

Decision No. 41977

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of  
HEBBRON WATER COMPANY  
for  
Authorization to Increase Rates

Application No. 29040

Paul L. Pioda, for applicants.

O P I N I O N

Allan Noice Hebbron and Gladys Hebbron, operating a water system under the fictitious firm name of Hebbron Water Company, request authority from this Commission to file increased rates for water service. Their application states that the increased rates are necessary due to increased costs of operation and maintenance.

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

Hebbron Water Company serves approximately 120 customers in the so-called Rodeo Tract about one mile north of the city limits of Salinas, Monterey County. The source of water supply consists of two wells equipped with deep-well turbine pumps. Pressure is maintained on the system by a 12,000-gallon steel pressure tank. The distribution system is made up of about 6,200 feet of distribution main, ranging from two inches to six inches in diameter, with four inch size predominating.

Although the company has filed with this Commission both flat and metered rates, all its present customers are receiving flat rate service. The present flat rate provides for \$1.50 per month for each residence, with an additive charge of \$.025 per 100 square feet of lawn or garden irrigation in excess of 2,500 square feet.

Applicants propose that the \$1.50 charge be increased to \$2, but that the charge for excess irrigated area remain unchanged. The present meter rates provide for monthly minimum charges ranging from \$1.50 per month for a 5/8-inch meter up through \$5 for a two-inch meter. At the hearing, applicants requested that their application be amended to include an increase of \$0.25 per month in the minimum charge for service through a 5/8-inch meter, leaving the other present minimum charges and the quantity rates unchanged. Applicants stated they are ready and willing to install meters upon demand.

The Commission's staff estimated that, for the full year 1948, the rates proposed would increase revenues about \$700 from their level under present rates of about \$2,100 per year. Operating expenses were estimated at about \$2,300 under the proposed rates, leaving a net operating revenue of about \$500. The staff presented a rate base for this company of about \$10,800, including allowances for materials and supplies and working cash. Accordingly, the rate of return indicated under the proposed rates was 4.6%. Under existing rates, the staff's testimony showed no return on applicants' fixed capital. Applicants offered no testimony conflicting with the staff's presentation.

It is concluded that the rates requested by applicants are proper rates and will yield a reasonable return to applicants, and, accordingly, the Order will provide for the filing of the rates requested.

O R D E R

Application as above having been filed with the Public Utilities Commission of the State of California, 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 Allan Noice Hebbbron and Gladys L. Hebbbron, operating under the fictitious firm name of Hebbbron Water Company, in so far as they differ from the rates herein established, are unjust and unreasonable; that the rates herein are just and reasonable rates to be charged for the service to be rendered, that the increase in rates authorized by this decision is hereby found to be justified; 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 the Hebbbron Water Company, be and it is hereby authorized and directed to file in quadruplicate with this Commission, in conformity with the Commission's General Order No. 96, within thirty (30) days from the effective date of this Order, the schedule of rates shown in Exhibit A appended, such rates to become effective on and after the first day of October, 1948.

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

Dated at San Francisco, California, this 24<sup>th</sup> day of

August, 1948.

B. J. [Signature]  
Justice F. Cooney  
Frank [Signature]  
Harold [Signature]  
Samuel [Signature]  
Commissioners

EXHIBIT A

Schedule No. 1

FLAT RATE SERVICE

APPLICABILITY

Applicable to all water service except auto courts or camps.

TERRITORY

Within the limits of the Rodeo Tract, approximately one mile north of Salinas, Monterey County.

RATES

Per Month

For each residence which includes not to exceed 2,500 square feet of lawn or garden irrigation . . . . .	\$2.00
For all lawn and garden irrigation in excess of 2,500 square feet, per 100 square feet . . . . .	.025

Schedule No. 2

METERED SERVICE

APPLICABILITY

Applicable to auto courts or camps and to any other consumer if either the consumer or the company so desires.

TERRITORY

Within the limits of the Rodeo Tract, approximately one mile north of Salinas, Monterey County.

RATES

Per Meter  
Per Month

Quantity Charge:

First 1,000 cubic feet, per 100 cubic feet . . . . .	\$0.20
Next 2,000 cubic feet, per 100 cubic feet . . . . .	.15
Over 3,000 cubic feet, per 100 cubic feet . . . . .	.10

Minimum Charge:

For 5/8 inch meter . . . . .	\$1.75
For 3/4 inch meter . . . . .	2.00
For 1 inch meter . . . . .	2.50
For 1 1/2 inch meter . . . . .	3.50
For 2 inch meter . . . . .	5.00

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