ORIGINAL

Decision No. 75739

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of POMONA VALLEY WATER COMPANY for an order authorizing it to increase the rates and charges for water service in its Service Area.

Application No. 50382 Filed July 9, 1968

Maroney, Demchuk, Ziebarth & Brandt, by <u>Donald E. Maroney</u>, and <u>Jack Greening</u>, for applicant.

Mr. and Mrs. Ernest Belcher, for Los
Serranos Area; Laurentine (Mrs. Wm. D.)
Gates, for Glenmeade Homeowners Association; Ruth Buchanan, Jeannette
(Mrs. A. R.) Wallace, Mrs. John Yuhas,
Mrs. Ernestine Govea and Mrs. Marlene
Sparling, in propria personae, protestants.

Mrs. P. Hederman, in propria persona; and William G. Claussen, for Western Hills Golf Cluo, interested parties. Jerry J. Levander, for the Commission

#### <u>OPINION</u>

By this application, Pomona Valley Water Company seeks authority to increase its rates for general metered, measured irrigation service and limited metered resale service by a gross annual amount of approximately \$34,830, or about 28 percent, based on its estimate of operations for the year 1968, to yield a rate of return of 1.86 percent on its estimate of a systemwide rate base of \$1,094,330, as shown in Exhibit No. 5 (Exhibit A attached to the application) 2

I To San Bernardino County Water Works District No. 8 and Mountain View Park Mutual Water Company.

<sup>2</sup> Commission staff engineers estimated the gross annual increase would be \$36,250 to yield a rate of return of 3.0 percent on an estimated systemwide rate base for the year 1968 of \$1,025,900, as shown in Exhibit No. 7.

Public hearings were held before Examiner Warner on February 13, 14, 27 and 28 and March 4, 1969, at Chino. Several customers appeared to protest the magnitude of the proposed increase in the Los Serranos, Glemmeade, and Amberwood areas and tracts, and submitted petitions which comprise pages 1 through 4 of Exhibit No. 2 containing some 319 signatures opposing the application. A letter, Exhibit No. 3, dated February 10, 1969, from the Advisory Board of County Service District No. 19 expressed disapproval of the proposed rate increase, first, because, it alleged, said District was presently paying the highest rates in the area for water and, second, because, it alleged, each homeowner within said District's boundary would be hit twice based on the fact that the District's expenses, including its water bills, are paid by the same people who are already bearing the burden of the highest water rates in the area.

Applicant's witnesses were its president, its general manager, and a consulting engineer. The Commission staff witnesses were an accountant and two engineers.

The hearings were concluded on the last-named hearing date, and the matter was submitted subject to the receipt of late-filed exhibits and concurrent briefs by the applicant and the Commission staff on or before March 21, 1969 (later extended to April 1, 1969), all of which were received on said date, and the matter is now ready for decision.

According to data set forth in Exhibit No. 7, the staff report on the results of its investigation of the application, the average number of service connections, and annual water consumption

in acre-feet for the year 1968, estimated, are as set forth in the following tabulation:

Statistics Relating to Revenues

:	: 1968 Estimat	
Item	: Average Number : of :Service Connection	:Consumption :
Domestic Service Zones I and II Zone III Resale Subtotal	1,068 24 2 1,094	643.0 44.4 20.8 708.2
Irrigation Service Gravity Zone I Zone II Zone III	9 <sup>1</sup> 1 30 2	519.2 <sup>1</sup> 96.4 1,046.6 303.9
Subtotal Unaccounted for Water	42	1,966.1 401.2 <sup>1</sup>
Total	1,136 <sup>1</sup>	3,075.5 <sup>1</sup>

1 Includes Van Vliet

Applicant's service area is delineated on the map, Exhibit No. 6, and it is generally described as an area at the mouth of Brea Canyon and extending into Carbon Canyon at the juncture of the Los Angeles, Orange and San Bernardino County lines in the vicinity of, but not within, the City of Chino. The total service area comprises some 10,900 acres and is made up of three basic systems through which water is supplied to customers. The first of these systems was installed by the original Pomons Velley Water Company in the vicinity of and around the Los Serranos Golf and Country Club. Adjoining the country club are the residential tracts known as the Amberwood and Glenmeade areas. This area and water system are known as the Pomona Facility. The second system was acquired pursuant to authorization granted by Decision No. 69419, and is known as the

Rolling Ridge Ranch. The valuation of the Rolling Ridge Ranch assets was established by Decision No. 72594, dated June 9, 1967. The third system, known as the Southwest Facility, was a transfer to applicant of the assets of Southwest Chino Mutual Water Company in consideration of 15,988 shares of applicant's no par stock at \$46.62 per share for an aggregate total of \$745,360.56 which was authorized by Decision No. 73047, dated September 12, 1967, in Application No. 48405. In said Decision, the Commission was of the opinion that the acquisition of the Southwest Facility by applicant should not constitute a burden on applicant's existing domestic customers.

