

ORIGINAL

Decision No. 41319

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of PEARL I. FELDMAYER, for Order  
Authorizing Increase of Water Rates.

Application No. 28361

Francis M. Passalacqua, for Applicant.

O P I N I O N

Pearl I. Feldmeyer, operating under the name of Geyserville Water Works and engaged in the business of producing, distributing, and selling water for domestic and commercial purposes to the inhabitants of the unincorporated town of Geyserville, in Sonoma County, asks the Commission to authorize an increase in the rates for the water service being rendered.

A public hearing in this proceeding was held in Geyserville before Examiner Foster.

The water system was installed by Clemens A. Feldmeyer in 1906, since which time the distribution mains have been extended to serve the residents of this community in an area comprising about 65 acres. At present there are 125 customers, of which 22 are metered. The water supply is obtained from shallow wells, two of them being dug wells now in service while a new drilled well has not yet been equipped with a pumping unit. Water from the wells is pumped directly into the distribution system consisting of approximately 10,723 feet of mains varying in size from three-fourths to four inches in diameter, the excess flow being delivered into two tanks having a combined storage capacity of 41,000 gallons located together on the hillside west of the town.

The presently filed rate schedule, in effect since July 1, 1933, includes a meter rate allowing 500 cubic feet per month at a monthly minimum charge of \$1, with charges for additional use reduced through one block at 11½ cents per 100 cubic feet to nine cents per 100 cubic feet for all over 2,000 cubic feet; and flat rates which include monthly charges of \$1.50 for residences, \$2 for commercial

establishments, 1/4 of a cent per square yard for irrigating, and other charges for several miscellaneous uses. However, an optional meter rate was filed in 1938, which has virtually superseded the former meter rate and which allows 2,000 cubic feet of water monthly for a minimum charge of \$1.50 per month, with a charge of ten cents per 100 cubic feet for all additional water. The meter rates requested by applicant would allow 2,000 cubic feet per month for \$2, with the charge for all additional water remaining at ten cents per 100 cubic feet. At the hearing applicant amended her application to include a request for authority to increase the flat rate for residences to \$2 per month and the other flat rates in the same proportion.

Testimony indicated that two or three consumers using very small quantities of water have been receiving service at \$1 per month; these consumers have very limited use for water, having no gardens or facilities to utilize large quantities of water. When questioned, applicant agreed that the revised rates should include this type of service under the flat rates and suggested that a charge of \$1.25 would be reasonable and that a charge for additional cabins or homes served through a single service should also be established.

Applicant testified that she is in the process of installing additional capital improvements costing \$1,934 which will increase the total invested capital of the system to \$10,547. The 1947 revenues amounted to \$2,352.62 and expenses were \$1,918.99, leaving a net revenue of \$433.63 for the year 1947.

A report presented by Mr. John D. Reader, one of the Commission's engineers, gave the results of operation of the system for the year 1947 and as estimated for 1948 under the present and requested rates, based upon the historical cost of the properties. A summary of this information is shown following:

Item	1947		1948 (Estimated)	
	At Present Rates	At Proposed Rates	At Present Rates	At Proposed Rates
Operating revenue	\$ 2,365	\$ 3,003	\$2,458	\$3,104
Operating expense	2,000	2,128	2,068	2,204
Net operating revenue	\$ 365	\$ 875	\$ 390	\$ 900
Fixed capital	\$9,606	\$ 9,606	\$10,711	\$10,711
Rate of return	3.80%	9.11%	3.64%	8.40%

The expenses shown in this tabulation were adjusted for capital items incorrectly included as expense and reasonable allowance was made for the owner's services and for labor necessary to supervise, operate and maintain the system. In general these figures agree with those presented by applicant for the year 1947. The capital additions in progress estimated by applicant at \$1,934 are included in the fixed capital for 1948 shown above.

The evidence presented in this proceeding indicates that the requested rates would produce a slightly excessive return on the investment; however, the present rates do not produce a reasonable return. Therefore, rates will be established in the following Order designed to produce revenues which should render a more reasonable return on the investment.

One consumer testified that service to his premises at the north end of the town had been somewhat intermittent but that this difficulty was slightly improved in 1947 by the installation of an additional storage tank. The proposed improvements include the installation of a new pump and motor now on hand which is expected to be capable of delivering 150 gallons per minute. This installation should make it possible to maintain water at a satisfactory level in the tanks at all times and thereby give the consumer sufficient water pressure under normal conditions.

#### O R D E R

Application as entitled above having been filed with the Public Utilities Commission of the State of California, 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 Pearl I. Feldmeyer, doing business as Geyserville Water Works, for water delivered to her customers at Geyserville, Sonoma County, are unjust and unreasonable in so far as they differ from the rates herein established; that the rates herein established are just and reasonable rates to be charged for the service to be rendered; that the increase in charges authorized by this decision is hereby found to be justified; and, basing its 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 as follows:

1. That Pearl I. Feldmeyer, doing business as Geyserville Water Works, be and she is hereby authorized to file in quadruplicate with the Public Utilities Commission of the State of California, in conformity with the Commission's General Order No. 96, within twenty-five (25) days from the effective date of this Order, the following schedule of rates to be charged for all water service rendered to her customers, said rates to become effective for all service rendered on and after the first day of the first calendar month following the effective date of this Order:

Schedule No. 1

GENERAL METERED SERVICE

Applicability:

Applicable to all water service rendered on a metered basis.

Territory:

In the unincorporated community of Geyserville in Sonoma County.

Rates:

<u>Quantity Rates:</u>	<u>Per Meter Per Month</u>
First 1,500 cubic feet or less.....	\$1.75
All over 1,500 cubic feet, per 100 cubic feet.....	0.10
 <u>Minimum Charges:</u>	
For 5/8" x 3/4" Meter.....	\$1.75
For 3/4" Meter.....	2.00
For 1" Meter.....	3.00
For 1 1/2" Meter.....	5.00
For 2" Meter.....	8.00

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

Schedule No. 2

FLAT RATE SERVICE

Applicability:

Applicable to all water service rendered on a flat rate basis.

Territory:

In the unincorporated community of Geyserville in Sonoma County.

Rates:

Per Month

For single family residence, to include the irrigation of 2,500 square feet of lawns and gardens . . . . .	\$2.00
For area irrigated in addition to that included with above residence rate during the months May to October, inclusive, per 100 square feet . . . . .	0.05
For each additional cabin, house or apartment served through a single service . . . . .	1.25
For service where the use of water is very limited, no garden, lawn, large household or similar use . . . . .	1.25
For small commercial use . . . . .	\$.1.50 to \$2.50
For large commercial or industrial use, according to consumption, to be determined by meter or otherwise and not to exceed the meter rates herein established.	

2. That Pearl I. Feldmeyer, within forty (40) days from the effective date of this Order, shall submit to this Commission for its approval four 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 8 1/2 x 11 inches in size, delineating thereupon in distinctive markings the boundaries of her present service area, and the location thereof with reference to the immediate 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.
3. That Pearl I. Feldmeyer, within sixty (60) days from the effective date of this Order, shall 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 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.

The effective date of this Order shall be twenty (20) days from and after the date hereof.

Dated at San Francisco, California, this 16<sup>th</sup> day of March, 1948.

J. T. Ingram  
Justin J. Keenan  
Robert H. Poyell  
Harold P. Kille  
Samuel H. Potts  
 Commissioners

