

ORIGINALDecision No. 49526

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of TAHOE SIERRA WATER COMPANY) Application No. 34292
for a revision of its rates.)

OPINION AND ORDER

By the above-entitled application, filed April 25 and as amended October 14, 1953, Tahoe Sierra Water Company, a California corporation, seeks an order of this Commission authorizing an increase in water rates for service rendered in Tahoe-Sierra Subdivisions near Bijou, California, and to establish rates for fire hydrant service.

Applicant obtains its water supply from three deep wells by means of pumps whose combined capacities total over 1,000 gallons per minute, has four pressure tanks with an aggregate capacity of 8,000 gallons and serves about 177 consumers and 104 fire hydrants through a distribution system composed of approximately 46,318 feet of pipe varying in size between 6 inches and 2 inches in nominal diameter.

A report entitled "Report on the Results of Operation of the Tahoe Sierra Water Company, 1951 Recorded, 1952 Recorded and Adjusted, 1953 Estimated" has been prepared by the staff of the Commission, setting forth the results of an investigation of the operations of the applicant, which report has been made a part of the record in this proceeding.

During the year 1952, the latest year for which financial data and other records are complete, applicant operated at a loss of over \$4,200. During the year 1953 a loss of over \$3,700 is estimated. Applicant seeks to halt such losses and to earn a modest rate of return on the investment in plant dedicated to public service.

By its rate proposal applicant expects to increase its gross revenues by about \$6,660 annually, an amount sufficient to yield a net revenue of \$1,960 which, when related to an average depreciated rate base of \$79,840, indicates a rate of return of 2.46 per cent.

Applicant's present and proposed rates are compared in the following tabulation. At present they are below the rates charged on neighboring utility systems; as proposed they are either below or equal to those on other systems in the area. Present rates have been in effect since May 3, 1949.

FLAT RATE SERVICE

<u>Type of Service</u>	<u>Per Season</u>	
	<u>Present Rate</u>	<u>Proposed Rate</u>
For one-family dwelling		
Summer	\$ 25	\$ 40
All year	45	70
For two-family dwelling		
Summer	50	75
All year	90	130
For hotels, motels, apartments		
Single unit		
Summer	-	40
All year	-	70
Two units		
Summer	35	70
All year	65	120
Four units		
Summer	65	130
All year	121	220
Ten units		
Summer	155	250
All year	289	424
Over ten units		
Summer, per unit	15	15
All year, per unit	28	25
For commercial shops and stores		
Summer	-	50
All year	-	75

METERED SERVICE

<u>Typical Summer Usage, per Month</u>	<u>Monthly Bill</u>	
	<u>Present Rates</u>	<u>Proposed Rates</u>
700 cubic feet or less	\$ 5.00	\$ 6.00
1,000 cubic feet	6.00	6.00
10,000 cubic feet	25.00	32.40
20,000 cubic feet	35.00	62.40

FIRE HYDRANT SERVICE

	<u>Present Rate</u>	<u>Proposed Rate</u>
Per hydrant, per month	-	\$2.50

Applicant's rate proposal appears to be reasonable and will be authorized, except for the proposed charge for initial installation of a service connection which is improper, with minor modifications to make meter minimums consistent and reflect relative delivery capabilities.

This Commission is aware that applicant does not maintain permanent files of the supporting information and vouchers necessary to properly account for and separate its water utility business from the other interests of its officers. Applicant is admonished to immediately establish proper accounting records and its attention is directed to this Commission's General Order No. 28 respecting the preservation of the same.

Since applicant filed its rules in 1949, many of the similar rules now in use by other water utilities have been improved and modernized. Applicant will be required to bring its rules up to date.

The Commission having considered the above-entitled application and being of the opinion that applicant is in need of and entitled to an improvement in its earning position, as above discussed, and that the rates which applicant requests be made effective, as modified herein, are just and reasonable and will provide a rate of return not exceeding a reasonable return, it is found that the request of applicant should be granted. The Commission being of the further opinion that a public hearing herein is not necessary,

IT IS HEREBY ORDERED as follows:

1. Applicant is authorized to file in quadruplicate with this Commission, after the effective date of this order and in

conformance with the provisions of General Order No. 96, the schedules of rates set forth in Appendix A attached to this order and, after not less than five days' notice to the public and to this Commission, to make said rates effective for service rendered on and after February 1, 1954.

