additional charge of, | 3.00 | " | " |
| Restaurants and eating houses, | 3.00 | " | " |
| Business blocks, not exceeding 5 offices, | 2.00 | " | " |
| Each additional office, | .10 | " | " |
| Stores, warehouses, confectionery shops, halls, billiard parlors, etc., | 2.00 | " | " |
| Drug stores and bakeries, | 2.00 | " | " |
| Barber shops, one chair only, | 2.00 | " | " |
| Each additional chair, | .25 | " | " |
| Photograph galleries, | 2.00 | " | " |
| Laundries, | 4.00 | " | " |
| Lumber yards and Standard Oil Company, | 2.50 | " | " |
| Public garage, | 4.00 | " | " |
| Public water troughs, each, | 2.00 | " | " |
| Steam boilers or gas engines, each per H.P., | .10 | " | " |
| Soda fountains, in addition to base rates for stores, each, | 1.00 | " | " |
| Water for irrigation of lots at 1¢ per 100 sq.ft. of area, | | | |
| Corrals and stock yards, each, | 1.75 | " | " |

Meter rates:

Minimum monthly charge, \$1.00 for 500 cu.ft. or less
Over 500 cu.ft., 12¢ per 100 cu.ft.

Dated at San Francisco, California, this 5th day of

February, 1920.

Edwin O. Edgerton

H. L. Lovelace

Frank K. Kohn

H. W. Bouslog

Commissioners.