

ORIGINAL

Decision No. 66639

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of DOMINGUEZ WATER CORPORATION for authority to amend its special contract with SHELL CHEMICAL COMPANY and increase its rates for water service to offset applicant's increased direct costs for water.)

Application No. 45937
Filed November 4, 1963

OPINION AND ORDER

By Decision No. 64707, dated December 28, 1962, in Application No. 44563, Dominguez Water Corporation (Dominguez) was authorized to change the terms and conditions of an agreement dated June 1, 1960, and continuing through May 31, 1965, with Shell Chemical Company (Shell). That agreement as amended provides that Shell will, effective January 1, 1962, pay a minimum charge of \$2,166 per month for water up to and including 2,000,000 cubic feet, and 8.66 cents per 100 cubic feet for all additional monthly consumption.

By the application herein, Dominguez seeks authority to increase said contract rate from 8.66 cents per 100 cubic feet for water over 2,000,000 cubic feet to 9.05 cents per 100 cubic feet, commencing January 1, 1963. The reason given for the proposed increase is that, on January 1, 1963, the cost of water purchased by Dominguez from the West Basin Municipal Water District increased \$2 per acre foot from \$27.50 to \$29.50 and that the tax of the Central and West Basin Water Replenishment District, in which applicant's wells are located, was increased from \$5.75 per acre-foot to 6.63 per acre-foot as of July 1, 1962. All of Shell's supply of Dominguez' water is from said sources; 56.2 percent is from the wells and 43.8 percent is purchased. A copy of this application was

mailed to Shell Chemical Company and the application alleges that Shell has agreed that the contract be amended as requested. Dominguez alleges that the requested increase will offset the increased charges only.

The Commission has considered the request of the applicant and finds that the increase in rates and charges authorized herein is justified. We conclude that the application should be granted. A public hearing is not necessary.

IT IS ORDERED that:

1. Dominguez Water Corporation is hereby authorized to amend its contract with Shell Chemical Company, a corporation, dated June 1, 1960, by increasing the rates for water delivered over 2,000,000 cubic feet per month from 8.66 cents per 100 cubic feet to 9.05 cents per 100 cubic feet, commencing January 1, 1963 and continuing thereafter during the period of said contract, or until further order of the Commission.

2. Dominguez Water Corporation shall file with the Commission, within thirty days after the effective date of this order, two certified copies of the amended agreement as executed, together with a statement of the date on which the amended agreement is deemed to have become effective.

3. Dominguez Water Corporation shall notify the Commission of the date of termination of said agreement, as amended herein, within thirty days after such termination.

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

Dated at San Francisco, California, this 11th day of JANUARY, 1964.

Hellen M. Bennett
President
George L. Crow
Fredrick B. Hallock
Commissioners