

mz/nb

Decision No. 81694

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application)
of the PEERLESS WATER CO. for)
authority to increase its rates)
for water service.)

Application No. 53988
(Filed April 23, 1973)

O P I N I O N

Peerless Water Company (Peerless) requests authority to increase its rates \$1,650 annually to offset increased water replenishment costs.

Peerless owns and operates a water system serving approximately 1,980 customers in portions of the cities of Bellflower, Lakewood, and Paramount in Los Angeles County. It obtains its water supply either by purchase or by pumping from the Central and West Basin Water Replenishment District.

The Central and West Basin Water Replenishment District has increased the water replenishment costs assessed on water pumped from \$9 per acre-foot to \$11 per acre-foot effective July 1, 1973.

A study prepared by the Commission staff and received in this proceeding as Exhibit 1 indicates that the proposed increase would result in an addition of 7-cents per month for the typical residential customers and would not change the 7.5 percent rate of return established in Decision No. 78462 dated March 23, 1971 in Application No. 52112. The staff recommended that the rate increase would be more appropriate if assigned to the quantity rate structure rather than to meter minimums.

After consideration the Commission finds that:

1. Applicant has experienced an increase in water replenishment cost not heretofore included in expenses allowed for rate-making purposes.
2. The increase authorized will offset the increase in this expense to the extent necessary to restore the 7.5 percent rate of return authorized by Decision No. 78462 dated March 23, 1971.
3. The increase in rates and charges authorized herein are justified; the rates and charges authorized herein are reasonable; and the present rates and charges, insofar as they differ from those prescribed herein, are for the future unjust and unreasonable.
4. Rule 23.1 of the Commission's Rules of Procedure does not apply to the rate increase authorized herein because Peerless qualifies for the small business exemption set forth in the Cost of Living Council regulations, Title 6, Chapter I, Code of Federal Regulations, Section 130.40, Subpart E.

A public hearing is not necessary.

The Commission therefore concludes that the application should be granted to the extent set forth in the order which follows:

O R D E R

IT IS ORDERED that on or after the effective date of this order, Peerless Water Company is authorized to file the revised rate schedules attached to this order as Appendix A. Such filing shall comply with General Order No. 96-A. The effective date of the revised schedules shall be not earlier than August 13, 1973.

The revised schedules shall apply only to service rendered on and after the effective date thereof.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 31st day of JULY, 1973.

William J. Quinn President
[Signature]
[Signature] Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A
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Schedule No. B-1

Bellflower Tariff Area

METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Within portions of the City of Bellflower and vicinity,
Los Angeles County.

RATES

Quantity Rates:

	Per Meter Per Month	
First 500 cu.ft., or less	\$ 2.85	
Next 2,500 cu.ft., per 100 cu.ft. ....	.315	(I)
Next 7,000 cu.ft., per 100 cu.ft. ....	.26	(I)
Over 10,000 cu.ft., per 100 cu.ft. ....	.19	(I)

Minimum Charge:

For 5/8 x 3/4-inch meter	\$ 2.85
For 3/4-inch meter	3.60
For 1-inch meter	5.40
For 1 1/2-inch meter	7.80
For 2-inch meter	12.60
For 2 1/2-inch meter	18.40
For 3-inch meter	24.65
For 4-inch meter	43.55

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

APPENDIX A
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Schedule No. LP-1

Lakewood-Paramount Tariff Area

METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Within portions of the Cities of Lakewood and Paramount, and vicinity, Los Angeles County.

RATES

Quantity Rates:

	Per Meter Per Month	
First 500 cu.ft., or less	\$ 2.79	
Next 2,500 cu.ft., per 100 cu.ft. ....	.315	(I)
Next 7,000 cu.ft., per 100 cu.ft. ....	.26	(I)
Over 10,000 cu.ft., per 100 cu.ft. ....	.19	(I)

Minimum Charge:

For 5/8 x 3/4-inch meter	\$ 2.79
For 3/4-inch meter	3.54
For 1-inch meter	5.34
For 1 1/2-inch meter	7.74
For 2-inch meter	12.54
For 2 1/2-inch meter	18.34
For 3-inch meter	24.60
For 4-inch meter	43.50

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