

Mailed

DEC 18 1991

Decision 91-12-042 December 18, 1991

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
California Water Service Company )  
(U 60 W), a corporation, for an )  
order authorizing it to increase )  
rates charged for water service in )  
the Dixon District. )

**ORIGINAL**

Application 91-09-016  
(Filed September 9, 1991)

And Related Matters. )

- ) Application 91-09-017
- ) Application 91-09-018
- ) Application 91-09-019
- ) Application 91-09-020
- ) Application 91-09-021
- ) Application 88-04-070
- ) Application 88-04-071
- ) Application 88-04-073
- ) Application 88-04-074
- ) Application 88-04-075
- ) Application 88-04-076

INTERIM OPINION

The Division of Ratepayer Advocates (DRA) petitions for an order (1) continuing for three months the schedule prescribed in the Commission's Rate Case Plan<sup>1</sup> for the general rate case applications of California Water Service Company (Cal Water) for its Dixon, South San Francisco, Willows, Marysville, Los Altos Suburban, and King City Districts, and (2) modifying Decision (D.) 89-04-005 and D.89-04-060 (the last general rate case decisions for these six Cal Water districts) to authorize rate relief on or after January 1, 1992, based on an additional attrition period adjustment. The proposed revised Rate Case Plan schedule is attached as Appendix A.

1 See Decision 90-08-045, Appendix A.

DRA states that it took responsibility for these applications late and, as a result, needs more time to conduct its investigation. Because a three-month continuance could unreasonably affect the utility's earnings, however, DRA recommends that the utility be permitted to adopt step rates for 1992 for these six districts based on an additional attrition adjustment.

Cal Water states that it does not oppose DRA's petition for a three-month continuance of the rate case proceedings, provided that the Commission, prior to January 1, 1992, authorizes 1992 attrition increases for the affected districts under the terms and conditions set forth in DRA's petition.

Since we will be considering the six Cal Water applications in concert, we will consolidate them pursuant to Rule 55 of the Rules of Practice and Procedure.

Findings of Fact

1. Cal Water on September 9, 1991, filed its applications for general rate cases for its Dixon, South San Francisco, Willows, Marysville, Los Altos Suburban, and King City Districts.

2. Pursuant to the Commission's Rate Case Plan adopted in D.90-08-045, evidentiary hearings in the Cal Water applications are scheduled for January 21-24, 1992.

3. Responsibility for investigation of the Cal Water applications was transferred in November 1991 from the Water Utilities Branch (Branch) of the Commission Advisory and Compliance Division to DRA, which will be assisted by Branch personnel.

4. DRA represents that it requires additional time to adequately investigate the Cal Water applications.

5. Under D.89-04-005 and D.89-04-060, Cal Water is not now authorized to adjust rates beyond December 31, 1991.

6. Cal Water does not oppose DRA's petition for a three-month continuance, provided that Cal Water is authorized, prior to January 1, 1992, to file for 1992 attrition increases subject to the terms and conditions set forth in DRA's petition.

Conclusions of Law

1. A three-month continuance of the general rate cases for Cal Water's Dixon, South San Francisco, Willows, Marysville, Los Altos Suburban, and King City Districts should be granted.

2. D.89-04-005 and D.89-04-060 should be modified to permit Cal Water to file advice letters requesting step rate adjustments, effective January 1, 1992, provided such adjustments are consistent with the attrition year methodology set forth in D.89-04-005 and D.89-04-060, pending completion of Cal Water's current rate applications.

3. The six Cal Water applications should be consolidated pursuant to Rule 55.

4. Because of the nature of this petition, this order should be effective immediately.

INTERIM ORDER

IT IS ORDERED that:

1. The revised Rate Case Plan schedule set forth in Appendix A is adopted for the general rate case applications of California Water Service Company (Cal Water) for the following districts and applications: Dixon (Application (A.) 91-09-016); South San Francisco (A.91-09-017); Willows (A.91-09-018); Marysville (A.91-09-019); Los Altos Suburban (A.91-09-020); and King City (A.91-09-021).

2. Evidentiary hearings for the Cal Water applications set forth in Paragraph 1 are rescheduled from January 21-24, 1992, to April 20-24, 1992.

