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Decision No. 69583

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
North Los Altos Water Co., a cor-)
poration, for Authority to Increase)
its Rates and Charges for its Water)
System serving portions of Los Altos)
and an adjacent unincorporated area)
in Santa Clara County in order to)
pass along to its consumers certain)
increases in ground water taxes)
effective July 1, 1965.)

Application No. 47646
(Filed June 7, 1965)

OPINION AND ORDER

North Los Altos Water Co. seeks authority to increase its rates for water service in order to offset increases in pump taxes imposed July 1, 1965, by Santa Clara County Flood Control and Water District and by Santa Clara Valley Water Conservation District. As a result of these increased taxes, the combined ground water tax which applicant will be obliged to pay to said Districts will rise from a total of \$18.85 per acre foot to \$25.20 per acre foot of water pumped. In 1964 applicant produced a total of 932 acre feet of water. On the assumption that the same amount of water will be produced in 1965, applicant's pumping expenses will increase by approximately \$3,000 annually under the new pump taxes. Applicant proposes to offset this increase in expenses by increasing its charges for metered water service by one cent per hundred cubic feet per month. Under applicant's proposal, an average water user on its system (using 2,100 cubic feet per month) would experience an increase from \$10.20 at present rates to \$10.40 under the proposed rate, or 20 cents per month.

As a result of its study of applicant's proposal, the Commission staff prepared a memorandum report, hereby received as

Exhibit 1, in which the staff has estimated a pump tax \$150 per year lower than that computed by applicant and recommends a rate schedule which, on the staff-derived average usage amount of 2,300 cubic feet of water, would increase the average bill by 19 cents per month. This is an insignificant difference from the proposal of applicant. In the view of the Commission, the staff computations confirm those which applicant has presented.

The Commission finds that:

1. The increases in rates and charges authorized herein are justified; the rates authorized herein are reasonable; and the present rates, insofar as they differ from those prescribed herein, are for the future unjust and unreasonable.

2. Public hearing is not necessary.

The Commission concludes that the application should be granted.

IT IS ORDERED that, on or after the effective date of this order, North Los Altos Water Co. is authorized to file with this Commission, in conformance with the provisions of General Order No. 96-A, a tariff sheet or sheets revised to reflect the increased charges set forth in Exhibit B attached to the application herein and, after not less than five days' notice to the public and to this Commission, to make said increased rates effective for water service rendered on and after September 1, 1965.

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

Dated at San Francisco, California, this 24th
day of AUGUST, 1965.

Frederick B. Holcomb
President
George T. Trover
Commissioners