

ORIGINALDecision No. 41945

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of BRISBANE WATER CO. for authority
to increase rates.

Application No. 28781

Clyde Henry, for applicant;
Frank B. Kington for Brisbane
Fire District; Richard J. Dolwig,
for consumers.

O P I N I O N

Clyde Henry owns and operates a water works under the fictitious firm name of Brisbane Water Company supplying a portion of the Town of Brisbane in San Mateo County. In this proceeding, he alleges that the cost of water purchased from the City of San Francisco's Water Department has been increased 18%; that his other expenses have also increased to the extent that he now is operating at a substantial loss. The Commission is asked to establish an increased schedule of rates.

A public hearing was held in this matter before Examiner Ross at Brisbane.

Brisbane Water Company supplies water to 373 consumers in a service area adjoining the Visitacion City Water Company, owned and operated by Theo. C. Linde. Applicant's territory embraces the higher elevations of the rim of Visitacion Valley. All water is purchased from the municipal water works of the City and County of San Francisco and is delivered to local consumers through booster plant and storage tank facilities.

The present rates charged by this utility were established by this Commission in its Decision No. 25431, issued December 10, 1932, and are in part as follows:

Monthly minimum charge per consumer

5/8 x 3/4 inch meter \$1.75

Monthly quantity charge

From 0 to 500 cubic feet, per 100 cubic feet 0.35
 Next 2,000 " " " " " " 0.30
 Next 1,500 " " " " " " 0.25
 Over 4,000 " " " " " " 0.20

Applicant requests authority to charge the schedule of rates set out in part below:

Monthly minimum charge per consumer

5/8 x 3/4 inch meter \$2.75

Monthly quantity charge

From 0 to 500 cubic feet, per 100 cubic feet 0.55
 Next 1,000 " " " " " " 0.45
 Over 1,500 " " " " " " 0.35

Applicant submitted no inventory nor appraisement of the fixed capital invested. Certain tabulations were presented by Mr. Henry purporting to show estimates of capital investment and portions thereof. These estimates were not adequately supported, were without proper foundation and not acceptable for rate fixing purposes. Applicant's books and records were in such incomplete condition that the Commission's engineers were unable to obtain therefrom sufficient accurate data to make a reliable estimate of capital investment for rate fixing purposes.

Mr. Ed. F. Catey, one of the Commission's engineers, presented evidence on operations summarized as follows:

	1947 Actual	1948 Estimated
Revenues	\$10,136	\$10,460
Expenses, less depreciation including taxes	<u>11,477</u>	<u>11,740</u>
(Loss)	<u>(1,341)</u>	<u>(1,280)</u>

The Commission's engineer estimated that the revenues for 1948 under the schedule of rates proposed by applicant would amount to \$16,240, and operating expenses, excluding depreciation but including taxes for the same year would amount to \$12,318 leaving a difference of \$3,922.

The state of the record herein is such that no annual depreciation charge can be determined. Based upon the available evidence it is clear, however, that applicant's present revenues are insufficient to meet bare operating costs, without consideration being given to depreciation. Under such circumstances, applicant is entitled to relief.

A schedule of rates will be established in the following order which will increase revenues about \$1,500 thereby avoiding out-of-pocket operating losses and covering depreciation to the extent possible to estimate from such data as this record contains, with some additional amount for return upon capital.

Applicant at any time in the future may again apply to this Commission for the establishment of adjusted rates when he is prepared to submit and support the data and information necessary and required for the establishment of a proper rate base and rate structure.

O R D E R

Clyde Henry, operating under the fictitious firm name of Brisbane Water Company, having filed application requesting authority to place into effect increased rates, and it appearing from the showing made in the record in this proceeding, and the Commission hereby finding that increased rates are justified and should be authorized, therefore,

IT IS HEREBY ORDERED as follows:

1. Clyde Henry is authorized to file for publication in accordance with General Order No. 96 the schedule of rates for water service in and about Brisbane in San Mateo County, set forth in Exhibit A attached hereto, said schedule of rates to become effective on and after the effective date of this order.

EXHIBIT "A"

Schedule No. 1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all domestic and industrial water service.

TERRITORY

County: In and about the unincorporated community of Brisbane, San Mateo

RATES

<u>Quantity Charge:</u>	<u>Per Meter Per Month</u>
First 500 cu. ft., or less	\$2.00
Next 1,500 cu. ft., per 100 cu. ft.35
Next 3,000 cu. ft., per 100 cu. ft.30
Over 5,000 cu. ft., per 100 cu. ft.26

Minimum Charge:

For 5/8 x 3/4-inch meter	\$2.00
For 3/4-inch meter	2.75
For 1-inch meter	3.25
For 1 1/2-inch meter	5.00
For 2-inch 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.

2. Clyde Henry, within forty (40) days from the effective date of this order, shall file with this Commission four copies of a suitable map or sketch, drawn to an indicated scale upon a sheet 8½ 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 immediate surrounding territory, and, 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 to be served, which 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 filings shall not be construed as final or conclusive in the 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 10th day of August, 1948.

James P. Hulse
Harold P. Hulse
Samuel P. Hulse

Commissioners.