

ORIGINAL

Decision No. 85279

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
CALIFORNIA WATER SERVICE COMPANY, a
corporation, for an order authorizing
it to increase rates charged for water
service in the Bakersfield district.

Application No. 55053
(Filed July 23, 1974;
amended December 26, 1974)

And Related Matters:

Hermosa-Redondo District

Dixon District

Willows District

South San Francisco District

Oroville District.

Application No. 55065
(Filed July 29, 1974)
Application No. 55077
(Filed August 1, 1974)
Application No. 55099
(Filed August 12, 1974)
Application No. 55114
(Filed August 15, 1974)
Application No. 55115
(Filed August 15, 1974)

McCutchen, Doyle, Brown & Enersen, by
A. Crawford Greene, Jr., Attorney at Law,
for applicant.
Verner R. Muth, for Garden Water Corporation,
interested party.
Walter H. Kessenick and Cyril M. Saroyan,
Attorneys at Law, Kenneth Chew, and
Ernst G. Knolle, for the Commission staff.

PRELIMINARY OPINION

Applicant California Water Service Company seeks authority
to increase rates for water service in its Bakersfield, Hermosa-Redondo,
Dixon, Willows, South San Francisco, and Oroville Districts.

Public hearings were held before Examiner Peeters in
Bakersfield on March 4 and 5, 1975, in Redondo Beach on March 11 and
12, 1975, in Dixon on March 17 and 18, 1975, in San Francisco on
March 19 and 20, 1975, and on May 20 and 21, 1975, in Willows on

May 28, 1975, and in Oroville on May 29, 1975. Copies of the applications had been served, notices of filing of the applications had been published and mailed to customers, and notices of hearings had been published, posted, and mailed to customers, in accordance with this Commission's rules of procedure. The various proceedings were submitted upon receipt of late-filed exhibits on the following dates: Hermosa-Redondo and Dixon Districts on April 1, 1975, Bakersfield District on April 18, 1975, South San Francisco District on June 13, 1975, Willows District and Oroville District (except for consideration of a new filter plant) on June 20, 1975. All parties to the Oroville District proceeding agreed that consideration of the effect of the new Oroville filter plant would be reserved for a final decision.

Testimony on behalf of applicant was presented by applicant's president and other officers responsible for engineering, accounting, financial, and operating functions, and by a tax partner of applicant's auditors. Statements or testimony in opposition to the proposed rate increases were made by two Bakersfield District customers, by two Hermosa-Redondo District customers and a representative of the city of Redondo Beach, by two Dixon District customers and the Dixon fire chief, and by two Oroville District customers. Representatives of the city of Willows and the city of Oroville presented statements or testimony indicating their acknowledgment of the good service provided by applicant and of applicant's need for a reasonable rate of return, but pointing out their concern about rising prices. The Commission staff's presentation was made through several staff engineers and accountants.

On November 3, 1975 applicant filed a petition for a preliminary^{1/} order in these six applications. The petition states

^{1/} Applicant explained that it used the term "preliminary" rather than "interim" because the latter term often refers to an order issued prior to the complete submission of an application. In this instance, all of the matters covered by this decision have been submitted, some for over six months.

that the comparative exhibits filed jointly by the applicant and the Commission staff at the time of submission of each application show that the rate increases which would be authorized on the basis of the staff's final showing of results of operations for the test year 1975 range from 83 percent to 95 percent of the increase which would be authorized on the basis of applicant's final showing, with a composite of 92 percent for all six districts. Under these circumstances, applicant contends that it does not appear reasonable for the Commission to deny applicant for periods of many months the 92 percent (of maximum potential final increases) for which there are no issues to resolve, just because there are issues covering the other 3 percent. Applicant suggests that an equitable procedure would be for the Commission to issue promptly a single, relatively simple, consolidated preliminary order in the six proceedings, based upon the Commission staff's showing, and to resolve the limited number of issues in a final decision at a later date. We agree.

Service Areas

Applicant owns and operates water systems in its 22 districts in California. The Bakersfield District comprises all of the incorporated city of Bakersfield, as well as adjacent unincorporated areas of Kern County. The Hermosa-Redondo District service area includes the cities of Hermosa Beach and Redondo Beach and a small portion of the city of Torrance, as well as unincorporated portions of Los Angeles County adjacent to those cities. The Dixon District includes the city of Dixon and adjacent unincorporated areas of Solano County. The Willows District includes the city of Willows, as well as unincorporated areas of Glenn County which are adjacent to the city. The South San Francisco District service area generally comprises the presently improved area within the corporate limits of the city of South San Francisco. The Oroville District includes the city of Oroville and unincorporated areas of Butte County which are adjacent to the city, as well as certain lands

supplied with irrigation water from applicant's transmission canal at points considerably removed from the city.

Service

Field investigations of applicant's operations, service, and facilities in the six districts covered by these applications were made by the Commission staff. The staff concluded that, in general, service complaints received at the various district offices were quickly resolved, the number of such complaints was not excessive, and service appears to be satisfactory.

The staff's exhibits show that there have been very few informal complaints received by the Commission in recent years from applicant's customers. There was an average of less than one such complaint per year in the Bakersfield District, seven in the Hermosa-Redondo District, none in the Dixon District, less than one each in the Willows District and South San Francisco District, and three in the Oroville District.

The only customer who presented a service complaint at any of the hearings on these applications was a Dixon District customer who objected to the hardness of the water in the Dixon system. There was no contention, however, that the Dixon water exceeded the hardness limitations prescribed by federal, state, or local authorities.

Rates

Applicant proposes to increase all of its rates in these six districts applicable to metered service, flat-rate residential service, and limited flat-rate service. Applicant anticipated that, during the long period from an application filing date to a decision date there would be offset increases for changes in levels of specific expenses and change in cost of money due to the maturing of a large proportion of applicant's embedded low-cost long-term debt and the refinancing of that long-term debt at an unavoidably higher interest rate. In each of the six district applications covered by this

decision, it was emphasized that the increases requested are in addition to any such offset increases.

The following Table I presents a comparison for each of the six districts, showing applicant's rates which were in effect at the times of filing the applications (identified as "present" rates), the proposed step rates applicant set forth in the exhibit attached to the application, for the years 1975, 1976, and 1977,^{2/} incremental offset increases to be added to those step rates, the resulting total requested step rates for 1975, 1976, and 1977, and the rates authorized herein.

The incremental offsets shown in Table I are covered by the following public documents, of which we take official notice:

- (1) Advice Letter No. 446 and Resolution No. W-1657 therein dated December 17, 1974, applicant's South San Francisco District purchased water offset request.
- (2) Advice Letter No. 452 and Resolution No. W-1762 therein dated July 8, 1975, applicant's Hermosa-Redondo District purchased water and Investment Tax Credit net offset request.
- (3) Advice Letter No. 459, rejected,^{3/} applicant's request to discontinue public fire hydrant charges in its Dixon District and transfer the corresponding revenue requirement to General Metered Service in that district.
- (4) Application No. 55561 and Decision No. 85020 therein dated October 21, 1975, applicant's total-company refinancing offset request.

^{2/} Applicant also proposed a step for the year 1974, but the passage of time has rendered that step moot.

^{3/} Although the Dixon District rate Application No. 55077 was pending when applicant filed Advice Letter No. 459, applicant explained that the separate Advice Letter request had been filed to expedite the matter. The city manager of Dixon, however, objected to the Advice Letter method, and the matter is being handled herein, where the entire Dixon District rates are under review.

