

Decision No. 36671

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 WILLIAM FRASER, operating under the
 name of WEOTT WATER COMPANY, for
 Order Authorizing An Increase of
 Water Rates.

ORIGINAL

Application No. 25156.

L. F. Puter, for Applicant.

CRAEMER, COMMISSIONER:

OPINION

In this proceeding William Fraser, operating under the fictitious firm name and style of "Weott Water Company," and engaged in the business of supplying water in and in the vicinity of the Town of Weott, Humboldt County, asks the Commission for authority to increase the rates.

A public hearing in this matter was held at Weott.

A certificate of public convenience and necessity was granted William Fraser to operate a public water utility on the 26th day of January, 1931, in Decision No. 23318, wherein the present schedule of rates was established as set forth below:

FLAT RATES

Residences.....	\$1.50 per month
Hotels and commercial boarding houses.....	4.00 " "
Stores and shops.....	2.00 " "
Other commercial use, according to amount of water \$1.50 to	\$4.00 " "

MEASURED RATES

Minimum Monthly Charges:

5/8 x 3/4-inch meter.....	\$1.50
1-inch meter.....	3.00
1 1/2-inch meter.....	6.00
2-inch meter.....	7.50
3-inch meter.....	12.00

Minimum Monthly Charges(Continued)

Each of the foregoing "Minimum Monthly Charges" will entitle the consumer to the quantity of water which that minimum will purchase at the "Monthly Meter Rates" set out as follows:

Monthly Meter Rates:

From 0 to 1,500 cubic feet, per 100 cubic feet.....	\$0.20
All over 1,500 cubic feet, per 100 cubic feet.....	.15

The water supply is obtained from a small creek on the west side of the Bel River and two springs located in the hills lying easterly of the town. From the creek supply, water is delivered by gravity through 3,425 feet of 1½-inch and 2-inch pipe. Excess water from this source flows into a 40,000 gallon tank, known as the "lower tank." From the springs, water is conveyed by gravity through 8,400 feet of one-inch and two-inch pipe into a 40,000-gallon redwood storage tank known as the "upper tank," which supplies consumers residing in the highest section of the service area. During the summer months the springs do not yield sufficient water to meet the demands of the higher zone, and it is necessary to pump water from the lower tank into the upper tank to supply this area. At the present time there are twenty-seven residential consumers and ten commercial users including business firms and auto camps. As no meters are installed, all service being rendered is at flat rates.

Applicant submitted figures from his annual reports setting forth the annual revenues for 1941 as \$994 and \$1,027 for 1943, and corresponding operating expenses, exclusive of depreciation, of \$1,100 and \$749, respectively. He testified that the revenues for 1943 would be reduced as business establishments such as auto courts, restaurants, gasoline stations, etc., which were to a great extent dependent on automobile traffic on the Redwood Highway through Weott, were forced to close because of the gasoline rationing program. Mr. Fraser stated that the cost of available labor and materials had so increased that the rates in effect did not produce sufficient revenue to provide operating expenses.

Mr. C. F. Norris, one of the Commission's engineers, submitted a report covering an investigation of the operations of the system in which the original cost of the property was estimated to be \$8,607, as of September 23, 1943, with a

corresponding depreciation annuity of \$160, computed by the sinking fund method at 5%. The operating expenses for the immediate future were estimated to be \$901 per annum, which included the above allowance for depreciation. Annual revenue for the year 1943 was estimated to total \$899 at the present rates in effect, and \$1,198 for the same period at the rates proposed by applicant. It is apparent that applicant is entitled to an increase in rates.

There were no protests concerning the increased rates requested. However, complaints were made by several consumers served from the upper tank to the effect that they continually suffered service interruptions and never receive an adequate supply of water. The testimony of these consumers was admittedly correct. Applicant will be required to install a pump of sufficient capacity to provide all residents in the area supplied by the upper tank with an adequate volume of water at satisfactory pressure at all reasonable times.

The record shows that there are two water distribution systems operating in the Town of Weott. One of these is owned by the estate of W. J. Curry, which in 1931 was supplying three or four neighbors on an accommodation basis. The consumers of this system now number 12 or 13, and includes the Weott Grade School. The source of water is three springs located on lands of the said estate. This system is interconnected with applicant's mains and during three summer months water is purchased by the Curry System to supply a few cottages situate on the west side of Highway 101, at the northern end of the town.

