

ORIGINAL

Decision No. 79353

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's )  
 own motion into the status, )  
 operations, service, equipment, )  
 facilities, rates, rules, tariff )  
 schedules and records of Aztec )  
 Water Company, Golconda Utilities )  
 Company and William E. Leonard, )  
 Trustee of Golconda Utilities )  
 Company; and into the possible )  
 disconnection of electric service )  
 by Southern California Edison )  
 Company. )

Case No. 9124  
 (Filed September 22, 1970;  
 Amended November 4, 1970)

W. Paul Payne, for Aztec Water Company, Inc.,  
 and Golconda Utilities Company; William E.  
 Leonard, for himself; and Jerry A. Brody,  
 Attorney at Law, for Southern California  
 Edison Company; respondents.  
Alvin Mullis, for people of Keeler; and Robert  
 Fisher, Attorney at Law, for Inyo County;  
 interested parties.  
John Fick, Attorney at Law, and Jerry Levander,  
 for the Commission staff.

SECOND INTERIM OPINION

After hearing held before Examiner Coffey on November 23, 1970 in Los Angeles, the Commission issued Decision No. 78325 dated February 17, 1971 which included the following interim order:

"IT IS ORDERED that:

"1. Aztec Water Company and Golconda Utilities Company shall pay all current electric service bills before any payments are made to Mr. W. Paul Payne or to any affiliates or owners of said utilities.

"2. Aztec Water Company and Golconda Utilities Company shall pay all past due bills or make arrangements with Southern California Edison Company for their eventual payment before any payments are made to W. Paul Payne or to any affiliates or owners of Aztec or Golconda.

"3. Aztec Water Company and Golconda Water Company shall promptly apply or file for such increased water rates as they wish the Commission to consider.

"4. Southern California Edison Company shall take all reasonable steps as may be necessary to collect payment for electric service to Aztec Water Company and Golconda Water Company. Edison shall not discontinue service to said water utilities without further order of this Commission."

On February 26, 1971 Golconda Utilities Company (Golconda) and Aztec Water Company (Aztec) filed a petition for rehearing. By Decision No. 78311 dated April 2, 1971 rehearing was denied.

On September 2, 1970, Aztec's president, W. Paul Payne, advised the Commission by letter (Exhibit 8) that it would like a 100 percent increase in rates. The proposal was discussed at the November 23, 1970 hearing, and, as set forth above, Golconda and Aztec were advised to promptly apply or file for such increased rates as they wished the Commission to consider.

Accordingly, the staff suggested revised rate schedules to the two utilities and Aztec notified its 41 customers on December 14, 1970 of a proposed increase in rates of approximately 40 percent. On January 5, 1971, Golconda notified its three Calvert and three Hinkley customers of a proposed 60 percent increase and its 25 Keeler customers of a proposed 15 percent increase.

In response to the Aztec notice, the Commission received 12 communications, one of which was a request for a staff investigation and public hearing, and 11 of which were protests.

No protests were received from Golconda's Calvert or Hinkley systems, but the Commission did receive a petition signed by 21 of the 25 customers of the Keeler system, and also four individual protests, three from signers of the petition.

After receipt of the protests, further hearings were scheduled in this proceeding.

After notice, further hearing was held before Examiner Gillanders at Apple Valley on March 16 and 17, 1971 to consider Aztec's rates in its Apple Valley service area and on March 18, 1971 hearing was held at Keeler to consider Golconda's rates for its Keeler, Calvert and Hinkley systems. The matter was submitted on April 9, 1971 upon receipt of late-filed Exhibit 15.

Aztec Water Company

Aztec provides metered water service to approximately 41 customers and serves 32 public fire hydrants in Apple Valley, San Bernardino County.

At the hearing of March 16, Aztec's president testified that he considered the rates proposed in the notice sent to customers on December 14 to be in the nature of a request for an interim increase pending a formal proceeding. He said that Aztec now proposes that it be allowed to double its existing rates except for the flat rate tree watering schedule which it proposed to discontinue.

For the purposes of this decision, the rates proposed by Aztec's president at the hearing and reflected in its Exhibit 6 will be referred to herein as Aztec's proposed rates. The staff suggested rates, as contained in Aztec's notice to its customers, will be referred to as staff proposed rates.

