

GLF

ORIGINAL

Decision No. 73032

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA.

Jimmy Bevel, Eugene Carlile, Alvis E. Callick, Dave Justice, Francis R. Brubaker, Tony Mohar, Elbert Lowry and W. D. Ledbetter,

Complainants,

vs.

Mary J. Sterkin and Albert Sterkin and Melvin N. Leen and Cloey V. Leen, owners of a water system on the Oberlin Road, Siskiyou County, California, known as the Campbell Water System,

Defendants.

Application of Albert Sterkin and Mary Jane Sterkin, his wife, to purchase, and application of Melvin N. Leen and Cloey V. Leen to sell, a water system on Oberlin Road, Siskiyou County, California.

In the Matter of the Application of Albert Sterkin and Mary J. Sterkin, under Section 454 of the Public Utilities Code, for authority to increase rates for capital outlay, major construction and water service, or in the alternative, to abandon the public utility.

Case No. 8509
Filed August 22, 1966
(Petition for rehearing of Decision No. 71883 filed February 8, 1967)

Application No. 47864
(Reopened August 30, 1966)

Application No. 49370
(Filed May 15, 1967)

Jane Skanderup, for complainants in Case No. 8509, who are also interested parties in Application No. 47864 and protestants in Application No. 49370.

Harry A. Hammond, for defendants in Case No. 8509, who are also applicants in Application No. 47864, and for applicants in Application No. 49370.

W. B. Stradley, for the Commission staff.

O P I N I O N

Adjourned hearing in Case No. 8509, rehearing of second interim Decision No. 71833 therein, and original hearing of

Application No. 49370 were held on a consolidated record^{1/} before Examiner Catey at Yreka on June 6, 7 and 8, 1967. Notice of hearing was mailed by the Sterkins (applicants) to their customers in accordance with this Commission's rules of procedure. Testimony was presented by applicants, by their water system superintendent, by two customers of their water system, and by a Commission staff engineer. At the conclusion of the hearing, counsel for applicants requested deferral of submission of the proceedings to enable him to file a brief. Submission was deferred to July 3, 1967 to give the parties an opportunity to file concurrent opening briefs on June 22 and concurrent reply briefs on July 3. Counsel for complainants waived the filing of an opening brief and counsel for the Sterkins did not file an opening brief within the prescribed time nor did he request in writing, pursuant to the Commission's rules of procedure, an extension of time. There were thus no reply briefs and the matters stood submitted without briefs on July 3.

History

Decision No. 62091, dated June 6, 1961, in Case No. 7000, shows that applicants' water system was originally dedicated to public use by the developers of the Charles S. Campbell Tract, near Yreka, Siskiyou County. At that time the system had 24 active services and an undisclosed number of inactive services. The order in Decision No. 62091 prohibited the utility from supplying water service to property where water service had not been either received or applied for on or before June 6, 1961. The order also required the utility to, among other things, have plans prepared and schedule

^{1/} Reopened Application No. 47864 is also consolidated with these proceedings but the potential issues therein were disposed of by first interim Decision No. 71445.

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the installation of system additions and improvements to meet the requirements of General Order No. 103.

Decision No. 65143, dated March 26, 1963, in Application No. 44789, authorized the transfer of the water system, together with the obligation to prepare plans and to schedule improvements, from the Campbells to the Leens, based primarily upon (1) the Leens' allegation that they desired to engage in the water distribution business, (2) their allegation that they would proceed with the planning and scheduling of improvements and (3) their showing that they had adequate resources to finance the improvements. The transfer was effected June 26, 1963, according to a notice filed on behalf of the Leens on July 1, 1963.

Decision No. 69882, dated November 2, 1965, in Application No. 47864, authorized the transfer of the water system, together with the obligation to prepare plans and to schedule improvements, from the Leens to the Sterkins, based primarily upon (1) the Sterkins' allegation that they desired to engage in the water distribution business, (2) their allegation that they would proceed with the planning and scheduling of improvements, and (3) their showing that they had adequate resources to finance the improvements. The transfer was effected December 27, 1965, according to a notice dated January 3, 1966, but not filed until August 25, 1966, on behalf of the Leens and the Sterkins. The delay in filing the notice was in violation of the Commission's order but did not in any way void the transfer.

Shortly after applicants acquired the water system, Mr. Sterkin developed a serious cardiac condition which precluded his active participation in the management and operation of the system.