2. Within thirty days after the effective date of this order applicant shall file in quadruplicate with this Commission, in conformity with the provisions of General Order No. 96, copies of a tariff service area map and of rules, acceptable to this Commission, reflecting present-day practices and relationships with its consumers and may set forth therein a reconnection charge of \$5.00 for restoring service which may have been discontinued as the result of nonpayment of bills or for other noncompliance with the utility's rules.

3. Within one hundred twenty days after the effective date of this order, applicant shall file four copies of a comprehensive map, drawn to an indicated scale not smaller than 600 feet to the inch, delineating by appropriate markings the various tracts of land and territory served and the location of the various properties of applicant.

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

Dated at San Francisco, California, this 5th day of January, 1954.

A. Z. [Signature]
President
Maxwell F. [Signature]
[Signature]
[Signature]
Verne [Signature]
Commissioners

APPENDIX A
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Schedule No. 1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

In and in the vicinity of the Tahoe-Sierra Subdivisions Nos. 1, 2, 3, 4 and 5, lying between the unincorporated communities of Bijou and Tahoe Valley, El Dorado County.

RATES

	<u>Per Season</u>	
	<u>Summer Season</u>	<u>Winter Season</u>
	<u>May 1 - Oct. 31</u>	<u>Nov. 1 - Apr. 30</u>
Seasonal Minimum Charge:		
For 5/8 x 3/4-inch meter	\$ 36	\$ 24
For 3/4-inch meter	48	32
For 1-inch meter	72	48
For 1-1/2-inch meter	125	85
For 2-inch meter	180	120

	<u>Per Meter per Month</u>	
	<u>Summer Season</u>	<u>Winter Season</u>
	<u>May 1 - Oct. 31</u>	<u>Nov. 1 - Apr. 30</u>
Monthly Quantity Rates:		
First 1,200 cu.ft. or less	\$6.00	\$4.00
Over 1,200 cu.ft., per 100 cu.ft.	.30	.20

The Seasonal Minimum Charge will entitle the consumer to that quantity of water per month which one-sixth of the seasonal minimum charge will purchase at the Monthly Quantity Rates.

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Schedule No. 2

GENERAL FLAT RATE SERVICEAPPLICABILITY

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

TERRITORY

In and in the vicinity of Tahoe-Sierra Subdivisions Nos. 1, 2, 3, 4 and 5, lying between the unincorporated communities of Bijou and Tahoe Valley, El Dorado County.

RATES

	<u>Per Season</u>	
	<u>Summer Season</u> <u>May 1 - Oct. 31</u>	<u>Winter Season</u> <u>Nov. 1 - Apr. 30</u>
For each 3/4-inch service to:		
One family dwelling	\$40.00	\$30.00
Two family dwelling	75.00	55.00
Barber shop, store or other small commercial establishment	50.00	25.00
Service Station	50.00	50.00
Hotels, apartments or motels:		
For the first room or unit	40.00	30.00
Next 3 rooms or units, each	30.00	20.00
Next 6 rooms or units, each	20.00	14.00
Over 10 rooms or units, each	15.00	10.00
For each outdoor faucet connected to pipe not larger than 3/4 inch	2.50	-

SPECIAL CONDITIONS

1. Seasonal flat rate charges are payable in advance on or before the first day of each season.
2. For usage not provided for in this schedule, service will be rendered only under Schedule No. 1, General Metered Service.
3. A meter may be installed at the option of either the utility or the consumer. When service is changed from flat to metered service, at the customer's request, such request must be made in writing, and such metered service must be continued for at least one year at the meter rates before it can be changed again to flat rate service.

APPENDIX A

Schedule No. 3

PUBLIC FIRE HYDRANT SERVICE

APPLICABILITY

Applicable to fire hydrant service for municipalities and other public agencies only.

TERRITORY

In and in the vicinity of Tahoe-Sierra Subdivisions Nos. 1, 2, 3, 4 and 5, lying between the unincorporated communities of Bijou and Tahoe Valley, El Dorado County.

RATES

	<u>Per Month</u>
Per hydrant	\$2.50

SPECIAL CONDITION

The company shall be required to supply only such water at such pressure as may be available from time to time as a result of its normal operation of the system.