

ORIGINAL
Decision No. 764

BEFORE THE RAILROAD COMMISSION
OF THE STATE OF CALIFORNIA.

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In the matter of the application of
JAMES A. MURRAY and ED FLETCHER for
an order authorizing and permitting
an increase in the rentals, tolls and
charges for water furnished in the
County of San Diego, State of California.

Application No. 118.

A. H. Sweet for applicants.
Haines & Haines, D. G. Gordon and Crouch & Harris
for consumers.

ESHELMAN, Commissioner.

OPINION ON APPLICATION FOR REHEARING.

The Pacific Building Company has applied to this Commission for a rehearing and modification of the order heretofore entered in this case respecting the rates which shall be charged by Murray and Fletcher to this Company. The Pacific Building Company is a land company which operates a water system in conjunction with the property sold by it and by its predecessor in ownership of this water system. It has been furnishing water to its consumers at twenty cents per thousand gallons with a minimum monthly charge of one dollar. It has in the neighborhood of 318 metered consumers.

In the order in Application No. 118, the Commission uses the following language with reference to the rates for domestic use:

"For domestic use twenty-five cents per thousand gallons with a minimum charge of \$1.25 per month, the applicants to furnish meters and cost of installation of all facilities, the consumer to furnish pipe upon his own premises."

It is urged by the Pacific Building Company that it cannot pay the Cuyamaca Water Company twenty-five cents per thousand gallons and then distribute the water to its patrons at the same price, and of course this goes without saying and it is admitted by the

owners of the Cuyamaca system. It only remains to be determined, therefore, what modification in the order shall be made respecting the wholesale rate which shall be charged by the owners of the Cuyamaca system to the Pacific Building Company. After consideration of the evidence introduced on this point and the statements filed, I am of the opinion that a rate of eighteen cents per thousand gallons is, under all the circumstances of this case at the present time, a reasonable rate to be charged by the Cuyamaca Water Company to the Pacific Building Company for the water distributed by the latter company. The Pacific Building Company should be allowed to charge the rate which is established for a corresponding service to be performed by the Cuyamaca Water Company in the decision in Application No. 118, and such permission would be granted to it were it not for the fact that a complaint is now pending before this Commission, and not yet determined, wherein the quality of the service of the Pacific Building Company is called in question. The rate of twenty-five cents per thousand gallons with a minimum charge of \$1.25 fixed in Application No. 118 was the rate to be charged for good service. If the service is poor the rate should be lower. I am ready to recommend, however, that the Pacific Building Company be permitted to charge the rate of twenty-five cents per thousand gallons fixed as a rate for domestic consumption in Application No. 118, but that it be required to maintain the minimum rate of one dollar per consumer which it is now charging. No public utility should be permitted to bring about an increase in its rates when the character of its service is in question. If after the hearing of Case No. 403, which is the complaint now pending against the Pacific Building Company, it shall be found that its service is in fact good, or as soon thereafter as its service shall be proper in all respects, I recommend that it be permitted to enforce the minimum charge of \$1.25 per month.

I submit the following order:

ORDER .

Pacific Building Company having applied for a rehearing and modification of the order in this case, and a hearing having been held, and being fully apprised in the premises

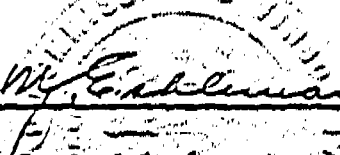
IT IS HEREBY ORDERED,

1st. That the rate at which the Cuyamaca Water Company shall deliver water to the Pacific Building Company shall be eighteen (18¢) cents per thousand gallons up to a total consumption of 9.875 miner's inches per annum, and that beyond that quantity no water shall be delivered without the further order of this Commission, and the rate of eighteen (18¢) cents per thousand gallons is hereby fixed as the just and reasonable rate for this service.

2nd. Pacific Building Company shall charge twenty-five (25¢) cents per thousand gallons to its consumers with a minimum rate to each consumer of One dollar (\$1.00) per month, and shall observe the conditions with reference to the installation of meters and service prescribed in the main order in this case, and the rate of twenty-five (25¢) cents per thousand gallons with a minimum charge of one dollar (\$1.00) is hereby fixed as the just and reasonable rate to be charged by the said Pacific Building Company to its consumers.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 1st day of July, 1913.


John W. Eastman
H. L. Blair
Edwin O. Cogerton

Commissioners.