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ORIGINAL

Decision No. 83016

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of CITIZENS UTILITIES
COMPANY OF CALIFORNIA to increase
its rates and charges for its water
system serving the Niles-Decoto
area in Alameda County.

Application No. 53178

ORDER REOPENING FOR FILING OF BRIEFS

On May 29, 1974 the Commissioner of Internal Revenue approved certain amended regulations pertaining to the depreciation allowance for property of certain public utilities. Said amended regulations were published June 7, 1974 in Volume 39, No. 111, pages 20194-20203 of the Federal Register.

Therefore, IT IS ORDERED that submission of Application No. 53178 is hereby set aside for the limited purpose of receiving briefs on the matters raised by the amended Internal Revenue Service regulations. Such briefs shall be concurrent and shall be filed no later than July 3, 1974.

The scope of the briefs to be filed should include the availability of the use of "pro forma" normalization by the Commission in its regulatory activity; the effect of the use of such a method on the taxpayer's eligibility to use accelerated depreciation; and whether the regulations are consistent with Section 167(1) of the Internal Revenue Code and the Tax Reform Act of 1969.

The effective date of this order is the date hereof.

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

Vernon L. Sturgeon
President
William L. Sturgeon Jr.

Thomas Morris
Edward
Commissioners

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