The combined Pomona and Ranch facilities provide service to customers in three systems: (1) the Lake system which includes Wells 7A, 7B, 13 and Pellissier, and booster stations 14A, B and C and 16A, B and C, which serve the domestic customers in Zone II, including the Los Serranos Golf and Country Club receiving service for ranch zone II - Irrigation; (2) the Ranch irrigation system (zone I-gravity), which includes Wells 1, 8A and 9, also provides some excess water diverted to the Lake system; and (3) the Ranch domestic system (including zone I-pressure) is not interconnected, and it is served by Wells 2 and 9A.

The Southwest system has two service zones. Zone II is served by the 7A-7B boosters, and Zone III by the 100-hp electric booster and 125-hp gas booster. The Watts booster provides service to customers in the Watts tract located within Zone III. The primary source of supply for the Southwest system is from Wells 7A and 7B, with supplementary supply during peak period demand from the Chino Basin Municipal Water District, a constituent agency of the Metropolitan Water District of Southern California. Applicant's

connection to the MWD is located at the extreme northeast corner of its service area just inside the Chino city limits, and water is delivered through 20-, 16-, 14-, 12- and 10-inch transmission mains to four 1,000,000-gallon reservoirs through a series of booster pumps. All of applicant's reservoirs, including an additional 750,000-gallon reservoir to serve the Glenmeade tract in Zone II, are located at sufficient elevations to permit them to float on the water system lines and balance the supplies from MWD sources and wells with domestic (including schools, parks and parkways), irrigation (including Los Serranos and Western Hills golf courses, and some domestic customers in Zone III served from irrigation facilities), and resale (County District No. 8 and Mountain View Park Mutual) demands.

Thus, the record shows, applicant's widespread water system in rolling hill unincorporated territory of San Bernardino County, with a lake and two country clubs, over one thousand domestic residential customers, San Bernardino County Service District No. 19, which waters parks and trails in and near the Glenmesde tracts, several large-usage irrigation customers, and two resalc customers, is, except for the relatively small ranch zone I-gravity noninterconnected system, operated as an integrated unit. Wells are capable of providing most demands, but imported MWD irrigation water at a current cost of \$21 per acre-foot is available. The staff estimated applicant to purchase 180 acre-fect of MWD water for the test year 1968. This estimate was substantially less than applicant's estimate, but the staff concluded, and applicant's general manager conceded, that well supplies could be utilized to

a greater extent both as to volume and areas of distribution than they are, and at considerably less cost to applicant than the MWD supply. Well water production costs are approximately \$12 per acre-foot.

Present, proposed, and authorized general metered service rates, per meter per month, are:

#### General Metered Service

		Per Mete	r Per Month	Yonth		
			Authori	zed		
	Present	Proposed	Zones I. II	Zone III		
Quantity Rates:						
First 800 cu.ft. or less	\$ 3.00	\$ 4.00	\$ 3.50	\$ 4.00		
Next 1,200 cu.ft., per 100 cu.ft.	.30	-40	-35	-40		
Next 3,000 cu.ft., per 100 cu.ft.	.225		-26	.30		
Next 20,000 cu.ft., per 100 cu.ft.	.15	-	.17	.20		
Over 25,000 cu.ft., per 100 cu.ft.	.075			-		
Zones I and II	_	•	-08	-		
Zone III	_		-	בר.		
Minimum Charges:			,			
For 5/8 x 3/4-inch meter	\$ 3.00	\$ 4.00	\$ 3.50	\$ 4.00		
For 3/4-inch meter	3.50	4.80	5.00	5.70		
For 1-inch meter	4.50	6.00	€.00	9.00		
For l2-inch meter	6.00	8.00	14.00	16.00		
For 2-inch meter	9.00	12.10	20.00	22.00		
For 3-inch meter	15.00		30.00	35.00		
For 4-inch meter	25.00	33.00	45.00	55.00		
	•		.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	22000		

authorized rates over present rates:

various consumption levels are shown as follows for proposed and

for general 5/8 by 3/4-inch metered service at

Increases

Rate Comparison

General Metered Service (5/8 x 3/4-inch Meter)

