Decision No. 7.3.30

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the Matter of the Application of Marie Lehrke for an order authorizing said applicant to discontinue the supplying of water for domestic use

Application No. 4898.

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Heary G. W. Dinkelspiel for Applicant. Frank S. Sprague and Robert A. Poppe for Protestants.

BY THE COMMISSION.

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Marie Lehrke, applicant herein, is the owner of a water system heretofore operated by George Von Staden, and is engaged in the business of selling water for domestic and garden uses to residents of the Lehrke tract near El Verano, Sonoma county, California. In this proceeding applicant asks for authority to discontinue this service or that a compensatory rate be established.

The present rates were established by this Commission in its Decision No. 4499, issued August 1, 1917, <u>In the Matter of the</u> <u>Application of George Von Staden for an order authorizing Said</u> <u>applicant to discontinue the supplying of water for domestic uses</u> (Application No. 2952) Vol. 13, p. 619, Opinions and Orders of the Railroad Commission. This application also requested that a fair rate be established if the application for discontinuance of service were denied. Authority to discontinue service was denied and the rates established at that time were designed to be fair to the consumers and fair to applicant, inasmuch as a portion of the investment is properly chargeable to the owner of the eighty acre tract on which the system is located.

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It appears that there are only seven active consumers on this water system, of whom two have independent sources of supply, and that the revenue produced from the present rates is not sufficient to even produce operating expenses. In the present proceeding a protest was filed by consumers against the discontinuance of the service. A public hearing was held, and from the evidence it appears that practically the same conditions exist on this tract as prevailed at the hearing of the former application, namely, that there are a few consumers who are dependent upon this system for their water supply; that they desire the service continued and are willing to pay a reasonable rate for same. However, applicant submitted a statement of operating expenditures which averaged approximately \$30.00 per month. This expenditure appears reasonable, but if this entire amount were charged against the few consumers it would result in a prohibitive rate. The consumers who desire the present service continued, knowing these conditions, should be willing to pay a rate that will return to applicant an amount which will in some measure compensate for the operation of the system, and it would seen fair and reasonable that the minimum flat rate for service be increased.

It appears that it is not economically feasible to require applicant to continue the service of water to the present consumers, and under all of the circumstances we would suggest that they proceed at once to provide themselves with another source of water supply, and in the meantime the flat rate for service will be increased to the end that a more adequate return may be realized for the service rendered.

## <u>ORDER</u>

Marie Lehrke having made application to the Railroad Commission for authority to discontinue the supplying of water for domestic use, a public hearing having been held and the Commission

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being fully appraised in the premises,

It is hereby found as a fact that it would be uneconomical and unreasonable to require applicant to continue the operation of a public utility water system,

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 HEREEY ORDERED that Marie Lehrke be, and she is hereby authorized to discontinue the supplying of water for domestic use, such discontinuance to become and be effective on and after January 1, 1921.

IT IS HEREBY FURTHER ORDERED that Marie Lehrke be, and she is hereby authorized to increase the minimum flat rate for service from \$1.00 per month to \$1.75 per month from and after April 1, 1920 until service is discontinued as above authorized, all other rates to remain in full force and effect as established in this Commission's Decision No. 4499, issued August 1, 1917.

Deted at Sen Francisco, California, this 3/4 \_\_\_\_\_

Commissioners.

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