

Decision No. 26539

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

UNITED STATES,

Complainant,

vs.

THE MONTEREY COUNTY WATER WORKS,

Defendant.

Case No. 3628

Captain John T. Sallee, by George C. Barland,
for Complainant.

Bacigalupi, Elkus & Salinger, by Herbert H. Salinger,
for Defendant.

SEAVEY, Commissioner:

O P I N I O N

In this proceeding the United States Government asks for a reduction of not less than ten per cent in the rates for water supplied by The Monterey County Water Works for use at the Presidio of Monterey, California.

The complaint alleges that although the price level of other commodities has been greatly lowered, the water company has refused to reduce its rates for the above service.

In its answer defendant denies the allegation of the Government and alleges that it is already supplying the Presidio of Monterey at a much lower rate than provided in its regular rate schedule and also avers that water in large quantities is now being furnished said Presidio free of charge.

Public hearings in this matter were held in San Francisco.

The evidence shows that the Presidio of Monterey is being supplied with water by defendant in accordance with a year to year contract providing for the delivery of gravity water at 17-1/2 cents and pumped water at 27-1/2 cents per 1,000 gallons respectively. These rates have been continuously in effect for some years prior to 1912. The present rates in effect in defendant's system were established by this Commission in its Decision No. 5997, dated December 21, 1918 (16 CRC 293), and cover all service other than that rendered the Government. These rates are as follows:-

MONTHLY METER RATES

For 300 cubic feet (2,244 gallons)	\$1.10
Next 700 cubic feet, per 100 cubic feet30
(5,236 gallons) per 1,000 gallons.....	.401
Over 1,000 cubic feet, per 100 cubic feet25
(7,480 gallons) per 1,000 gallons3355

The Presidio has elected to receive gravity water, using its own pumping facilities where necessary. The cost of this water for the fiscal year ending June 30, 1932 was \$7,887.66 and \$8,226.73 for the ensuing 12 months period.

The evidence shows that since 1931 the defendant has furnished pumped water free of charge to the Presidio Polo Field and Drill Grounds, which arrangements it is willing to continue in the future, to and including the year 1935. Gravity water was furnished free of charge by defendant for use on the drill field at the Citizens Military Training Camp. at Hotel Del Monte, during the years 1930 and 1932, but since removal of this Camp to the Presidio the domestic service therefor has been billed under the above contract rates. The record furthermore shows that had the water service furnished by defendant to the Government during the three and one-half year period ending June 30 been billed at the rates charged all other consumers, the Government would have paid therefor the sum

of \$72,189.00 instead of \$30,917.45, a saving of 57.2%.

General Order No. 45 of this Commission, issued in accordance with the provisions of Section 17 of the Public Utilities Act, provides that any public utility of this State, other than a common carrier, may, if it so desires,

".....grant free or reduced rate service to the Federal and State Governments and the political subdivisions thereof, including the departments thereof....."

The rates for water service furnished to the Presidio of Monterey under the contract hereinbefore mentioned gives the Government a much lower rate than the general consumers enjoy under the regular schedule established by this Commission. Defendant may grant contract rates or other special rates to the Government under the law and General Order, as above noted, but this Commission cannot require or order a utility to grant a reduced or preferential rate or any other special concession to the Government or other political subdivision in violation of the rate schedule legally on file for service rendered to the general classes of consumers.

The following form of order is recommended:-

O R D E R

The United States Government by Captain John T. Sallee, Quartermaster Corps, Quartermaster, Presidio of Monterey, California, having entered complaint against The Monterey County Water Works, protesting against the present rates charged by said water works for service furnished to the Presidio of Monterey, and asking that a reduction of at least ten (10) per cent be ordered in said rates, public hearings having been held thereon, the matter having been submitted and now being ready for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY
ORDERS that this complaint be, and it is hereby, dismissed.

The foregoing Opinion and Order are hereby approved and or-
dered filed as the Opinion and Order of the Railroad Commission of
the State of California.

DATED at San Francisco, California, this 20th day of
November, 1933.

C. P. Seavey
Leon Whiteley
M. J. Lee
W. B. Harris
W. H. ...

Commissioners.