

ORIGINALDecision No. 60532

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 the SOUTHERN CALIFORNIA WATER COMPANY
 for authority to increase water rates
 in its Southwest District to offset
 the increase in operating costs caused
 by tax assessment on water pumped in
 said Southwest District.

Application No. 42407

OPINION AND ORDER

By this application, filed June 27, 1960, Southern California Water Company seeks Commission authorization for an increase in its water service rates in its Southwest District to become effective July 1, 1960, to offset estimated additional operating costs resulting from assessment of taxes by the Central and West Basin Water Replenishment District (hereinafter called "Replenishment District") on all water pumped from ground sources in applicant's Southwest District. The Replenishment District, by Resolution No. 60-10, Exhibit E of this application, made findings in accordance with Section 60315 of the water code and levied a tax of \$3.19 per acre-foot on all ground water pumped from the Central and West Basins, commencing July 1, 1960 and ending June 30, 1961. All ground water pumped by applicant in its Southwest District is within said Replenishment District.

In support of its request, applicant presented Exhibit D to its application showing therein its calculation of the annual pumping tax amounting to \$33,840 and its estimated results of operation for the test year 1959 based on Decision No. 58530, dated

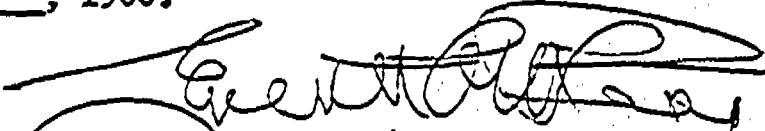
June 2, 1959 in Application No. 40675 at rates authorized by that decision and at rates proposed to yield additional revenues to offset the pumping tax. Those results of operation show a rate of return of 6.44% at present rates after giving effect to the pumping tax and a rate of return of 6.60% at the rates proposed by the company.

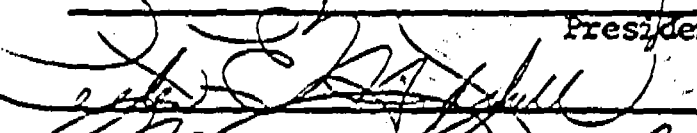
The Commission having considered the request of applicant finds and concludes that, due to the more than one year elapsed since rendering Decision No. 53530 coupled with the relatively small effect on the rate of return as shown by the company in its application, no increase in rates is warranted or justified for applicant's Southwest District at this time. We are of the opinion that a public hearing is not necessary and find that the application should be denied; therefore,

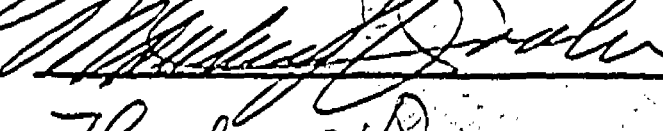
IT IS ORDERED that Application No. 42407 be and it hereby is denied.

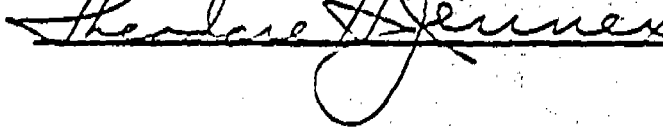
The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 9th day of August, 1960.



President






Commissioners