Honthly Consumption	<del></del>	Present	1	Proposed	1	Incr	ease	;	Authorized	t_	Inc	re	ease
Cubic Feet	i	Rates	i	Rates			Percent	1	Rates 1	1	Amount	1	Percent
Q		\$ 3.00		\$ 4.00		\$ 1.00	33,3\$		\$ 3,50		\$ ,50		16.7%
80 <del>0</del>		5.00		4.00		1.00	33,3		3,50		,50		16.7
		3.60		4.80		1.20	33,3		4.20		.60		16.7
1,000		3.10		6.80		1.70	33.3		5.95		.85		16.7
1,500		4.60		8.80		2,20	33.3		7.70		1,10		16.7
2,000		13,35		17.80		4:45	33.3		15.50		2.15		16.1
5,000				27.80		6.95	33.3		24.00		3.15		15,1
10,000		20.85				14.45	33.3		49,50		6,15		14.2
25,000	_	43.35		57.80		14.70	31.2		53.50		6.40		13.6
30,000, Zones I, I	ľ	47.10		61.80			34.4		63,30		16,20		34.4
30,000, Zone III		47.10		63.30		16.20			69,50		7.40		11,9
50,000, Zones I, I	I	62.10		77.80 85.30		15.70 23.20	25.3 37.4		85.30		33.20		37.4
50,000, Zone III	_	62.10		97.80		16.95	21.0		89.50		8,65		10.7
75,000, Zones 1, I	Ļ	80.85		112.80		31.95	39.5		112.80		31.95		39.5
75,000, Zone 111 100,000, Zones 1, 1	7	80.85 99.60		117.80		18.20	18.3		109.50		9.90		9.9
100,000, Zones I, I 150,000, Zones I, I	_	137.10		157.80		20.70	15.1		149.50		12.40		9.0

<sup>1</sup> The authorized rates set forth in this column, for consumptions between zero and 25,000 cubic feet, are for Zones I and II. The authorized rates for Zone III are the same as the proposed rates.

Present and proposed (authorized) measured irrigation service rates, per acre-foot per service connection (meter) per month, are shown as follows:

### Measured Irrigation Service

	Per Acre-	-Foot Per S	ervice C	onnection
	Present	Proposed		rease
Quantity:	Rates	Rates	Amount	Percent
Pressure System Deliveries Zone I Zone II Zone III Cravity Flow Deliveries Zone I	\$ 25.35 26.35 36.35	\$ 31.00 32.00 40.00	\$ 5.65 5.65 3.65	22.3% 21.4 10.0
Minimum Charges:1				
For 1-inch meter For 1½-inch meter For 2-inch meter For 3-inch meter For 4-inch meter For 6-inch meter For 8-inch meter For 10-inch meter	4.50 6.00 9.00 15.00 25.00 45.00 70.00	6.00 8.00 12.10 20.00 33.00 60.00 90.00 130.00	1.50 2.00 3.10 5.00 8.00 15.00 20.00 30.00	33.3 33.3 34.4 33.3 32.0 33.2 28.6 30.0

<sup>1</sup> One acre-foot for scheduled deliveries. ,

Exhibit No. 7 shows that one customer receives domestic service through a 6-inch meter and is billed under the general metered service rates. Applicant applies the minimum charge for this meter under the measured irrigation service rates.

Applicant's general manager testified that in his opinion there was an excessive number of meters for the service requirements in the Glenmeade tract for the irrigation of parks and parkways, which is paid for by County Service District No. 19.

Systemwide earnings data for the year 1968 estimated at present and proposed rates are contained in applicant's Exhibit No. 5 and the staff Exhibit No. 7. Such data are summarized as follows:

Summary of Earnings (Systemwide)

:		Year 1968	Estimated	
:	Present		Proposed	
Item	Per Co. : Exh. 5 :	Per PUC :	Per Co. Exh. 5	: Per PUC : Exh. 7
Operating Revenues	\$ 126,240	\$ 130,250	\$ 161,070	\$ 166,500
Operating Expenses	88,680	82,380	89,440	82,380
Depreciation	26,720	24,700	26,720 24,610	24,700 28,300
Taxes Subtotal	17,530 132,930	15,850 122,930	24,610 140,770	135,380
	,,,,,	2-2,,50	2.0,,,,	200,000
Net Revenues	(6,690)	7,320	20,300	31,120
Rate Base	1,094,330	1,025,900	1,094,330	1,025,900
Rate of Return	-%	0.7%	1.86%	3.0%
	(Red	Figure)		

Because of the peculiarities of service area, size, terrain, and domestic and irrigation gravity and pressure, metered and unmetered, domestic, irrigation and resale water requirements and the various sources of well and imported water supplies, together with the varieties of distribution mains, transmission mains, booster stations and reservoirs to serve domestic customers in Zones I and II, and Zone III, and irrigation service, applicant's consulting engineer prepared a cost of service study showing applicant's earnings by geographic separation for the year 1968 estimated at proposed rates. Applicant's service area was separated between Pomona and Ranch systems, on the one hand, and Southwest Chino system, on the other hand.