Table I
Comparison of Monthly Rates
Bakersfield District

Item	Requested Rates								Autho- rized Rates ^{e/}
	A.55053 ^{a/} "Present" Rates	A.55053, ^{d/} 1975	Exh. No. 10, 1976	Table 12-B 1977	Additional A.55561 ^{b/} Offset	Total			
						1975	1976	1977	
<u>General Metered Service</u>									
Service Charge ^{c/}	\$ 3.00	\$ 3.33	\$ 3.39	\$ 3.45	\$ 0.11	\$ 3.44	\$ 3.50	\$ 3.56	\$ 3.24
Quantity Rate, per 100 cu.ft.	0.135	0.199	0.202	0.204	0.005	0.204	0.207	0.209	0.184
<u>Residential Flat Rate Service</u>									
Single-family unit, includ- ing premises having area of:									
6,000 sq.ft. or less	7.20	9.50	9.67	9.80	0.27	9.77	9.94	10.07	8.98
6,001 to 10,000 sq.ft.	7.95	10.50	10.67	10.82	0.30	10.80	10.97	11.12	9.91
10,001 to 16,000 sq.ft.	10.27	13.57	13.80	13.99	0.39	13.96	14.19	14.38	12.81
16,001 to 25,000 sq.ft.	13.33	17.62	17.92	18.15	0.51	18.13	18.43	18.66	16.63
Each additional unit on premises	4.63	6.12	6.23	6.31	0.18	6.30	6.41	6.49	5.78
<u>Limited Flat Rate Service</u>									
Four specific, small stores, each	5.01	6.22	6.33	6.41	0.19	6.41	6.52	6.60	6.25

a/ Exh. No. 6, Table 12-A.

b/ Exh. No. 8, Appendix B, Column (j) 3.79% applied to "Present" rates.

c/ Service charge for a 5/8 x 3/4-inch meter. A graduated scale of increased charges is provided for larger meters.

d/ At \$20/AF pump tax level.

e/ At \$15/AF pump tax level.

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Table I
Comparison of Monthly Rates
Hermosa-Redondo District

Item	Requested Rates									Authorized Rates
	A.55065 ^{a/}	Additional								
	"Present"	A.55065, Exh. No. 7, Table 12-B			Advice	A.55561 ^{b/}	Total			
	Rates	1975	1976	1977	Letter 452	Offset ^{b/}	1975	1976	1977	
General Metered Service										
Service Charge ^{c/}	\$3.00	\$3.52	\$3.62	\$3.73	\$0.00	\$0.10	\$3.62	\$3.72	\$3.83	\$3.36
Quantity Rate per 100 cu.ft.	0.334	0.393	0.404	0.414	0.021	0.012	0.426	0.437	0.447	0.398

a/ Exh. No. 7, Table 12-A.

b/ Exh. No. 8, Appendix B, Column (j) 3.33% applied to rates authorized by Resolution No. W-1762, Advice Letter 452.

c/ Service charge for a 5/8 x 3/4-inch meter. A graduated scale of increased charges is provided for larger meters.

Table I
Comparison of Monthly Rates
Dixon District

Item	A.55077 ^{a/} "Present" Rates	Requested Rates							Autho- rized Rates	
		A.55077, Exh. No. 7, Table 12-B					Additional			
		1975	1976	1977	Advice Letter 459	A.55561 ^{b/} Offset	Total 1975	1976		1977
<u>General Metered Service</u>										
Service Charge ^{c/}	\$ 2.88	\$ 3.58	\$ 3.64	\$ 4.00	\$ 0.00	\$0.11	\$3.69	\$3.75	\$4.11	\$3.49
Quantity Rate, per 100 cu.ft.	0.187	0.232	0.236	0.259	0.003	0.007	0.242	0.246	0.269	0.227
<u>Public Fire Hydrant Service^{d/}</u>										
First 51 hydrants, minimum charge	60.00	60.00	60.00	60.00	(60.00)	0.00	0.00	0.00	0.00	0.00
Each additional	1.20	1.20	1.20	1.20	(1.20)	0.00	0.00	0.00	0.00	0.00

(Red Figure)

a/ Exh. No. 7, Table 12-A, and applicant's filed tariffs.

b/ Exh. No. 8, Appendix B. Column (j) 3.76% applied to "Present" rates.

c/ Service charge for a 5/8 x 3/4-inch meter. A graduated scale of increased charges is provided for larger meters.

d/ Advice Letter No. 459.

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Table I
Comparison of Monthly Rates
Willows District

Item	A. 55099 ^{a/} "Present" Rates	Requested Rates							Autho- rized Rates
		A. 55099, Exh. No. 7, Table 12-B			Additional A. 55561 Offset ^{b/}	Total			
		1975	1976	1977		1975	1976	1977	
<u>General Metered Service</u>									
Service Charge ^{c/}	\$ 3.10	\$ 3.72	\$ 3.76	\$ 3.80	\$0.12	\$ 3.84	\$ 3.88	\$ 3.92	\$ 3.69
Quantity Rate, per 100 cu.ft.	0.222	0.266	0.269	0.271	0.008	0.274	0.277	0.279	0.265
<u>Residential Flat Rate Service</u>									
Single-family unit, including premises having area of:									
6,000 sq.ft. or less	6.45	7.74	7.82	7.89	0.25	7.99	8.07	8.14	7.69
6,001 to 10,000 sq.ft.	8.55	10.26	10.37	10.46	0.33	10.59	10.70	10.79	10.19
10,001 to 16,000 sq.ft.	10.70	12.84	12.98	13.09	0.41	13.25	13.39	13.50	12.75
16,001 to 25,000 sq.ft.	13.90	16.68	16.86	17.00	0.53	17.21	17.39	17.53	16.56
Each additional unit on premises	5.10	6.12	6.19	6.24	0.19	6.31	6.38	6.43	6.08

^{a/} Exh. No. 7, Table 12-A.

^{b/} Exh. No. 8, Appendix B, Column (j) 3.82% applied to "Present" rates.

^{c/} Service charge for a 5/8 x 3/4-inch meter. A graduated scale of increased charges is provided for larger meters.

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Table I
Comparison of Monthly Rates
South San Francisco District

Item	A.55114 ^{a/}	Requested Rates						Autho- rized Rates		
	"Present" Rates	A.55114, Exh. No. 7, Table 12-B			Additional		Total			
		1975	1976	1977	Advice Letter 446	A.55561 Offset ^{b/}				
		1975	1976	1977			1975	1976	1977	
General Metered Service										
Service Charge ^{c/}	\$2.66	\$2.88	\$2.94	\$3.01	\$0.00	\$0.06	\$2.94	\$3.00	\$3.07	\$2.84
Quantity Rates:										
First 50,000 cu.ft. per 100 cu.ft.	0.279	0.301	0.308	0.316	0.027	0.007	0.335	0.342	0.350	0.326
Over 50,000 cu.ft. per 100 cu.ft.	0.253	0.273	0.280	0.285	0.027	0.007	0.307	0.314	0.319	0.299

a/ Exh. No. 7, Table 12-A.

b/ Exh. No. 8, Appendix B, Column (j) 2.38% applied to rates authorized by Resolution No. W-1657, Advice Letter 446.

c/ Service charge for a 5/8 x 3/4-inch meter. A graduated scale of increased charges is provided for larger meters.