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 now being fully advised in the premises,

IT IS HEREBY FOUND AS A FACT that the rates now charged by William Fraser, operating under the fictitious firm name and style of the Weott Water Company, for water supplied to his consumers in and in the vicinity of the unincorporated Town of Weott, in the County of Humboldt, are unjust and unreasonable in so far as they

differ from the rates herein established, and that the rates herein established are just and reasonable rates to be charged for the service rendered; and

Basing its Order upon the foregoing findings of fact, and upon further statements of fact contained in the Opinion which precedes this Order,

IT IS HEREBY ORDERED that William Fraser, operating under the fictitious firm name and style of the Weott Water Company, be and he is hereby authorized and directed to file with the Railroad Commission, within thirty (30) days from the date of this Order, the following schedules of rates to become effective on and after the 1st day of November, 1943:

Schedule No. 1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all water service rendered on a metered basis.

TERRITORY

In and in the vicinity of the Town of Weott, Humboldt County.

RATES

<u>Quantity Charges:</u>	<u>Per Meter Per Month</u>
From 0 to 1,500 cubic feet, per 100 cubic feet.....	\$0.20
All over 1,500 cubic feet, per 100 cubic feet.....	.15
 <u>Minimum Charges:</u>	
5/8 x 3/4-inch meter.....	\$2.00
1-inch meter.....	4.00
1 1/2-inch meter.....	6.00

The Minimum Charge will entitle the consumer to the quantity of water which that monthly minimum charge will purchase at the Quantity Rates.

SPECIAL CONDITIONS

A meter may be installed on any service at the option of either the consumer or the utility.

Schedule No. 2

MONTHLY FLAT RATES

APPLICABILITY

Applicable to all domestic and commercial water service.

Schedule No. 2 (Continued)
MONTHLY FLAT RATES

TERRITORY

In and in the vicinity of the Town of Weott, Humboldt County.

RATES

	<u>Per Month</u>
1. For one dwelling, house or living quarters of five (5) rooms, or less, and bathroom, including reasonable and necessary quantities of water for an irrigated area of not over 2,500 square feet of lawns, gardens, shrubbery and trees.....	\$2.00
2. For each additional dwelling unit of five (5) rooms, or less, equipped with bathroom, taking service through the same connection.....	1.50
3. For each additional dwelling unit or cabin, not equipped with bathroom, taking service through the same connection.....	1.25
4. For each additional room over five (5) in any dwelling unit.....	.10
5. For irrigation of grounds planted to lawns, gardens, shrubbery and trees in excess of the 2,500 square feet included in the dwelling rate, payable six months of the year, from May to October, inclusive, per 100 square feet.....	.02
6. Ice-cream parlors, soda fountains, soft or hard drink places, pool halls, etc., according to expected use of water, minimum charge.....	2.65
7. Restaurants and cafes, at 15 cents per unit of seating capacity, minimum charge.....	2.25
8. Barber shops, for single chair.....	2.50
For each additional chair.....	.75
9. Retail markets, stores, shops, theatres and other business establishments not otherwise listed, according to expected use of water, minimum charge.....	2.65
10. Auto courts, creameries, service stations, garages and other commercial establishments, not classified, to be charged for water at measured rates.	

SPECIAL CONDITIONS

For any combination of living quarters and business establishments taking water service through the same connection, the total monthly rate shall be determined by adding the separate rates listed above.

IT IS HEREBY FURTHER ORDERED that William Fraser, operating under the fictitious firm name and style of the Weott Water Company, be and he is hereby

directed as follows:

1. Within thirty (30) days from the date of this Order, to submit to this Commission for its approval four sets of rules and regulations governing relations with his consumers; each set of which shall contain a suitable map or sketch, drawn to an indicated scale upon a sheet $8\frac{1}{2}$ x 11 inches in size, delineating thereupon in distinctive markings the boundaries of its present 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 by appropriate markings the territory presently served. 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 property 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. On or before the first day of May, 1944, to install a pumping unit of sufficient capacity to maintain a supply of water in the upper tank adequate to furnish all consumers in the higher distribution zone with water at satisfactory pressure at all times, and to notify this Commission when such installation has been completed, in order that an inspection may be made to determine that such equipment fulfills the requirements of this Order.

IT IS HEREBY FURTHER ORDERED that the Railroad Commission hereby reserves the right to make such other and further order or orders in connection with this proceeding as may appear to be reasonably necessary and proper in the public interest and in the exercise of its jurisdiction.

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 19th day of October

1943.

Francis A. Harwood

J. B. M.

Justus F. Cassman

Richard Locke

Frank A. Cline

COMMISSIONERS.