

Decision No. 64067

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ROGER J. PRYOR,

Complainant,

vs.

UEHLING WATER CO., INC., a  
corporation,

Defendant.

Case No. 7301

Roger J. Pryor, in propria persona, complainant.  
Knapp, Gill, Hibbert & Stevens, by Karl K. Roos  
and W. L. Arnold, for defendant.

O P I N I O N

The above-entitled complaint was filed on March 20, 1962, by the complainant, a customer of the defendant water company. He has maintained a residence at 14926 Castlegate, Compton, in unincorporated territory of Los Angeles County, since September 1955, where he received flat rate water service until about October 2, 1961, when the defendant installed a meter on his premises and commenced charging him pursuant to its Schedule No. 1 - General Metered Service. The complainant had in June, 1961 paid an advance flat rate on an annual basis of \$22.00. He claims that the defendant acted arbitrarily in installing the meter, and that, because of his advance flat rate payment service, charges for general metered service should not have commenced until June, 1962.

The complainant also owns rental property at 14709 Harris Avenue, Compton, in unincorporated territory in Los Angeles County where he has one domestic flat rate water service connection. Exhibit No. 1 shows that in May, 1961 he was billed \$3.50 for filling a swimming pool, and he claims that the pool was never filled by the defendant, but, rather, by the City of Compton, and that such charge was in error.

Because of the disputes contained in the complaint, the complainant has refused to pay his current water bills. As of April, 1962 he was delinquent \$22.40 on the Castlegate property, according to the defendant's records.

A public hearing was held before Examiner Stewart C. Warner on May 17, 1962, at Los Angeles. The matter is ready for decision.

The record shows that defendant's tariffs in June, 1961 provided a \$2.00 credit to a customer paying annually, in advance, for twelve months of flat rate service at \$2.00 per month. Defendant credited complainant's water bill for his Castlegate residence in the amount of \$2.00 for each of the twelve months following the advance payment; the \$22.00 payment thus resulted in a total credit of \$24.00.

Defendant's tariffs have provided and do provide that meters may be installed at the option of the utility or a customer, and that in such event service thereafter will be furnished only on the basis of Schedule No. 1 - General Metered Service. This provision is controlling. It is not inconsistent with the provision that a credit of \$2.00 will be given flat rate customers who pay annually in advance. The complainant has received a \$2.00 credit, which is just what the advance payment entitled him to receive.

Although the provision for the \$2.00 credit is limited to flat rate customers, that limitation is not equivalent to providing that they shall remain flat rate customers if they pay in advance. We find that neither the tariff nor defendant's conduct have constituted a promise or a representation that complainant would receive, or be entitled to receive, flat rate service during the entire period covered by his payment.

The considerations involved in an advance payment are different from those associated with a change from flat rate service to metered service. For the use of complainant's money during the eleven months it was advanced, the company has allowed him \$2.00; that allowance is equivalent to interest (computed on the declining balance) at the rate of 18 per cent per annum, an ample return. On the other hand, the decision to change from flat rate service to metered service may have been prompted by a need to conserve water, a desire to distribute the cost of operations more equitably among defendant's rate payers, or some other consideration not connected with the advance payment. With respect to water companies like defendant, the Commission has on several occasions pointed out the advantages of metered service when it is economically feasible to provide it. Once the defendant has determined, in good faith, to install a meter, it might well be inconsistent with the public interest to delay such installation for the sole reason that the customer involved has made an advance payment.

#### Findings and Conclusions

Based on the record, the following findings and conclusions are made:

1. Defendant acted within the provisions of its authorized tariffs when it installed a meter on complainant's water service connection at 14926 Castlegate, Compton.

2. When a meter was installed on complainant's water service connection in October, 1961, defendant properly credited complainant's monthly bills for the year 1961 and through April, 1962 for complainant's advance payment which he made in June, 1961.

3. Defendant was not estopped in October of 1961 to install said meter or to charge and collect from complainant thereafter at rates for metered service; nor is defendant now estopped to continue to do so.

4. Defendant never filled complainant's swimming pool, and the charge of \$3.50 for such filling, made against complainant in April, 1961, was in error. Complainant is entitled to a credit of \$3.50.

5. Except as provided in Paragraph 4 above, the complaint should be denied.

O R D E R

Based on the findings and conclusions hereinabove set forth,

IT IS ORDERED that:

1. Defendant Uehling Water Co., Inc., shall credit the account of complainant Roger J. Pryor at 14709 Harris Avenue, Compton, in the amount of \$3.50.

2. In all other respects the complaint is denied.

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

Dated at San Francisco, California, this 24<sup>th</sup> day of JULY, 1962.

George E. Grover  
President

Everett H. Rags  
Commissioners