He left the operation of the system in the hands of the superintendent formerly employed by the previous owners of the system. Under a rather unusual arrangement whereby all revenues were turned over to the superintendent in payment for his services, all other maintenance and operating expenses paid by the owners represented out-of-pocket losses.

Applicants retained a civil engineer to prepare the required plans for system improvements. In a preliminary report, filed June 30, 1966, in Application No. 47864, the engineer advised that the maximum flow of water available from applicants' wells was approximately 40 gpm and that 160 gpm should be available for a fully metered water system to comply with General Order No. 103. He concluded that it would be necessary to augment the water supply by one of the following means:

1. Deepening the present wells.
2. Increasing the storage facilities.
3. Drilling additional wells at more favorable locations.

By late summer of 1966 the insufficient supply of water from applicants' wells pointed out by applicants' engineer in his preliminary report was aggravated and made critical by the overall dropping of the water level in the general area. Complainants alleged that water was available only sporadically in some parts of the system and not at all in other parts. At the hearing in Yreka on September 15, 1966, applicants' engineer testified that, in his opinion, a comprehensive master plan to comply with General Order No. 103 was impossible to prepare because it would require the importing of water from distant sources, a project obviously economically unfeasible for so small a water system as applicants'. He concluded, and his conclusion is not disputed, that it was also

economically unfeasible to attempt to store sufficient water in the winter to comply with the flow requirements of General Order No. 103 in the summer. He admitted, however, that if more nearly adequate day-to-day storage were provided, the system could better meet peak flow requirements than without storage.

It may well be that, for the foreseeable future, it will be unreasonable to expect applicants, even if they had sufficient financial resources, to honor their commitment to bring the water system up to normally acceptable minimum standards. This does not mean, however, that some improvement should not be made. In order to provide basic data upon which such improvements could be predicated, a first interim Decision No. 71445, dated October 18, 1966, in Case No. 8509, required applicants to cause tests to be made and reports to be filed showing production data on the present wells and the availability of a site or sites for possible location of a storage tank to better utilize the production from those wells.

The data filed by applicants on October 31, 1966 furnished information on the depth of the wells, their static water levels, the type of operation of the well pumps, the production capacities of the wells on both a 24-hour and short-term basis, and the location of the closest available site for a suitable storage tank, and advised the Commission that an application for a water supply permit had just been filed with the Siskiyou County Health Department. Because of the rapid drawdown of water in the wells, applicant was unable to determine whether or not there was significant interaction between the wells while pumps were in operation. The data showed that the simultaneous operation of all well pumps would produce only 21.5 gpm and that the actual available capacity of the wells for a 24-hour period was only 2,825 gallons, or the equivalent of a steady flow of less than 2 gpm.

It was apparent from applicants' report that an additional source of supply should be provided, if possible. If there is significant interconnection between the wells in the subsurface strata, however, deepening of one well might merely divert the water from the other wells and gain nothing. The same effect could presumably result if a new well were drilled near the existing wells. Since applicants had been unable to determine whether or not there was any interaction in the operation of the existing wells, further study is required to determine the feasibility of deepening or adding wells. Since applicants do not themselves appear to have the technical knowledge required to make such a study, Paragraph 2 of second interim Decision No. 71883, dated January 24, 1967, in Case No. 8509 required applicants to obtain a report by a qualified engineer, geologist or well driller setting forth recommendations as to the most feasible plan for developing an increased or supplemental local supply of water.

It was also apparent from applicants' report that some customers would receive no water as soon as the instantaneous total combined demand of all customers reached about 2 gpm. Even if the wells recovered to the previously reported 40 gpm, this would only permit an average peak flow of about 1-1/2 gpm per customer. Inasmuch as the demands on a water system vary throughout a 24-hour period, simple logic dictated that water must be stored during daily off-peak periods for delivery during daily peak periods, if present and future sources of supply are to be utilized effectively. Second interim Decision No. 71883 required applicants to install a water storage tank of at least 5,000-gallon capacity. Applicants' report had stated that a tank site was available 1,500 feet distant.

Although the requirements of second interim Decision No. 71883 were less stringent and fell far short of the improvements which applicants had already committed themselves in Application No. 47864 to design and install, a petition for rehearing of Decision No. 71883 was filed by applicants on February 8, 1967. Rehearing was granted and Decision No. 71883 was stayed by Decision No. 72152, dated March 14, 1967.

