

ORIGINAL

Decision No. 82639

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of WESTLAKE WATER COMPANY, for  
authority to increase rates. }

Application No. 54482  
(Filed December 5, 1973)

O P I N I O N

Westlake Water Company (Westlake) seeks authority to increase its metered service rates<sup>1</sup> approximately \$55,200 (13.9 percent) for the year 1974 estimated to offset increased purchased water and purchased power costs.

Westlake, a California corporation, renders utility water service to approximately 1,870 customers in that portion of the community of Westlake Village in the city of Thousand Oaks that lies within Ventura County, California.

Westlake obtains its total water supply requirement from the Metropolitan Water District of Southern California through the Calleguas Municipal and Russell Valley Municipal Water Districts.

Increased Purchased Water Costs

Effective July 1, 1973, Calleguas Municipal Water District increased the cost of water purchased by Westlake from \$65 per acre-foot to \$83 per acre-foot, an increase of \$18 per acre-foot. Similarly, the Russell Valley Municipal Water District increased its water rates \$18 per acre-foot from \$67 to \$85 per acre-foot. This \$18 per acre-foot increase applied to Westlake's 1972 recorded purchases of 1,896 acre-feet results in increased water purchase costs of \$34,128 (27 percent).

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<sup>1</sup> No increase is proposed for its fire protection and other services.

Increased Electric Power Costs

Effective November 1, 1973 the cost of electric power purchased from Southern California Edison Company has risen from a total of \$7,074 to a total of \$12,166, an increase of \$5,092 (72.0 percent) over the cost included in the present rate structure.

Rate of Return

Exhibit D to the application sets forth Westlake's summary of earnings for the recorded year 1972 and estimated years 1973 and 1974 at present rates and estimated year 1974 at proposed rates. The estimated effect of the authorization of the requested rates will be to decrease the net loss for the year 1974 from \$101,500 to \$46,300. The Commission staff prepared a report dated January 23, 1974 setting forth the results of its investigation and analysis of the application. This report, received as Exhibit 1, states that the staff, after review of the application and Westlake's work papers concludes that Westlake's computations are reasonable; that the requested increase will offset the increased expense resulting from the increased cost of purchased water and partially offset the increased cost of purchased electric power; and that the authorization of the requested rates will provide no return on investment nor was one requested.

Rates

Westlake's present and proposed rates for general metered service are as follows:

Quantity Rates:		Zone 1		Zone 2	
		Pres.	Prop.	Pres.	Prop.
First	500 cu. ft. or less	\$2.80	\$3.05	\$3.00	\$3.25
Next	2,500 cu. ft. per 100 cu. ft.	.36	.4125	.39	.4425
Next	7,000 cu. ft. per 100 cu. ft.	.32	.3725	.35	.4025
Next	40,000 cu. ft. per 100 cu. ft.	.28	.3325	.31	.3625
Over	50,000 cu. ft. per 100 cu. ft.	.20	.2525	.23	.2825

Minimum Charge:

For	5/8 x 3/4-inch meter	\$ 2.80	\$ 3.05	\$ 3.00	\$ 3.25
For	3/4-inch meter	4.95	4.95	5.30	5.30
For	1-inch meter	8.20	8.20	8.80	8.80
For	1-1/2-inch meter	15.00	15.00	16.00	16.00
For	2-inch meter	24.60	24.60	26.00	26.00
For	3-inch meter	34.20	34.20	36.00	36.00
For	4-inch meter	59.40	59.40	63.00	63.00
For	6-inch meter	90.20	90.20	96.00	96.00
For	8-inch meter	146.20	146.20	156.00	156.00

The Commission staff states that the requested increase would add approximately \$1.20 (12 to 13 percent) to the monthly bill of a typical residential customer with a consumption of 2,300 cubic feet per month.

Copies of the application were served and publication was made as required by this Commission. There were no protests.

Findings

1. Applicant is in need of increased revenues to offset increases in purchased water and electric power costs.
2. Applicant's request for rates to increase revenues an estimated \$55,200 is reasonable and the requested rates will be authorized.
3. The increases authorized herein will offset increased purchased water costs and partially offset increased electric power costs and will produce no return on investment.

4. The increases in rates and charges authorized by this decision are justified, and are reasonable; and the present rates and charges, insofar as they differ from those prescribed by this decision are for the future unjust and unreasonable.

A public hearing is not necessary.

The Commission 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 after the effective date of this order, Westlake Water Company is authorized to file the revised rate schedules attached to this order as Appendix A, and concurrently to cancel and withdraw presently effective schedules for the general metered services. Such filing shall comply with General Order No. 96-A. The effective date of the revised schedules shall be four days after the date of filing. The revised schedules 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 21<sup>st</sup> day of MARCH, 1974.

Vernon L. Steiner  
President  
William Lyman, Jr.  
[Signature]  
[Signature]  
Commissioners

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

## APPENDIX A

## Schedule No. 1

METERED SERVICEAPPLICABILITY

Applicable to all metered water service.

TERRITORY

Westlake Village, in the southern part of Ventura County, within the City of Thousand Oaks and vicinity. Zone 1 rate applicable to the service area generally lying below 1,050 feet in elevation and Zone 2 rate applicable to the service area generally lying above 1,050 feet in elevation and more particularly delineated by zone service area map.

RATES

## Quantity Rates:

		<u>Zone 1</u>	<u>Zone 2</u>	
		<u>Per Meter</u>	<u>Per Meter</u>	
		<u>Per Month</u>	<u>Per Month</u>	
First	500 cu.ft. or less .....	\$ 3.05	\$ 3.25	(I)
Next	2,500 cu.ft., per 100 cu.ft. ....	.4225	.4425	
Next	7,000 cu.ft., per 100 cu.ft. ...	.3725	.4025	
Next	40,000 cu.ft., per 100 cu.ft. ...	.3325	.3625	
Over	50,000 cu.ft., per 100 cu.ft. ...	.2525	.2825	

## Minimum Charge:

For	5/8 x 3/4-inch meter .....	\$ 3.05	\$ 3.25	(I)
For	3/4-inch meter .....	4.95	5.30	
For	1-inch meter .....	8.20	8.80	
For	1 1/2-inch meter .....	15.00	16.00	
For	2-inch meter .....	24.60	26.00	
For	3-inch meter .....	34.20	36.00	
For	4-inch meter .....	59.40	63.00	
For	6-inch meter .....	90.20	96.00	
For	8-inch meter .....	146.20	156.00	

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