

ORIGINAL

Decision No. 28492

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of
E.H. McHann and J.E. Laycook for a
certificate of public convenience
and necessity to operate a domestic
water system, establish rates and
define the service area.

Application No. 18985.

Edw. R. Bowen, for applicants.

Charles F. Makwith, for protestants
of Garvey Acres.

T.G. Dalton, for R.S. Taylor.

Prescott F. Cogswell, protestant.

BY THE COMMISSION:

O P I N I O N

E.H. McHann and J.E. Laycook, operating as a copartner-
ship under the fictitious name of McHann and Laycook Domestic
Water Company, ask the Railroad Commission for a certificate of
public convenience and necessity to supply water to the inhabi-
tants of two large areas of land near the City of El Monte in the
County of Los Angeles. It is further requested that a schedule
of rates be established.

A public hearing in this matter was held before Examiner
Kennedy at Los Angeles.

Applicants, in conjunction with their real estate ac-
tivities, have installed water systems in various tracts of land
in the vicinity of the City of El Monte. At the present time,

water service is supplied by them to approximately three hundred consumers at a flat rate of one dollar and fifty cents (\$1.50) per month. This charge has been made without the knowledge that it was necessary to obtain authority therefor from the Railroad Commission.

This application covers two separate tracts of land, one lying southeast of El Monte containing three subdivisions now piped and supplied with water, with large intervening areas of vacant agricultural land which will soon require water for both domestic and irrigation purposes. The other tract is located easterly of El Monte and contains one subdivision now supplied with water, together with adjacent lands in the process of being subdivided. Both tracts have good wells with an abundance of water that rises close to the surface of the ground, making ideal conditions for the development of water. Although no franchise has as yet been secured for this area, application therefor to the county authorities has already been made.

The original submission of the proceeding was set aside and a further hearing thereon was held as the result of a protest filed by Mr. Prescott F. Cogswell who claimed that he was operating a water works in a part of the territory in which applicants desire to operate and was given no notice of the time and place of the hearing heretofore held. Mr. Cogswell testified that he has been selling water for irrigation purposes for several years to consumers residing in the northwest quarter (N.W.¼) of Lot No. 13 of Maxon's Subdivision which is included within applicants' proposed service area. This protestant further stated that he now supplies water for domestic purposes to a tract of

land which he originally subdivided and placed upon the market and that he now desires to extend domestic service to residents of that portion of above Lot No. 13 now supplied by him with agricultural irrigation water. It appears that Mr. Cogswell, although having been operating a water system for several years in this territory, has neither a county franchise nor a certificate authorizing such operations. No showing was made by Cogswell that he is in any position to render better or cheaper service than applicants. However, under the circumstances, it appears equitable at this time that those lands now served by this protestant and included in the request of applicants, i.e., the northwest quarter (N.W.¼) of Lot No. 13, Maxon's Subdivision, be eliminated from the latter's service area.

Applicants submitted a tentative schedule of rates which provides for the same flat charge now in effect with a comparable meter rate. Certain protesting consumers indicated their approval of the granting of the application and approval of the rate schedule upon the assurance of applicants that they would install meters only for the purpose of preventing unnecessary and unreasonable waste of water. It appears therefore that a certificate of public convenience and necessity should be issued as hereinafter provided.

O R D E R

E.E. McHann and J.E. Laycook, a copartnership operating under the fictitious name of McHann and Laycook Domestic Water Company, having made application as entitled above, a public hearing having been held thereon, the matter having been submitted

and the Commission being now fully advised in the premises,

The Railroad Commission of the State of California hereby declares that public convenience and necessity require that E.E. McHann and J.E. Laycock, a copartnership doing business under the fictitious firm name and style of McHann and Laycock Domestic Water Company, operate a public utility water system in the territory as more particularly set forth and delineated on the map attached to the application and marked Exhibit "A", excluding therefrom the northwest quarter (N.W. $\frac{1}{4}$) of Lot No. 13 of the Maxon Subdivision, Los Angeles County, subject to the conditions hereinafter set forth.

IT IS HEREBY ORDERED that E.E. McHann and J.E. Laycock, copartners operating under the fictitious name of McHann and Laycock Domestic Water Company, be and they are hereby authorized and directed to file with this Commission, within thirty (30) days from the date of this Order, the following schedule of rates to be charged for all service rendered consumers within the above area of service on and after the acceptance for filing by the Commission of the necessary county franchise.

MONTHLY FLAT RATES

For each residence, including one lot-----\$1.50
For each additional lot----- 1.00

MONTHLY METER RATES

Monthly Minimum Charges:

5/8 x 3/4-inch meter-----\$1.25
3/4-inch meter----- 1.50
1-inch meter----- 1.75
1 1/2-inch meter----- 2.50
2-inch meter----- 4.00
3-inch meter----- 8.00

Each of the foregoing "Monthly Minimum Charges" will entitle the consumer to the quantity of water which that monthly minimum charge will purchase at the following "Monthly Quantity Rates."

Monthly Quantity Rates:

0 to 1,000 cubic feet, per 100 cubic feet-----\$0.15
All over 1,000 cubic feet, per 100 cubic feet----- 0.08

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IT IS HEREBY FURTHER ORDERED that E.H. McHann and J.E. Laycook, a copartnership operating under the fictitious name and style of McHann and Laycook Domestic Water Company, be and they are hereby directed to file with the Railroad Commission, within thirty (30) days from the date of this Order, rules and regulations governing relations with their consumers, said rules and regulations to become effective upon their acceptance for filing by this Commission.

IT IS HEREBY FURTHER ORDERED that the certificate of public convenience and necessity above authorized shall become effective only if and when a duly authorized franchise, permit or consent is obtained from the County of Los Angeles and accepted for filing by this Commission, granting said applicants the right and privilege to construct, lay and maintain water pipes and mains in and along the roads, streets and alleys within the above described area of service.

IT IS HEREBY FURTHER ORDERED that applicants E.H. McHann and J.E. Laycook file with this Commission, within ten (10) days from and after the date of submitting to this Commission said franchise, permit or consent obtained from the County of Los Angeles, granting them the right and privilege to construct, lay

and maintain water pipes and mains in and along the roads, streets and alleys within the above described service area, a certified statement to the effect that they, their successors or assigns will never claim for said franchise, permit or consent a value in excess of the actual cost of securing same.

For all other purposes, the effective date of this Order shall be twenty (20) days from and after the date hereof.

Dated at San Francisco, California, this 6th day of November, 1933.

C. J. Sewey
James A. White
M. J. Lee
M. B. Harris
M. J. Harris
Commissioners.

and maintain water pipes and mains in and along the roads, streets and alleys within the above described service area, a certified statement to the effect that they, their successors or assigns will never claim for said franchise, permit or consent a value in excess of the actual cost of securing same.

For all other purposes, the effective date of this Order shall be twenty (20) days from and after the date hereof.

Dated at San Francisco, California, this 6th day of November, 1933.

C. J. Sweeney
Leon Whitwell
M. J. Linn
M. B. Harris
M. J. Linn
Commissioners.