



Highway 99, now known as the County Road. Most of these residences and commercial establishments are now being furnished with water by Applicant, who in turn purchases water from the City of Redding.

The area north of the County Road, designated as the Eitemiller lands, is described in the application as containing about three acres, but this description was corrected at the hearing so that the area intended to be served is about five acres. The application was also amended to include within the service area several premises on both sides of the Pacific Highway near its junction with the County Road which are not contained within the Benton Subdivision proper. There are also some lands between the river and the Benton Subdivision, on the east side of the Pacific Highway, which would logically be served with water by Applicant and which she asked at the time of the hearing to be included. Therefore, the total territory to be served, as amended, comprises about 21 acres, plus an area of unknown acreage south of the subdivision and bordering the river.

Applicant is now furnishing water at the following rates which the Commission is requested to approve:

Minimum charge, per month . . . . .	\$2.00
First 1,000 cubic feet, per 100 cubic feet . . . . .	.20
Next 4,000 cubic feet, per 100 cubic feet . . . . .	.15
Next 35,000 cubic feet, per 100 cubic feet . . . . .	.09
All over 40,000 cubic feet, per 100 cubic feet . . . . .	.07

The well which was formerly used having been disconnected, all water for Applicant's system is now being obtained from the City of Redding Water Department. Within the city limits, at a point on the north side of Riverside Drive, is located a 4-inch compound meter which is supplied through a 4-inch pipe connected to a 6-inch main on the south side of Riverside Drive. From the meter, which measures all water supplied to Applicant, a 6-inch pipe line is laid to the south end of the highway bridge, thence underneath the downstream side of the bridge to the north abutment where the line crosses to the west side of the highway and is laid along the fill toward the subdivision. The total

length of the transmission line from the meter to the south end of the alley between Pacific Highway and Loma Street is 2,313 feet, consisting of 6-inch, No. 10 gauge spiral welded steel pipe. The present distribution system consists of 1,826 feet of 6-inch, No. 10 gauge and 2,450 feet of 4-inch, No. 12 gauge spiral welded steel pipe, installed in 1941 with Dresser couplings, and 1,013 feet of 1-1/2-inch galvanized standard screw pipe installed about three years ago. There have been installed three fire hydrants with 4-inch connections to the mains and each provided with two 2-1/2-inch hose connections. At the time of the field investigation and hearing in April, 1942, there were twenty-eight active services, all of which are metered.

The total cost of the water works as given in the application is \$6,548. The report of E. Ronald Foster, Engineer in the Commission's Hydraulic Division, submitted in evidence as Exhibit No. 3, shows the estimated original cost of the existing installation as of April 10, 1942, to be \$7,575, based on an inventory made in the field and the Applicant's records. Due to the war, construction of houses in the subdivision has been stopped so that all of the pipe-line material which was purchased has not been installed. The amount of this material in stock represents \$468, making the total investment \$8,043. The annual charge for depreciation, based on the engineer's appraisal and computed by the 5% sinking fund method is \$99.71.

Attached to the application as Exhibit "B" is a copy of Resolution No. 1190 adopted by the City Council of the City of Redding at its regular meeting on March 17, 1941, wherein it is specified that the water to Applicant "shall be supplied at the same rates as water is supplied to the inhabitants of the City of Redding." Exhibit "C" attached to the application is a copy of the agreement made and entered into on the 17th day of March, 1941, between the City of Redding and Applicant, wherein Applicant "agrees to pay to the City for such service of supplying the waters aforesaid the same prices now charged the consumers and patrons of the City of Redding within the city limits thereof, and upon the same terms and conditions."

By Resolution No. 1188, adopted by the City Council on March 3, 1941, the following water rate schedule had been established:

Minimum charge per meter, per month . . . . .	\$0.75
First 400 cubic feet. . . . .	.75
Next 600 cubic feet, per 100 cubic feet . . . . .	.10
Next 4,000 cubic feet, per 100 cubic feet . . . . .	.09
Next 35,000 cubic feet, per 100 cubic feet . . . . .	.07
All over 40,000 cubic feet, per 100 cubic feet . . . . .	.06

No charge between 1,000 and 2,500 cubic feet.

