

Decision No. 9811.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
certain citizens of Quincy, Plumas
County, California, an unincorporated
town, patrons of Quincy Water Works,

Complainants,

vs.

MATTIE L. GOODWIN and GRACE WEBB,
co-partners, doing business under the
firm name and style of QUINCY WATER
WORKS,

Defendants.

ORIGINAL

Case No. 1492.

QUINCY FIRE DISTRICT and C. J. LEE,
M. McINTOSCH and R. STEWART, Commis-
sioners thereof,

Complainants.

vs.

MATTIE L. GOODWIN and GRACE WEBB,
co-partners, doing business under the
firm name and style of QUINCY WATER
WORKS,

Defendants.

Case No. 1493.

H. B. Wolfe and Stanley C. Young,
for Complainants.

W. N. Goodwin, for Defendants.

BY THE COMMISSION.

O P I N I O N

Complainants in Case No. 1492 are residents of the unincor-
porated town of Quincy, Plumas County, and allege that the defend-
ants, who own and operate a public utility, render inadequate serv-

ica, and also that the rates now in effect are discriminatory. This Commission is asked to establish reasonable and non-discriminatory rates, and for such further relief as may be proper.

Defendants in their answer make general denial of the allegations of the complainants, and allege that the utility has never earned a proper return for the service rendered. The Commission is therefore asked to fix remunerative rates.

The Quincy Fire District, organized under the laws of the State of California, and embracing in general the town of Quincy and vicinity, makes complaint in Case No. 1493, alleging in effect that the defendants have failed to furnish an adequate supply of water for fire fighting purposes, that discrimination exists as to such service, and that the district has funds and stands ready to pay for proper service of this nature. The Commission is asked to require the utility to construct a reservoir of 500,000 gallons capacity for fire purposes only, and that a rate be established for this service.

Defendants in their answer to this complaint state that the utility has never held itself liable to furnish service for fire fighting purposes beyond the extent of its ordinary facilities, and that the Commission is without jurisdiction in the matter.

These proceedings were consolidated for hearing at Quincy before Examiner Satterwhite. All interested parties were notified and given an opportunity to be present and be heard.

This system was originally installed in 1897 by defendants' predecessors in interest to supply the town of Quincy, and has since been extended and enlarged from time to time to meet the increasing demands. Originally the entire water supply was obtained from Goodwin Ravine, but later this supply was supplemented by water from springs at the head of Ganzer Ravine. The water

from both sources is conveyed through natural water courses and a ditch to a reservoir of approximately 275,000 gallons capacity above the town, from which it is supplied by gravity to about 110 consumers through about 2.4 miles of distribution mains varying from 12 inches to 1½ inches in diameter.

The rates now in effect are in general as follows:

\$2.00	per month	for	4 room house	with toilet facilities.
2.50	"	"	"	house larger than 4 rooms and for large families.
.50	"	"	"	irrigation of lawns.
200.00	per annum	for	Court House	and grounds.
150.00	"	"	"	Plumas County High School.
50.00	"	"	"	Quincy Lumber Company.

At the hearing complaints of poor service were made by residents of certain sections which are supplied by 1½ inch mains. This condition was admitted by defendants, who offered to install larger mains immediately.

Defendants did not submit a valuation of the property or a statement of their operating expenses.

Mr. John Spencer, one of the Commission's hydraulic engineers, submitted an appraisal showing the estimated original cost of this system, exclusive of water rights but including an allowance for replacement of small mains, to be \$10,354. Mr. Spencer also submitted an estimate of annual operating expenses in the amount of \$1,583, and recommended the sum of \$225 for depreciation annuity, which was computed by the sinking fund method at 6 per cent.

It was shown that the right to divert water from Ganzer Ravine had cost defendants or their predecessors approximately \$4000. The minimum flow of this source approximates 15 miner's inches, or about 250,000 gallons per day. It was not shown that there was any ^{other} expenditure connected with securing the right to divert water from Goodwin Ravine. Including the expenditure for the right to divert water from Ganzer Ravine, the sum of \$14,354 represents

the total estimated original cost of the used and useful property of this utility. No objection was raised to any of the estimates of original cost, maintenance and operating expense or depreciation annuity, and as they appear reasonable they will be used for the purposes of this proceeding.