The earnings data were contained in Table 10-H of Exhibit No. 5. A Commission staff engineer compared the staff estimated earnings according to applicant's geographic separation and submitted his results in Exhibit No. 7-A. The geographic separation earnings in Exhibits Nos. 5 and 7-A are summarized as follows:

Summary of Earnings - Year 1968 Estimated (Geographic Separation)

•		Proposed	d Rates	*
•	Fomona ar		: Southwest	
Item	Per Company Exh. 5	r: Per PUC :Exh. 7-A	Per Company Exh. 5	:Per PUC : :Exh. 7-A:
Operating Revenues	\$113,160	\$117,760	\$ 47,910	\$ 48,740
Operating Expenses Depreciation Taxes Subtotal	54,490 13,110 20,640 88,240	52,300 15,680 22,950 90,930	34,950 13,610 3,970 52,530	30,080 9,020 5,350 44,450
Net Revenues	24,920	26,830	(4,620)	4,290
Rate Base	346,210	429,490	748,120	596,410
Rate of Return	7.2%	6.2%	-7.	0.7%
	(Red	Figure)		

The record shows that applicant in its geographic separation cost of service study did not attribute certain transmission booster station and reservoir capital to the Southwest Chino area which properly belonged there.

The staff engineers assigned operating expenses and capital, for rate-making purposes, according to the quantity of water delivered, and applicant's earnings in its various operating zones, as shown on the map, Exhibit No. 1, by classes of service.

The year 1968 estimated at proposed rates, as set forth in Exhibit No. 7-A, is summarized as follows:

# Summary of Earnings (Operating Zones\* by Class of Service)

## Domestic Service

Item	Proposed Rates - Zones I and II Per PUC, Ex. 7-A	Year 1968 Estimated  Zone III Per PUC, Ex. 7-A	_ _:
Operating Revenues	\$101,110	\$ 6,230	
Operating Expenses Depreciation Taxes	30,560 10,300 25,120	2,990 2,550 980	
Subtotal	65,980	6,520	
Net Revenue	35,130	(290)	
Rate Base	375,100	25,130	
Rate of Return	9 -4%	<b>-7.</b>	

(Red Figure)

## Irrigation Service

	: Propo	sed Rates -	Year 1968 Es	timated
Item	: Gravity	: Zone I	: Zone II	Zone III
Operating Revenues	\$ 7,420	\$ 580	\$ 38,800	\$ 12,360
Operating Expenses Depreciation Taxes	9,180 2,260 (2,150)	510 130	29,800 7,230 3,700	9,340 2,230 650
Subtotal	9,290	640	40,730	12,220
Net Revenues	(1,870)	(60)	(1,930)	140
Rate Base	119,920	6,520	381,900	117,330
Rate of Return	-7.	-%	-%	0.1%
	(Red	i Figure)		

<sup>\*</sup> As shown on the map, Exhibit No. 1.

The staff financial witness recommended, in Exhibit No. 7, a rate of return of 7-1/2 percent applied to the staff's 1968 estimated rate base of \$375,100 for the Domestic Service Zones I and II, resulting in net operating revenue of \$28,130.

The staff's financial witness had no objection to rates proposed by applicant for the Domestic Service Zone III and irrigation rates. The proposed rates for these zones would result in a net operating loss of \$4,010.

The staff financial witness further testified that the net operating revenues of \$28,130 from the Domestic Service Zones I and II, combined with the aforesaid net operating loss of \$4,010 from the other domestic and irrigation zones, would produce net revenue of \$24,120; after debt service of \$3,750, there would be a balance of \$20,370, producing a return of 2.0 percent on overall equity capital of \$1,005,697, as of June 30, 1968.