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Table I
Comparison of Monthly Rates
Oroville District

Item	Requested Rates								Autho- rized Rates
	A. 55115 ^{a/} "Present" Rates	A. 55115, Exh. No. 7, Table 12-B			A. 55561 ^{b/} Additional Offset	Total			
	1975	1976	1977		1975	1976	1977		
<u>General Metered Service</u>									
Service Charge ^{c/}	\$ 4.60	\$ 5.87	\$ 6.77	\$ 6.97	\$0.17	\$ 6.06	\$ 6.94	\$ 7.14	\$ 5.71
Quantity Rate, per 100 cu.ft.	0.221	0.282	0.326	0.335	0.008	0.290	0.334	0.343	0.275
<u>Residential Flat Rate Service</u>									
Single-family unit, including premises having area of:									
6,000 sq.ft. or less	9.55	12.20	14.07	14.48	0.36	12.56	14.43	14.84	11.86
6,001 to 10,000 sq.ft.	10.65	13.61	15.69	16.14	0.40	14.01	16.09	16.54	13.23
10,001 to 16,000 sq.ft.	12.80	16.35	18.86	19.40	0.48	16.83	19.34	19.88	15.90
16,001 to 25,000 sq.ft.	15.85	20.25	23.35	24.02	0.59	20.84	23.94	24.61	19.69
Each additional unit on premises	5.55	7.09	8.18	8.41	0.21	7.30	8.39	8.62	6.89
<u>Limited Flat Rate Service</u>									
One specific untreated water customer	4.15	4.97	4.97	4.97	0.15	5.12	5.12	5.12	5.12
<u>Irrigation Service (Untreated Water)</u>									
Quantity rate, per miner's inch day	0.41	0.49	0.49	0.49	0.02	0.51	0.51	0.51	0.51

a/ Exh. No. 7, Table 12-A.

b/ Exh. No. 8, Appendix B. Column (j) 3.73% applied to "Present" rates.

c/ Service charge for a 5/8 x 3/4-inch meter. A graduated scale of increased charges is provided for larger meters.

Results of Operation

Witnesses for applicant and the Commission staff have analyzed and estimated applicant's operational results. Derived in Table II, from late-filed exhibits filed jointly by applicant and the Commission staff and from the documents listed hereinbefore under the heading "Rates", are the staff's estimated results of operation for the test year 1975 under rates in effect immediately prior to issuance of this decision. For comparison, Table II also shows the corresponding results of operation under the rates authorized herein.

The temporary increase to 10 percent from 4 percent in the Investment Tax Credit (ITC) occurred after the staff's completion of the Bakersfield, Hermosa-Redondo, and Dixon exhibits but prior to completion of the Willows, South San Francisco, and Oroville exhibits. The change was therefore reflected by the staff only in the latter three exhibits.

Decision No. 85020 dated October 21, 1975 in Application No. 55561, applicant's refinancing offset proceeding, was issued subsequent to the staff's preparation of exhibits for all six districts. That decision reduced the refinancing offset for, among most other districts, the Dixon, Willows, South San Francisco, and Oroville Districts, to flow through to customers the savings due to the 10 percent ITC. This adjustment therefore duplicated the staff's ITC adjustment in the last three of the districts. This duplication is corrected in Table II.

In the Bakersfield District, Decision No. 84874 dated September 3, 1975 in Application No. 55053 was issued subsequent to the preparation of the staff exhibit. That decision granted offset increases for the imposition of a pump tax of \$15 per acre-foot, reduced to flow through the 10 percent ITC.

In the Hermosa-Redondo District, Resolution No. W-1762 dated July 8, 1975, in response to Advice Letter No. 452, was issued subsequent to the preparation of the staff exhibit. That resolution granted offset increases for increased costs of purchased water, replenishment assessments, and purchased power, reduced for the 10 percent ITC.

In the Dixon District, approval of Advice Letter No. 459 was deferred, so the request for discontinuance of charges for public fire hydrants and the concurrent transfer of that portion of the total revenue requirement, in accordance with revised General Order No. 103, is appropriately handled herein.

In the Willows and Croville Districts, there were no offset increases except the total-company refinancing offset.

In the South San Francisco District, Resolution No. W-1657 dated December 17, 1974, in response to Advice Letter No. 446, was issued after the filing of the application but prior to preparation of the staff's exhibit. The effect of the increase in cost of purchased water and the corresponding offset increase in applicant's rates are thus reflected in the staff's exhibit.

Table II for each district starts with the staff's summary of earnings in Column (a). Changes required to reflect the aforementioned interim orders, offset decisions, offset resolutions, and corrections of duplicated adjustments are shown in subsequent columns of the tables, resulting in an updated summary of earnings in the second-from-final column. The next-to-final column shows the changes required to reflect the preliminary increases authorized herein. The final column shows the summary of earnings at the authorized rates.

Table II
Bakersfield District
Summary of Earnings - Test Year 1975
(Dollars in Thousands)

Exh. Line No.	Item	A. 55053			A. 55561		Consolidated	
		Exhibit 24	D. 84874		Refinancing Offset		A. 55053 & 55561	
		(a)	(b)	(c)	(d)	(e)	(f)	(g)
	<u>Operating Revenues</u>							
	Metered	\$ 1,307.9	\$230.0	\$ 1,537.9	\$ 50.2	\$ 1,588.1	\$ 72.6	\$ 1,660.7
	Commercial flat rate	3,003.2	466.3	3,469.5	113.2	3,582.7	163.7	3,746.4
	Fire protection & misc.	62.6	0.0	62.6	0.0	62.6	0.0	62.6
18	Total Revenues	4,373.7	696.3	5,070.0	163.4	5,233.4	236.3	5,469.7
19	<u>Operating Expenses</u>							
20	Operation & maintenance	2,195.4	0.0	2,195.4	0.0	2,195.4	0.0	2,195.4
21	Administrative & general	70.9	0.0	70.9	0.0	70.9	0.0	70.9
22	Miscellaneous	10.1	0.0	10.1	0.0	10.1	0.0	10.1
23	Taxes other than income	532.5	8.8	541.3	2.1	543.4	3.0	546.4
24	Depreciation	455.5	0.0	455.5	0.0	455.5	0.0	455.5
25	SIT amortization	5.6	0.0	5.6	0.0	5.6	0.0	5.6
26	Allocated Expenses	313.4	0.0	313.4	0.0	313.4	0.0	313.4
27	Sub-Total	3,583.4	8.8	3,592.2	2.1	3,594.3	3.0	3,597.3
	Income taxes incl. 4% inv. cr.	38.5	362.2	400.7	0.0	400.7	122.9	523.6
	Adjustment to 10% inv. cr.	0.0	(28.0)	(28.0)	0.0	(28.0)	0.0	(28.0)
28	Total Income Taxes	38.5	334.2	372.7	0.0	372.7	122.9	495.6
29	Total operating expenses	3,621.9	343.0	3,964.9	2.1	3,967.0	125.9	4,092.9
30	Net Operating Revenues	751.8	353.3	1,105.1	161.3	1,266.4	110.4	1,376.8
31	Depreciated Rate Base	14,401.3	0.0	14,401.3	0.0	14,401.3	0.0	14,401.3
	<u>Rate of Return</u>							
	Before attrition adjustment	5.22%	2.45%	7.67%	1.12%	8.79%	0.77%	9.56%
	Attrition adjustment	0.0	0.0	0.0	0.0	0.0	0.0	0.0
32	After attrition adjustment	5.22%	2.45%	7.67%	1.12%	8.79%	0.77%	9.56%

