

Decision No. 60385

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PACIFIC WATER CO., a California)
corporation Under Section 454 of the)
Public Utilities Code, to increase)
its rates for its Berdooco Water)
System in San Bernardino County,)
California.)

Application No. 41509

Moss, Lyon & Dunn, by George C. Lyon, for
applicant.
Mary B. Meyer, protestant.
John Gillanders, for the Commission staff.

O P I N I O N

The Pacific Water Co. is a California corporation furnishing domestic water to consumers in over 20 systems located in Los Angeles, Orange, Kern and San Bernardino Counties. By the application herein, filed with this Commission on September 22, 1959, it seeks authority to increase its rates in its Berdooco Water System in San Bernardino County, California.

A public hearing on the application was held before Examiner Kent C. Rogers in San Bernardino on June 1, 1960. Prior to said hearing notice thereof was published and mailed to consumers as required by this Commission. One protestant appeared but took no part in the hearing.

The service area is in San Bernardino County (Chart 3-B, No. 2) and contains 156 subdivided lots (Exhibit No. 3) on which there are approximately 136 active service connections,

all of which are metered. Applicant also has flat rates in its tariffs but agreed that the flat rate tariff be canceled.

The present and proposed rates are as follows:

	<u>Present Rates</u>	<u>Proposed Rates</u>
	<u>Per Meter Per Month</u>	<u>Per Meter Per Month</u>
<u>Quantity Rates:</u>		
First 800 cu.ft. or less	\$ 2.00	\$ 3.00
Next 1200 cu.ft., per 100 cu.ft.30
Next 1000 cu.ft., per 100 cu.ft.25
Next 3200 cu.ft., per 100 cu.ft.20	
Over 3000 cu.ft., per 100 cu.ft.20
Over 4000 cu.ft., per 100 cu.ft.15	
<u>Minimum Charge:</u>		
For 5/8 x 3/4-inch meter	\$ 2.00	\$ 3.00
For 1-inch meter	4.00	5.00
For 1 1/2-inch meter	7.50	10.00
For 2-inch meter	10.00	15.00
For 3-inch meter	20.00	30.00
For 4-inch meter	30.00	40.00

The Minimum Charge entitles the customer to that amount of water which the minimum charge will purchase at the quantity rates.

For the average customer usage of approximately 1,800 cubic feet of water per month, the proposed rates result in a charge of \$6.00 or a 50 per cent increase in the \$4.00 charge for water service under present rates.

The applicant calculates that with certain adjustments its rate of return in the system was 3.29 percent at present rates in 1958 and at said rates its return for 1959 would be 2.17 percent. The staff estimated the returns for 1958 and 1959 at present rates as 2.72 percent and 2.58 percent, respectively. At proposed rates the estimates are as follows for 1959 as indicated on page 11-3 of Exhibit No. 5 herein:

Proposed Rates	Staff	Company
Operating Revenues	\$ 9,590	\$10,039
<u>Operating Expenses</u>		
Operating & Maintenance Expenses	2,520	2,700
Admin. & Gen. & Misc. Expenses	1,348	1,755
Taxes Other Than on Income	631	682
Depreciation	1,428	1,118
Income Taxes	1,377	1,364
Total Operating Expenses	<u>7,304</u>	<u>7,619</u>
Net Revenue	2,286	2,420
Depreciated Rate Base	37,040	37,862
Rate of Return	6.17%	6.39%

From all of the evidence adduced in this matter, we now find that the proposed increase in rates and charges as hereinbefore described and authorized herein is justified and that the present rates and charges insofar as they differ from those herein prescribed are for the future unjust and unreasonable. The existing flat rate tariff will be canceled.

O R D E R

Application as above entitled having been filed, a public hearing having been held thereon, the matter having been submitted and now being ready for decision,

IT IS HEREBY ORDERED:

(1) That Pacific Water Co., a California corporation, be and it is authorized to file in quadruplicate with the Commission, after the effective date of this order, in conformity with General Order No. 96, the schedule of rates as shown in Appendix A, attached hereto, and upon not less than five days' notice to

the Commission and to the public to make said rates effective for service rendered after August 8, 1960.

(2) That coincident with filing the schedule of rates as hereinabove authorized, Pacific Water Co. shall file an advice letter providing for the cancellation of its tariff schedule applicable to flat rate service in its Berdooco tariff area. Such cancellation shall become effective upon five days' notice to the Commission and the public after filing of the advice letter as hereinabove ordered.

(3) That applicant shall file, within thirty days after the effective date hereof, four copies of a comprehensive map drawn to an indicated scale not smaller than 200 feet to the inch, delineating by appropriate markings the tracts of land and territory served; the principal water production, storage and distribution facilities; and the location of the various water system properties of the applicant in its Berdooco system.

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

Dated at San Francisco, California,
this 12th day of July, 1960.

[Signature]
President

[Signature]

[Signature]

[Signature]

Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A

Schedule No. B0-1

Bendocco Tariff Area

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The unincorporated territory including Tracts Nos. 3553, 3606, and 4021, and vicinity, west of the City of San Bernardino, San Bernardino County.

RATES

	<u>Per Meter</u> <u>Per Month</u>
Quantity Rates:	
First 800 cu. ft. or less	\$ 3.00
Next 1,200 cu. ft., per 100 cu. ft.30
Next 1,000 cu. ft., per 100 cu. ft.25
Over 3,000 cu. ft., per 100 cu. ft.20
Minimum Charge:	
For 5/8 x 3/4-inch meter	\$ 3.00
For 1-inch meter	5.00
For 1 1/2-inch meter	10.00
For 2-inch meter	15.00
For 3-inch meter	30.00
For 4-inch meter	40.00

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