

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of)
the NORTHWESTERN REALTY COMPANY, a)
corporation, for an order of the)
Railroad Commission of the State of)
California, authorizing applicant to)
serve water for domestic use to the)
residents of Marin Terraces, Little)
City Farms and Marin Half Acre Homes,)
being tracts of land located in)
Tamalpais Valley, Marin County,)
State of California.)

Application No. 6662

George Appell, for Applicant.

BY THE COMMISSION:

O P I N I O N

Northwestern Realty Company, a corporation, makes application for a certificate of public convenience and necessity authorizing it to supply water for domestic purposes to Marin Terraces, Marin Half Acre Homes, Marin Heights and Little City Farms, all located in Tamalpais Valley, Marin County, and to establish rates for the service rendered.

A public hearing was held in this matter at Mill Valley before Examiner Satterwhite, of which all consumers were notified and given an opportunity to appear and be heard.

It appears that the above subdivisions have been gradually placed on the market from 1911 to 1921 inclusive and that the water system was installed to supply the lots as sold. The greater portion of the pipe is of 2" diameter and less, serving about fifty-six consumers throughout a scattered territory. All water supplied is purchased from the Marin Municipal Water District at their regular rates of \$1.25 per month for 200 cubic feet or less, with 25 cents per 100 cubic feet for additional amounts up to 10,000 cubic feet. Applicant has charged the same rate to its consumers for metered service and fixed the flat

rate charges at \$1.50 per month. These rates were not filed with this Commission nor have they been authorized.

Several consumers complained of inadequate service, which fact was admitted by applicant. To provide better service it was shown that applicant has attempted to dispose of the system to the Marin Municipal Water District, but as yet this has not been accomplished. This transfer appears to be the most practical solution of the service problem, as it would afford the consumers better service at a lower rate.

Provision for betterments of service will be made in the following order.

Applicant did not present an appraisal of its property or of its operating expenses. It was testified that the system had cost \$5,000 to install, but no return was asked on this amount at this time.

The Commission's engineer submitted an estimate of a reasonable annual operating expense in the amount of \$1,132, which was not questioned. No estimate of cost was submitted as no return on the investment was expected. The possible revenues from the existing rates were estimated to be about \$1,000. It was shown that there was some variation in the charges due to private agreements.

The system was shown to be in a development stage, and serves a sparsely settled area.

The rates established in the following order are considered reasonable for the service rendered and are designed to produce the estimated operating expenses, and to distribute the charges equitably among the consumers.

It is recommended that applicant be granted a certificate of public convenience and necessity to operate a public utility water system supplying the tracts set out in the application.

O R D E R

Northwestern Realty Company having applied to the Railroad Commission for a certificate of public convenience and necessity and the establishment of rates, a public hearing having been held

and the matter having been submitted,

IT IS HEREBY FOUND AS A FACT that public convenience and necessity require that Northwestern Realty Company be granted a certificate authorizing it, its successors and assigns, to supply water for domestic use in Marin Heights, Marin Terraces, Marin Half Acre Homes and Little City Farms, being subdivisions of land located in Marin County; that the present water system is inadequate for the service requirements; and that the rate schedule now in use, insofar as it differs from the schedule herein set out, is unjust and unreasonable, and that the rates herein established are just and reasonable rates to be charged for such service.

And basing its order upon the foregoing findings of fact and upon the statements of fact contained in the opinion preceding this order,

IT IS HEREBY ORDERED as follows:

1. That Northwestern Realty Company be granted a certificate of public convenience and necessity authorizing it, its successors and assigns, to supply water for domestic purposes in Marin Heights, Marin Terraces, Marin Half Acre Homes, and Little City Farms, all located in Marin County.

2. That Northwestern Realty Company file with this Commission, for its approval, within thirty (30) days of the date of this order plans and specifications for the improvement of the water system and service to its consumers.

3. That the Northwestern Realty Company be and it is hereby authorized and directed to file with this Commission within twenty (20) days from the date of this order, the following schedule of rates, said schedule to become effective as provided later in this order:

FLAT RATES.

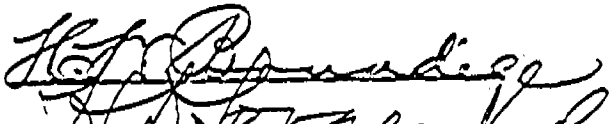
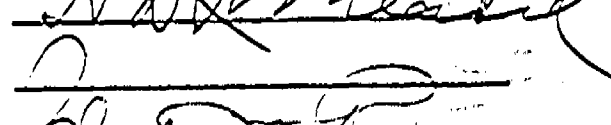
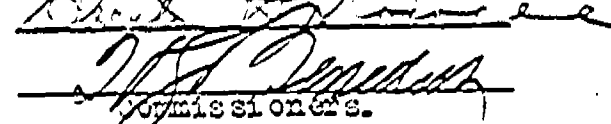
Minimum annual charge, payable in advance which entitles consumer to six months' service.....	\$12.00
For each additional month.....	2.00

METER RATES.

Minimum annual charge, payable in advance which entitles consumer to a maximum of 200 cubic feet of water per month for six months.....	\$ 9.00
All use during other months, for 200 cubic feet or less, per month.....	1.50
All use above 200 cubic feet and less than 1000 cubic feet each month, per 100 cubic feet.....	.30
All use over 1000 cubic feet each month, per 100 cubic feet.....	.25

4. That authority to charge and collect the rates herein above specified shall not become effective until such time as improvements to the said water system and service are made, and a supplemental order of this Commission is issued, fixing the date on which these rate schedules are to become effective, and such further order as the Commission may deem proper.

Dated at San Francisco, California, this 18th day of November, 1921.




Commissioners.