

Decision No. 7880.**ORIGINAL**

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 NORTH MONETA GARDEN LANDS WATER)
 COMPANY, a corporation, for an order) Application No. 5426.
 authorizing an increase in rates for)
 sales of water.)

H. C. Levey, for applicant.

A. O. Clement, in propria persona.

BRUNDIGE, Commissioner.

O P I N I O N

Applicant in the above entitled proceeding alleges in effect that it is a corporation engaged in supplying water to about 67 residents in North Moneta Garden Lands, a subdivision in Los Angeles County, and that the present rates do not produce sufficient revenue to cover maintenance and operating expense, depreciation and a fair return upon the investment. The Commission is asked to fix just and equitable rates.

A public hearing was held in Los Angeles at which all interested parties were given an opportunity to appear and be heard.

Applicant is the owner of a water system in North Moneta Garden Tract, a subdivision near Inglewood and adjoining Hawthorne. The system was installed primarily to aid in the sale of lands owned by its incorporators. The lands were subdivided and put on the market some ten years ago and embraced 480 acres divided into 455 lots of about one acre each.

The water system consists of a well equipped with a Layne-Bowler pump discharging into a 50,000 gallon tank. The water is then conveyed through 12 and 14 inch riveted steel pipes and finally distributed through 4 inch laterals. The laterals were originally connected by a 4 inch main running east and west on Rosencrans Avenue, but a few years ago the connecting main was removed or disconnected, thus greatly reducing the adequacy of service, especially on the long laterals between Williams and Centennial Streets.

The evidence shows that applicant has not been diligent in repairing its system. This failure to repair pipes has permitted large quantities of water to waste, and has decreased the adequacy of the service. I am of the opinion that such conditions should not be permitted to exist, and shall recommend that the repair of these leaks, the rendition of good service and the restoration of the main on Rosencrans Avenue be made a condition of the establishment of an increased rate schedule.

The present rates are as follows:

DOMESTIC RATES

Flat rate of \$1.50 per month for water delivered through a 3/4 inch pipe attached to a 4 inch main.

IRRIGATION RATES

1. Flat rate of 50 cents per hour for water delivered through a 2 inch hydrant attached to a 4 inch main.
2. Metered rate of 6 cents per 100 cubic feet when the consumer furnishes the meter, or of 7½ cents per 100 cubic feet when the meter is furnished by the company.

No record is available to show the amount of water pumped.

A detailed inventory and appraisal of the property was made by the Commission's hydraulic engineers, as well as an estimate of maintenance and operation expense and depreciation annuity.

These are as follows:

Estimated original cost of system, . . .	\$25,067
Depreciation annuity calculated upon the 6 per cent. sinking fund method, . . .	644
Estimated maintenance and operation expense,	2,059

Total annual charges based upon the foregoing figures amount to \$4,708.

Operating revenues as shown by the utility's annual reports were \$1,393.68 for 1918 and \$1,625.26 for 1919.

There is very little indication that applicant can expect any material increase in the number of consumers for several years to come; and, as only 67 out of a total of 455 lots have been built upon, it is apparent that the present consumers cannot reasonably be called upon to pay the total annual charges for a system capable of serving several times as many consumers. However, the rates fixed in the accompanying order will do substantial justice to both the consumers and the utility.

I submit the following form of order.

ORDER

North Moneta Garden Lands Water Company having made application in the above entitled proceeding, a public hearing having been held thereon, and the Commission being fully informed in the matter,

It is Hereby Found as a Fact that the rates now charged by North Moneta Garden Lands Water Company for water supplied to its consumers, 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 for such service; 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 North Moneta Garden Lands Water Company be and it is hereby authorized and directed to file with the Railroad Commission within twenty (20) days from the date of this order, and thereafter charge, the following rates for water:

DOMESTIC RATES

1. For a 3/4 inch service attached to a 4 inch main, a monthly flat rate for residences, boarding houses or tenements of 5 rooms or less, of \$1.50.
For each additional room, per month, 0.25
Additional for private barn with not more than two horses or cows or one automobile, per month 0.50
For each additional horse or cow, per month 0.20
For each additional automobile, per month 0.50
2. Sprinkling or irrigation of lawns, shrubbery, trees, gardens, etc., per square yard, per month 0.00 $\frac{1}{2}$

IRRIGATION RATES

A flat rate per hour for water delivered through a 2 inch hydrant attached to a 4 inch main, of \$0.75

All other rates to remain the same as heretofore in effect.

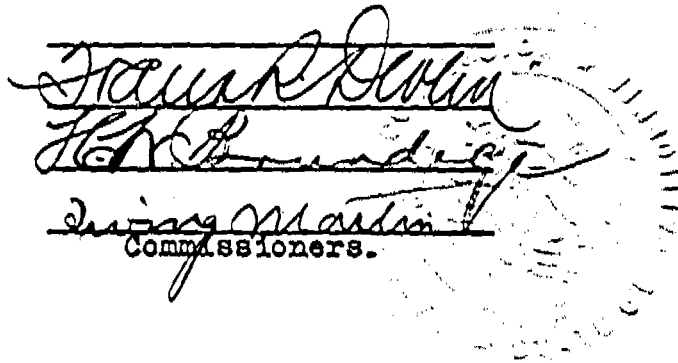
IT IS HEREBY FURTHER ORDERED that North Moneta Garden Lands Water Company be and it is hereby authorized to charge the above schedule of rates upon the following conditions and not otherwise:

1. That it proceed diligently to install and complete within sixty (60) days of the date hereof a four inch (4") pipe east and west along Rosencrans Avenue between Williams and Centennial Streets.
2. That it proceed immediately to repair breaks and leaks in its pipe system and complete same within thirty (30) days of the date hereof.

3. That it file written report with this Commission within ten (10) days from the date hereof, setting forth a statement of work already performed hereunder and plans for the completion of the work, and also file written report each thirty days thereafter until its completion.

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 15th day of July, 1920.


Frank D. Blair
H. B. Brundage
Irving Martin
Commissioners.