

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the Matter of the Application of	)	
THOMAS J. ROURKE and ELLA M. ROURKE,	)	
his wife, owners of a water plant,	)	Application No. 5436.
to abandon public utility service.	)	

Paul J. Otto, for Applicants.  
 L. O. Lopez, for certain consumers.

BRUNDIGE, Commissioner.

O P I N I O N .

This is an application by Thomas J. Rourke and Ella M. Rourke, his wife, who own and operate a small water utility, for authority to discontinue service or for authority to charge increased rates.

Applicants herein sell water for domestic and irrigation purposes to a colony of Mexicans residing in a small town some two and one half miles south of Azusa, Los Angeles County, there being approximately 500 people in the colony. Applicants allege in effect that the present charge for water of 90¢ per hour's operation of the pump, does not yield sufficient revenue to meet operating expenses of the plant. It is also alleged that during certain periods of the year the Azusa Irrigation Company wastes water through a ditch which passes through this colony, and at such times, this waste water is used by applicants' consumers free of charge. By reason of this fact applicants herein receive no revenue from these consumers during this period, although their plant must be maintained.

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Applicants pray that the Commission permit them to discontinue service, or establish a schedule of rates which will be compensatory. The water supplying the colony in question is pumped from a well and delivered by applicants to the northeast corner of the tract, on Bonita Avenue. From this point the consumers have installed mains to transport the water to cisterns, from which they use it as needed.

At the hearing herein applicants filed an exhibit purporting to show that the cost of delivering water to these consumers was \$2.43 per hour's operation of applicants' pump. The Commission's engineers estimated a cost of \$2.48 per hour's operation of the pump. It appears that in the early part of the present year Mr. Rourke and his consumers entered into an agreement to increase the rate for service from 90¢ to \$2.50 per hour's operation of the pump. This increased rate schedule decreased the use of water very materially, and only \$222.25 revenue has been received during the past six months.

This system was originally installed by Mr. Rourke and operated in conjunction with a store. Mr. Rourke has since severed his connection with the store, and now operates a ranch. The ranch has not as yet yielded any income to applicants, and therefore at this time they have no other income than that derived from the water system. It is claimed by Mr. Rourke that the operation of the water system requires so much of his time that he is unable to accept another position by which to earn a livelihood.

It appears from the evidence that there is no other source of water supply available for these 500 residents of the Mexican colony, and that the discontinuance of service by applicants would work a hardship upon these consumers. However, the evidence shows that a number of the consumers are willing to pay a higher rate for water in order to have this service continued. The fact that consumers of this system store their water in cisterns will enable applicants to operate their pump plant only a small portion of the time, and I am of the opinion that if

a rule is established authorizing applicants to operate their pump plant only in the early portion of each month, a large part of the hardship now worked upon Mr. Rourke will be eliminated.

The consumers of this system cannot expect to have service continued unless they are willing to pay a reasonable rate for the service rendered.

It is fair to applicants that a rate schedule be established which will assure them a fair income, not subject to the uncertainty which now exists owing to the use of the waste water from the system of the Azusa Irrigation Company. To accomplish this it appears desirable that an annual minimum charge be established for each consumer.

It further appears advisable that the consumers unite and appoint as a representative some responsible person to act in their behalf in their dealings with applicants. The person appointed should preferably be qualified to interpret their language.

I submit herewith the following form of order:

ORDER.

Thomas J. Rourke and Ella M. Rourke, his wife, having made application for authority to discontinue public utility service or to establish fair and reasonable rates, a public hearing having been held, and the Commission being fully apprised in the premises,

It is hereby found as a fact, that public convenience and necessity require the continuance of the operation of this system.

And it is hereby further found as a fact, that the rate heretofore charged by applicants is unjust and unreasonable, and that the rates herein established are just and reasonable rates.

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

IT IS HEREBY ORDERED that the application of Thomas J. Rourke

and Ella M. Rourke, his wife, for authority to discontinue service be and it is hereby denied.

IT IS HEREBY FURTHER ORDERED that Thomas J. Rourke and Ella M. Rourke, his wife, be and they are hereby authorized to file with the Railroad Commission within twenty (20) days from the date of this order, and thereafter charge the following rates for water delivered to their consumers:

RATE SCHEDULE:

Minimum annual payment for each family, \$9.00.  
This annual charge shall be due and payable on January first of each year, and completed payment shall be made not later than March first of each year.

In addition to the above annual charge minimum monthly charge of 75¢ for each family, entitling it to the entire discharge from the pump for one half hour per month.

EXCESS WATER:

For the full discharge of the pump, \$2.50 per hour.  
For the remainder of the year 1920 the annual charge shall be prorated and collectible within twenty (20) days of the effective date of this order.

IT IS HEREBY FURTHER ORDERED that applicants herein be and they are hereby directed to file with this Commission within thirty (30) days from the date of this order, for its approval, rules and regulations providing for the establishment of a schedule for the operation of its pump plant, which schedule shall state that the pump will be operated on or as near the first of each and every month as convenient, and for the operation of the pump continuously until all storage that is ready to receive water is served; and applicants shall not be required to start their pump for less than two hours service.

IT IS HEREBY FURTHER ORDERED that applicants be and they are hereby directed to put into effect the rules and regulations submitted as amended and approved by this Commission.

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 24<sup>th</sup> day of  
September, 1920.

Edwin C. Edgerton  
H. D. Ireland  
H. B. Brundage  
Irving Martin  
Commissioners.