

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.  
-----

In the Matter of the Application )  
of the NOVATO UTILITIES COMPANY )  
for permission to establish metered )  
water rates. )

Application No. 5371.

---0---

ORIGINAL

J. W. Cain and C. H. Towle, for the applicant.

BY THE COMMISSION.

OPINION

The application in the above entitled proceeding alleges in effect that the present rates for water supplied to consumers do not provide sufficient revenue to yield operating expenses, depreciation and a reasonable return upon the investment. The Commission is therefore asked to establish an adequate schedule of rates.

A public hearing was held in San Francisco at which all interested parties were given an opportunity to be present and be heard.

The Novato Utilities Company is engaged in the business of supplying electric light, power, telephone service and water to consumers in Novato and vicinity, Marin County. The company supplies water to about 47 consumers at flat rates of \$1.50 per month for residences of any size, and of \$0.75 per month for stores.

The water supply is secured by pumping from wells into a cement lined reservoir from which it is distributed to consumers by gravity.

The applicant submitted an appraisal of the water utility property amounting to \$6478. The Commission's hydraulic engineers' report shows an appraisement of this plant based upon records of

actual original cost, and revised in some particulars, of \$5535; a depreciation annuity, calculated upon the sinking fund method, of \$75; and a reasonable annual allowance for maintenance and operation expense of \$572. A consideration of the evidence leads to the conclusion that these estimates are fair and they are used herein.

The total annual charges, based upon the foregoing figures, are \$1090, and revenues from June 1, 1919, to May 31, 1920, were \$852. It is therefore evident that applicant is entitled to an increase in rates and the schedule established in the accompanying order will do substantial justice to both the utility and the consumers.

ORDER

The Novato Utilities Company having made application in the above entitled matter, 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 Novato Utilities Company for water supplied to its consumers are unjust and unreasonable insofar as they differ from the rates herein established and that the rates herein established are just and reasonable rates for such service, and basing its order upon the foregoing finding of fact and upon the statements of fact contained in the preceding opinion,

IT IS HEREBY ORDERED that Novato Utilities Company be and it is hereby authorized and directed to file with the Railroad Commission within twenty days from the date of this order and thereafter charge the following rates for water delivered to its consumers in Novato and vicinity:

Monthly Flat Rates

Residences.....	\$ 1.50
Stores.....	1.00
Additional for each bathtub.....	0.15
Additional for each toilet.....	0.15
For each garage, with not more than one automobile.....	0.25
For each additional automobile.....	0.25
For each horse or cow.....	0.25

For sprinkling or irrigation of  
 lawns, gardens, shrubbery, trees,  
 etc., between May 1st and November  
 1st, per square yard of surface  
 actually watered,..... \$0.005  
 Fire hydrants on 3 inch mains or  
 larger, including water used for  
 fighting fires, each..... 1.00

Monthly Meter Rates

From 0 to 500 cubic feet, per 100 cubic feet \$0.20  
 From 500 to 5000 " " " " " " 0.18  
 All over 5000 " " " " " " 0.15  
 Minimum payment,..... 1.00

AND IT IS HEREBY FURTHER ORDERED that Novato Utilities  
 Company file with the Railroad Commission within thirty days from  
 the date of this order rules and regulations for governing service  
 to its consumers.

Dated at San Francisco, California, this 1st  
 day of October, 1920.

Edwin C. Edgerton

H. D. Loveland

Frank R. Devlin

H. T. Brundage

Commissioners.