

Decision No. 891

ORIGINAL

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BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of W. W. LAFBERTY for permission to increase charges for water supplied in the Town of Callahan, Siskiyou County, California. Application No. 569

BY THE COMMISSION:

OPINION.

This is an application by W. W. Lafferty for permission to increase the rates charged for water supplied by him in the Town of Callahan, Siskiyou County, California. The application alleges that the rates now in effect are as follows:-

Table with 2 columns: Description and Rate. Rows include Residences (flat rate per month, \$1.00), Hotel (5.00), and One extra large residence including bath, lavatory, etc. (flat rate per month, 2.50).

One store having thereat three faucets, water wheel used in hoisting elevator, and which develops one horse power, - one upper corral for watering seven head of horses a part of the time each week, and one lower corral used for watering fifteen mules per week in the summer time, flat rate per month, 3.00

Maximum income per month, as above shown \$25.50

The applicant desires to put into effect the following rates:-

Table with 2 columns: Description and Rate. Rows include For dwelling houses for household purposes (flat rate to each per month of, \$1.25), For each toilet (per month, .35), For each lavatory (.15), For each bath tub (.35), and For water power for each washing machine (per month, .75).

For each hotel (no increase), per month, \$5.00

For each corral for one horse, or one
cow, per month,35

For each additional horse or cow, per month, .20

For water power to run water wheels, for
each one horse power, per month, 2.00

The application further alleges that the water used to supply the Town of Callahan has its source in springs at a very high elevation above the town, and is handled through water tanks and reservoirs having a maximum capacity of approximately 21,000 gallons, and that the water is carried down through a pipe line approximately one and one-half miles in length, and that in addition thereto there is about 700 feet of extra pipe above the tank; that applicant is unable to state authoritatively the original cost of the water system, but believes the same to have cost approximately \$5,000.00; that applicant will, in the near future, have to make an expenditure of between twenty-five and fifty dollars in order to repair the main tank used in his system.

If the applicant collects all of his water bills each month he will have, under the rates now in effect, a maximum income of \$25.50 per month. Under the proposed schedule of rates this maximum will probably be increased to about \$33.00 per month. If applicant is correct in placing a value of approximately \$5,000.00 on the system, it would appear that applicant is clearly entitled to this increase. It is the policy of the Commission in general, however, to permit a utility to increase its rates only after the consumers of the utility have been notified of the proposed increase and have had an opportunity to be heard thereon. Accordingly, the Commission upon receipt of the present application addressed a letter to each of Mr. Lafferty's consumers setting forth the proposed increase of rates and requesting that the Commission be notified as to any objections thereto. The Commission received replies from only three of Mr. Lafferty's consumers. Two of these communications stated merely that as a matter of opinion the writer believed that the present rates were high enough. The third letter

set forth objections in greater detail, but stated the writer would not object to the increase in rates provided he received an adequate supply of water. The Commission has given careful consideration to each of the objections presented, but is of the opinion, however, that these objections do not meet the merits of the application. Of course, should it later appear that the new rates are excessive, application may be made to the Commission by the consumers to have the same reduced.

The following order is, therefore, recommended:-

O R D E R .

W. W. Lafferty having applied to this Commission for permission to increase the rates charged for water service in the Town of Callahan, Siskiyou County, California, and the water consumers of this system having been duly advised of this application, and after careful consideration it appearing to the Commission that this application should be granted,

IT IS HEREBY ORDERED That on and after September 1, 1913, W. W. Lafferty be and he hereby is authorized to put into effect the following schedule of rates for water served in the Town of Callahan, Siskiyou County, California:-

For dwelling houses for household purposes, a flat rate to each per month of.....	\$1.25
For each toilet, per month,.....	.35
For each lavatory, per month,.....	.15
For each bath tub, per month,.....	.35
For water power for each washing machine, per month, .	.75
For each hotel (no increase), per month,.....	5.00
For each corral for one horse, or one cow, per month, .	.35
For each additional horse or cow, per month.....	.20
For water power to run water wheels, for each one horse power, per month,.....	2.00

The foregoing Opinion and Order are hereby approved
and ordered filed as the Opinion and Order of the Railroad Com-
mission of the State of California.

Dated at San Francisco, California, this 21st
day of August, 1913.

H. L. Loveland
Geo. Gordon
Max Thelen

Commissioners.