A point of utmost significance in this historical summary is the change in applicants' financial condition since their previously filed financial statement (Exhibit B attached to Application No. 47864) as of the time they requested authority to acquire the system. Applicants' estimate that, in the last two years, their net assets have diminished by more than a half million dollars. Even their estimated remaining net assets of about \$30,000 consist almost entirely of real estate in California and Oregon which they have, so far, been unable to liquidate. Applicants depend entirely upon the sale of land for their income and are presently without funds. They have had to obtain the cash surrender value of an insurance policy to provide living expenses. They are delinquent in payment of \$6,000 in federal income taxes. Until such time as applicants' financial condition has improved, no funds are available for capital improvements to the water system.

On May 15, 1967, applicants filed Application No. 49370 requesting authority for various alternative forms of relief, their order of preference^{2/} apparently being:

1. Release of applicants from their present obligation to provide public utility water service, and authority to abandon service.

^{2/} The order of preference shown is not set forth in the application but is based upon applicants' testimony.

2. Release of applicants from their present obligation to design and install system improvements, and authority to increase rates to cover current operating expenses and provide sufficient net revenue to pay in one year for past services of applicants' attorney and engineer (paragraphs 13 and 14 of application).
3. Deferral of improvements for five years, and authority to increase rates to cover current operating expenses and provide sufficient net revenue to pay in one year for past services of applicants' attorney and engineer and to accrue in five years the capital needed for improvements (paragraphs 13, 14 and 15 of application).
4. Deferral of improvements for one year, and authority to increase rates to cover current operating expenses and provide sufficient net revenue to pay in one year for past services of applicants' attorney and engineer and to accrue in one year the capital needed for improvements (paragraph 17 of application).
5. Release of applicants from their present obligation to design and install improvements, and authority to increase rates to cover current operating expenses ^{3/} (paragraph 13 of application).

Rates

The following Table I presents a comparison of applicants' present rates, those proposed in the application under the various alternatives listed in the foregoing paragraph, and those authorized herein.

^{3/} Although this is apparently the relief least desired by applicants, it is the only option for which a summary of earnings (required by the Commission's rules of procedure) was presented in the application.

TABLE I
Comparison of Monthly Rates

Item	Monthly Meter Rate			
	Monthly Flat Rate	Minimum or Service Charge	Per 100 cu.ft. First 535 cu.ft.	Over 535 cu.ft.
Present Rates	\$ 3.00	\$ 3.00	\$ 0.00	\$ 0.37
<u>Proposed Rates</u>				
Alternative #2	3.00	25.08	0.00	0.37
Alternative #3	3.00	40.14	0.00	0.37
Alternative #4	3.00	70.42	0.00	0.37
Alternative #5	3.00	17.66	0.00	0.37
Authorized Future Rates	7.00	4.00	0.75	0.75

Applicants' proposal to increase only the minimum charge for metered service and leave the flat rates and quantity rates unchanged would place a disproportionate burden on small metered service customers. The authorized future increased flat rate, establishment of a service charge as recommended by the staff, and increased quantity rate provide a more equitable distribution of the required increase among all customers.

Abandonment of System

Applicant induced this Commission to transfer the water system from the system's former owners, thus relieving the former owners of their established obligations. It would not be appropriate now to authorize the abandonment of the system unless some other entity were prepared to provide water service, or all reasonable alternatives to abandonment had been attempted without success.

Applicants' offer, in their petition for rehearing, to "give free of charge the entire water system and the equipment to the users so they can be a mutual water system and serve themselves" Although it may well be in the customers' own best interests

to form a mutual water company and accept applicants' offer, neither applicants nor this Commission can or should force the customers to take this action. It would, however, be appropriate for applicants to cooperate with the customers if those customers decide to form a mutual water company and request transfer of water operations to that company. If applicants, at some time in the future, can show that a mutual has been formed and has accepted applicants' offer of the system, we will then consider authorizing the transfer. Time is of the essence, however, and we do not expect applicants to keep their offer open indefinitely.

Applicants' counsel (Tr. 245) cited, in support of applicants' request to abandon the water system, Decision No. 39923, dated February 4, 1947, in Application No. 27956 (47 CPUC 113), regarding the request of Los Angeles Warehouse Company for authority to abandon public utility warehouse service. The situation in that proceeding was, in fact, remarkably similar to the water situation discussed herein:

1. The public utility facilities were not entirely suitable to serve the public.
2. A considerable investment of capital was required to make necessary improvements.
3. The applicant alleged that it would be unable to earn operating expenses at any basis of rates that would be reasonable.
4. The utility had apparently not yet endeavored to find a suitable replacement for the manager who was about to retire.
5. The warehouse customers protested the granting of authority to abandon service.
6. No reasonable substitute service was available.
7. Abandonment would have seriously inconvenienced the public.

