

ORIGINAL

Decision No. 23971

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
CECIL T. TRUSCHEL and ROY W. MCDIARMID,
a co-partnership doing business under
the firm name and style of MOUNTAIN
WATER WORKS for a certificate of pub-
lic convenience and necessity to op-
erate a water distributing system and
water service as a public utility and
for an order fixing rates to be charged
for said service.

Application No. 21212

M. Tellefson, for Applicant.

WAKEFIELD, COMMISSIONER:

O P I N I O N

In this proceeding Cecil T. Truschel and Roy W. McDiarmid, a co-partnership doing business under the fictitious firm name and style of Mountain Water Works, ask the Railroad Commission to grant to them a certificate of public convenience and necessity to supply water for domestic purposes in Chatsworth Manor tract, near Chatsworth in Los Angeles County, as delineated on a map attached to the application herein and marked Exhibit "B" and made a part hereof by reference.

A public hearing in this matter was held in Los Angeles.

At the hearing applicants were given authority to amend their petition by a supplemental application in which they asked to include in their service area portions of Chatsworth Lake

View Place tract and Chatsworth Lake View Annex tract, which tracts adjoin the Chatsworth Manor tract but are located in Ventura County and portions of which are now being served by this water system. It is also requested that the Commission make its Order authorizing applicants to require consumers to pay for all water service obtained prior to the effective date of this Order and, in the event such bills are not paid, to discontinue or deny said service. A schedule of rates is also submitted for approval in this supplemental application.

The territory involved in this proceeding was originally subdivided by Walter G. Brooks about 1928 and 1929. It is located in the hills adjacent to the north shoreline of Chatsworth Reservoir, a storage reservoir owned by the Municipal Water System of the City of Los Angeles. It was primarily subdivided for cabin sites and recreational purposes but at the present time over one-half of the 125 consumers are permanent residents. A very inadequate water distribution system was installed in the beginning which consisted mostly of $\frac{1}{2}$ -inch pipe. Each purchaser of property was required by a provision in his agreement of sale to pay a certain amount each year for the maintenance and upkeep of roads and the water system. Apparently very little money was spent on either of these facilities. About one year ago applicants obtained possession of the water system and they desire to rebuild it at an estimated cost of six thousand dollars (\$6,000), in accordance with plans presented on a map filed herein as Exhibit No. 1 and made a part of this Order by reference. They desire to operate

this system as a public utility, leaving the old maintenance charge in effect until the end of the year 1937, at which time any new rate which may be established herein by the Commission may become effective. Applicants represent that they are now entitled to receive the above mentioned maintenance charge and that, when the new rates become effective, they will release the landowners from further liability to pay such charge.

The water supply is obtained from a deep well and will be pumped into a 60,000-gallon storage tank where it will be aerated to eliminate some of the offensive taste and odor of hydrogen sulphide. All distribution of water will be made from the tank. There is no record of the quantity of water that the well will develop; however, from testimony given by the manager who has operated the plant for the past two years, it appears that there is a sufficient supply of water for the present needs and for some future development. The pipe lines are installed on private easements reserved for that purpose, which eliminates the necessity at the present time at least of obtaining a franchise from the county granting the right to lay pipe lines in, over, or along public roads, streets, highways and alleys.

A number of consumers appeared and testified to the acute necessity for a better water service. All seemed to realize that the present arrangement is not desirable and indicated a desire that applicants take over and operate the water system as a public utility under reasonable rates.

Applicants filed a proposed schedule of rates based upon the cost of installing a new distribution system and esti-

mated cost of maintenance and operation. However, Mr. Cecil Truschel, one of the co-partners, expressed a desire to keep the rates as low as possible in the hopes of building up the tract. There are no records available from which the accurate costs of operation or water use can be obtained. Therefore, the rates herein ordered to be filed will, of necessity, be based to some extent upon the experience of other utilities operating under similar circumstances. The request of applicants to require all consumers to pay their delinquent water bills cannot be granted as, obviously, the Commission would have no jurisdiction over bills incurred prior to the effective date of this Order.

The following form of Order is recommended.

O R D E R

Application having been filed with the Railroad 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,

The Railroad Commission of the State of California hereby declares that public convenience and necessity require the operation of a water system owned by Cecil T. Truschel and Roy W. McDiarmid, operated under the fictitious name and style of Mountain Water Works, within that portion of Los Angeles County described as Chatsworth Manor tract and portions of Chatsworth Lake View Place and Chatsworth Lake View Annex tracts adjoining Chatsworth Manor tract but located in Ventura County, and

IT IS HEREBY ORDERED that a certificate of public con-

venience and necessity be and it is hereby granted to said Cecil T. Truschel and Roy W. McDiarmid, a co-partnership doing business under the fictitious firm name and style of Mountain Water Works, to operate a water system within the areas as set forth above, and

IT IS HEREBY FURTHER ORDERED that Cecil T. Truschel and Roy W. McDiarmid, a co-partnership doing business under the fictitious firm name and style of Mountain Water Works, 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 effective for all water service rendered their consumers subsequent to the 31st day of December, 1937.

ANNUAL FLAT RATE SCHEDULE

Payable in advance on January 1st
or semi-annually: \$7.50 on
January 1st and \$7.50 on July 1st.

Residences, boarding houses, apartments, etc., of 5 rooms or less-----	\$15.00
Stores, shops or offices-----	15.00

ANNUAL METER RATES

Annual Minimum Charges payable
in advance on January 1st
or semi-annually: one-half on
January 1st and one-half on
July 1st.

5/8 x 3/4-inch meter-----	\$15.00
3/4-inch meter-----	18.00
1-inch meter-----	24.00
1 1/2-inch meter-----	30.00
2-inch meter-----	35.00

Each of the foregoing annual minimum charges will entitle the consumer to the quantity of water which that minimum annual charge will purchase at the following quantity rates:

ANNUAL QUANTITY RATES

0 to	3,600 cubic feet, per 100 cubic feet-----	\$.41-2/3
Next	1,400 cubic feet, per 100 cubic feet-----	.30
Next	5,000 cubic feet, per 100 cubic feet-----	.20
All over	10,000 cubic feet, per 100 cubic feet-----	.15

Meters will be read on the 1st of January, April, July, and October and a statement rendered each consumer within ten (10) days of said date showing the meter readings and a statement of the quantity of water, if any, unused under the allowance covered by the annual minimum charge and the amount payable to applicants for excess water, if any, used over the annual minimum allowance, together with any balance of the annual minimum charge due and unpaid.

IT IS HEREBY FURTHER ORDERED that Cecil T. Truschel and Roy W. McDiarmid, a co-partnership doing business under the fictitious firm name and style of Mountain Water Works, be and they are hereby directed to file with this 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.

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

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

Dated at San Francisco, California, this 27th day of July, 1937.

William H. Ware
Harley R. Johnson
Raymond A. Johnson
Commissioners.