Exhibit No. 1, submitted as evidence at the hearing in this proceeding, is a copy of Resolution No. 1206 adopted by the City Council on May 19, 1941, and made effective June 1, 1941, which maintained in effect the same schedule of metered rates and established an optional schedule of flat rates for domestic and residential consumers.

The bills presented to Applicant by the City of Redding differ from those to the inhabitants of the City of Redding in two particulars:

- (a) Applicant is charged for all water used, whereas no charge is made to the inhabitants of the City of Redding for the quantity between 1,000 and 2,500 cubic feet, amounting to \$1.35 per month.
- (b) Ten per cent (10%) is added to the charges to Applicant, because of the fact that this service is to an area entirely outside of the limits of the City of Redding.

Following is a tabulation of charges made by City of Redding for water service to Applicant and the earned revenue since Applicant began to charge her customers on the basis of the rate schedule given in the application:

Month	Water Purchased			Water Sold	
	Metered Quantity : Cu. Ft.	Charges at Contract : Rate	Actual Charges : by City	Number of Customers	Total Earned : Revenue
<u>1941</u>					
July	39,300	\$ 27.61	\$ 31.86		
August	40,400	28.34	32.66		
September	25,100	17.67	20.92		
October	29,800	20.96	24.54	20	\$ 52.15
November	19,600	13.82	16.68	23	55.90
December	31,200	21.94	25.62	25	57.58
<u>1942</u>					
January	40,600	28.46	32.79	26	62.73
February	26,300	18.51	21.85	26	69.11
March	<u>27,700</u>	<u>19.49</u>	<u>22.92</u>	<u>27</u>	<u>63.22</u>
Total for 6 months	175,200	\$123.18	\$144.40	147	\$360.69

Since water is supplied to Applicant's water mains at adequate pressure by the City of Redding, the operation of this water works will be comparatively simple. Except for occasional repairs to the transmission and distribution system, the major expense in addition to the cost of water will be that of reading the meters and preparing the monthly bills. This additional expense is estimated by the Commission's engineer to amount to not over \$200 per year.

As compared with other neighboring public utilities, the minimum monthly charge of \$2.00 proposed by Applicant is somewhat high, although this charge would entitle the consumer to the use of 1,000 cubic feet per month. In the City of Redding, the minimum monthly charge of \$0.75 entitles the consumer to 400 cubic feet and 1,000 cubic feet would cost only \$1.35 at the rates of this municipally-owned system. Moreover, there are several commercial establishments served by Applicant and many of her residential consumers who do not use or require as much as 1,000 cubic feet of water, particularly during the winter months. Therefore, in the opinion of the Commission, based on the experience and advice of the staff in its Hydraulic Division, the minimum monthly charge should be set at some lower amount which will still enable Applicant to receive a reasonable return on her investment after defraying all

maintenance and operating expenses and providing for the depreciation annuity, and the following Order will so provide.

ORDER

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,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require and will require the operation of a water system by Kate L. Benton in the Benton Subdivision and in certain adjoining areas, which territory lies across the Sacramento River from and north of the City of Redding in the County of Shasta, as shown on the map marked Exhibit No. 2, filed in this proceeding and which is hereby made a part of this Order by reference, and which territory is more particularly described as follows:

Parcel I, east of Highway No. 99:

Commencing at the East quarter corner of Section 25, T. 32 N., R. 5 W., M.D.B. & M. and running thence S. 89° 00' 30" W. 2639.04 feet to the center line of Pacific Highway (U.S. No. 99), thence N. 38° 07' E. on and along the center line of said Pacific Highway 545.46 feet, thence S. 51° 53' E. 75.0 feet to the easterly boundary of said Pacific Highway, which is the true point of beginning of this description; beginning at said point and running thence S. 51° 53' E. 465.0 feet, thence S. 38° 07' W. 500.0 feet, thence N. 51° 53' W. 257.0 feet, thence S. 38° 07' W. 645.0 feet, thence N. 51° 53' W. 58.0 feet, thence S. 38° 07' W. 1920.0 feet, thence N. 51° 53' W. 150.0 feet to the easterly boundary of said Pacific Highway, thence N. 38° 07' E. on and along the easterly boundary line of said Pacific Highway 3065 feet to the point of beginning, and containing 15 acres, more or less.