8. Public convenience and necessity required the continuance of the warehouse operation.
9. The utility did not show convincingly that the services could no longer be continued except at a financial loss or at an unreasonably low return which could not be corrected through rate adjustment.
10. The Commission denied^{4/} the request to abandon service and, in a related proceeding, granted the applicant and other warehouses authority to increase rates.

Need for Improvements

Applicants admit, in paragraph 12 of the application filed May 15, 1967, that the existing water supply is inadequate but Mr. Sterkin testified that the system would present no problems if the customers would cooperate. At this time it is not known whether the drilling of additional wells locally or deepening the existing wells would produce any significant increase in supply. Under these circumstances, it is important that the present sources be utilized to the maximum.

Except for applicants' inability to finance the installation of a storage tank, their objections to such an installation appear to stem primarily from their lack of understanding of normal water works design: They did not realize that (1) an elevated tank does not require duplicate inlet and outlet pipelines but normally "floats" on the line, (2) the water in storage is not just held in reserve for long periods of time but is constantly used and replenished by the cycling of the well pumps, (3) water flowing back from the tank does not cause customers' meters to reverse direction, (4) temporary storage of water in a tank gives a longer retention

^{4/} In a subsequent decision not cited by counsel, after a showing that public convenience and necessity no longer required the continuance of the warehouse operation, the application was granted.

period for chlorination and thus the water delivered to customers is of better rather than worse quality, and (5) there is a distinction between providing for peak flows during the day with water stored at night as compared with trying to store water in the winter for use in the summer.

In regard to the rehearing of Decision No. 71883, the complete record confirms the interim findings in that decision regarding (1) the need for a storage tank, and (2) the inadequacy of the present sources of supply. Unfortunately, applicants are not now financially capable of providing the facilities and studies needed.

A staff engineer presented his estimate of \$5,700 as the cost of installing a tank and connecting it to the system in accordance with the interim order in Decision No. 71883. This is less than one-fourth of the cost estimated by applicants but, except for omission of some minor items, is supported by the staff engineer's testimony. A serious obstacle is the fact that, although applicants own property which would be suitable for a tank site at an appropriate elevation, this site is part of a large parcel which applicants purchased entirely with debt financing and in which they thus have no equity. Although this would ordinarily not be of great concern, applicants' financial reverses in their other real estate transactions make foreclosure of the security instruments covering their local real estate a distinct possibility.

The staff engineer prepared an estimate of about \$2,400 for an alternative plan which would place the tank on applicants' present unencumbered booster pump site. This site is less desirable

because of its low elevation and would require another booster pump to provide adequate system pressure and flow but the use of that site will require less capital investment and should make the tank installation possible sooner than if the preferred site were to be used.

Summary of Earnings

Applicants' request for sufficient net revenues to accumulate the entire capital cost of improvements in one year or five years would require an unreasonably high rate of return on present rate base in the interim. If the customers are able, in effect, to contribute the capital improvements, they would be better off to accept applicants' proffered gift of the system and make the improvements to their own system. Inasmuch as applicants apparently will be unable to finance improvements in the near future, but present water rates do not cover reasonable operating expenses, we must now consider what rates are appropriate until those improvements are definitely scheduled.

Summarized in Table II, from the staff's Exhibit No. 3 and from Exhibit E filed as part of Application No. 49370, are the estimated results of operation for the test year 1967 under present rates and under the so-called "break-even" rates proposed by applicants. For comparison, this table also shows the corresponding results of operation, modified as discussed hereinafter, at present rates, at the "break-even" rates proposed by applicants, and at the rates authorized herein.

