

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of)
 Wm. L. Govan for authorization and)
 permission to improve, extend and en-)
 large Carnolian Bay water service and) Application No. 5423.
 to raise rates and rental charges and)
 adopt rules and regulations.)

Earl D. White for applicant.

O P I N I O N

BY THE COMMISSION.

This is an application for permission to increase rates for, and to adopt rules and regulations governing, water service at Carnolian Bay, a summer resort on Lake Tahoe.

The application alleges in effect that the present rates fail to return sufficient revenue to pay maintenance and operating expense and a reasonable return upon the investment.

A public hearing was held, the matter has been submitted and is now ready for decision.

The present rates and the rates asked for, payable in advance, are as follows:

	<u>Present Rates</u>	<u>Rates Asked For</u>
For each residence, per season,.....	\$ 10.00	\$ 12.50
For each family camping, per season,.....	10.00	12.50
For each family living in tent, per season...	10.00	12.50
For each store or place of business, per "...	10.00	12.50
For each hotel or lodging house \$1.00 per room in addition to the regular charge per season of.....	10.00	12.50

Testimony shows that the system has about 27 service connections and that in 1919 there was collected in cash from consumers approximately \$170. Uncollected bills during the year amounted to

nearly \$50.

Maintenance and operating expense during the past year was \$200 which included no charges for superintendence or collection. Applicant estimates that maintenance and operating expense during the present year will be in excess of the expenditures for this purpose during 1919.

The water system was purchased in 1919 for \$2500, but applicant asserts that the cost was much in excess of that sum.

It is evident that the present rates do not yield sufficient revenue and that applicant is entitled to an increase in rates.

O R D E R

Wm. L. Govan having made application to this Commission for permission to increase rates, a public hearing having been held thereon, and being fully advised in the matter,

The Railroad Commission hereby finds as a fact that the rates now charged by Wm. L. Govan for water supplied to consumers at Carmelien Bay are unjust and unreasonable insofar as they differ from the rates herein established, and that the rates herein established are just and reasonable rates, and basing its order upon the foregoing finding of fact and upon the statements of fact contained in the opinion preceding this order,

IT IS HEREBY ORDERED that Wm. L. Govan be, and he is hereby, authorized and directed to file with this Commission within twenty days from the date of this order, and charge the following rates for water delivered to consumers, effective for the season of 1920:

RATE SCHEDULE

All rates are payable in advance and are for the calendar year.

For each residence; for each family camping or living in tents; for each store or place of business,....\$12.50

For each hotel or lodging house \$1.00 per room in addition to the regular charge of..... 12.50

IT IS HEREBY FURTHER ORDERED that Wm. L. Govan file with

this Commission for its approval amended rules and regulations, and shall put the same into effect after acceptance thereof by this Commission.

Dated at San Francisco, California, this 9th day of June, 1920.

Edwin A. Edgerton

A. B. Leland

Justin Martin

Commissioners.