Decision No. 32402

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of GEORGE McCERISTIAN for revision of rates and approval of rules governing water supply to his consumers.



George McChristian, for Applicant. H. L. Bleisdel, for Division of Parks, State of California.

BY THE COMMISSION:

$\underline{O P I N I O N}$

George McChristian, operating a water works supplying a small community on the shore of Salmon Creek Lagoon about two miles north of the Town of Bay in Sonoma County, asks authority in this application to revise his rates and modify his rules and regulations.

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

Mr. McChristian was granted a certificate of public convenience and necessity in Decision No. 27609, dated December 22, 1934. An annual flat rate of \$12.00 was established in said decision, together with a meter rate of \$12.00 per year providing for an allowance of 400 cubic feet of water per month throughout the calendar year.

The territory served by Applicant is located along the Pacific Ocean about a mile above the head of Bodega Bay at the

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mouth of Salmon Creck. The community served comprises two subdivided parcels, one called Ocean View Tract, the other McChristian Subdivision. It is primarily a summer resort, but has many fine homes. The majority of the residents, however, use their premises intermittently during weekends and holidays throughout the year. At present there are thirty active consumers, including the Division of Parks, State of California, which receives water for its Coast Park which embraces several miles of ocean beach and shore in front of the McChristian Subdivision and Ocean View Tract. The Division of Parks maintains a public camp ground at this location.

Applicant testified that the heavy demends on his plant during many summer weekends and holidays have taxed his distribution system beyond its capacity, with the result that it will be necessary to install larger mains to provide proper service to certain of the higher elevations of the community. It is further claimed that existing rates do not yield a profit and that he is unwilling to install the necessary improvements without some assurance of a reasonably increased compensation therefor. Mr. McChristian also asks for a FCUCTION in the Monthly minimum quantity allowance of 400 ouble feet of water under the measured rates, contending that this amount is unreasonably excessive for the class of use on his system.

From the ovidence it appears that the investment in this plant is about \$2,000; that the annual revenues under present rates amount to \$325, with operating expenses approximately equivalent to the receipts. There was practically no opposition among the consumers present to any reasonable increase in rates, except that certain residents in the highest portion of the tract expressed the view that any such increase should be made with the

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understanding that satisfactory pressures should be provided in this section. To this Mr. McChristian has agreed.

A study of the water use on this system indicates that for the comparatively small annual charge collected the monthly quantity allowance of water is too great. In the following rate schedule the quantity allowance established should prove more equitable to all parties concerned.

Applicant will be authorized to file revised rules and regulations as requested, subject of course to the approval of this Commission.

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George McChristian having made application to the Railroad Commission for an order adjusting water rates, a public hearing having been held thereon, the matter having been submitted, and the Commission being now fully advised in the premises,

It is hereby found as a fact that the present rates of George McChristian, insofar as they differ from the rates herein established, are unjust and unreasonable and that the rates herein established are just and reasonable rates to be charged hereafter.

Basing its order upon the foregoing finding of fact and upon the further statements of fact contained in the Opinion preceding this Order,

IT IS HEREBY ORDERED that George McChristian be and he is 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 on his public utility water system subsequent to the <u>31st</u>_day of December__, 1939:

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METERED RATES

Annual Minimum Charges:

Annual charges for water service are payable in advance on the first day of each year and will entitle the consumer to a minimum quantity of water each month commensurate with the size of meter installed.

Size of Meter	Minimum Quantity per Month	Annual Minimum Charge
5/8 inch x 3/4 inch	200 cubic feet	\$15.00
3/4 "	500 m m	24.00
1 "	900 m m	36.00

Each of the foregoing "Annual Minimum Charges" will entitle the consumer to the foregoing "Minimum Quantity per Month" end to purchase any additional quantity used in excess thereof during any month at the following quantity rates:

Quantity Rates:

200 - 1000 cubic feet, per 100 cubic feet --- \$0.25 Over 1000 " " 100 " " --- .20

FLAT RATE

IT IS HEREBY FURTHER ORDERED that George McChristian be and he is hereby directed to submit within thirty (30) days from the date of this Order to this Commission for its approval revised rules and regulations governing the service of water to his consumers.

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 <u>3</u> day of <u>Chaber</u>, 1939.

Commissioners.