

Decision No. 28027

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of

C. C. STOCKTON, also known as
CHRISTOPHER C. STOCKTON, ROBERT
L. STOCKTON, also known as R.
L. STOCKTON, JR., C. B. STOCKTON,
also known as CHRISTOPHER B.
STOCKTON, and RUTH M. GLENN,
formerly RUTH M. STOCKTON, doing
business as STOCKTON WATER WORKS
at Arvin, Kern County, California,
for (1) a certificate of public
convenience and necessity and/or
an order preliminary thereto,
(2) authority to transfer public
utility property, and (3) other
relief.

ORIGINAL

Supplemental
Application No. 20393

J. W. Heard, Jr., for Applicants.

BY THE COMMISSION:

O P I N I O N

Applicants herein own and operate a public utility water works serving a portion of the Town of Arvin, in Kern County, under a certificate issued by this Commission in Decision No. 18251 dated the twentieth day of April, 1927, to C. C. Stockton. Request is made to transfer this utility property to C. C. Stockton, Robert L. Stockton, C. B. Stockton, and Ruth M. Glenn, formerly Ruth M. Stockton, in joint tenancy. These parties have also acquired the properties of the Arvin Mutual Water Company, a mutual water corporation which heretofore has served water to its

stockholders in territory contiguous to the Stockton Water Works. The rates of the above mutual water company are higher than those charged by the utility. Request is made that this Commission equalize and establish a uniform and fair schedule of rates for both systems which are to be operated as a single unit under the name of Arvin Water Company.

A public hearing in this proceeding was held in Arvin before Examiner MacKall.

The evidence shows that the stockholders of the mutual water company requested applicants to purchase and operate their plant due to their inability to finance required improvements and extensions and to operate as economically as the utility, the base residential rate for the latter being one dollar and seventy-five cents (\$1.75) per month as compared to the charge of two dollars and twenty-five cents (\$2.25) per month made by the mutual water company. Several requests have been made to both the utility and the mutual company for extensions of service into new territory. The testimony was unanimously in favor of granting the requests of applicants as there is no other source of water service available. Applicants have secured a franchise, Ordinance No. 306, Kern County, granting them the rights and privileges of using the public streets, roads and highways in the operation of a water works in the territory in which they desire to serve.

The testimony shows the following fixed capital appraisal and operating statistics:

Estimated Historical Cost as of February 1, 1936,	
combined properties-----	\$18,843
Depreciation Annuity - 5% Sinking Fund-----	399
Gross Revenues (estimated) 1935, combined systems-----	4,773
Combined Maintenance and Operating Expenses, including Depreciation (estimated) 1935-----	2,925
Net Revenue 1935 (estimated)-----	1,848
Estimated Reasonable Expenses for the immediate future, combined systems-----	3,250
Number of consumers - both systems-----	204

Combined Revenues and Expenses are indicated as "estimated" by reason of the fact that all of the accounts and records of the mutual water company were not available.

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The schedule of rates set out in the following Order, while showing a radical reduction in the former base residential charge to one dollar (\$1.00) per month, nevertheless should yield the utility a fair revenue.

No formal order is necessary for applicants to purchase the properties of the Arvin Mutual Water Company which is not a public utility, nor is formal permission required for adoption of the fictitious firm name of Arvin Water Company.

O R D E R

Supplemental application having been filed with this Commission as entitled above, a public hearing having been held thereon, the matter having been duly submitted, and the Commission being now fully advised in the premises, now, therefore,

IT IS HEREBY ORDERED as follows:

1. C. C. Stockton be and he is hereby authorized to transfer, on or before the thirty-first day of October, 1936, the public utility water properties known as Stockton Water Works, located in the Town of Arvin, Kern County, as such properties are more particularly described in the supplemental application herein and the exhibits attached thereto which are hereby made a part of this Order by reference, to C. C.

Stockton, Robert L. Stockton, C. B.
Stockton and Ruth M. Glenn, formerly
Ruth M. Stockton, in joint tenancy.

2. Said transferees shall file with this Commission, within thirty (30) days from and after the date of this Order, the following schedule of rates to be charged for all water service rendered their consumers subsequent to the date hereof:

RATE SCHEDULE

MONTHLY
FLAT RATE SCHEDULE

Residence (3 rooms or less)-----	\$1.00
Additional rooms, each-----	.15
Toilets, each-----	.20
Baths, each-----	.20
Irrigation, per 100 square feet-----	.012

Only residential houses are eligible for flat rates.

METER RATES

Monthly Minimum Charges:

5/8-inch meter-----	\$1.00
3/4-inch meter-----	1.25
1-inch meter-----	1.75
1½-inch meter-----	2.50
2-inch meter-----	4.00
4-inch meter-----	10.00

All business establishments are to be placed on a meter.

Monthly Quantity Rates:

0 to 540 cubic feet, per 100 cubic feet-----	\$0.185
540 to 2,000 cubic feet, per 100 cubic feet-----	0.15
2,000 to 4,000 cubic feet, per 100 cubic feet-----	0.09
All over 4,000 cubic feet, per 100 cubic feet-----	0.065

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3. Within thirty (30) days from the date of this Order said transferees shall file with this Commission revised rules and regulations covering water service to their consumers, said rules and regulations to become effective upon their acceptance for filing by this Commission.

The Railroad Commission of the State of California hereby declares that public convenience and necessity require the opera-

tion of a public utility water works by C. C. Stockton, Robert L. Stockton, C. B. Stockton, and Ruth M. Glenn, formerly Ruth M. Stockton, under the terms and provisions of Ordinance No. 306, County of Kern, in and in the general vicinity of the Town of Arvin in said County.

Stipulation by counsel in behalf of applicants that said applicants will agree never to claim before this Commission or any other public body for the value of their franchise obtained through said Ordinance No. 306 a value in excess of the cost of obtaining same is hereby accepted and approved.

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 3rd day of August, 1936.

W. J. Carr
Walter J. Carr
Frank E. Deane
Commissioners