TABLE II

Estimated Results of Operation
(Test Year 1967)

Item	: Staff	: Applicants	: Modified:
<u>At Present Rates</u>			
<u>Operating Revenues</u>			
Metered Service	\$1,688	\$ 858	\$ 760
Unmetered Service	0	0	360
Total	1,688	858	1,120
<u>Deductions</u>			
Salaries or Payroll	840	858	840
Billing, Collecting and Accounting	460	2,400	460
Meter Repairs	60	121	60
Water Treatment and Testing	120	636	120
All other Oper. & Maintenance Exp.	640	658	640
Interest	0	172	0
Depreciation	260	577	260
Taxes other than on Income	100	91	100
Subtotal	2,480	5,513	2,480
Income Taxes	0	0	0
Total	2,480	5,513	2,480
Net Revenue	(792)	(4,655)	(1,360)
Rate Base	6,250	2,872	6,250
Rate of Return	loss	loss	loss
<u>At "Break-Even" Rates</u>			
<u>Proposed by Applicants</u>			
<u>Operating Revenues</u>			
Metered Service	\$6,146	\$5,512	\$3,579
Unmetered Service	0	0	360
Total	6,146	5,512	3,939
<u>Deductions</u>			
Excluding Income Taxes	2,480	5,513	2,480
Income Taxes	545	0	200
Total	3,025	5,513	2,680
Net Revenue	3,121	(1)	1,259
Rate Base	6,250	2,872	6,250
Rate of Return	50%	0%	20%
<u>At Rates Authorized Herein</u>			
<u>Operating Revenues</u>			
Metered Service	\$ -	\$ -	\$1,920
Unmetered Service	-	-	840
Total	-	-	2,760
<u>Deductions</u>			
Excluding Income Taxes	-	-	2,480
Income Taxes	-	-	20
Total	-	-	2,500
Net Revenue	-	-	260
Rate Base	-	-	6,250
Rate of Return	-	-	4%

(Red Figure)

Revenues

From Table II it can be seen that the "break-even" rates requested by applicants would result in an increase of 252 percent in operating revenues, whereas the rates authorized herein should produce a 146 percent increase. The percentage increase for individual bills will vary somewhat, depending upon the type of service and level of use.

Applicants' 1966 annual report to this Commission shows 29 active service connections at the end of the year but applicants' Exhibit No. 4 shows that there were only 26. Exhibit B attached to Application No. 49370 indicates that none of applicants' 1966 revenue was from unmetered service but applicants' superintendent testified that there are about 10 flat rate services.

In Exhibit E attached to Application No. 49370, applicants estimated that revenues for the test year 1967 under present rates would be the same as the receipts recorded for 1966, a year in which many customers were without water service for long periods of time and in which many of the water meters were not functioning properly. Applicants' estimate in that exhibit of revenues under their proposed "break-even" rates apparently was based upon the assumption that 26 customers would receive metered service but would never use more water than the monthly allowance under the basic meter rate minimum charge.

In Exhibit No. 3, the staff engineer estimated revenues for the test year 1967 under present rates, based upon the assumption that there would be 29 active metered services. Due to applicants' lack of accurate historical consumption data, the staff engineer based his estimated average of 800 cubic feet monthly

consumption per customer upon his past experience with water consumption in other areas, modified downward considerably to reflect the relatively small homes in the area and the lack of irrigation. He assumed that applicants' somewhat ambiguous request for a "break-even" increase to \$17.66 per month in the basic metered rate was intended to include any revenues from consumption in excess of the amounts allowed under the minimum charge.

The modified revenue estimates adopted in Table II are predicated upon the assumption of 16 active metered services, 10 active flat rate services, and average monthly metered consumption of 800 cubic feet per customer. The present rates, applicants' proposed "break-even" rates (Alternative #5), and authorized future rates, are as set forth previously herein in Table I.

Expenses and Rate Base

The principal difference between the expense estimates presented by applicants and those presented by the Commission staff are in the allowances for labor of applicants and their superintendent in maintaining and operating the system and in billing, collecting and accounting. The differences are even greater than indicated by Table II because Mr. Sterkin testified that the present superintendent wished to resign and that the \$858 estimated by applicants as annual payment for his services would have to be increased to from \$300 to \$400 per month for his successor to properly maintain and operate the system. He further testified, however, that he had made no inquiry lately to find a replacement superintendent. He offered no basis for his estimate of \$300 to \$400 per month. The staff estimates of payroll and labor costs are based upon studies of actual expenditures of numerous small water utilities. Although

that study was made about two years ago, the staff engineer used the highest actual expenses, rather than the average, and included additional labor items in his estimate of billing, collecting and accounting expense, which should compensate for increases in general wage levels since the study was prepared. The staff's estimate for billing, collecting and accounting were based upon specific costs and charges of companies who perform such functions for utilities. The record is not clear as to how applicants derived their \$2,400 estimate for costs of billing, accounting and collecting.

