

Decision No. 32169

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of The Crown Water Company for  
order authorizing permission to  
raise rates.

**ORIGINAL**

Application No. 22775.

H. J. Nyland, for Applicant.

RILEY, COMMISSIONER:

O P I N I O N

In this proceeding Crown Water Company, serving domestic and irrigation water in a small area known as North Torrance or Perry Station, located in the vicinity of Prairie Avenue and 182nd Street, Los Angeles County, petitions for authority to substitute a straight flat rate charge of \$2.00 per month for each residential consumer for the present base rate of \$1.50 per month per house, with certain additional minor charges, such as for the irrigation of lawns, gardens, etc.

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

The Crown Water Company was organized in 1910 by the land-owners of this area when Belvedere Water Company, operated by the original subdivider, met with financial difficulties and was about to discontinue further water deliveries. Since its inception this water system has always been a community enterprise maintained to provide water service for the residents of the tract. No dividends have ever been declared. In the early days of operation the irrigation revenue was the principal source of income, but has steadily declined until now it is negligible, with little prospect of revival. There are fourteen houses in the service area. The revenues for the past twelve months totaled \$250 and the operating expenses \$285,

exclusive of depreciation. The recent necessary replacement of the storage tank placed a serious drain upon the funds available in the treasury.

The domestic water rate now in effect was authorized by Decision No. 13927, issued August 16, 1924, and contained provisions for extra charges for horses, cows, chickens, goats, rabbits and for the irrigation of lawns, gardens and shrubs. However, the consumers objected strenuously to paying for these items, and billing for such uses was discontinued. An inspection of the premises of the consumers revealed that if proper charges were made for the minor items of the authorized domestic rate, the total charge in no case would be less than \$2.00 per month. The adjustment in the present rate structure is clearly warranted and fair and will be authorized as requested.

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,

It is hereby found as a fact that the rates now charged by the Crown Water Company for water delivered to its consumers are unjust and unreasonable insofar as they differ from the rates herein established, and that the rates herein established are just and reasonable rates to be charged for such service; and basing its

Order upon the foregoing finding of fact and upon the statements of fact contained in the preceding Opinion,

IT IS HEREBY ORDERED that Crown Water Company be and it is hereby authorized and directed to file with the Railroad Commission within twenty (20) days from the date of this Order, and thereafter charge, the following flat rate schedule for domestic water

delivered to its consumers in Los Angeles County subsequent to July 31, 1939:

Domestic Service

Monthly Flat Rate

Residence, each per month.....\$2.00

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 18<sup>th</sup> day of July, 1939.

Frederick B. ...  
Ray H. ...  
H. P. ...  
Justus J. ...  
COMMISSIONERS