

ORIGINAL

Decision No. 66601

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Uehling Water Co., Inc. for authority to increase its rates for water service.) Application No. 45887 (Filed October 21, 1963)

O P I N I O N

Uehling Water Co., Inc. (applicant) is a California corporation furnishing water to residential and commercial consumers in and around the City of Compton, Los Angeles County, California. As of August 31, 1963, it was furnishing service to 367 metered and 1,051 unmetered consumers.

Applicant is in the Central and West Basin Water Replenishment District and receives all of its water from wells therein. By Decision No. 62247, dated July 11, 1961, in Application No. 43272, it was authorized to increase its rates to offset said district's assessment. The rates authorized by that decision were subsequently increased to the present level pursuant to authority granted by Decision No. 64601, dated December 4, 1962, in Application No. 44515.

Several water companies pumping water from the Central Basin entered into a mutual agreement to reduce pumping from the basin. By Decisions Nos. 64308 and 65927, the latter dated August 27, 1963, both on Application No. 44616, applicant became a party thereto. It has had its entitlement to water from the basin established by the Department of Water Resources of the

State of California, acting as the Watermaster, at 677 acre-feet per year. It requires 877 acre-feet per year, which forces it to secure an additional 200 acre-feet per year. This water is secured from the Central Basin exchange pool at the presently effective rate of \$16.93 per year per acre-foot. In addition to this charge per acre-foot, applicant is required to pay a portion of the Watermaster's fees, amounting to \$54.31 per year, and it estimates the costs for preparation of this application at \$200.

Applicant's present and proposed rates are as follows:

GENERAL FLAT RATE SERVICE

	<u>Per Service Connection</u> <u>Per Month</u>	
	<u>Present</u> <u>Rates</u>	<u>Proposed</u> <u>Rates</u>
1. For a single-family residential unit, or a commercial unit, or the first unit of a duplex, triplex, trailer court or apartment, including premises not exceeding ½ acre and served from a:		
3/4-inch service connection . . .	\$2.75	\$2.90
1-inch service connection . . .	4.25	4.50
1½-inch service connection . . .	6.00	6.35
2-inch service connection . . .	9.00	9.50
a. For each additional residential unit or commercial unit on the same premises and served from the same service connection .	1.60	1.70
b. For each additional unit of a duplex, triplex or apartment on the same premises and served from the same service connection.	1.35	1.45
c. For each trailer unit on the same premises and served from the same service connection .	.70	.70
d. For each swimming pool. . . .	1.10	1.10

(Continued)

GENERAL FLAT RATE SERVICE
(Continued)

	<u>Per Service Connection Per Month</u>	
	<u>Present Rates</u>	<u>Proposed Rates</u>
e. For each 1/2 acre, or fraction thereof, of premises in excess of 1/2 acre	\$1.60	\$1.70
2. For parkway watering, per lot facing thereon35	.35

GENERAL METERED SERVICE

	<u>Per Meter Per Month</u>	
	<u>Present Rates</u>	<u>Proposed Rates</u>
Quantity Rates:		
First 1,000 cu.ft., or less.	\$ 2.65	\$ 2.80
Next 4,000 cu.ft., per 100 cu.ft. . .	.18	.19
Over 5,000 cu.ft., per 100 cu.ft. . .	.12	.13
Minimum Charge:		
For 5/8 x 3/4-inch meter	2.65	2.80
For 3/4-inch meter	3.80	3.80
For 1-inch meter	6.00	6.00
For 1 1/2-inch meter	10.00	10.00
For 2-inch meter	12.00	12.00
For 3-inch meter	20.00	20.00

A staff engineer prepared a results of operation report for the year 1962 on the applicant's operations which is hereby received as Exhibit No. 1. The following tabulation summarizes the results shown in Exhibit No. 1 which includes the added expenses referred to above.