(Red Figure)

- (a) Staff's estimates which were summarized on applicant and staff joint Exhibit No. 24, page 1 of 3, Column (j).
- (b) Effect of Decision No. 84874 dated September 3, 1975 which gave consideration to (1) Kern County Water Agency pump tax which became effective July 1, 1975 and (2) increase in Investment Tax Credit at the 10% level using staff's method.
- (c) Summary of earnings adopted (adjusted for some minor mathematical errors); also derived by adding Columns (a) and (b) of this table.
- (d) Required rate relief recommended by staff in Application No. 55561 to offset higher interest due to refinancing. The increase in Investment Tax Credit has been considered in Decision No. 84874. The gross revenue increase is 3.22% based upon total revenues and 3.26% based upon revenues excluding fire protection and miscellaneous revenues.
- (e) Summary of earnings after refinancing consisting of the sum of Columns (c) and (d) of this table.
- (f) Additional increase required to yield the rate of return which is the lower end of the range recommended by the staff. The gross revenue increase is 4.52% based upon total revenues in Column (e) and 4.57% based upon revenues excluding fire protection and miscellaneous revenues in Column (e) of this table.
- (g) Summary of earnings consisting of the sum of Columns (e) and (f) of this table.

Table II
Hermosa-Redondo District
Summary of Earnings - Test Year 1975
(Dollars in Thousands)

Exh. Line No.	Item	A-55065	Resolution No. W-1762		A-55561		Consolidated	
		Exhibit 14	Advice Letter No. 452	Total	Refinancing Offset	Total	Changes	Total
		(a)	Changes	(c)	Changes	(e)	(f)	(g)
	<u>Operating Revenues</u>							
	Metered	\$2,816.6	\$118.4	\$2,935.0	\$97.8	\$3,032.8	\$255.3	\$3,288.1
	Fire protection & misc.	67.3	0.0	67.3	0.0	67.3	0.0	67.3
18	Total Revenues	2,883.9	118.4	3,002.3	97.8	3,100.1	255.3	3,355.4
	<u>Operating Expenses</u>							
19	Operation & maintenance	1,277.2	181.0	1,458.2	0.0	1,458.2	0.0	1,458.2
20	Administrative & general	37.8	0.0	37.8	0.0	37.8	0.0	37.8
21	Miscellaneous	7.9	0.0	7.9	0.0	7.9	0.0	7.9
22	Taxes other than income	289.3	0.1	289.4	0.1	289.5	0.2	289.7
23	Depreciation	228.2	0.0	228.2	0.0	228.2	0.0	228.2
24	STT amortization	3.5	0.0	3.5	0.0	3.5	0.0	3.5
25	Prorated expenses	200.1	0.0	200.1	0.0	200.1	0.0	200.1
26	Sub-Total	2,046.0	181.1	2,225.1	0.1	2,225.2	0.2	2,225.4
27	Income taxes incl. 4% inv. cr.	195.8	(33.1)	162.7	0.0	162.7	134.4	297.1
	Adjustment to 10% inv. cr.	0.0	(29.0)	(29.0)	0.0	(29.0)	0.0	(29.0)
28	Total Income Taxes	195.8	(62.1)	133.7	0.0	133.7	134.4	268.1
29	Total operating expenses	2,239.8	119.0	2,358.8	0.1	2,358.9	134.6	2,493.5
30	Net Operating Revenues	644.1	(0.6)	643.5	97.7	741.2	120.7	861.9
31	Depreciated Rate Base	8,959.0	0.0	8,959.0	0.0	8,959.0	0.0	8,959.0
	<u>Rate of Return</u>							
	Before attrition adjustment	7.19%	(0.01)%	7.18%	1.09%	8.27%	1.35%	9.62%
	Attrition adjustment	0.0	0.0	0.0	0.0	0.0	(.06)%	(.06)%
32	After attrition adjustment	7.19%	(0.01)%	7.18%	1.09%	9.27%	1.29%	9.56%

(Red Figure)

- (a) Staff's estimates which were summarized on applicant and staff joint Exhibit No. 14, page 1 of 3, Column (x).
- (b) Effect of Commission Resolution No. W-1762 which gave consideration to (1) increase in M&D rates for purchased water and G&W&D rates for replenishment assessments which became effective July 1, 1975, (2) one-tenth mill surcharge on electric power, and (3) increase in Investment Tax Credit at the 10% level using staff's method.
- (c) Summary of earnings consisting of the sum of Columns (a) and (b) of this table and summary in Advice Letter 452.
- (d) Required rate relief recommended by staff in Application No. 55561 to offset higher interest due to refinancing the increase of Investment Tax Credit has been considered in Resolution No. W-1762. The gross revenue increase is 3.26% based upon total revenues and 3.33% based upon revenues excluding fire protection and miscellaneous revenues.
- (e) Summary of earnings consisting of the sum of Columns (c) and (d) of this table.
- (f) Additional increase required to yield the rate of return which is the lower end of the range recommended by the staff. The gross revenue increase is 8.24% based upon total revenues and 8.42% based upon revenues excluding fire protection and miscellaneous revenues.
- (g) Summary of earnings consisting of the sum of Columns (e) and (f) of this table.

Table II
Dixon District
Summary of Earnings - Test Year 1975
(Dollars in Thousands)

Exh. Line No.	Item	A-55077 Present Rates Exhibit 15 (a)	A-55561 Refinancing Offset Changes (b)	Total (c)	Consolidated Record A-55077 & 55561 Changes (d)	Total (e)
	<u>Operating Revenues</u>					
	Metered	\$148.9	\$1.6	\$150.5	\$29.9	\$180.4
	Fire protection & misc.	2.1	0.0	2.1	(1.6)	0.5
18	Total Revenues	151.0	1.6	152.6	28.3	180.9
	<u>Operating Expenses</u>					
19	Operation & maintenance	55.7	0.0	55.7	0.0	55.7
20	Administrative & general	5.5	0.0	5.5	0.0	5.5
22	Miscellaneous	1.2	0.0	1.2	0.0	1.2
23	Taxes other than income	18.4	0.0	18.4	0.0	18.4
24	Depreciation	18.1	0.0	18.1	0.0	18.1
25	SCFT amortization	0.3	0.0	0.3	0.0	0.3
26	Prorated expenses	14.4	0.0	14.4	0.0	14.4
27	Sub-Total	113.6	0.0	113.6	0.0	113.6
	Income taxes incl. 4% inv. cr.	6.7	(2.1)	4.6	14.9	19.5
	Adjustment to 10% inv. cr.	0.0	(1.9)	(1.9)	0.0	(1.9)
28	Total Income Taxes	6.7	(4.0)	2.7	14.9	17.6
29	Total operating expenses	120.3	(4.0)	116.3	14.9	131.2
30	Net Operating Revenues	30.7	5.6	36.3	13.4	49.7
31	Depreciated Rate Base	520.2	0.0	520.2	0.0	520.2
	<u>Rate of Return</u>					
	Before attrition adjustment	5.90%	1.08%	6.98%	2.57%	9.55%
	Attrition adjustment	0.0	0.0	0.0	0.0	0.0
32	After attrition adjustment	5.90%	1.08%	6.98%	2.57%	9.55%

(Red Figure)

- (a) Staff's estimates which were summarized on applicant and staff joint Exhibit No. 15, page 1 of 3, Column (g).
- (b) Required rate relief recommended by staff in Application No. 55561 to offset higher interest due to refinancing which was modified to give consideration to the increase in Investment Tax Credit to the 10% level. The gross revenue increase is 1.06% based upon total revenues and 1.07% based upon revenues excluding fire protection and miscellaneous revenues.
- (c) Summary of earnings after refinancing, consisting of the sum of Columns (a) and (b) of this table.
- (d) Additional increase required to (1) yield the rate of return which is approximately the lower end of the range recommended by the staff and (2) to transfer revenue requirements from Public Fire Hydrant Service to General Metered Service as requested in Advice Letter No. 459. The overall gross revenue increase is 18.55% and the increase in metered revenue is 19.87%.
- (e) Summary of earnings consisting of the sum of Columns (c) and (d) of this table.

