

**ORIGINAL**

Decision No. 73204

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PANORAMA HEIGHTS WATER CO., INC. for Authority to Increase its Rates and Charges for Water Service, and for Interim Emergency Rate Relief; and for Authority to Issue a Promissory Note.

Application No. 49584  
(Filed August 1, 1967)

INTERIM OPINION AND ORDER

Panorama Heights Water Co., Inc., seeks authority to increase its rates and charges for water service by a net amount of \$2,000 per year to offset out-of-pocket losses sustained and a continuation of which is anticipated.

The applicant furnishes water service as a public utility, for residential purposes, to a 200-lot subdivision located about five miles east of Joshua Tree along Twentynine Palms Highway, San Bernardino County. At the end of 1966, 52 services were metered and 11 were flat.

Applicant's recorded expenses totalled \$5,068, which, together with depreciation expense of \$2,015 and taxes of \$556, resulted in total deductions from operating revenues of \$3,617 amounting to \$7,639, and a net loss of \$4,022.

A Commission staff financial examiner has submitted a report, dated September 14, 1967, on his investigation of the application. It, together with a forwarding memorandum from the staff Division of Finance and Accounts, dated the same date,

are received as Exhibit No. 1. The staff found that applicant's operating expenses and revenue deductions for the year 1966 were abnormal and nonusable for the purposes of the application and Exhibit No. 1. Estimates for the calendar year 1967 indicated an out-of-pocket shortage of \$1,080, and an emergency increase of not less than 30 percent over present rates was recommended. Said recommended increase would be on an interim basis pending the results of further investigation of applicant's water service and financial requirements.

The Commission finds that applicant is in need of emergency financial relief, but that the request contained in the application to increase rates by \$2,000, or 55 percent, over the revenues developed under present rates during the year 1966, is excessive. It is further found that an emergency increase in present rates of 30 percent, which would cover an indicated out-of-pocket deficiency of \$1,080 for the calendar year 1967, is reasonable and insofar as the rates authorized hereinafter differ from applicant's present rates, the present rates are unjust and unreasonable.

Public hearing is not necessary to resolve applicant's financial emergency and would not be in the public interest.

It is concluded that the application should be granted in part and denied in part, and the order which follows should so provide. Due to the financial emergency found to exist, it is further concluded that the effective date of the order which follows should be its date, therefore,

IT IS ORDERED that Panorama Heights Water Co., Inc., is authorized to file on an interim basis, and pending further

A. 49584 GLF \*

order of the Commission, after the effective date of this order, the revised schedule of rates, attached to this order as Appendix A. Such filing shall comply with General Order No. 96-A. The effective date of the revised schedule shall be four days after the date of the filing. The revised schedule shall apply only to service rendered on and after the effective date thereof.

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

Dated at San Francisco, California, this 17<sup>th</sup> day of OCTOBER, 1967.

*Ed L. Mitchell* President  
*William G. Bennett*  
*Augustus*  
*William Sproull Jr.*  
*Greg P. Morrison* Commissioners

APPENDIX A

Schedule No. 1

METERED SERVICE

(T)

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Panorama Heights and vicinity, located approximately 10 miles west of Twentynine Palms, San Bernardino County.

(T)

RATES

Per Meter  
Per Month

Quantity Rates:

First	500	cu. ft. or less .....	\$ 3.80
Next	3,500	cu. ft., per 100 cu. ft.....	.65
Next	16,000	cu. ft., per 100 cu. ft.....	.50
Over	20,000	cu. ft., per 100 cu. ft.....	.40

(I)

Minimum Charge:

For 5/8 x 3/4-inch meter .....	\$ 3.80
For 3/4-inch meter .....	5.50
For 1-inch meter .....	9.00
For 1 1/2-inch meter .....	18.00
For 2-inch meter .....	28.00
For 3-inch meter .....	48.00
For 4-inch meter .....	75.00

(I)

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