:	: Test Year 1962 :	
	: Present Rates :	: Proposed Rates :
Operating Revenues	\$64,440	\$68,150
Operating Expenses	60,550	61,860
Net Revenue	3,890	6,290
Average Depreciated Rate Base*	85,700	85,700
Rate of Return	4.5%	7.3%

*Adopted in last rate increase decision, Decision No. 64601, supra.

The staff witness report states that the increase will only offset the increase in expenses related to curtailment of pumping of wells in the Central Basin.

Upon consideration of the record, the Commission finds as follows:

1. Applicant's rates were established by Decision No. 64601, which allowed a rate of return of 7 percent. Since the date of said decision, applicant has been required to incur increased expenses due to curtailment of pumping rights and increased cost of excess water taken from the Central Basin.

2. The increase in rates proposed by the applicant will only offset the additional expenses arising from the increased cost of water.

3. A rate of return of 7.3 percent on the applicant's rate base of \$85,700 for the test year 1962 is reasonable and applicant should be authorized to file a new schedule of rates which should produce this rate of return.

4. The increased rates authorized herein are justified, the rates and charges authorized herein are reasonable and present rates, insofar as they differ from the rates authorized herein, are for the future unjust and unreasonable.

5. A public hearing is not necessary.

On the foregoing findings, we conclude that the application should be granted.

O R D E R

IT IS HEREBY ORDERED that Uehling Water Co., Inc., is authorized to file with this Commission, after the effective date

of this order and in conformity with General Order No. 96-A, the schedules of rates attached to this order as Appendix A and, upon not less than five days' notice to the Commission and to the public, to make such rates effective for service rendered on and after February 1, 1964.

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

Dated at San Francisco, California, this 14th day of January, 1964.

William L. Baur
President
George L. Hoover
Frederic B. Halbach
Commissioners

APPENDIX A

Page 1 of 3

Schedule No. 1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Compton and vicinity, Los Angeles County.

RATES

	<u>Per Meter</u> <u>Per Month</u>	
Quantity Rates:		
First 1,000 cu.ft. or less	\$ 2.80	(I)
Next 4,000 cu.ft., per 100 cu.ft.19	
Over 5,000 cu.ft., per 100 cu.ft.13	(I)
Minimum Charge:		
For 5/8 x 3/4-inch meter	\$ 2.80	(I)
For 3/4-inch meter	3.80	
For 1-inch meter	6.00	
For 1½-inch meter	10.00	
For 2-inch meter	12.00	
For 3-inch meter	20.00	

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

APPENDIX A

Schedule No. 2

GENERAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate water service.

TERRITORY

Compton and vicinity, Los Angeles County.

RATES

	<u>Per Service Connection</u> <u>Per Month</u>	
1. For a single-family residential unit, or a commercial unit, or the first unit of a duplex, triplex, trailer court or apartment, including premises not exceeding $\frac{1}{4}$ acre and served from a:		
3/4-inch service connection	\$2.90	(I)
1-inch service connection	4.50	
1 1/2-inch service connection	6.35	
2-inch service connection	9.50	
a. For each additional residential unit or commercial unit on the same premises and served from the same service connection	1.70	
b. For each additional unit of a duplex, triplex or apartment on the same premises and served from the same service connection	1.45	(I)
c. For each trailer unit on the same premises and served from the same service connection70	
d. For each swimming pool	1.10	

(Continued)

APPENDIX A

Schedule No. 2

GENERAL FLAT RATE SERVICE
(Continued)

RATES (Contd.)

	<u>Per Service Connection</u> <u>Per Month</u>	
e. For each $\frac{1}{4}$ acre, or fraction thereof, of premises in excess of $\frac{1}{4}$ acre	\$1.70	(I)
2. For parkway watering, per lot facing thereon35	

SPECIAL CONDITIONS

1. All service not covered by the above classifications shall be furnished only on a metered basis.

2. For service covered by the above classifications, if either the utility or the customer so elects, a meter shall be installed and service provided under Schedule No. 1, General Metered Service.