

Decision No. 45657**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
R. E. and LUCY WEHLER)	
(KLAMATH GLEN SUBDIVISION WATER SERVICE))	Application No. 31976
for an order of the Public Utilities)	
Commission authorizing an increase in)	
rates, or to abandon service.)	

Raymond E. and Lucy V. Wehler, applicants;
George C. Cloney, interested party.

O P I N I O N

By this application, filed December 11, 1950, R. E. and Lucy Wehler (Klamath Glen Subdivision Water Service) seek authority to increase rates and charges for domestic water service rendered in Klamath Glen Subdivision Unit No. One in Del Norte County.

A public hearing in this matter was held before Examiner Emerson in Klamath Glen on April 24, 1951, at which time the matter was submitted for decision.

Applicants' water system is wholly within the Klamath Glen tract, which is primarily a summer resort area of small homes or cabins. Of the 43 water service connections on the system only 18 are year-around or permanent services. Two rate schedules are now in effect. The first is a flat rate, with annual charges payable in advance, of \$16 for a house of three or less rooms and 50 cents for each additional room, and \$1 for each 1,000 square feet of lawn or garden in excess of 1,500 square feet.

Applicants have requested that this rate be increased by \$5 per year for any period of five months during a calendar year. For consumers using the service through the entire year, applicants

request a flat rate of \$2.50 per month and a \$300 yearly charge for Klamath Glen Resort. Applicants' second schedule presently in effect is a metered rate with a \$16 minimum charge, which it is requested be increased proportionately. No meters are now, or have been, used on this utility.

Applicants and a Commission staff witness presented testimony regarding the results of the utility's operations together with estimates for the year 1951. Past operations are summarized as follows:

Results of Operations Under Present Rates

<u>Item</u>	<u>1946</u>	<u>1947</u>	<u>1948</u>	<u>1949</u>	<u>1950</u>
Operating Revenues	\$540.93	\$608.63	\$610.00	a	\$647.00
Operating Expenses	435.03	484.26	695.00	a	895.00
Net Revenues	105.90	124.37	(85.00)	a	(248.00)
Number of Customers	34	38	38	a	43

(Red Figure)

a. No records available.

It is of record that applicants have never included any wages or salaries for themselves in the operating expenses of this utility.

The staff estimate of 1951 operations of this system is as follows:

Estimated 1951 Operations at Proposed Rates

<u>Operating Revenues</u>	
Domestic Customers	\$1,108
Resort	300
Total Revenues	1,408
<u>Operating Expenses</u>	1,194
Net Revenues	214
Fixed Capital	6,000
Yield	3.56%

It is apparent that applicants are in need of relief in the form of increased revenues and that the rates requested will produce only a modest return. No person has entered a protest regarding the requested rates or any complaint respecting service. The increases sought will be authorized. Applicants will be required to file a revised set of rules and regulations.

O R D E R

R. E. and Lucy V. Wehler (Klamath Glen Subdivision Water Service) having requested authority to increase rates and charges for water service, a public hearing having been held and the matter having been submitted for decision,

IT IS HEREBY FOUND AS A FACT that the increases in rates and charges authorized herein are justified and that the present rates, in so far as they differ from those hereinafter ordered, are unjust and unreasonable; therefore,

IT IS HEREBY ORDERED that applicants are authorized to file in quadruplicate with this Commission, in conformity with the requirements of General Order No. 96, the schedule of rates attached hereto as Exhibit A, and, on not less than one day's notice to the public and this Commission, to make said rates effective for all service rendered on and after June 1, 1951.

IT IS HEREBY FURTHER ORDERED that applicants shall:

1. File with this Commission, within forty (40) days after the effective date hereof, four sets of rules and regulations governing relations with customers, each set of which shall contain a suitable map or sketch, drawn to an indicated scale upon a sheet 8½x11 inches in size, delineating thereon in distinctive markings the boundaries of its present area and the location thereof with reference to the immediate surrounding territory; provided, however, that such filing shall not be construed as a final or conclusive determination or establishment of the dedicated area of service or any portion thereof.

2. File with this Commission, within forty (40) days after the effective date hereof, four copies of a comprehensive map, drawn to an indicated scale of approximately 400 feet to the inch, delineating by appropriate markings the various tracts of land, and territory served and the location of the various properties of applicants.

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

Dated at Los Angeles, California, this 8th day of May, 1951.

R. J. [Signature]
James J. [Signature]
Harold T. [Signature]
Wm. [Signature]
John E. [Signature]
Commissioners.

EXHIBIT A
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Schedule No. 1

FLAT RATES - PERMANENT RESIDENTSAPPLICABILITY

Applicable to all water service rendered on a flat rate basis for permanent residents and year-around usage.

TERRITORY

In and in the vicinity of Klamath Glen Subdivision, Del Norte County as delineated on the map included in the tariff schedules.

RATES

	<u>Per Month</u>
House of five rooms or less, including	
1,500 square feet of lawn, garden or shrubs.....	\$ 2.50
For each additional room.....	.10
For each additional 1,000 square feet of lawn,	
garden, or shrubs.....	.05
Klamath Glen Resort.....	25.00

SPECIAL CONDITIONS

1. Rates are payable monthly in advance.
2. For service of less than 12 months, Schedule No. 2, Seasonal Rates, will apply.
3. Meters may be installed at option of utility or customer, in which event service thereafter will be rendered only on the basis of Schedule No. 3, Metered Service. When customer desires to change from flat rate to metered service, request must be made in writing.

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Schedule No. 2

FLAT RATES - SEASONAL RESIDENTS

APPLICABILITY

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

TERRITORY

In and in the vicinity of Klamath Glen Subdivision, Del Norte County, as delineated on the map included in the tariff schedules.

RATES

For the first five consecutive months in which service is rendered during any calendar year, payable annually in advance:

House of three rooms or less, including 1,500 square feet of lawn, garden or shrubs.....	\$21.00
For each additional room.....	.50
For each additional 1,000 square feet of lawn, garden, or shrubs.....	1.00

For each additional <u>consecutive</u> month, per month, payable in advance.....	2.25
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SPECIAL CONDITIONS

1. Seasonal users who request year-around service may apply Schedule No. 1 by paying 12 times the monthly rate stated therein in advance.
2. Service under this Schedule No. 2 may be commenced at any time during the calendar year.

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Schedule No. 3

GENERAL METER RATESAPPLICABILITY

Applicable to all water service rendered on a metered basis.

TERRITORY

In and in the vicinity of Klamath Glen Subdivision, Del Norte County, as delineated on the map included in the tariff schedules.

RATES

Quantity Rates:	<u>Per Meter Per Month</u>
First 500 cubic feet, or less.....	\$2.25
Next 1,000 cubic feet, per 100 cubic feet.....	.40
Next 1,500 cubic feet, per 100 cubic feet.....	.30
Over 3,000 cubic feet, per 100 cubic feet.....	.20
 Minimum Charge:	
For 5/8 x 3/4-inch meter.....	\$2.25
For 3/4-inch meter.....	2.75
For 1-inch meter.....	6.00

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