Table II
Willows District
Summary of Earnings - Test Year 1975
(Dollars in Thousands)

Exh. Line No.	Item	A-55099 Present Rates			A-55561 Refinancing Offset		Consolidated Record A-55099 & 55561	
		Exhibit 16 (a)	Changes (b)	Total (c)	Changes (d)	Total (e)	Changes (f)	Total (g)
	<u>Operating Revenues</u>							
	Metered	\$ 79.6	\$0.0	\$ 79.6	\$1.5	\$ 81.1	\$13.7	\$ 94.8
	Commercial flat rate	122.0	0.0	122.0	2.3	124.3	21.1	145.4
	Fire protection & misc.	3.0	0.0	3.0	0.0	3.0	0.0	3.0
18	Total Revenues	204.6	0.0	204.6	3.8	208.4	34.8	243.2
19	<u>Operating Expenses</u>							
20	Operation & maintenance	74.7	0.0	74.7	0.0	74.7	0.0	74.7
21	Administrative & general	6.3	0.0	6.3	0.0	6.3	0.0	6.3
22	Miscellaneous	1.5	0.0	1.5	0.0	1.5	0.0	1.5
23	Taxes other than income	25.6	0.0	25.6	0.1	25.7	0.6	26.3
24	Depreciation	22.9	0.0	22.9	0.0	22.9	0.0	22.9
25	Prorated expenses	18.7	0.0	18.7	0.0	18.7	0.0	18.7
26	SCPT amortization	0.6	0.0	0.6	0.0	0.6	0.0	0.6
27	Sub-Total	150.3	0.0	150.3	0.1	150.4	0.6	151.0
	Income taxes incl. 4% inv. cr.	10.8	0.0	10.8	(2.1)	8.7	18.0	26.7
	Adjustment to 10% inv. cr.	(1.8)	1.8	0.0	(1.8)	(1.8)	0.0	(1.8)
28	Total Income Taxes	9.0	1.8	10.8	(3.9)	6.9	18.0	24.9
29	Total operating expenses	159.3	1.8	161.1	(3.8)	157.3	18.6	175.9
30	Net Operating Revenues	45.3	(1.8)	43.5	7.6	51.1	16.2	67.3
31	Depreciated Rate Base	692.5	0.0	692.5	0.0	692.5	0.0	692.5
	<u>Rate of Return</u>							
	Before attrition adjustment	6.54%	(0.26)%	6.28%	1.10%	7.38%	2.34%	9.72%
	Attrition adjustment	0.0	0.0	0.0	0.0	0.0	(.16)%	(.16)%
	After attrition adjustment	6.54%	(0.26)%	6.28%	1.10%	7.38%	2.18%	9.56%

(Red Figure)

- (a) Staff's estimates which were summarized on applicant and staff joint Exhibit No. 16, page 1 of 3, Column (f).
- (b) Staff's estimates included Investment Tax Credit at the 10% level. The increase in Investment Tax Credit was considered in the refinancing offset Application No. 55561, therefore, it is backed out in this column to eliminate duplication of this item.
- (c) Summary of earnings consisting of the sum of Columns (a) and (b) of this table.
- (d) Required rate relief recommended by staff in Application No. 55561 to offset higher interest due to refinancing which was modified to give consideration to the increase in Investment Tax Credit to the 10% level. The gross revenue increase is 1.86% based upon total revenues and 1.88% based upon revenues excluding fire protection and miscellaneous revenues.
- (e) Summary of earnings after refinancing consisting of the sum of Columns (c) and (d) of this table.
- (f) Additional increase required to yield the rate of return which is approximately the lower end of the range recommended by the staff. The gross revenue increase is 16.70% based upon total revenues and 16.94% based upon revenues excluding fire protection and miscellaneous revenues.
- (g) Summary of earnings consisting of the sum of Columns (e) and (f) of this table.

Table II
South San Francisco District
Summary of Earnings - Test Year 1975
(Dollars in Thousands)

Exh. Line No.	Item	A.55114 Present Rates			A.55561 Refinancing Offset		Consolidated Record A.55114 & 55561	
		Exhibit 16	Changes	Total	Changes	Total	Changes	Total
		(a)	(b)	(c)	(d)	(e)	(f)	(g)
	<u>Operating Revenues</u>							
	Metered	\$1,505.1	\$ 0.0	\$1,505.1	\$ 8.3	\$1,513.4	\$92.3	\$1,605.7
	Fire protection & misc.	49.0	0.0	49.0	0.0	49.0	0.0	49.0
18	Total Revenues	1,554.1	0.0	1,554.1	8.3	1,562.4	92.3	1,654.7
19	<u>Operating Expenses</u>							
20	Operation & maintenance	912.5	0.0	912.5	0.0	912.5	0.0	912.5
21	Administrative & general	20.6	0.0	20.6	0.0	20.6	0.0	20.6
22	Miscellaneous	4.4	0.0	4.4	0.0	4.4	0.0	4.4
23	Taxes other than income	85.0	0.0	85.0	0.0	85.0	0.0	85.0
24	Depreciation	103.7	0.0	103.7	0.0	103.7	0.0	103.7
25	Prorated expenses	112.5	0.0	112.5	0.0	112.5	0.0	112.5
26	SCFT amortization	3.8	0.0	3.8	0.0	3.8	0.0	3.8
27	Sub-Total	1,242.5	0.0	1,242.5	0.0	1,242.5	0.0	1,242.5
	Income taxes incl. 4% inv. cr.	72.1	0.0	72.1	(14.5)	56.6	48.6	105.2
	Adjustment to 10% inv. cr.	(13.0)	13.0	0.0	(13.0)	(13.0)	0.0	(13.0)
28	Total Income Taxes	58.1	13.0	72.1	(27.5)	43.6	48.6	92.2
29	Total operating expenses	1,300.6	13.0	1,313.6	(27.5)	1,286.1	48.6	1,334.7
30	Net Operating Revenues	253.5	(13.0)	240.5	35.8	276.3	43.7	320.0
31	Depreciated Rate Base	3,308.9	0.0	3,308.9	0.0	3,308.9	0.0	3,308.9
	<u>Rate of Return</u>							
	Before attrition adjustment	7.66%	(0.39)%	7.27%	1.08%	8.35%	1.32%	9.67%
	Attrition adjustment	0.0	0.0	0.0	0.0	0.0	(.11)%	(.11)%
32	After attrition adjustment	7.66%	(0.39)%	7.27%	1.08%	8.35%	1.21%	9.56%