Staff engineering and financial recommendations are contained in Paragraphs 36 and 37 of Exhibit No. 7. They relate to depreciation; minimum charges for larger meters; the recording of Southwest Chino Mutual plant acquisition and related depreciation reserve; the completion of plant ledger accounts; the accounting for Rolling Ridge and Pomona Valley systems, combined, and Southwest Chino system, separately; and the transferring of newly constructed facilities to utility plant and service.

#### Findings

The Commission finds that:

1. The rate of return which would have been produced by Pomona Valley Water Company's rates for water service for the test year 1968 estimated, as shown in Exhibits Nos. 5 and 7 and in the preceding tabulation of applicant's systemwide earnings at

- 2.a. Applicant's cost of service study by geographic separation is invalid in that it does, not allocate operating expenses or utility plant in sufficient amount to irrigation service and allocates an excess of operating expenses and utility plant to domestic service, thus distorting the earnings relationship between such types of service.
- b. The cost of service study based on quantities of water delivered to domestic service in Zones I and II, on the one hand, and Zone III, on the other hand, and to irrigation service by gravity, and in Zones I, II and III, separately, as shown by the staff in Exhibit No. 7-A, and in the preceding tabulation, is realistic and a proper representation of applicant's earnings for the year 1968 estimated at proposed rates by types of service.
- The rate of return for domestic service in Zones I and II, shown in Exhibit No. 7-A and in the preceding tabulation, of 9.4 percent is excessive. The staff recommended rate of return of 7-1/2 percent is reasonable.
- The rate of return of 7-1/2 percent found to be reasonable will provide applicant with net revenue of \$24,120, which will service its debt and produce a 2.0 percent return on equity based on the staff estimates for the test year 1968 of operating revenues, expenses, depreciation, taxes and rate base, which are found to be reasonable.
- 5. The staff recommendations are noncontroversial and are reasonable.

- 1. This application is granted in part and Pomona Valley Water Company is authorized to file, after the effective date of this order, the revised schedules of rates as set forth in Appendix A attached hereto. Said rates shall be effective four days after the date of filing and shall apply only to service rendered on and after said effective date. Such filing shall comply with General Order No. 96-A.
- 2.a. Applicant shall review the depreciation rates set forth in Tables 6-A and 6-B of its study of operations dated June 14, 1968. An analysis of Accounts Nos. 345, Services, and 346, Meters, shall be made. The results of this study shall be submitted to the Commission in writing on or before September 1, 1969.
- b. Monthly minimum charges for larger meters shall have a consistent relationship to the 5/8 by 3/4-inch meter minimum.

- 3.a. Applicant shall record increases in Southwest Chino Mutual plant in accordance with the revised data contained in Paragraph 8, Section II, of Exhibit No. 7.
- b. Applicant shall complete details in plant ledger as to locations and dollar value of major items of plant, making up totals of various plant accounts as now recorded.
- c. Applicant shall combine the accounting for the Rolling Ridge and Pomona Valley systems as to income, expense, and plant. Applicant shall continue to segregate the income, expense, and plant of that part of the system obtained from Southwest Chino Mutual Water Company.
- d. Applicant shall transfer \$59,967 of newly constructed facilities now recorded in Plant Held for Future Use to Utility Plant in Service.
- 5. In all other respects, this application is denied.

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

	Dated at	San Francisco ,	California,	this-	3nd
day of	JUNE !	1969.		^	

## APPENDIX A Page 1 of 5

Schedule No. I-1	(C)
Lower Zone	(c)
GENERAL METERED SERVICE	
APPLICABILITY	
Applicable to general metered water service.	<b>(T)</b>
TERRITORY	
Lower Zone, Los Serranos Village and vicinity, San Bernardino County.	<b>(T)</b>
RATES Per Meter Per Month	
Quantity Rates:       \$ 3.50         First 800 cu.ft. or less	(I)
For 5/8 x 3/4-inch meter \$3.50  For 3/4-inch meter \$5.00  For 1-inch meter \$9.50  For 12-inch meter \$9.50  For 2-inch meter \$20.00  For 3-inch meter \$30.00  For 4-inch meter \$45.00  The Minimum Charge will entitle the customer to the quantity of water which that minimum charge will purchase at the Quantity Rates.	(H) (H) (H)
SPECIAL CONDITIONS  1. The lower zene rates shall apply to that portion of the territory below the Carbon Canyon Boosters.  2. Until the 10 percent surcharge to fodoral income tax is remove	(N) (N)
bills computed under the above tariff will be increased by 0.81 percent	(Ī)