According to Aztec's Exhibit 6 the net revenue that the system would produce at its proposed rates is \$1,961 based on 1970 expense and on the average of the two years 1969 and 1970 the net revenue would be \$2,424. On its rate base of \$42,700 such net revenues would produce a rate of return of 4.6 percent and 5.7 percent. With a saturation adjustment<sup>1/</sup>, the rate of return would be 10.5 percent and 12.1 percent.

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1/ An adjustment related to excessive plant for the customers served.

According to Aztec's testimony, three years ago it, with the personal guarantees of the directors of the company, was able to borrow funds from the Bank of America at a 10 percent interest rate. Since then, Aztec's directors have refused to make any further personal guarantees; thus, the Bank of America is refusing to advance any more funds because of Aztec's earnings record. Aztec is now in need of funds to repair a pump.

The staff's estimated summary of earnings of Aztec for the year 1970 at present and staff proposed rates as shown in Exhibit 7 is tabulated below:

1970 Estimated Summary of Earnings

Item	Present Rates		Staff Proposed Rates	
	Without	With	Without	With
	Saturation: Adj.	Saturation: Adj.	Saturation: Adj.	Saturation: Adj.
Operating Revenues	\$ 5,430	\$ 5,430	\$ 7,630	\$ 7,630
<u>Deductions</u>				
Operating Expense	2,860	2,860	2,860	2,860
Depreciation Expense	1,640	1,000	1,640	1,000
Payroll Taxes	100	100	100	100
Ad Valorem Taxes	1,300	890	1,300	890
Taxes on Income	100	210	480	760
Total Deductions	6,000	5,060	6,380	5,610
Net Revenue	(570)	370	1,250	2,020
Rate Base	42,700	26,800	42,700	26,800
Rate of Return	Loss	1.4%	2.9%	7.5%

(Negative)

The staff engineer's investigation and testimony received at the hearing indicate that service is satisfactory.

The staff recommended that Aztec be authorized to cancel its schedule for tree watering service due to lack of demand for this service and that revised fire hydrant rates should be authorized.

The staff engineer recommends that Aztec be authorized to charge the rates set forth in Appendix A to Exhibit 7.

The staff and Aztec differ in their estimates of reasonable operating expenses.

Mr. Payne believes his services at \$6.00 per hour come to \$240 per month. The staff engineer believes that Mr. Payne's services should total 24 hours per month, nine of those hours should be charged for at \$3.00 per hour and 15 hours should be charged for at \$5.00 per hour or a total of \$102 per month.

The staff witness based his estimate of the amount to be allowed Mr. Payne for services to Aztec on what hours should reasonably be allowed to operate and maintain the system as well as on a comparison of charges allowed other similar utilities.

Mr. Payne stated that Aztec has tried to find someone to take over and run the system but no one is interested. He believes that \$6.00 per hour is a reasonable charge for his services which include installation and maintenance, accounting and appearances before this Commission.

Mr. Payne charges Aztec 17 cents per mile for use of vehicles rented from one of his other corporations. The staff engineer believes that 10 cents per mile is a reasonable amount to allow for vehicle rent.

Under the circumstances disclosed in this record we have little choice other than to allow Mr. Payne his claimed expenses. It is apparent that no other person or entity is willing to take over the operation of Aztec. Certainly \$6.00 per hour is not unreasonable for the demonstrated skills of Mr. Payne nor is 17 cents per mile an unreasonable charge for transportation. It may be true, as claimed by the staff engineer, that other water utilities have lower operating expenses. However, there is nothing in this record that shows that there exists in California another utility with the same operating characteristics as Aztec.

We must not lose sight of the fact as shown by this record that service rendered by Aztec is good. We recognize that good water service does cost money and that quite possibly lower expenses would result in poorer service for Aztec's customers.

Aztec and the staff agree to the dollar on test year rate base with and without the staff engineer's recommended saturation adjustment.

For rate-making purposes, the staff engineer made adjustments to Aztec's rate base, ad valorem taxes, and depreciation expense. The latter two items have an effect on income taxes.

Mains, services, and fire hydrants installed in Tracts Nos. 5436-1, 5436-2 and 4286, which cost \$23,500, were paid for by Aztec. The facilities were designed to serve 128 lots in those subdivisions. At present there are approximately 18 customers receiving service from these facilities. Aztec did not utilize its filed main extension rule for financing extensions to its original system.