(Red Figure)

- (a) Staff's estimates which were summarized on applicant and staff joint Exhibit No. 16, page 1 of 3, Column (r).
- (b) Staff's estimates included Investment Tax Credit at the 10% level. The increase in Investment Tax Credit was considered in the Refinancing Offset Application No. 55561, therefore, it is oacked out in this column to eliminate duplication of this item.
- (c) Summary of earnings consisting of the sum of Columns (a) and (b) of this table.
- (d) Required rate relief recommended by staff in Application No. 55561 to offset higher interest due to refinancing which was modified to give consideration to the increase in Investment Tax Credit to the 10% level. The gross revenue increase is 0.53% based upon total revenues and 0.55% based upon revenues excluding fire protection and miscellaneous revenues.
- (e) Summary of earnings after refinancing consisting of the sum of Columns (c) and (d) of this table.
- (f) Additional increase required to yield the rate of return which is the lower end of the range recommended by the staff. The gross revenue increase is 5.91% based upon total revenues and 6.10% based upon revenues excluding fire protection and miscellaneous revenues.
- (g) Summary of earnings consisting of the sum of Columns (e) and (f) of this table.

Table II
Oroville District
Summary of Earnings - Test Year 1975
(Dollars in Thousands)

Exh. Line No.	Item	A-55115 Present Rates			A-55561 Refinancing Offset		Consolidated Record A-55115 & 55561	
		Exhibit 16	Changes	Total	Changes	Total	Changes	Total
		(a)	(b)	(c)	(d)	(e)	(f)	(g)
	<u>Operating Revenues</u>							
	Metered	\$ 276.2	\$0.0	\$ 276.2	\$ 6.5	\$ 282.7	\$ 60.3	\$ 343.0
	Commercial flat rate	205.7	0.0	205.7	4.9	210.6	44.9	255.5
	Irrigation - raw water	16.2	0.0	16.2	0.4	16.6	3.6	20.2
	Fire protection & misc.	5.9	0.0	5.9	0.0	5.9	0.0	5.9
18	Total Revenues	504.0	0.0	504.0	11.8	515.8	108.8	624.6
19	<u>Operating Expenses</u>							
20	Operation & maintenance	213.6	0.0	213.6	0.0	213.6	0.0	213.6
21	Administrative & general	16.8	0.0	16.8	0.0	16.8	0.0	16.8
22	Miscellaneous	3.8	0.0	3.8	0.0	3.8	0.0	3.8
23	Taxes other than income	59.7	0.0	59.7	0.0	59.7	0.0	59.7
24	Depreciation	47.7	0.0	47.7	0.0	47.7	0.0	47.7
25	SCPT amortization	1.5	0.0	1.5	0.0	1.5	0.0	1.5
26	Prorated expenses	44.9	0.0	44.9	0.0	44.9	0.0	44.9
27	Sub-Total	388.0	0.0	388.0	0.0	388.0	0.0	388.0
	Income taxes incl. 4% inv. cr.	20.3	0.0	20.3	(3.6)	16.7	57.3	74.0
	Adjustment to 10% inv. cr.	(3.2)	3.2	0.0	(3.2)	(3.2)	0.0	(3.2)
28	Total Income Taxes	17.1	3.2	20.3	(6.8)	13.5	57.3	70.8
29	Total operating expenses	405.1	3.2	408.3	(6.8)	401.5	57.3	458.8
30	Net Operating Revenues	98.9	(3.2)	95.7	18.6	114.3	51.5	165.8
31	Depreciated Rate Base	1,707.8	0.0	1,707.8	0.0	1,707.8	0.0	1,707.8
	<u>Rate of Return</u>							
	Before attrition adjustment	5.79%	(0.19)%	5.60%	1.09%	6.69%	3.02%	9.71%
	Attrition adjustment	0.0	0.0	0.0	0.0	0.0	(.15)%	(.15)%
32	After attrition adjustment	5.79%	(0.19)%	5.60%	1.09%	6.69%	2.87%	9.56%

(Red Figure)

- (a) Staff's estimates which were summarized on applicant and staff joint Exhibit No. 16, page 1 of 3, Column (g).
- (b) Staff's estimates included Investment Tax Credit at the 10% level. The increase in Investment Tax Credit was considered in the Refinancing Offset Application No. 55561, therefore, it is backed out in this column to eliminate duplication of this item.
- (c) Summary of earnings consisting of the sum of Columns (a) and (b) of this table.
- (d) Required rate relief recommended by staff in Application No. 55561 to offset higher interest due to refinancing which was modified to give consideration to the increase in Investment Tax Credit to the 10% level. The gross revenue increase is 2.34% based upon total revenues and 2.37% based upon revenues excluding fire protection and miscellaneous revenues.
- (e) Summary of earnings after refinancing consisting of the sum of Columns (c) and (d) of this table.
- (f) Additional increase required to yield the rate of return which is the lower end of the range recommended by the staff. The gross revenue increase is 21.09% based upon total revenues and 21.34% based upon revenues excluding fire protection and miscellaneous revenues.
- (g) Summary of earnings consisting of the sum of Columns (e) and (f) of this table.

Additional Offsets

Since submission of these matters, electric rates of Pacific Gas & Electric Company (PG&E) were increased by Decision No. 84902 dated September 16, 1975 in Application No. 54279 and modified further by Decision No. 84959 dated October 7, 1975 in that same proceeding. Ordinarily, we would take official notice of the decisions in the PG&E application and consider them in setting applicant's rates. In this instance, however, the electric rate increases were not uniform for all users, so there is insufficient evidence in the record to determine the impact upon applicant's expenses. Decision No. 84902 (mimeo. p. 152) shows that industrial users, as a class, would have a 20.3 percent increase but applicant will have to submit supporting data, presumably as part of an advice letter request or requests, to show the increases applicable to its various district operations where service is provided by PG&E. We will therefore not include offsets of the electric rate increases in this decision.

Rate of Return

The Commission staff recommended a range of 8.50 to 8.80 percent on rate base as reasonable for applicant's operations, prior to refinancing of applicant's maturing bonds, with the specific recommendation that the lower end of the range be adopted. The refinancing has been completed, and the staff's corresponding recommendation is a 9.56 percent return on rate base after the refinancing. The derivation of the composite rates of return are set forth in the following Table III:

Table III
Staff's Recommended Rate of Return

<u>Item</u>	<u>Capital Ratio</u>	<u>Rate</u>	<u>Weighted Cost</u>
Before Refinancing:			
Long-Term Debt	55.5%	5.90%	3.27%
Preferred Stock	3.0	4.25	.13
Common Equity	41.5	12.29	5.10
Total	100.0		8.50
After Refinancing:			
Long-Term Debt	55.5	7.80	4.33
Preferred Stock	3.0	4.25	.13
Common Equity	41.5	12.29	5.10
Total	100.0		9.56

As indicated in the foregoing Table III, the rates of return recommended by the staff would produce a return on common equity of 12.29 percent, both before and after consideration of the effect of refinancing.

Trend in Rate of Return

Inasmuch as rates are set prospectively to produce an authorized rate of return for a reasonable period into the future, the Commission staff estimated the probable future trend in rate of return for each district. This was accomplished by the staff's preparation of summaries of earnings for a test year 1974 as well as 1975, with both years placed on the same level of wage rates, tax rates, and rates for purchased water and power. As a result of the comparative summaries of earnings, the staff recommended that no allowance for trend in rate of return be considered for the Bakersfield and Dixon Districts, and that annual declines of 0.12 percent, 0.32 percent, 0.22 percent, and 0.30 percent, respectively, be adopted in setting rates for the Hermosa-Redondo, Willows, South San Francisco, and Oroville Districts.

