

Decision No. 58510

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of)
PACIFIC GAS AND ELECTRIC COMPANY for)
an order of the Public Utilities)
Commission of the State of California)
authorizing applicant to increase its)
rates and charges for water service)
supplied by means of its Tuolumne)
Water System, Sonora District, elim-)
inate certain special or deviation)
rates, and make effective certain)
revised rules and regulations govern-)
ing water service, all in accordance)
with proposals herein set forth.)

Application No. 36646

OPINION AND ORDER DENYING
PETITION FOR MODIFICATION OF
DECISION NO. 54818

Petitioner's Request

Tuolumne County Water District No. 2, Sonora, California,^{1/}
on April 13, 1959, filed a petition for modification of Decision
No. 54818, Application No. 36646, dated April 9, 1957, to permit
petitioner to continue to receive water service after April 15, 1959,
from Pacific Gas and Electric Company^{2/} in accordance with the special
letter agreement dated July 29, 1953, a copy of which is attached to
the petition as Exhibit A. Petitioner states that the applicant has
notified it that Decision No. 54818 requires the applicant to termi-
nate the agreement effective April 15, 1959.

^{1/} Tuolumne County Water District No. 2, hereinafter called peti-
tioner, is a political subdivision of the State of California,
a body corporate and politic, lying and being within the County
of Tuolumne, and comprising approximately four-fifths thereof,
including within its boundaries all of the service area of
applicant's Tuolumne Water System, Sonora District.

^{2/} Hereinafter called applicant.

Petitioner's Position

Petitioner entered into the letter agreement with applicant to provide a supplemental source of supply for its Smith Ditch; however, such supply is required only when other sources of water normally utilized by petitioner for its Smith Ditch are not available. Petitioner represents that the number of customers served each year, the quantity of water supplied, and the quantity of water purchased under the letter agreement are as follows:

<u>Year</u>	<u>Average No. of Customers</u>	<u>Water Supplied m.i.d.</u>	<u>Water Purchased m.i.d.</u>
1952	6	2,738.	0.
1953	8	2,999.	1676.
1954	8	4,962.	0.
1955	8	4,686.	884.4
1956	7	2,458.5	0.
1957	8	2,665.	0.
1958	10	3,139.96	0.

Petitioner represents that it is unable to predict the years or months when such supplemental water will be required, that it desires to contract for such water on an accommodation basis, and that the proposed termination of the agreement is injurious to it, to its residents and water users, and to the public interest.

Rate Changes Ordered

Our Decision No. 54818 required a sizable increase in applicant's rates, starting in 1957, based upon the applicant's showing of a deficit of \$81,359 for the year 1956 under the old rate levels. However, in order to provide an opportunity for the customers to adjust their budgets gradually to the new rate levels, increases in filed tariff rates were authorized in three steps: May 15, 1957, April 15, 1958, and April 15, 1959. Petitioner's rate under its special agreement, which is a flat 50 cents per miner's inch-day (m.i.d.), without minimum charges, initial charges, or service charges, was not increased in 1957 or in 1958, as were the filed tariffs, but was made available until April 15, 1959, at which time

the Commission has ruled that all deviation and special rate service be transferred over to filed tariff schedules.

Findings and Conclusions

Petitioner seeks special consideration because it wants supplemental water only on an accommodation basis. While petitioner lists this as an accommodation service, apparently, in reality, it desires firm service when its other sources of water are not available. Under such condition we find and conclude that it is reasonable for petitioner to be required to pay the regular minimum charges, initial charges, or readiness-to-serve charges in the future, as contained in the filed tariffs, in order to compensate the applicant for its cost to stand by to make water available at any time requested by petitioner and, in addition, to pay the regular quantity rates for such water as is used; therefore,

IT IS ORDERED that the petition for modification of Decision No. 54818 is denied.

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

Dated at San Francisco, California, this 22nd day of May, 1959.

[Signature]
President

[Signature]

[Signature]

[Signature]
Commissioners