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Schedule No. U-1	(c)
Upper Zone	(c)
GENERAL METERED SERVICE	
APPLICABILITY	
Applicable to general metered water service.	<b>(T)</b>
TERRITORY	
Upper Zone, Los Serranos Village and vicinity, San Bernardino County.	(T)
RATES Por Meter Per Month Quantity Rates:	
First 800 cu.ft. or less	(H) (H) (H)
For 5/8 x 3/4-inch meter \$4.00  For 3/4-inch meter 5.70  For 1-inch meter 9.00  For 12-inch meter 16.00  For 2-inch meter 22.00  For 3-inch meter 35.00  For 4-inch meter 55.00  For 6-inch meter 90.00	(M)
The Minimum Charge will entitle the customer to the quantity of water which that minimum charge will purchase at the Quantity Rates.	
1. The upper zone rates shall apply to that portion of the territory served water supplied through the Carbon Canyon Boosters.  2. Until the 10 percent surcharge to federal income tax is removed, bills computed under the above tariff will be increased by	(I) (I) (N)
O.Sl percent.	(1)

APPENDIX A Page 3 of 5

#### Schedule No. 3-M

#### MEASURED IRRIGATION SERVICE

#### APPLICABILITY

Applicable to all measured irrigation service.

#### TERRITORY

Los Serranos Village and vicinity, San Bernardino County.

<u>s</u>	Per Acre-Foot Per Service Connection
Zone 1 Quantity Rates:	•
For gravity flow deliveries For pressure system deliveries	
Zone 2 Quantity Rate:	
For pressure system deliveries	32.00
Zone 3 Quantity Rate:	
For pressure system deliveries	40.00
	Per Meter
Minimum Monthly Charge:	Per Month
For 1-inch meter	\$ 6.00
For la-inch meter	8.00 ·
For 2-inch meter	12.10
For 3-inch meter	20.00
For 4-inch meter	33.00
For 6-inch meter	
For 8-inch meter	90.00
For 10-inch meter	130.00

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

(Continued)

<sup>\*</sup> Not applicable to gravity flow deliveries or to scheduled pressure system deliveries.

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#### Schedule No. 3-M

## MEASURED IRRIGATION SERVICE

(Continued)

## SPECIAL CONDITIONS

- 1. Zone I rates shall apply to that portion of the territory which is north of Little Chino Creek and the Flood Control Channel and formerly served by Rolling Ridge Ranch.
- 2. Zone 2 rates shall apply to that portion of the territory south of Little Chino Creek and the Flood Control Channel, including golf courses of Los Serranos Country Club, and to the territory served from Reservoirs Nos. 1 and 3.
- 3. Zone 3 rates shall apply to that portion of the territory where water is served by boosting from Zone 2.
- 4. The minimum delivery charge for each scheduled irrigation delivery (gravity or pressure) shall be the charge for one acre-foot at the applicable zone rate.
- 5. The water supplied under this schedule which was formerly served by Rolling Ridge Ranch is untreated water. The company does not represent or guarantee that any water delivered hereunder, formerly served by Rolling Ridge Ranch, is potable or of a quality suitable for human consumption. Any customer who uses said water or makes it available or offers it to others for human consumption shall take all necessary precautions to make the same potable and shall assume all risks and liabilities in connection therewith.
- 6. Until the 10 percent surcharge to federal income tax is removed, (I) bills computed under this tariff will be increased by 0.81 percent. (I)

## APPENDIX A Page 5 of 5.

## Schedule No. 6-ML

## LIMITED METERED RESALE SERVICE

#### APPLICABILITY

Applicable to limited metered resale service.

#### TERRITORY

Upper Carbon Canyon and vicinity, San Bernardino County.

RATES	Per Moter Per Month
Quantity Rate:	rer monon
Per 100 cu.ft.	\$ 0.12 (1)
Minimum Charge:	
For 1-inch meter  For 12-inch meter  For 2-inch meter  For 3-inch meter  For 4-inch meter  For 6-inch meter  For 8-inch meter  The Minimum Charge will entitle the customer to the quantity of water which that minimum	\$ 6.00 (I) 9.00 ; 12.00 ; 21.00 ; 33.00 ; 65.00 ; 105.00 (I)
charge will purchase at the Quantity Rates.	
SPECIAL CONDITIONS	(T)
1. Service under this schedule shall be limited to ser San Bernardino County Water Works District No. 8 and Mountai Park Mutual Water Company.	rvice to (T) In View
2. Until the 10 percent surcharge to federal income to removed, bills computed under the above tariff will be incre0.81 percent.	ex is (I) eased by (I)