Based upon the foregoing estimates the annual charges are as follows:

Return on \$14,354 at 8%	\$1,148
Depreciation annuity.	226
Maintenance and operating expense.	1,583
Total	<u>\$2,957</u>

As the utility's records are incomplete, it was impossible to determine the actual revenue received from the sale of water, but it was estimated that the revenue for 1921 at the present rates would be about \$3,300. It is therefore apparent that an adjustment of rates is necessary rather than an increase, and the rates set out in the accompanying order are designed to distribute the charges uniformly and remove any discriminatory charges that may exist under the present schedules.

As to the complaint of the Quincy Fire District, it has been found by the Commission that it has no jurisdiction in matters of this kind. Reference is made to Decision No.3114 in Case No.617, City of Alameda vs. Peoples Water Company, decided February 21, 1916 (Vol.9, page 234, Opinions and Orders of the Railroad Commission of California).

The town of Quincy formerly received water for fire protection through about 16 hydrants, this service having been paid for by private subscription. Gradually however these payments ceased, until at this time hydrant service returns no revenue to the utility.

O R D E R

Complaints against the Quincy Water Works having been made

in the above entitled matter, a public hearing having been held and the matter having been submitted,

It Is Hereby Found as a Fact that the service rendered by Quincy Water Works is inadequate in some sections of the territory served, that the rates now charged by Quincy Water Works for water delivered to consumers are unjust and unreasonable in so far as they differ from the rates herein established, that the rates herein established are just and reasonable rates to be charged for such service, and that the Railroad Commission has no jurisdiction in the matters complained of by the Quincy Fire District.

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

IT IS HEREBY ORDERED as follows:

1. That Quincy Water Works be and it is hereby directed to install prior to April 1st, 1922, pipe lines of adequate size and capacity so that good and sufficient service may be rendered to all consumers.

2. That Quincy Water Works be and it is hereby authorized and directed to file with the Railroad Commission within twenty (20) days from the date of this order the following rates for water supplied to its consumers, such rates to apply to all service rendered subsequent to December 31, 1921:

MONTHLY FLAT RATE SCHEDULE

1. Residences, boarding houses, flats, lodging houses, apartments, of five rooms and less	\$1.00
For each additional room . . . . .	.10
Additional for each bathtub . . . . .	.25
" " " toilet . . . . .	.25
" " " private garage and one automobile . . . . .	.25
" " private barn and one head of stock . . . . .	.25
" " each automobile or head of stock over one . . . . .	.20

2.	Sprinkling or irrigation of lawns, gardens, shrubbery, etc., when taken continuously, per 100 square feet.	\$0.02
	Sprinkling or irrigation of lawns, gardens, shrubbery, etc., when not taken continuously, per 100 square feet. . . . .	.05
3.	Blacksmith shops, machine shops, lumber yards, printing offices, bakeries, undertaking parlors, grocery stores, theatres, warehouses, meat markets, drug stores, billiard parlors	1.50
4.	Ice cream parlors, soda fountains and saloons, either alone or in connection with other business	1.50
5.	Banks, professional offices, fraternal halls, club rooms, shoe shops, stores and offices not otherwise listed	1.25
6.	Restaurants, lunch counters, per unit of seating capacity . . . . .	.10
7.	Barber shop, per chair	1.00
	Additional for each bathtub.	1.00
8.	Laundries, according to use.	3.00 to 5.00
9.	Railroad use, water motors, schools, according to use	5.00 to 8.00
10.	Hotels - Dining room	2.00
	Bedrooms each . . . . .	.10
11.	Public garages, 5 automobiles or less.	2.50
	For each additional automobile over 5. . . . .	.25
12.	Stables and feed yards, per average number of stock fed per month, each . . . . .	.25
	Private barn or garage, in connection with stores, hotels, etc., for each automobile or head of stock . . . . .	.25
13.	Additional for each bathtub, toilet or urinal in 3 to 12 inclusive . . . . .	.25
14.	Plumas County Court House.	20.00
15.	Plumas County High School.	15.00
16.	Fire hydrants, each.	1.00
17.	Minimum monthly charge for each service connection.	1.00

3. That Quincy Water Works be and it is hereby directed to file with this Commission within thirty (30) days from the date of this order rules and regulations governing service to its consumers, such rules and regulations to become effective upon their acceptance for filing.

4. That the complaint of Quincy Fire District be and it is hereby dismissed.

Dated at San Francisco, California, this 7th day of November, 1921.

H. B. Brundage

Quincy Martin

Charles H. ...

H. J. ...
Commissioners.