Applicant had requested step rates for 1974, 1975, 1976, and 1977 which it estimated would produce a uniform rate of return for each of the years. To simplify this preliminary decision, the rates authorized herein are not step rates but are designed to produce a 9.56 percent post-refinancing return on rate base for approximately the next six months. The attrition allowances shown in Table II are therefore one-half the staff's estimates of annual attrition.

Findings

1. Applicant is in need of additional revenue but, due to the temporary increase in Investment Tax Credit and other factors, the Commission staff's presentation shows that most of the proposed rates set forth in the applications are excessive.

2. For the purposes of this preliminary order, the adopted estimates previously discussed herein of operating revenues, operating expenses, and rate base for the test year 1975, and the adopted trends in rate of return, reasonably indicate the results of applicant's operations in its Bakersfield, Hermosa-Redondo, Dixon, Willows, South San Francisco, and Oroville Districts for the near future.

3. For the purposes of this preliminary order, a pre-refinancing rate of return of 8.50 percent and a post-refinancing return of 9.56 percent on the adopted rate bases are reasonable. Such rates of return will provide a return on common equity of approximately 12.3 percent.

4. 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.

5. In accordance with the provisions of General Order No. 103, it is reasonable to transfer to general metered service the portion of the Dixon District total revenue requirement now covered by charges to the city of Dixon for public fire hydrant service, and concurrently to eliminate charges to the city for public fire hydrants.

6. Applicant's earnings under "Present Rates" from its operations during the 1975 test year produce rates of return ranging from 5.22 percent to 7.66 percent in the various districts covered by these applications on the rate bases adopted herein, based upon adopted results of operation.

7. The authorized increases in rates are expected to provide the following increases in revenues, based upon the test year 1975:

		<u>Percent Increase</u>
Bakersfield District	\$236,300	4.3
Hermosa-Redondo District	255,300	7.6
Dixon District	28,300	15.6
Willows District	34,800	14.3
South San Francisco District	92,300	5.6
Oroville District	<u>108,800</u>	<u>17.4</u>
Total	755,800	6.6

8. In view of the length of time which has elapsed since submission of most of these applications, it is reasonable to make this order effective immediately.

The Commission concludes that the applications should be granted to the extent set forth in the order which follows.


O R D E R

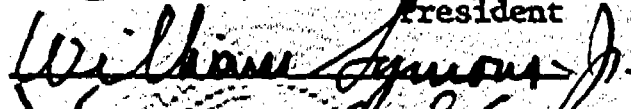
IT IS ORDERED that, after the effective date of this order, California Water Service Company is authorized to file the revised rate schedules attached to this order as Appendix A. Such filing

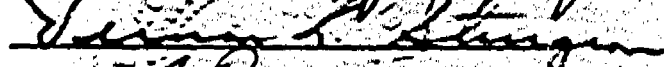
shall comply with General Order No. 96-A. The effective date of the revised rate schedules shall be four days after the date of filing. The revised schedules shall apply only to service rendered on and after the effective date thereof.


The effective date of this order is the date hereof.

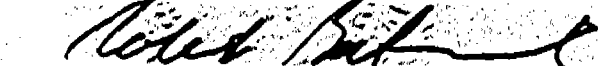
Dated at San Francisco, California, this 30th
day of DECEMBER, 1975.



President








Commissioners

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Schedule No. BK-1

Bakersfield Tariff Area

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Bakersfield and vicinity, Kern County.

RATES

	Per Meter Per Month	
Quantity Rate:		
For all water delivered per 100 cu.ft.	\$.184	(I)
Service Charge:		
For 5/8 x 3/4-inch meter	\$ 3.24	(I)
For 3/4-inch meter	3.56	
For 1-inch meter	4.86	
For 1 1/2-inch meter	6.48	
For 2-inch meter	8.75	
For 3-inch meter	16.20	
For 4-inch meter	22.03	
For 6-inch meter	36.61	
For 8-inch meter	54.42	
For 10-inch meter	67.38	(I)

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is to be added the monthly charge computed at the Quantity Rate.

(D)
(D)

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Schedule No. BK-2R
Bakersfield Tariff Area
RESIDENTIAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate residential water service.

TERRITORY

Bakersfield and vicinity, Kern County.

RATES

Per Service Connection
Per Month

For a single-family residential unit,
including premises having the following area:

6,000 sq.ft. or less	\$ 8.98	(I)
6,001 to 10,000 sq.ft.....	9.91	
10,001 to 16,000 sq.ft.....	12.81	
16,001 to 25,000 sq.ft.....	16.63	

For each additional single-family residential
unit on the same premises and served from the
same service connection.

5.78 (I)

SPECIAL CONDITIONS

1. The above flat rates apply to service connections not larger
than one inch in diameter.

2. All service not covered by the above classification will
be furnished only on a metered basis.

(Continued)

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Schedule No. BK-2R

Bakersfield Tariff Area

RESIDENTIAL FLAT RATE SERVICE

SPECIAL CONDITIONS - Contd.

3. Meters shall be installed if either the utility or customer so chooses for above classification, in which event service thereafter shall be furnished on the basis of Schedule No. BK-1, General Metered Service.

(D)

(D)

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Schedule No. BK-ZL
Bakersfield Tariff Area
LIMITED FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate water service furnished to customers listed on this schedule.

TERRITORY

Bakersfield and vicinity, Kern County.

RATES

	Per Month	
Jewelry Store	\$6.25	(I)
Shoe Store	6.25	
Lamp Store	6.25	
Plant Store	6.25	(I)

SPECIAL CONDITIONS

1. No new service connections may receive service under this schedule.

2. Meters shall be installed if the utility chooses for the above customers, in which event service thereafter shall be furnished on the basis of Schedule No. BK-1, General Metered Service.

(D)
|
(D)

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Schedule No. HR-1

Hermosa-Redondo District

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Hermosa Beach, Redondo Beach, Torrance and vicinity, Los Angeles County.

RATES

		Per Meter Per Month	
Quantity Rate:			
For all water delivered, per 100 cu.ft.		\$.398	(I)
Service Charge:			
For 5/8 x 3/4-inch meter		\$ 3.36	
For 3/4-inch meter		3.70	
For 1-inch meter		5.04	
For 1 1/2-inch meter		7.06	
For 2-inch meter		9.07	
For 3-inch meter		16.80	
For 4-inch meter		22.85	
For 6-inch meter		37.98	
For 8-inch meter		56.46	
For 10-inch meter		69.91	(I)

The Service Charge is a readiness-to-serve charge to which is to be added the monthly charge computed at the Quantity Rate.

(D)

(D)

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Schedule No. DX-1

Dixon Tariff Area

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Dixon and vicinity, Solano County.

RATES

Service Charge:

	Per Meter Per Month	
For 5/8 x 3/4-inch meter	\$ 3.49	(I)
For 3/4-inch meter	3.85	
For 1-inch meter	5.19	
For 1 1/2-inch meter	7.18	
For 2-inch meter	9.18	
For 3-inch meter	16.82	
For 4-inch meter	23.18	
For 6-inch meter	37.72	
For 8-inch meter	55.89	
For 10-inch meter	69.22	(I)

Quantity Rate:

For all water delivered, per 100 cu.ft.	\$.227	(I)
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The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is to be added the monthly charge computed at the Quantity Rate.

