

ORIGINAL

Decision No. 32554

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Pollock Pines Water Company for authority to increase rates.

Application No. 22739.

Thomas Maul, Attorney for Applicant.

BY THE COMMISSION:

O P I N I O N

In this proceeding H. R. Pollock, owner and operator of the Pollock Pines Water Company which is engaged in the business of selling and distributing water for domestic use to residents of "Pollock Pines Subdivision" and adjacent territory, asks for authority to increase rates and to incorporate certain rules and regulations to apply to the flat rates now in effect.

A public hearing was held in this matter before Examiner M. R. MacKall at Pollock Pines.

The evidence shows that H. R. Pollock subdivided a portion of the N.E. $\frac{1}{4}$ of Section 36, T.11 N, R.12 E, M.D.B. & M. to be known as the "Pollock Pines Subdivision" and commenced selling lots in 1935, furnishing water thereto from a well and water system. In 1938 Application No. 22044 was filed with this Commission, requesting a certificate of public convenience and necessity which was granted in Decision No. 31382 dated October 24, 1938. The present rate schedule is as follows:

Residences, per month.....	\$1.50
Commercial or Business Establishments, per month....	\$2.00

The water supply is pumped from a spring in the southeast corner of the N.E.1/4 of Section 36, through 1700 feet of 2" O.D. casing to an elevated storage tank in Lot 92 of the subdivision. From this tank the water is distributed by gravity through approximately 7,270 feet of mains, varying from 2" O.D. casing and boiler tubing to 1" standard black pipe. A second elevated storage tank in Lot 16 at a lower elevation than the tank in Lot 92 is interconnected to the system and used as a reserve supply for the northern portion of the service area.

The applicant has kept no book records of the original cost of the water system, or of the current operating expenses. A statement showing the investment in the water system to be \$4,205 was presented in the applicant's behalf at the hearing. However, a number of the items represented therein as capital investment should be classified as operating expense and a portion of the capital included has since been abandoned. A report was submitted by E. W. Stevenot, one of the Commission's hydraulic engineers, in which the original cost of the utility properties was found to be \$3,656. The annual operating expense was estimated to be \$573, including a depreciation annuity of \$63 computed by the 5% sinking fund method. The average number of consumers was 41 and the revenue under the present rates \$756 per annum.

The evidence shows that under the present operating conditions a sufficient and ample supply of water is not available from the present source of supply and that from time to time the consumers have been without water for household use. This condition was particularly acute in the present dry year and, in part, is due to the unrestricted use of water for sprinkling roadways and yards to settle dust and irrigating gardens and lawns. The installation

of meters will reduce the wasteful use of water and do much to furnish a more equitable distribution of the available supply, and at least assure the present consumers water for household purposes. However, it is apparent that the community is developing rapidly and has not reached its full growth. It is obvious that to furnish adequate service, including water for the irrigation of lawns and gardens, it will be necessary for the applicant to develop an additional and adequate supply of water. The rules and regulations requested restricting the use of water to interior household purposes appearing to be unreasonable and unjust, the request therefore will not be granted.

The flat rate schedule now in effect will not be changed. The schedule of meter rates as requested by the applicant appears to be reasonable and just and with certain necessary modifications will be authorized.

O R D E R

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

It is hereby found as a fact that the rates and charges of the Pollock Pines Water Company for water delivered to its consumers in Pollock Pines Subdivision and adjacent territory in El Dorado County, in so far as they differ from the rates herein established, are unjust and unreasonable and the rates herein established are just and reasonable rates to be charged for the service rendered, and

Basing the order upon the foregoing findings of fact and upon the further statements of fact contained in the opinion which precedes this order,

IT IS HEREBY ORDERED that Pollock Pines Water Company be and it 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 water service rendered its consumers subsequent to the 30th day of November, 1939:

METER RATES

Monthly Minimum Charges:

5/8" Meter.....\$1.50
3/4" Meter..... 2.00
1" Meter..... 2.50

Each of the foregoing "Monthly Minimum Charges" will entitle the consumer to the quantity of water which that monthly minimum charge will purchase at the following monthly quantity rates:

Monthly Quantity Rates:

For 500 cubic feet, or less.....\$1.50
All over 500 cubic feet, per 100 cubic feet.... .25

Meters may be installed at the option of either the Company or the consumer.

FLAT RATES

Residences, per month.....\$1.50
Commercial and Business Establishments, per month... 2.00

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

Dated at San Francisco, California, this 14th day of November, 1939.

Robert W. ...
Frank ...
Ray ...
...
Justin J. ...
COMMISSIONERS.