

ORIGINAL

Decision No. 62664

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of

SAN GABRIEL VALLEY WATER COMPANY

for authority to increase rates charged for water service in the Whittier Tariff Area of its Whittier Division to offset Replenishment District Assessments of the Central and West Basin Water Replenishment District.

Application No. 43671
(Filed August 9, 1961)

O P I N I O N

Applicant is a California corporation furnishing water to domestic consumers in Los Angeles and San Bernardino Counties. The applicant's Whittier Division in Los Angeles County includes the Whittier Tariff Area, a separate system, which had 11,173 customers on December 31, 1960. This area is within the Central and West Basin Water Replenishment District which is an agency authorized to tax water producers, including applicant, and use the proceeds thereof for the purchase of water from the Metropolitan Water District to replenish the ground water. All of the wells supplying this area are within the said district.

On April 21, 1960, the Replenishment District levied an assessment of \$3.19 per acre foot of ground water produced within the district during the fiscal year commencing July 1, 1960, and ending June 30, 1961. On April 13, 1961, the Replenishment District

levied an assessment of \$5.75 per acre foot of ground water produced during the fiscal year commencing July 1, 1961, and ending June 30, 1962. Applicant did not request any rate relief to offset the previous assessment at the rate of \$3.19 per acre foot.

The applicant states that during the year ending December 31, 1960, applicant's production of ground water within the district totaled 7,383 acre feet. On the basis of the current assessment of \$5.75 per acre foot, the added annual cost to the applicant of the ground water would be \$42,450.

In order to compensate for the added cost of \$5.75 per acre foot in the 1961-1962 assessment year applicant proposes to increase its rates for general metered service in the Whittier Tariff Area as follows:

		<u>Per Meter Per Month</u>	
		<u>Present</u>	<u>Proposed</u>
		<u>Rates</u>	<u>Rates</u>
 <u>RATES</u>			
Quantity Rates:			
First	800 cu.ft. or less	\$2.00	\$ 2.15
Next	1,200 cu.ft., per 100 cu.ft.15	.17
Next	3,000 cu.ft., per 100 cu.ft.12	.13
Over	5,000 cu.ft., per 100 cu.ft.09	.09
 Minimum Charge:			
For	5/8 X 3/4-inch meter	2.00	2.15
For	3/4-inch meter	2.50	2.70
For	1-inch meter	4.00	4.30
For	1½-inch meter	6.50	7.00
For	2-inch meter	9.50	10.25
For	3-inch meter	17.00	18.00
For	4-inch meter	30.00	32.00
For	6-inch meter	50.00	55.00

The staff engineer who investigated the application stated in his report that the figures quoted above are substantially correct. He stated that investigation shows applicant's Whittier Tariff Area comprises approximately 25 percent of applicant's total number of customers; that all water delivered to the Whittier Tariff Area is produced from the underground basin of the Replenishment District; that net operating revenues for the recorded year 1960 in applicant's Whittier Division were \$83,543 with a rate of return of approximately 4.6 percent; that the net revenues for the year 1960 at present rates for water service at the new assessment of \$5.75 per acre foot for the entire year would have been \$70,430 with a rate of return of 3.88 percent. The engineer states that the proposed rates for water would have yielded net revenues of \$89,600 with a rate of return of 4.9 percent had the new assessment of \$5.75 per acre foot been in effect for the entire year. The staff has concluded the said estimated results reasonably represent the utility's operation under the conditions stated. The staff showed that the rates proposed by the applicant would recover the Replenishment District charges by increases only in charges for monthly consumption less than 5,000 cubic feet with no increase in the 9 cents per 100 cubic feet charge for usage over 5,000 cubic feet. The staff has designed rates which, in its opinion, will recover the Replenishment District charges and will distribute the increase in a more equitable manner to all customers. The rates constructed by the staff will be authorized rather than those proposed by the applicant.

Based upon the allegations of the verified application and the report of the staff engineer, we find that the increases in rates and charges authorized herein are justified and that the present rates and charges, insofar as they differ from those herein prescribed, are for the future unjust and unreasonable.

A public hearing is not required.

O R D E R

An application as above entitled having been filed and based upon the evidence of record herein,

IT IS ORDERED that San Gabriel Valley Water Company be, and it is, authorized to file in quadruplicate with the Commission after the effective date of this order, and in conformance 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 on and after October 16, 1961.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 10th day of October, 1961.

[Signature]
President

[Signature]

[Signature]

Commissioners

Peter E. Mitchell
Commissioner....., being
necessarily absent, did not participate
-4- in the disposition of this proceeding.

APPENDIX A

Schedule No. WHW-1

Whittier DivisionWhittier Tariff AreaGENERAL METERED SERVICEAPPLICABILITY

Applicable to all metered water service.

TERRITORY

Portions of the City of Whittier, and vicinity, Los Angeles County.

RATES

	<u>Per Meter</u> <u>Per Month</u>
Quantity Rates:	
First 800 cu.ft. or less	\$ 2.10
Next 1,200 cu.ft., per 100 cu.ft.165
Next 3,000 cu.ft., per 100 cu.ft.134
Over 5,000 cu.ft., per 100 cu.ft.104
Minimum Charge:	
For 5/8 x 3/4-inch meter	\$ 2.10
For 3/4-inch meter	2.70
For 1-inch meter	4.30
For 1 1/2-inch meter	7.00
For 2-inch meter	10.25
For 3-inch meter	18.00
For 4-inch meter	32.00
For 6-inch meter	55.00

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