

Decision No. 23815

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In Re: BOND AND JONES WATER COMPANY  
 In the Matter of the Application of  
 WALTER B. JONES and M. E. JONES,  
 for an order authorizing the sale of  
 undivided interest in water company.

ORIGINAL

Application No. 23818

- Morrison, Hohfeld, Foerster, Shuman & Clark,  
by Gordon X. Richmond, for Walter B. Jones, Applicant.
- Gordon X. Richmond, for M. E. Jones, Applicant.
- Henry S. Campbell, a Consumer, Interested Party.
- Herbert Nelson, a Consumer, Interested Party.

CRAEMER, COMMISSIONER:

O P I N I O N

Walter B. Jones and R. W. Jones (unrelated) have been operating a public utility water system as a co-partnership under the fictitious firm name and style of Bond and Jones Water Company, supplying domestic and irrigation water in and around El Modena and McPherson in Orange County. In this proceeding, Walter B. Jones requests the Railroad Commission for authority to sell and transfer his undivided one-half interest in the Water Company to his partner's son, M. E. Jones, and to be relieved of any further public utility obligations in connection with the system.

Said R. W. Jones and M. E. Jones, father and son, as co-partners, own and operate the Jones and Jones Water Company, a public utility, furnishing water in and around El Modena. By

supplemental application, request is made for authority to merge and consolidate these two systems under the fictitious firm name and style of Jones Water Company.

A public hearing in this matter was held in El Modena, Orange County.

The evidence shows that the Bond and Jones Water Company has been in operation since about the year 1906. The interest of "Bond" in this firm formerly was owned by Mary J. Bond and was acquired by her grandson, Walter B. Jones, in 1924. The El Modena water system, now operated as the Jones and Jones Water Company, has been in operation since sometime prior to the year 1912 and was acquired by its present owners from the former American States Water Company. These water plants operate in adjoining and contiguous territories, each obtaining its water supply through ownership of stock in the John T. Carpenter Water Company, a mutual concern, organized primarily to engage in the business of the distribution of water to its members for agricultural irrigation purposes. The consolidation of these two water systems under the same ownership and management should provide a more efficient and economic operating control. The rates now actually charged, as well as the rules and regulations in effect, are the same on both systems, although the filed tariffs of the old El Modena water system are somewhat higher. Direction will be given in the following Order providing for the necessary refiling of uniform rates, rules and regulations.

The evidence further shows that the accounting and book-keeping methods of these two companies are different. Under consolidated operation the new owners will be required to open up a new set of books.

The following form of Order is recommended.

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 being now fully advised in the premises,

IT IS HEREBY ORDERED that Walter B. Jones be and he is hereby authorized to sell, transfer and convey to M. E. Jones his undivided one-half interest in the water-works being operated under the fictitious firm name and style of Bond and Jones Water Company, distributing water in and around El Modena and McPherson, Orange County, substantially in accordance with the terms and conditions contained in that certain letter dated October 23, 1940, marked Exhibit "A," attached to the application herein and made a part of this Order by reference, and that thereupon said Walter B. Jones be and he is hereby relieved of all further public utility obligations and liabilities in connection with said water-works, subject to the following terms and conditions:

1. The authority herein granted shall apply only to such transfer as shall have been made on or before the first day of April, 1941, and on or before that date a certified copy of the final instrument or instruments of conveyance shall be filed with this Commission by Walter B. Jones.
2. Within ten (10) days from the date on which said Walter B. Jones actually relinquishes control and possession of the property herein authorized to be transferred, he shall file with this Commission a certified statement indicating the date upon which such control and possession were relinquished.
3. The consideration for the transfer herein authorized shall not be argued before this Commission or any other public body as a finding of value for rate fixing or any purpose other than the transfer herein authorized.

IT IS HEREBY FURTHER ORDERED that R. W. Jones and M. E. Jones be and they are hereby authorized to consolidate and operate as a single unit their two public utility water systems serving water in and in the vicinity of El Modena and McPherson in the County of Orange, and within thirty (30) days from the date of this Order said R. W. Jones and M. E. Jones shall file a certified statement to the effect that they shall assume all obligations and liabilities, including all amounts, if any, due consumers for deposits made for main extensions, meter or service connections and/or any other purpose, heretofore or at any time incurred on behalf of the former co-partnerships known as Bond and Jones Water Company and Jones and Jones Water Company.

IT IS HEREBY FURTHER ORDERED that within thirty (30) days from and after the date of this Order, R. W. Jones and M. E. Jones shall file with the Railroad Commission the following schedule of rates to be charged on and after the 1st day of February 1941, for all service rendered to their consumers in the territory indicated above, being the areas served by the Bond and Jones Water Company and Jones and Jones Water Company, in and around the communities of El Modena and McPherson in the County of Orange:

RATE SCHEDULES

Flat Rates

<u>Classification</u>	<u>Per Month</u>
For house . . . . .	\$1.00
For house and small lawn . . . . .	1.25
For house and large lawn . . . . .	1.50
For school house with large lawn . . . . .	3.00
For packing houses . . . . .	\$2.50 and \$3.00

RATE SCHEDULES (CONTD.)

Meter Rates

Monthly Minimum Charges:

5/8 inch meter . . . . .	\$1.25
3/4 " " . . . . .	2.00
1 " " . . . . .	3.00
1-1/2 " " . . . . .	6.00
2 " " . . . . .	9.00
3 " " . . . . .	18.00

Each of the foregoing "Monthly Minimum Charges" will entitle the consumer to that quantity of water which that amount of money will purchase at the following "Monthly Quantity Rates":

Monthly Quantity Rates:

From 0 to 500 cu.ft., per 100 cu.ft. . .	\$0.25
From 500 to 2,000 " " " 100 " " . .	.20
All over 2,000 " " " 100 " " . .	.15

Meters will be installed at the option of either the consumer or the utility. If installed at the option of the utility, the entire cost shall be borne outright by the utility. If installed at the option of the consumer, the cost of the meter shall be advanced by the consumer to the utility, and the amount so deposited shall be returned to the consumer as credits on the monthly bills for water consumed, at the rate of one third of such monthly bills, until the entire amount deposited shall have been returned.

IT IS HEREBY FURTHER ORDERED that R. W. Jones and M. E.

Jones be and they are hereby directed as follows:

1. Within thirty (30) days from the date of this Order, to submit to this Commission for its approval quadruplicate sets of rules and regulations governing relations with their consumers, each set of which shall contain a suitable map or sketch, drawn to an indicated scale upon a sheet approximately 8 1/2 x 11 inches in size, delineating thereupon in distinctive markings the boundaries of the utility's service area and the location thereof with reference to the surrounding territory; provided, however, that such map or sketch shall not thereby be considered by this Commission or any other public body as a final or conclusive determination or establishment of the dedicated area of service or any portion thereof.

2. Within sixty (60) days from the date of this Order, to file with this Commission four copies of a comprehensive map drawn to an indicated scale of not less than 600 feet to the inch, upon which shall be delineated correctly by appropriate markings the various areas served by the utility. This map should be reasonably accurate, show the source and date thereof, and include sufficient data to determine clearly and definitely the location of the various properties comprising the entire utility area of service.

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 21<sup>st</sup> day of January, 1941.

[Signature]  
[Signature]  
[Signature]  
Justus P. Coe  
Francis D. Haven  
Commissioners.