

ORIGINAL

Decision No. 8113

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of)
AMADOR ELECTRIC LIGHT AND POWER COM-)
PANY for authority to charge increased) Application No. 5941.
rates for electricity.)

J. T. Ryan, for Applicant.

By the Commission:

O P I N I O N

In this application Amador Electric Light and Power Company, hereinafter referred to as applicant, alleges that during the year 1919 and the first six months of 1920, it has failed to earn a reasonable return upon its investment: that on account of general depression in the mining industry in its territory its business is not growing; that its operating expenses which have been steadily increasing will be further increased by the 15% surcharge now paid for service from Pacific Gas and Electric Company; and asks that the Commission make an investigation and fix just and reasonable electric rates to be charged by it.

A public hearing was held before Examiner Satterwhite at Jackson on August 21, 1920 but no protests against the proposed increase were made. Applicant submits a statement of its revenues and expenses for the past eighteen months, which after review has been found to be reasonable. The following table shows applicant's revenue and expenses for 1918, 1919 and the first six months of 1920, together with a statement of the probable revenues and expenses for the next fiscal year under existing rates and costs:

TABLE NO. 1

AMADOR ELECTRIC LIGHT AND POWER CO.
ELECTRIC REVENUE AND EXPENSE

	1918	1919	Jan. to June 1920	Estimate July 1920 to June 1921 at Present Rates.
Operating Revenue	\$31,970.61	\$38,001.34	\$19,710.29	\$38,966.60
Energy Purchased	8,015.65	10,509.38	5,805.18	12,900.00
Depreciation	4,741.91	4,800.00	2,400.00	4,800.00
Total Operating Expense	27,810.22	28,281.78	15,318.50	31,900.00
Net from Operation	4,160.39	9,719.56	4,391.79	7,066.60
Merchandise and Jobbing Revenue	123.32	933.16	219.29	500.00
Net for Return	4,283.71	10,652.72	4,611.08	7,566.60
Rate Base	154,760.00	157,565.00	164,530.00	170,709.01
Rate of Return	2.8%	6.8%	5.6%	4.4%

In connection with Application No. 4119, the Commission made a valuation of applicant's properties and investigated its operating expenses and revenues. In Decision No. 6065 in the earlier application dated January 15, 1919 (Opinions and Orders of the Railroad Commission of the State of California, volume 16, page 409) a schedule of rates was established which was found to be just and reasonable, based upon the operating expenses found at that time, and which would enable applicant to earn a fair rate of return. The continued depression in the mining business, upon which the territory served by this Company almost entirely depends, has caused a loss in the number of consumers, and the net revenue during the year 1919 was consequently less than was anticipated. Applicant is now serving 981 consumers as compared with 1200 in 1917.

The facts presented in Table 1 show that applicant's earnings have not been excessive in the past, and if it is to receive a reasonable return in the face of increases in the cost of purchased power and other operating expenses, it must in turn receive increased rates for the service which it supplies.

The rates hereinafter set forth, are designed to cover the increased cost of operation and to allow the applicant a normal rate of return.

O R D E R

Amador Electric Light and Power Company having applied to the Railroad Commission for authority to increase its rates for electric service, a public hearing having been held, the matter being submitted and now ready for decision,

The Railroad Commission of the State of California hereby finds as a fact that the present rates of Amador Electric Light and Power Company are not just or reasonable, in so far as they do not provide a sufficient return, and differ from the rates hereinafter set forth, which are found to be just and reasonable rates. Basing its order on the foregoing finding of fact and on the other findings of fact contained in the opinion which precedes this order,

IT IS HEREBY ORDERED that Amador Electric Light and Power Company be, and it is hereby, authorized to charge and collect for electric service the following rates, effective for all regular meter readings taken on or after the 20th-day of September, 1920.

SCHEDULE L-1

GENERAL LIGHTING

(Cancelling Schedule 1 now in effect)

RATE

For the first	30	k.w.h.	per	meter	per	month	12¢	per	k.w.h.
For the next	70	"	"	"	"	"	10¢	"	"
All over	100	"	"	"	"	"	8¢	"	"

MINIMUM CHARGE

\$1.25 per meter per month.

SCHEDULE L-2

STREET LIGHTING

(Cancelling Schedule 5 now in effect)

40 watt Tungsten lamps \$1.20 per lamp per month.
including installation, maintenance, renewals
and current for all night operation.

SCHEDULE C-1

COMBINED LIGHTING, COOKING, AND HEATING

(Cancelling Schedule 2 now in effect)

RATE

For the first	20	k.w.h.	per	meter	per	month	12¢	per	k.w.h.
For the next	80	"	"	"	"	"	4¢	"	"
For all over	100	"	"	"	"	"	3¢	"	"

MINIMUM CHARGE

50¢ per kilowatt of connected heating and cooking load,
but not less than \$2.50 per month.

When no lighting service is included the first block
of 20 k.w.h. will be at 4¢ per k.w.h.

SCHEDULE P-1

GENERAL POWER -- LESS THAN 25 H. P.

(Cancelling Schedules 3 and 6 now in effect)

Applicable to all power installations of less than 25 h.p.
connected load.

RATE:

First	40	K.W.H.	per	mo.	per	H.P.	of	connected	load	5 $\frac{1}{2}$	per	k.w.h.
Next	60	"	"	"	"	"	"	"	"	3 $\frac{1}{2}$	"	"
"	100	"	"	"	"	"	"	"	"	2 $\frac{1}{2}$	"	"
All Over	200	"	"	"	"	"	"	"	"	1 $\frac{1}{2}$	"	"

MINIMUM CHARGE:

\$1.00 per month per horsepower of connected load, but not less than \$2.00 per month.

SCHEDULE P-2

GENERAL POWER -- 25 H.P. AND LARGER

(Cancelling Schedules 4 and 6 now in effect).

Applicable to all power installations of a connected load of 25 h.p. or more. Charges under this rate will be based on the readings of demand indicating instruments which will be installed and maintained by the Company.

RATE:

\$1.50 per month per horsepower of 15 minute maximum demand, to which shall be added an energy charge of 1 $\frac{1}{2}$ ¢ per k.w.h.

MINIMUM CHARGE:

\$1.00 per month per horsepower of connected load.

PROVIDED, Amador Electric Light and Power Company shall within ten days of the date of this Order file with the Railroad Commission the schedules of rates herein established, and further provided that power consumers shall be billed on existing rates until such time as necessary demand indicating instruments shall be installed.

Dated at San Francisco, California, this 16th day of September, 1920.

H. D. Loveland
Frank DeWitt
H. B. Brundage

Commissioners.