The Chairman of the Board of the Apple Valley Fire Protection District testified that none of the fire hydrants installed in Aztec's service area meet the specifications of the fire district's Ordinances 5 and 5-A. However, the Board agreed to pay \$2.00 per hydrant per month for 28 hydrants. The Board is willing to continue to pay the \$2.00 per month but it objects strenuously to the proposed increase in fire hydrant rates. In fact, the Chairman of the Board testified the district does not intend to pay the requested increase. (Present rate \$24.00, staff proposed rate \$40.00 - applicant's proposed rate \$48.00 on an annual basis.)

The staff engineer recommended that Aztec be authorized to charge a \$40.00 fire hydrant rate.

According to Southern California Edison, as of February 23, 1971 the cumulative unpaid charge for electric service was \$1,349.51.

Golconda Utilities Company

Golconda Utilities Company presently operates a water system at Keeler located in Inyo County and the Calvert and Hinkley water systems located near Barstow, San Bernardino County, as a result of an order of the United States District Court Central District of California, dated November 12, 1970, granting the petition of the Trustee in Bankruptcy to abandon such properties to Golconda.

The following tabulation sets forth the number of customers served by Golconda as of September 1970:

<u>Name</u>	<u>Number of Customers</u>
Calvert System	3
Hinkley System	3
Keeler System	25
Total Golconda	31

At the March 18 hearing at Keeler, Golconda's president, Mr. Payne, introduced Exhibit 12 which proposed a new list of rates for the Calvert and Hinkley systems, and also contained a results of operations showing based on these rates. The rates proposed at the hearing, which would have the effect of increasing revenues 92 percent, will be referred to herein as Golconda's proposed rates. The rates suggested by the staff and sent to the customers on January 5 will be referred to herein as staff proposed rates.

The following tabulation shows the present as well as Golconda's proposed rates for the Hinkley and Calvert Systems:

<u>Quantity Rates</u>	<u>Per Meter Per Month</u>	
	<u>Present Rates</u>	<u>Golconda's Proposed Rates</u>
First 700 cu.ft., or less .....	\$ 2.90	\$ 9.80
Next 4,300 cu.ft., per 100 cu.ft...	.30	.70
Next 5,000 cu.ft., per 100 cu.ft...	.25	.50
Over 10,000 cu.ft., per 100 cu.ft...	.15	.30
<u>Minimum Charge</u>		
For 5/8 x 3/4-inch meter .....	\$ 2.90	\$ 9.80
For 3/4-inch meter .....	4.00	13.50
For 1-inch meter .....	6.25	21.00
For 1-1/2-inch meter .....	10.00	34.00
For 2-inch meter .....	16.00	54.00
For 3-inch meter .....	26.00	88.00
For 4-inch meter .....	42.50	140.00

The tabulation below shows Golconda's estimate of 1970 Results of Operation for the combined operation of the Calvert and Hinkley Systems.

Item	Present Rates		Golconda's Proposed Rates	
	Without Saturation Adj.	With Saturation Adj.	Without Saturation Adj.	With Saturation Adj.
	Operating Revenues	\$ 790	\$ 790	\$ 1,512
<u>Deductions</u>				
Operating Expense	1,448	1,448	1,448	1,448
Depreciation Expense	964	337	964	337
Payroll Taxes	26	26	26	26
Ad Valorem Taxes	446	156	446	156
Taxes on Income	20	20	20	20
Total Deductions	2,904	1,987	2,904	1,987
Net Revenue (Loss)	(2,114)	(1,197)	(1,392)	(475)
Rate Base	17,473	6,115	17,473	6,115
Rate of Return	Loss	Loss	Loss	Loss

The following tabulation shows the present as well as the staff's proposed rates for the Hinkley and Calvert Systems:

Quantity Rates	Per Meter Per Month	
	Present Rates	Staff Proposed Rates
First 700 cu.ft. or less	\$ 2.90	\$ 4.50
Next 4,300 cu.ft., per 100 cu.ft.	.30	.49
Next 5,000 cu.ft., per 100 cu.ft.	.25	.40
Over 10,000 cu.ft., per 100 cu.ft.	.15	.26
<u>Minimum Charge</u>		
For 5/8 x 3/4-inch meter	\$ 2.90	\$ 4.50
For 3/4-inch meter	4.00	6.50
For 1-inch meter	6.25	10.00
For 1 1/2-inch meter	10.00	20.00
For 2-inch meter	16.00	36.00
For 3-inch meter	26.00	50.00
For 4-inch meter	42.50	70.00



The tabulation below shows staff's estimate of 1970 Results of Operation for the Hinkley System.

