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Decision No. 8443

BEFORE THE RAILROAD COMMISSION  
OF THE STATE OF CALIFORNIA

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ORIGINAL

In the Matter of the Financial Status)  
of CITRUS BELT GAS COMPANY, Construc-)  
tion and Operation of its properties, )  
and the service rendered in the City )  
of Redlands and vicinity, on the Com- )  
mission's own motion. )

Case No. 1516

Z. T. Bell, for Citrus Belt Gas Company;  
F. A. Leonard, for City of Redlands;  
H. W. Allen, for a Committee of the  
Bondholders of the Citrus Belt  
Gas Company.

BRUNDIGE, Commissioner:-

O P I N I O N

This case was instituted on the Commission's own motion to determine the conditions under which the Citrus Belt Gas Company is operating, the quality of service rendered, and such other matters relative thereto as should be investigated.

It appears from the evidence presented in this case at the hearing held in Redlands on Friday, December 10th, that the quality of service rendered by Citrus Belt Gas Company during the past month has been very poor. Numerous interruptions to service have occurred and extended periods of low pressure

have existed, resulting in little or no service being rendered and a greatly reduced efficiency of use of such gas as obtained by consumers.

The rates for gas service in Redlands which were made effective by the Commission in its Decision No. 8123, Application 6010, dated September 20, 1920, resulted in a material increase in the cost of service to consumers and were made with the specific understanding that Citrus Belt Gas Company would render adequate service. The Commission, in the Opinion therein set forth, stated as follows:

"The higher rates herein granted to applicant impose upon it the obligation to improve its service and fully maintain its system."

The evidence in this proceeding, however, shows very definitely that during the past month applicant has utterly failed to render any where near adequate service. Several times complete interruptions of service occurred, as above stated, and, in general, during the month the service was so poor that a very materially reduced efficiency of use occurred.

A careful investigation of the matter was made by the Commission's Asst. Chief Engineer and his staff and it was the conclusion of these engineers, and was recommended to the Commission at the hearing in this proceeding, that as a result of the totally inadequate service rendered, both as regards pressure, quality of gas and interruptions, that the bills of the consumers should be adjusted by discounting all bills rendered, based upon all regular meter readings taken during the month of December 1920, 20 percent, with the exception that no bill should be reduced below the minimum charge of 60 cents per

meter per month.

I find, in view of the utter failure of Citrus Belt Gas Company to render the service which was contemplated when the rates were increased in September, that the company should be required to discount the bills as recommended by the Commission's engineers.

Other matters, pertaining to the financial status, construction and operation and service rendered, are under consideration by the Commission in connection with this proceeding but will not be decided at this time.

I recommend the following form of Order:

#### O R D E R

An investigation having been instituted on the Commission's own motion into the financial status of Citrus Belt Gas Company, the construction and operation of its properties and the service rendered in the City of Redlands, and it being found just and reasonable that a discount of 20 percent should be made on all bills, based on all regular meter readings taken during the month of December 1920, due to the poor quality of service rendered,

IT IS HEREBY ORDERED that Citrus Belt Gas Company be, and the same is, hereby directed to apply a discount of 20 percent to the bills for gas service rendered in Redlands, based upon regular meter readings taken dur-

ing the month of December 1920 and the schedule now in effect, provided that no monthly bill shall be rendered for less than 60 cents per meter per month.

IT IS HEREBY FURTHER ORDERED that Citrus Belt Gas Company shall submit to this Commission, on or before December 31st, 1920, proof that this order has been fully carried out.

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

15<sup>th</sup> day of December, 1920.

Edwin C. Edgerton

H. J. Loveland

Frank W. Wynn

H. H. Broun

J. W. Martin

Commissioners.