3. Decision (D.) 89-04-005 in A.88-04-071, A.88-04-073, A.88-04-074 and A.88-04-076, and D.89-04-060 in A.88-04-070 and A.88-04-075 are modified to authorize Cal Water to file advice letters requesting step rate adjustments effective on or after January 1, 1992, subject to the following conditions:

- a. Advice letter requests shall be accompanied by supporting workpapers. Rate increases sought shall be consistent with the attrition year methodology employed in D.89-04-005 and D.89-04-060 to determine 1991 attrition year increases.
- b. A lesser rate increase is authorized in each district if the rate of return on rate base for a district, adjusted to reflect rates in effect and normal ratemaking adjustments for the 12 months ending September 30, 1991, exceeds the later of (i) the rate of return found reasonable by the Commission for Cal Water for the corresponding period in the then most recent rate decision, or (ii) the rate of return found reasonable by the Commission for that district in D.89-04-005 or D.89-04-060.
- c. Advice letter filings authorized by this order shall comply with General Order 96-A.
- d. Requested rates shall be reviewed by the Commission Advisory and Compliance Division (CACD) to determine conformity with this order and shall go into effect upon CACD determination of conformity.
- e. The effective date of revised tariff schedules set forth in the advice letters shall be no earlier than January 1, 1992. The revised schedules shall apply only to service rendered on and after their effective dates, and the rates shall be subject to revision when the Commission issues its decision on the current rate applications for these districts.

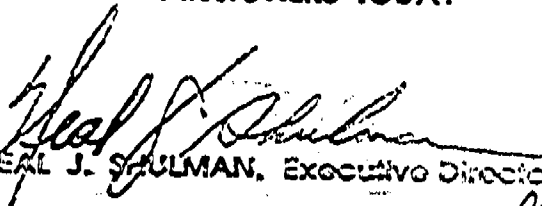
4. Applications (A.) 91-09-016, A.91-09-017, A.91-09-018, A.91-09-019, A.91-09-020 and A.91-09-021 are consolidated pursuant to Rule 55 of the Rules of Practice and Procedure.

This order is effective today.

Dated December 18, 1991, at San Francisco, California.

: CERTIFY THAT THIS DECISION  
WAS APPROVED BY THE ABOVE  
COMMISSIONERS TODAY

PATRICIA M. ECKERT  
President  
JOHN B. OHANIAN  
DANIEL Wm. FESSLER  
NORMAN D. SHUMWAY  
Commissioners

  
NEAL J. SCHULMAN, Executive Director  
PB

## APPENDIX A

CALIFORNIA WATER SERVICE COMPANY  
Rate Case Plan Schedule

## DISTRICTS

Dixon District	A. 91-09-016
So. San Francisco	A. 91-09-017
Willow	A. 91-09-018
Marysville	A. 91-09-019
Los Altos Suburban	A. 91-09-020
King City	A. 91-09-021

DAY	DATE	DESCRIPTION
0	Dec 2, 1991 -- Monday	Application filed.
30	Jan 2, 1992 -- Thursday	Update of utility showing.
45 to 60	Jan 17, 1992 - Friday Feb 3, 1992 -- Monday	During this period staff conducts field investigation and field audit.
114	Mar 30, 1992 - Monday	Completion and distribution of staff reports.
134	Apr 20, 1992 - Monday	Evidentiary hearings start (5 days).
138	Apr 24, 1992 - Wednesday	Evidentiary hearings end.
164	May 20, 1992 - Wednesday	Brief's filed.
189	Jun 15, 1992 - Monday	ALJ memo to branch.
205	Jul 1, 1992 -- Wednesday	Draft decision to Chief ALJ's Office.
219	Jul 15, 1992 - Wednesday	ALJ's proposed decision served on all parties.
239	Aug 4, 1992 -- Tuesday	Comments on proposed decision.
244	Aug 10, 1992 - Monday	Replies to comments.
249	Aug 17, 1992 - Monday	Expected Commission decision.

- Notes:
1. If the exact day falls on a Saturday, Sunday, or holiday, then the activity shown is usually scheduled for the next business day.
  2. The exact day for the beginning of evidentiary hearings will be scheduled by the ALJ.
  3. The filing of the NOI, the deficiency letter, the assigning of a Commissioner and an ALJ, and the scheduling and the conduct of the public meetings have already occurred, and are not included in this revised rate case plan schedule.