Applicants' estimates of expenses for water treatment and meter repairs include capital items not chargeable to operating expense. Their expense estimates also include interest on a loan, which is not considered an operating expense for rate-making purposes but is part of the net revenue allowable as return on rate base. Their estimated average depreciation rate of about 12 percent is excessive, which results in too high an estimate of depreciation expense and too low an estimate of depreciated rate base.

The staff estimates of expenses and rate base are adopted for the purpose of these proceedings. Although the staff's estimate of meter repairs is based upon 29 rather than 16 metered services, the estimate is adopted because the testimony of applicants' superintendent shows that the meters have been subject to abnormal damage by vandals.

Rate of Return:

The testimony of Mr. Sterkin shows that when applicants sought authority to acquire the water system, their commitment to design and construct system improvements was not made entirely in good faith. Applicants thought that the area would be served by

the City of Yreka before they would be required to fulfill their commitment. They had not even made an estimate, at that time, of the sizable investment involved in bringing the water system up to reasonable standards.

Until such time as applicants show that they can finance improvements and have definitely scheduled their installation, it is not reasonable to expect their customers to provide as high a rate of return as for a normal water system. Sufficient net revenues must be available, however, to at least cover the interest on applicants' loans reasonably related to the water operation. A rate of return of 4 percent on rate base will accomplish this.

Findings and Conclusions

The Commission finds that:

1. The evidence presented in these consolidated proceedings on June 6, 7 and 8 confirms the findings in Decision No. 71883, dated January 24, 1967, in Case No. 8509, regarding applicants' need for storage facilities and the inadequacy of applicants' present well sources, but applicants do not, at this time, have the financial ability to install the necessary tank nor to seek an increased or supplemental local supply of water.

2.a. Applicants are in need of additional revenues, but the proposed rates set forth in the application are excessive.

b. The adopted estimates, previously discussed herein, of operating revenues, operating expenses and rate base for the test year 1967, reasonably indicate the results of applicants' operations for the near future.

c. Until system improvements can be financed and definitely scheduled, a rate of return of 4 percent on applicants' rate base is reasonable.

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d. The increases in rates and charges authorized herein are reasonable; and the present rates and charges, insofar as they differ from those prescribed herein, are for the future unjust and unreasonable.

The Commission concludes that Decision No. 71883 should be affirmed as modified in the order which follows and that applicants should be granted part of their requested rate increase.

O R D E R

IT IS ORDERED that:

1.a. The time limit for compliance by applicants, Albert Sterkin and Mary Jane Sterkin, with paragraphs 1 and 2 of the order in Decision No. 71883, dated January 24, 1967, in Case No. 8509, is extended to December 31, 1968.

b. Applicants may install the storage tank required by paragraph 1 of the order in Decision No. 71883 at a lower elevation than prescribed in that order, provided a suitable booster pump is installed which can deliver at least 100 gpm from the tank to the distribution mains at a minimum system pressure of 25 psi.

c. In all other respects, the order in Decision No. 71883 is affirmed.

2. After the effective date of this order, applicants are authorized to file the revised rate schedules attached to this order as Appendix A. Such filing shall comply with General Order No. 96-A. The effective date of the revised schedules shall be four days after the date of filing. The revised schedules shall apply only to service rendered on and after the effective date thereof.

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

Dated at San Francisco, California, this 6th day of SEPTEMBER, 1967.

John E. Mitchell
President
Stallman
Argata
William J. ...
Jud P. Morossey
Commissioners

APPENDIX A
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Schedule No. 1

METERED SERVICE

T

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Campbell tract, and vicinity, located approximately one mile southeast of Yreka, Siskiyou County.

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T

RATES

Per Meter
Per Month

Service Charge:

For 5/8 x 3/4-inch meter \$ 4.00

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Quantity Rate:

Per 100 cu.ft. \$.75

I

The service charge is applicable to all metered service. It is a readiness-to-serve charge to which is added the charge, computed at the Quantity Rate, for water used during the month.

C
C

Schedule No. 2R

RESIDENTIAL FLAT RATE SERVICE

C
C

APPLICABILITY

Applicable to all flat rate residential water service.

T

TERRITORY

Campbell tract, and vicinity, located approximately one mile southeast of Yreka, Siskiyou County.

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RATE

Per Service Connection
Per Month

For a single-family residential unit, including premises \$ 7.00

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SPECIAL CONDITIONS

1. The above flat rates apply to a service connection not larger than one inch in diameter.

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2. If either the utility or the customer so elects, a meter shall be installed and service provided under Schedule No. 1, Metered Service.

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