

ORIGINAL

Decision No. 8461.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of)
WASHINGTON WATER AND LIGHT COMPANY,)
a corporation, for an order author-) Application No. 5494.
izing the installation of meters and)
the charging of a meter rate.)

Joseph Shaw for Applicant.
C. C. McDonald for Washington School District.
E. A. Palm and P. A. Fitzgerald for Washington
Improvement Club.

BY THE COMMISSION.

O P I N I O N

Washington Water and Light Company, applicant herein, is an incorporated public utility supplying water for domestic, industrial and municipal purposes in the town of Washington, Yolo County, California. In this proceeding applicant alleges that there is an excessive and wasteful use of water by consumers receiving service on a flat rate basis, and therefore asks that a schedule of meter rates be established.

This system supplies water to approximately 240 consumers. The pumping plant is located on the bank of the Sacramento River, and the water is pumped directly into two elevated tanks with a total storage capacity of 135,000 gallons. From these tanks the water is delivered to the distribution system.

A public hearing was held in the present proceeding before Examiner Westover, at Washington, of which all interested parties

were notified and given an opportunity to be present and be heard. At the hearing D. E. Harroun, one of the Commission's hydraulic engineers, presented a report covering a field investigation and appraisal of properties, together with a maintenance and operation study.

The appraisal submitted shows the estimated original cost of the system to be \$27,963, and gives \$256 as the replacement annuity, computed by the sinking fund method. The report also recommends the sum of \$2,784 as a fair and just estimate of the future annual cost of maintaining and operating this system. These estimates were not questioned at the hearing or subsequently. They appear to be reasonable and therefore will be adopted for the purpose of this proceeding.

The following is a summary of the estimated annual charges, as set out above:

Interest on \$27,963 at 8%-----	\$2,237
Maintenance and Operation-----	2,784
Replacement Fund-----	256
Total-----	\$5,277

Applicant's annual report to this Commission shows that the gross operating income for the year 1919 was \$4,048.39. It is therefore apparent that the income received by applicant from its operation is insufficient to meet the total annual charges set out above, and that it is entitled to an increased revenue.

Applicant asked in its application and at the hearing that this Commission establish reasonable rates for the service rendered, and its representatives stated that it was applicant's intention to proceed immediately with the installation of meters. This Commission has in many of its decisions stated that in its opinion the only satisfactory method of rendering adequate service and of properly distributing the charges of a utility among the various consumers in

proportion to service received by each, is by metering the system and charging for the quantity delivered. However, in the instance at hand, during the interim between the effective date of the order herein and the date on which the system shall have been fully metered, the revenue must be derived largely from the schedule of flat rates. It is therefore necessary to make an adjustment of these flat rates in addition to establishing a measured rate schedule in order that the necessary revenue may be realized. The schedule established in the following order will return to applicant maintenance and operation expense, replacement fund, and a fair amount for interest on investment.

In regard to applicant's request that this Commission authorize it to install meters, we wish to point out that it is applicant's right to install meters and thereafter charge for water delivered to its consumers upon the quantity basis, and that it is unnecessary to obtain the authority of this Commission to do so, providing, of course, that there is an effective measured rate schedule established by competent authority.

O R D E R

WASHINGTON WATER AND LIGHT COMPANY having made application to the Railroad Commission of the State of California for authority to install meters and to establish meter rates, a public hearing having been held and the Commission being fully apprised in the premises,

IT IS HEREBY FOUND AS A FACT that the present rate schedule of the Washington Water and Light Company, insofar as it differs from the rate schedule herein set out, is unjust and unreasonable, and that the rates herein established are just and reasonable rates to be charged by said company for water,

and basing its order upon the foregoing finding of fact, and

upon the other statements of fact contained in the opinion preceding this order,

IT IS HEREBY ORDERED that Washington Water and Light Company be, and it is hereby authorized and directed to file with the Railroad Commission, within twenty (20) days of the date of this order, the following schedule of rates, said rates to be charged on all bills rendered to consumers on and after January 1, 1921:

FLAT RATES

	<u>Per Month</u>
For House of 5 rooms or less-----	\$ 1.50
For Double House with two families-----	2.75
For Saloons with watering trough-----	2.00
For Sprinkling of lawns, gardens and shrubbery, per square yard irrigated-----	.005
For each horse or cow-----	.25
For water for sprinkling purposes, per 1000 gallons--	.15

METERED RATES

Readiness-to-Serve Charges

To apply to all Metered Services:

For 5/8 and 3/4-inch meters-----	.50
For 1-inch meters-----	.75
For 1 1/2-inch meters-----	1.00

Quantity Charges:

From 0 to 500 cu.ft. per month,-----	\$.20 per 100 cu.ft.
From 500 to 2000 cu.ft. per month,-----	.15 per 100 cu.ft.
Over 2000 cubic feet per month,-----	.10 per 100 cu.ft.

The quantity charges shall be in addition to the readiness-to-serve charges.

IT IS HEREBY FURTHER ORDERED that Washington Water and Light Company be, and it is hereby directed to file with the Railroad Commission, within thirty (30) days from the date of this order, a schedule of proposed rules and regulations governing the distribution and sale of water to its consumers, said rules and regulations to become effective upon their approval by the Commission.

Dated at San Francisco, California, this 20th
day of ~~November~~ December, 1920.

Elin O. Edgerton

H. D. Loveland

H. P. Bondage

Dwight Martin
Commissioners.