

Decision No. 82492**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
CALIFORNIA CITIES WATER COMPANY, a)
California corporation, for autho-)
rization to increase rates and)
charges for water service in its)
San Dimas District to offset an)
increase in the cost of purchased)
power.)

Application No. 54489
(Filed December 6, 1973)

O P I N I O N

California Cities Water Company requests, for its San Dimas district, authority to increase metered general service and measured irrigation service water rates \$10,790 (1.16 percent) annually to offset the increased cost of purchased power due to the general electric power rate increase granted to the Southern California Edison Company by Decision No. 81919 effective October 10, 1973.

Applicant operates water systems in a number of different communities throughout the State of California and has organized the facilities into six operating districts. The San Dimas district is located in Los Angeles County.

The Commission staff has reviewed the information contained in this application and has made an independent analysis. The results of the staff study are contained in a report dated December 27, 1973 which is received herein as Exhibit 1.

The staff has determined that applicant's computations supporting the requested increase are reasonable and concludes that, while the increase will offset the effect of the increased expenses previously specified, it will not produce earnings resulting in a rate of return in excess of the previously authorized rate of return of 7.7 percent for this district.

The staff recommends granting of the application. Notice of the application was given in accordance with the Commission's rules. There are no protests.

Findings

1. Since October 10, 1973, applicant has experienced increases in costs of purchased electric power supplied by the Southern California Edison Company.

2. The amounts of these increases in expenses as set forth in the application and Exhibit 1 are reasonable.

3. The rate increase of \$10,790 to be authorized will offset the effect of the increase in these expenses.

4. The rate of return produced as a result of the increases authorized will not exceed the 7.7 percent rate of return previously adopted for this district in Decision No. 80207 dated June 27, 1972.

5. The increases in 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.

A public hearing is not necessary.

The Commission concludes that the application should be granted.

O R D E R

IT IS ORDERED that after the effective date of this order California Cities Water Company is authorized to file the schedules of proposed rates as set forth in Exhibit B, pages 2 and 3, attached to the application. Such filing shall comply with General Order No. 96-A. The effective date of the revised schedule shall be five days after the date of filing. The revised schedule shall apply only to service rendered on and after the effective date of the revised schedule.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 20th
day of FEBRUARY, 1974.

James L. Stearns
President
William J. Harris
William J. Harris
William J. Harris
William J. Harris
Commissioners