Item	1970 Estimated			
	Present Rates		Staff Proposed Rates	
	Without	With	Without	With
	Saturation	Saturation	Saturation	Saturation
	Adj.	Adj.	Adj.	Adj.
Operating Revenues	\$ 300	\$ 300	\$ 470	\$ 470
<u>Deductions</u>				
Operating Expense	460	460	460	460
Depreciation Expense	420	130	420	130
Payroll Taxes	10	10	10	10
Ad Valorem Taxes	190	40	190	40
Taxes on Income	20	20	(120)	(20)
Total Deductions	1,100	660	960	620
Net Revenue (Loss)	(800)	(360)	(490)	(150)
Rate Base	7,430	2,460	7,430	2,460
Rate of Return	Loss	Loss	Loss	Loss

The tabulation below shows staff's estimate of 1970 Results of Operation for the Calvert System.

Item	1970 Estimated			
	Present Rates		Staff Proposed Rates	
	Without	With	Without	With
	Saturation	Saturation	Saturation	Saturation
	Adj.	Adj.	Adj.	Adj.
Operating Revenues	\$ 490	\$ 490	\$ 790	\$ 790
<u>Deductions</u>				
Operating Expense	480	480	480	480
Depreciation Expense	580	200	580	200
Payroll Taxes	10	10	10	10
Ad Valorem Taxes	260	80	260	80
Taxes on Income	20	20	(100)	20
Total Deductions	1,350	790	1,230	790
Net Revenue (Loss)	(860)	(300)	(440)	-
Rate Base	8,120	2,990	8,120	2,990
Rate of Return	Loss	Loss	Loss	-

The record shows that the customers in the Calvert and Hinkley systems each is served by a 1-inch meter and that several of the users do not use the amount of water to which they are entitled under the minimum charge. The record further shows that the service supplied is good. There has been no customer growth over the years.

If we approve Golconda's requested rates, its minimum revenue would be \$126 per month or \$1,512 annually. If we approve the staff's proposed rates the minimum revenue would be \$60 per month or \$720 annually. The staff's recommended minimum rates would not provide the out-of-pocket costs which it testified were reasonable, and on the other hand, neither would Golconda's proposed rates return the out-of-pocket costs it claims are reasonable even on a "saturation" adjustment basis.

Golconda testified that it "...well realizes that there is no possibility of earning a return on either of these systems on its rate base or its investment. However, it is of the opinion that as long as it owns these systems, that it is entitled to at least the out-of-pocket expense involved."

We agree that Golconda is entitled to at least its out-of-pocket expenses and based on this record the only chance Golconda has of receiving its out-of-pocket expenses is by charging the rates it requested. We therefore will authorize Golconda to file its proposed rate schedules.

We feel constrained, however, to point out that this record reveals that no one knows the pumping capacity of the three wells nor does anyone have the slightest knowledge of the actual production from these wells. By Decision No. 67347, dated June 10, 1964, in Application No. 45772, Golconda was ordered to determine the pumping capacity of each well and to determine the production from each well. As power costs are the largest single out-of-pocket cost, it appears to us that anything Golconda can do to lower such costs (short of not paying the incurred charges for electric service) will have immediate monetary benefits to applicant.

The record shows that Mr. Payne is willing to personally guarantee the payment of power bills subsequent to November 12, 1970 and that no payments for power have been made to Edison subsequent to November 12, 1970.

The following tabulation sets forth the staff's estimated results of operation for the Keeler system:

Item	1970 Estimated	
	Present Rates	Staff Proposed Rates
Operating Revenues	\$ 2,720	\$ 3,110
<u>Revenue Deductions</u>		
Operating Expense	1,940	1,940
Depreciation Expense	360	360
Payroll & Franchise Taxes	110	120
Ad Valorem Taxes	240	240
Taxes on Income	60	150
Total Deductions	2,710	2,810
Net Revenue	10	300
Rate Base	11,090	11,090
Rate of Return	0.1%	2.7%

At the hearing, Golconda stipulated to the staff results and rate recommendations regarding the Keeler system. The staff and Golconda recommend that the flat rate service be increased from \$7.00 to \$8.00 per month and the same percentage increase for metered service.

The staff engineer at the hearing held at Keeler on March 18, 1971 testified that pressures in the Keeler system do not meet the minimum requirements of General Order No. 103, but made no recommendations for improving the pressures. It was his testimony that a nominal rate of return was justified in view of the existing inadequate pressures.

