

Decision 90-07-067 July 18, 1990

ORIGINAL JUL 20 1990

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's own motion into measures to mitigate the effects of drought on regulated water utilities, their customers, and the general public.

I.89-03-005
(Filed March 8, 1989)

And Related Matters.

Application 88-05-045
Application 88-09-029
Application 89-03-008
Application 89-04-014

INTERIM OPINION

Due to continuing drought conditions in California, we are considering the adoption of regulatory mechanisms related to conservation activities. In order to encourage regulated water utilities to promote conservation, and further in order to keep track of possible revenue fluctuations and conservation related expenses, we will authorize the establishment of memorandum accounts for all water utilities.

In addition to the present utilities with memorandum accounts authorized under mandatory rationing we also authorize memorandum accounts to track conservation expenses and revenue fluctuations related to both mandatory and voluntary conservation. We will reserve disposition of the amounts in these memorandum accounts until a later decision in this proceeding.

Findings of Fact

1. California has experienced extended drought conditions.
2. It is in the public interest to promote conservation of water supplies.
3. Memorandum accounts will allow utilities to keep track of revenue fluctuations and conservation expenses due to the present drought conditions.

4. Authorization of these memorandum accounts is urgent in order to promote and encourage better water management.

Conclusions of Law

1. Due to the present drought conditions in California it is in the public interest to promote conservation.

2. The authorization of memorandum accounts for all water utilities will allow the Commission to track both the conservation efforts of the utilities and the consequences on water consumption.

INTERIM ORDER

IT IS ORDERED that all water utilities are authorized to establish memorandum accounts to track conservation expenses and related revenue fluctuations.

This order is effective today.

Dated July 18, 1990, at San Francisco, California.

G. MITCHELL WILK
President
FREDERICK R. DUDA
STANLEY W. HULETT
JOHN B. OHANIAN
PATRICIA M. ECKERT
Commissioners

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS

Neal J. ...
NEAL J. ...

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