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Schedule No. DX-5

Dixon Tariff Area

PUBLIC FIRE HYDRANT SERVICE

APPLICABILITY

Applicable to all water service rendered for public fire protection to the City of Dixon.

TERRITORY

Dixon and vicinity, Solano County.

(T)

RATES

Per Month

For the first 51 fire hydrants or less, minimum charge	No Charge (R)
For each additional fire hydrant	No Charge (R)

SPECIAL CONDITIONS

1. The City of Dixon is responsible for the hydrant installation and maintenance costs including, without limitation: the capital cost of new hydrant installations starting with the tee in the main and the branch gate valve; any hydrant replacements caused by age, wear, or change in hydrant standards; relocations to accommodate street improvements or changes of grade to the utility's pipelines or changes to the right-of-way; relocations or reconnections of hydrants brought about by replacement of the main by the utility; maintenance (including repairs caused by traffic accidents and the expense of shutting down and re-establishment of service); mechanical maintenance or adjustment of the hydrant; painting; and clearing of weeds.

(T)

(Continued)

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Schedule No. DX-5

Dixon Tariff Area

PUBLIC FIRE HYDRANT SERVICE

SPECIAL CONDITIONS - Contd.

2. The above rates include use of water for fire protection and for no other purpose. For water delivered through fire hydrants for any other purpose, charges will be made therefor at the quantity rate under Schedule No. DX-1, General Metered Service.

3. The Utility will supply only such water at such pressure as may be available from time to time as a result of its normal operation of the system.

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Schedule No. WL-1

Willows Tariff Area

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The City of Willows and vicinity, Glenn County.

RATES

Service Charge:

	Per Meter Per Month	
For 5/8 x 3/4-inch meter	\$ 3.69	(I)
For 3/4-inch meter	4.05	
For 1-inch meter	5.48	
For 1 1/2-inch meter	7.63	
For 2-inch meter	9.77	
For 3-inch meter	17.99	
For 4-inch meter	23.95	
For 6-inch meter	40.63	
For 8-inch meter	59.69	
For 10-inch meter	73.99	(I)

Quantity Rate:

For all water delivered, per 100 cu.ft.	\$ 0.265	(I)
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The Service Charge is applicable to all metered service. It is a readiness-for-service charge to which is added the charge, computed at the Quantity Rate, for water used during the month.

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Schedule No. WL-2R

Willows Tariff Area

RESIDENTIAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all residential water service furnished on a flat rate basis.

TERRITORY

The City of Willows and vicinity, Glenn County.

RATES

	Per Service Connection Per Month	
For a single-family residential unit, including premises having the following areas:		
6,000 sq.ft. or less	\$ 7.69	(I)
6,001 to 10,000 sq.ft.	10.19	
10,001 to 16,000 sq.ft.	12.75	
16,001 to 25,000 sq.ft.	16.56	
For each additional single-family residential unit on the same premises and served from the same service connection	6.08	(I)

SPECIAL CONDITIONS

1. The above flat rates apply to service connections not larger than one inch in diameter.

(Continued)

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Schedule No. WL-2R

Willows Tariff Area

RESIDENTIAL FLAT RATE SERVICE

SPECIAL CONDITIONS - Contd.

2. All service not covered by the above classification will be furnished only on a metered basis.

3. Meters shall be installed if either the utility or customer so chooses for above classification, in which event service thereafter shall be furnished on the basis of Schedule No. WL-1, General Metered Service.

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Schedule No. SS-1

South San Francisco Tariff Area

METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

South San Francisco and vicinity, San Mateo County.

RATES

		Per Meter Per Month	
Service Charge:			
For 5/8 x 3/4-inch meter		\$ 2.84	(I)
For 3/4-inch meter		3.13	
For 1-inch meter		4.26	
For 1 1/2-inch meter		5.96	
For 2-inch meter		7.66	
For 3-inch meter		14.19	
For 4-inch meter		19.30	
For 6-inch meter		32.07	
For 8-inch meter		47.68	
For 10-inch meter		59.03	(I)
Quantity Rates:			
First 50,000 cu.ft., per 100 cu.ft.		\$.326	(I)
Over 50,000 cu.ft., per 100 cu.ft.299	(I)

The Service Charge is applicable to all metered service. It is a readiness-to-serve charge to which is added the charge, computed at the Quantity Rates, for water used during the month.

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Schedule No: OR-1

Oroville Tariff Area

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Oroville and vicinity, Butte County.

RATES

	Per Meter Per Month	
Service Charge:		
For 5/8 x 3/4-inch meter	\$ 5.71	(I)
For 3/4-inch meter	6.27	
For 1-inch meter	8.57	
For 1 1/2-inch meter	11.99	
For 2-inch meter	15.40	
For 3-inch meter	28.57	
For 4-inch meter	38.88	
For 6-inch meter	64.59	
For 8-inch meter	96.01	
For 10-inch meter	118.87	
Quantity Rates:		
For all water delivered, per 100 cu.ft.	\$.275	(I)

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is to be added the monthly charge computed at the Quantity Rates.

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Schedule No. OR-2R

Oroville Tariff Area

RESIDENTIAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate residential water service.

TERRITORY

Oroville and vicinity, Butte County.

RATES

	Per Service Connection	
	Per Month	
1. For a single-family residential unit, including premises having the following area:		
6,000 sq.ft. or less	\$11.86	(I)
6,001 to 10,000 sq.ft.	13.23	
10,001 to 16,000 sq.ft.	15.90	
16,001 to 25,000 sq.ft.	19.69	
a. For each additional single-family residential unit on the same premises and served from the same service connection	6.89	(I)

SPECIAL CONDITIONS

1. The above flat rates apply to service connections not larger than one inch in diameter.
2. All residential service not covered by the above classification will be furnished only on a metered basis.

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Schedule No. OR-2R

Oroville Tariff Area

RESIDENTIAL FLAT RATE SERVICE

SPECIAL CONDITIONS - Contd.

3. Meters shall be installed if either the utility or customer so chooses for above classification, in which event service thereafter shall be furnished on the basis of Schedule No. OR-1, General Metered Service.

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Schedule No. OR-2UL

Oroville Tariff Area

LIMITED FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate water service furnished to customers taking untreated water directly from Powers Canal.

TERRITORY

Oroville and vicinity, Butte County.

RATE

Per Month

Mrs. Iola Heberle \$5.12 (I)

SPECIAL CONDITION

Service under this schedule is limited to the above service which was being furnished as of January 1, 1955.

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Schedule No. OR-3M

Oroville Tariff Area

IRRIGATION SERVICE

APPLICABILITY

Applicable to service of untreated water from Powers Canal to irrigation districts and to irrigation or mining ditches, for uses including but not limited to the irrigation of vineyards, orchards and pasture lands.

TERRITORY

Lands located along the Powers Canal, between Coal Canyon Powerhouse and Cherokee Reservoir, north of the City of Oroville, Butte County.

RATE

	<u>Per Miner's Inch Day</u>
For all water delivered	\$0.51 (I)

SPECIAL CONDITION

A miner's inch day is defined as the quantity of water equal to 1/40 of a cubic foot per second flowing continuously for a period of 24 hours.

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