#### Findings of Fact

The Commission finds that:

#### Aztec Water Company

1. The last payment for electric service was made on June 17, 1970 in the amount of \$85.46.

2. The cumulative unpaid charge for electric service as of February 23, 1971 was \$1,349.51.

3. Southern California Edison Company has not filed suit to collect unpaid charges for electric service.

4. Aztec is in need of additional revenues and Aztec's proposed rates (Exhibit 8) will not produce unreasonable revenue if all customers pay the increased charges.

5. The Apple Valley Fire Protection District does not intend to pay any increase in fire hydrant charges. (\$448 per year staff proposed - \$672 per year applicant proposed.)

6. Three years ago Aztec, with the personal guarantees of the directors of the company, was able to borrow funds from the Bank of America at a 10 percent interest rate.

7. Aztec's directors have refused to make any further personal guarantees; thus, the Bank of America is refusing to advance any more funds because of Aztec's earnings record.

8. Aztec is in need of funds to repair a pump.

9. A rate of return of 10.5 percent on a rate base computed on a "saturation" basis for the year 1970 is reasonable.

10. Aztec's telephone number is not listed in the telephone directory covering applicant's service area.

#### Golconda Utilities

11. By an order of the United States District Court Central District of California dated November 12, 1970 the properties of Golconda Utilities which had not been disposed of by the Trustee in Bankruptcy were abandoned to Golconda Utilities.

12. Mr. Payne is willing to personally guarantee the payment of power bills subsequent to November 12, 1970.

13. No payments for power have been made to Edison subsequent to November 12, 1970.

14. Golconda is in need of additional revenues in its Hinkley and Calvert systems.

15. Golconda's proposed rates for its Hinkley Tariff Area will not produce net revenue on a "saturation" adjustment basis.

16. Golconda is in need of additional revenues in its Keeler system and the proposed rates will produce reasonable revenue.

17. The staff estimates, previously discussed herein, of operating revenues, operating expense and rate base for the test year 1970, reasonably indicate the results of Golconda's operations in the near future for its Keeler system.

18. A rate of return of 2.7 percent on the adopted rate base for the year 1970 is reasonable for the Keeler system.

19. Golconda does not have its telephone number listed in telephone directories covering its service areas.

Conclusions of Law

The Commission concludes that:

1. The increases in rates and charges authorized herein are justified, the 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.

2. Respondents' requests should be granted to the extent set forth in the order which follows.

3. Southern California Edison has not exhausted its legal remedies regarding collection of past due accounts for power sold to Aztec and Golconda.

4. Ordering paragraphs 1, 2, and 3 of Decision No. 78325 should be vacated.

The rates herein authorized are designed to return to respondents sufficient revenue to cover operating expenses plus a nominal amount of profit. The increases in rates are, in our opinion, consistent with the purposes of the Economic Stabilization Act of 1970, as amended. Respondents are expected to comply with the requirements of the Price Commission's regulations relating to the stabilization of prices and rents after November 13, 1971.

SECOND INTERIM ORDER

IT IS ORDERED that:

1. After the effective date of this order Aztec Water Company is authorized to file the revised rate schedules attached to this order as Appendix A, and concurrently to withdraw and cancel presently effective Schedules Nos. 1, 5A and 9AFL. 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.

2. After the effective date of this order Golconda Utilities Company is authorized to file the revised rate schedules attached to this order as Appendix B, and concurrently to withdraw and cancel presently effective Schedules Nos. HI-1, KE-1 and KE-2. 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.

3. Aztec Water Company shall arrange for its telephone number to be listed in the appropriate telephone directories covering its service areas and shall within twenty days of the effective date of this order submit proof that its telephone number is properly listed.

4. Golconda Utilities Company shall arrange for its telephone number(s) to be listed in the appropriate telephone directories covering its service areas and shall within twenty days of the effective date of this order submit proof that its telephone number(s) is properly listed.

5. Ordering paragraphs 1, 2, and 3 of Decision No. 78325 are vacated.

6. Aztec Water Company shall notify this Commission within ninety days of the effective date of this order whether or not it is receiving the increased revenue from the Apple Valley Fire Protection District authorized by ordering paragraph 1 (supra).

7. Southern California Edison Company shall report to this Commission whether or not it has collected or has made arrangements to collect from Aztec and Golconda the sums legally owing to it for electric service.

