

Decision No. 8893

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

R. G. WILLIAMS, et al.,
Complainants,

Vs.

STOCKTON AND MOKELDUMNE CANAL
COMPANY, a corporation,
Defendant.

Case No. 1225.

A. C. White, John A. Wilson and A. R. Bogue,
for Complainants.

Arthur L. Levinsky, for Defendant.

BY THE COMMISSION.

O P I N I O N

The complaint alleges that defendant's rates are discriminatory and exorbitant; that defendant requires complainants to sign a form of application for water, which it is alleged will prejudice the rights of complainants to irrigation service; and that defendant threatened that it would not serve water except upon signing such form.

The answer denies that the forms complained of are designed to prejudice the rights of irrigators, but are only intended to permit the application of water to areas not heretofore irrigated, without creating rights or priorities in service which would tend to prejudice existing rights to service of water. It also requests that just and reasonable rates be established.

Upon suggestion of the Commission, the objectionable clause in the form of application was eliminated by defendant prior to

the first hearing. The remaining issue is, therefore, rates.

Public hearings in the case were held by Examiner Westover at Stockton and San Francisco.

The testimony shows that the system has never been sufficiently patronized to enable the property to be profitably operated, nor to satisfactorily develop the territory which it serves.

Defendant claims that it has always had an abundance of water to sell, and there appears to have been no serious complaint as to the character of service rendered, but there appears to have been more or less friction between the previous management of the property and its patrons, almost from the beginning of the enterprise. There was also fear on the part of irrigators that the water would be taken away from their lands improperly and applied to lands in a proposed irrigation district; and that if lands were leveled and checked, or otherwise prepared for irrigation, the cost of such preparation would eventually be lost.

Defendant, which has operated for years as a public utility and assumes the position of a public utility in this case, cannot sell its property or abandon service to the present irrigators without the consent of the Railroad Commission. It has been the uniform policy of the Commission to encourage the more extended use of water for irrigation purposes in every instance where sufficient water is available. Its effort in this case has been to assure to complainants and those having irrigable lands under defendant's system a continuing service, so they might feel safe in preparing to receive and use water if desired. By co-operation between the parties, defendant can operate its system more economically and at lower rates than otherwise.

As a result of the hearings, the parties have agreed upon the rates found in the order, which defendant says it es-

timates will produce operating expenses without any return upon investment, if it can be assured of a steady market for a reasonable amount of water.

The Commission's engineers have checked defendant's estimates and report that the agreed rates will probably not produce any return upon investment unless the acreage served is very greatly increased.

O R D E R

Public hearings having been held in the above entitled case, the matter being submitted and now ready for decision,

IT IS HEREBY ORDERED that defendant, Stockton and Mokelumne Canal Company, be and it is hereby directed to file within twenty (20) days and thereafter charge and collect the following rates per acre for water served from its irrigation system, to-wit:

Alfalfa,	\$4.00 per year
Beans, Tomatoes, Beets, Garden Truck, Vines, Trees, Seeds and Melons,	3.00 " "
Grain and Corn,	2.00 " "
Pasture Land (1 irrigation),	1.00 " "

IT IS HEREBY FURTHER ORDERED that Stockton and Mokelumne Canal Company be and it is hereby directed to file with this Commission within twenty (20) days from the date of this order a proposed schedule of rules and regulations which shall be put into effect as amended and corrected by the Commission and within five (5) days of the date of their approval by the Commission.

Dated at San Francisco, California, this 20th day of April, 1921.

W. J. Loveland
H. B. ...
Deering Martin

Commissioners.