Parcel II, west of Highway No. 99 and south of County Road:

Commencing at the East quarter corner of Section 25, T. 32 N. R. 5 W., M.D.B. & M. and running thence S. 89° 00' 30" W. 2639.04 feet to the center line of Pacific Highway (U.S. No. 99), thence S. 38° 07' W. on and along the center line of said Pacific Highway 203.33

feet, thence N.  $89^{\circ} 26'$  W. 94.60 feet to the true point of beginning of this description, being at the intersection of the westerly boundary of said Pacific Highway and the southerly boundary of the County Road; beginning at said point and running thence S.  $38^{\circ} 07'$  W. on and along the westerly boundary of said Pacific Highway 2436.65 feet, thence in a northwesterly direction along a curve to the left with a radius of 25.0 feet through an angle of  $123^{\circ} 10'$  53.74 feet, the long chord of which bears N.  $23^{\circ} 28'$  W., thence N.  $85^{\circ} 03'$  W. 743.23 feet, thence N.  $77^{\circ} 58'$  W. 489.22 feet, thence N.  $35^{\circ} 18'$  E. 2114.38 feet to the southerly boundary line of the County Road, thence S.  $89^{\circ} 26'$  E. on and along the southerly boundary line of said County Road 1518.78 feet to the point of beginning and containing 61 acres, more or less.

Parcel III, west of Highway No. 99 and north of County Road:

Land now or formerly belonging to A. E. Eitemiller, described as follows:

Beginning at a point at the intersection of the westerly boundary of the Pacific Highway (U.S. No. 99) and the northerly boundary of the County Road, running thence N.  $89^{\circ} 27'$  W. on and along the northerly boundary line of said County Road 749.72 feet, thence north 291.09 feet, then S.  $89^{\circ} 27'$  E. 741.1, thence in a southwesterly direction along a curve to the right with a radius of 11,800 feet through an angle of  $1^{\circ} 13'$  40", the long chord of which bears approximately S.  $36^{\circ}$  W. a distance of 252.83 feet, thence N.  $88^{\circ} 56'$  40" E. 229.82 feet to the westerly boundary of said Pacific Highway, thence S.  $38^{\circ} 07'$  W. on and along the westerly boundary of said Pacific Highway 129.60 feet to the point of beginning, and containing 5 acres, more or less.

Parcel IV, west of Highway No. 99 and south of Parcel II:

Also those lands of unknown area bounded on the south by the northerly bank of the main channel of the Sacramento River, on the east by the westerly boundary of the right of way of the Pacific Highway (U.S. No. 99), on the north by the southerly boundary of that portion of Benton Subdivision, Units No. 2 and No. 3, included in Parcel II above, and on the west by the southwesterly extension of the westerly boundary of Benton Subdivision.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to Kate L. Benton to operate a public utility for the sale and distribution of water within the territory hereinbefore described.

IT IS HEREBY FURTHER ORDERED that Kate L. Benton be and she is hereby authorized and directed to file in quadruplicate 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 to her consumers subsequent to the first day of October, 1942, which schedule of rates is hereby found to be just and reasonable for the service to be rendered:

SCHEDULE OF RATES

METERED SERVICE

Minimum Monthly Charges:

For 5/8 x 3/4 inch meter . . . . .	\$1.75
For 3/4 inch meter . . . . .	2.25
For 1 inch meter . . . . .	3.00
For 1-1/2 inch meter . . . . .	4.00
For 2 inch meter . . . . .	6.00

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

Monthly Quantity Rates:

First 1,000 cubic feet, per 100 cubic feet . .	\$0.20
Next 4,000 cubic feet, per 100 cubic feet . .	.15
Next 35,000 cubic feet, per 100 cubic feet . .	.09
All over 40,000 cubic feet, per 100 cubic feet . .	.07

IT IS HEREBY FURTHER ORDERED that Kate L. Benton be and she is 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 her 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 authorized 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 400 feet to the inch, upon which shall be delineated correctly by appropriate markings the various tracts of land in the territory for which the certificate is granted herein. 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; provided, however, that such map 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.
- (3) Within forty-five (45) days from the date of this Order to file with this Commission an affidavit to the effect that she will never claim before this Commission or any other public body an amount for the certificate of public convenience and necessity granted herein in excess of the actual cost of acquiring it.

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.

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 15<sup>th</sup> day of September 1942.

Justin F. Casner  
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J. B. ...  
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Francis D. Havens  
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Robert ...  
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 Commissioners.