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

Dated at San Francisco, California, this 22nd  
day of NOVEMBER, 1977.

[Signature]  
Chairman  
William J. [Signature]  
[Signature]  
[Signature]  
Commissioners

APPENDIX A  
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## Schedule No. 1

METERED SERVICEAPPLICABILITY

Applicable to all metered water service.

TERRITORYThe area known as Tracts Nos. 4286, 5436, 5678, and vicinity, in the SW $\frac{1}{4}$  of Sec. 4, T. 5 N., R. 3 W., S.B.B.& M., Apple Valley, San Bernardino County.RATES:

	<u>Per Meter</u> <u>Per Month</u>	
Quantity Rates:		
First 500 cu.ft. or less .....	\$7.00	(I)
Next 2,000 cu.ft., per 100 cu.ft. ....	.80	
Next 2,500 cu.ft., per 100 cu.ft. ....	.60	
Over 5,000 cu.ft., per 100 cu.ft. ....	.25	
Minimum Charge:		
For 5/8 x 3/4-inch meter .....	\$ 7.00	
For 3/4-inch meter .....	9.50	
For 1-inch meter .....	14.00	
For 1 1/2-inch meter .....	24.00	
For 2-inch meter .....	34.00	
For 3-inch meter .....	48.00	(I)

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



Schedule No. 5A

PUBLIC FIRE HYDRANT SERVICE

APPLICABILITY

Applicable to all fire hydrant service furnished to municipalities, organized fire districts and other political subdivisions of the State.

TERRITORY

The area known as Tracts Nos. 4286, 5436, 5678, and vicinity, in the SW $\frac{1}{4}$  of Sec. 4, T. 5 N., R. 3 W., S.B.B.& M., Apple Valley, San Bernardino County.

RATE

Per Year

For each hydrant .....	\$48.00	(I)
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SPECIAL CONDITION

The annual flat rate charge applies to service during the 12-month period commencing July 1 and is due in advance. (C)

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Schedule No. HI-1

Hinkley Tariff Area

METERED SERVICE

(T)

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The area known as Tract No. 6089, and a portion of the SE $\frac{1}{4}$  of the SE $\frac{1}{4}$  of Sec. 26, T. 10 N., R. 3 W., S.B.B.& M., near Hinkley, San Bernardino County.

RATES

	<u>Per Meter</u> <u>Per Month</u>	
Quantity Rates:		
First 700 cu.ft. or less .....	\$ 9.80	(I)
Next 4,300 cu.ft., per 100 cu.ft. ....	.70	
Next 5,000 cu.ft., per 100 cu.ft. ....	.50	
Over 10,000 cu.ft., per 100 cu.ft. ....	.30	
Minimum Charge:		
For 5/8 x 3/4-inch meter .....	\$ 9.80	(I)
For 3/4-inch meter .....	13.50	
For 1-inch meter .....	21.00	
For 1 1/2-inch meter .....	34.00	
For 2-inch meter .....	54.00	
For 3-inch meter .....	88.00	
For 4-inch meter .....	140.00	

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

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Schedule No. KE-1

Keeler Tariff Area

METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Keeler and vicinity, Inyo County.

RATES

Quantity Rates:

	<u>Per Meter</u> <u>Per Month</u>
First 1,000 cu.ft. or less .....	\$ 7.30
Next 4,000 cu.ft., per 100 cu.ft. ....	.54
Over 5,000 cu.ft., per 100 cu.ft. ....	.33

Minimum Charge:

For 5/8 x 3/4-inch meter .....	\$ 7.30
For 3/4-inch meter .....	7.30
For 1-inch meter .....	16.00
For 1 1/2-inch meter .....	30.00
For 2-inch meter .....	40.00

(I)

(I)

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

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Schedule No. KE-2

Keeler Tariff Area

GENERAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all water service furnished on a flat rate basis.

TERRITORY

Keeler and vicinity, Inyo County.

RATES

Per Service Connection  
Per Month

1. For a single-family residence or first unit of a multiple residence, including premises .....	\$8.00	(I)
a. For each additional residence, residential unit or house trailer located on the same premises and served from the same service connection .....	4.00	
2. For each school .....	8.00	(I)

SPECIAL CONDITIONS

1. All service not covered by the above classifications will be furnished only on a metered basis.
2. Meters may be installed at option of utility for above classifications, in which event service thereafter will be furnished only on the basis of Schedule No. KE-1, Metered Service.