

ORIGINAL

Decision No. 77133

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
 of CITIZENS UTILITIES COMPANY OF
 CALIFORNIA, a corporation, for an
 order authorizing it to increase
 rates charged for water service in
 the City of Felton and surrounding
 territory in Santa Cruz County in
 order to offset the increase in
 Federal Income taxes resulting from
 the 10% surcharge imposed by the
 Revenue and Expenditure Control Act
 of 1968.

Application No: 50567
 (Filed September 25, 1968)

O P I N I O N

Applicant requests that the Commission ex parte authorize increased rates for water service in and about the City of Felton in Santa Cruz County to offset the increase in federal income taxes resulting from the 10 percent surcharge imposed by the Revenue and Expenditure Control Act of 1968.

Subsequent to the filing of this application the 10 percent surcharge has been reduced to a 5 percent surcharge which will be in effect for the first six months of 1970.

Good cause appearing, we find reasonable that applicant include a 0.6 percent tariff surcharge in its authorized Annual General Metered Service rates until the 5 percent surcharge to federal income taxes is removed.

The proposed rates are based upon the 10 percent tax surcharge and were intended to increase applicant's annual gross revenues \$771. We find that the surcharge corresponding to the

5 percent tax offset herein authorized will increase applicant's annual revenues by approximately \$400.

O R D E R

IT IS ORDERED that after the effective date of this order, Citizens Utilities Company of California may file for water service in and about the City of Felton a revised rate schedule FE-1 which includes the following special condition:

"Until the 5 percent surcharge to federal income tax is removed, bills computed under the above tariff will be increased by 0.6 percent."

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 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 twenty days after the date hereof.

Dated at San Francisco, California, this 21st
day of APRIL, 1970.

J. Mahan
 Vernon L. Stutz

Commissioner A. W. GATOV

Present but not participating.