

Decision 92-12-056 December 16, 1992

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Dominguez Water Corporation (U-330-W) for Authority to Increase Rates as Authorized by NOI 92-02-053)
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ORIGINAL
Application 92-03-040
(Filed March 18, 1992)

Fulbright & Jaworski, by David A. Ebershoff,
Attorney at Law, for applicant.
Janice Grau, Attorney at Law, and Daniel R.
Paige for the Division of Ratepayer
Advocates.
Martin White, for the Commission Advisory &
Compliance Division.

O P I N I O N

Dominguez Water Corporation (Dominguez) requests authority to increase rates for its water service. The application which is based on a 1993 test year requested an increase of \$1,965,800 or 12.5% over 1993 revenues based upon present rates. Dominguez also requests an allowance for 1994 of \$377,900 or 2.1% above the requested 1993 proposed rates and an attrition allowance for 1995 of \$339,400 or 1.9% above the requested 1994 proposed rates.

Dominguez provides water service to approximately 32,000 customers in various service areas which include most of the City of Carson, a large portion of the City of Torrance, an industrial subdivision in the City of Compton, a strip of Los Angeles County, and a commercial subdivision tract in the City of Los Angeles.

A public hearing, which was noticed as both a public participation hearing and an evidentiary hearing, was held at Los Angeles on July 21, 1992 before Administrative Law Judge (ALJ) O'Leary.

The matter was submitted with the filing of the transcript on August 21, 1992.

Notices of the hearing were posted at Dominguez's offices, were published in numerous newspapers within the service territory, and were included as an insert with customers' bills. No members of the public appeared at the hearing to testify or make statements.

At the hearing, counsel for Dominguez and the Commission's Division of Ratepayer Advocates (DRA) advised ALJ O'Leary that a stipulation had been reached between them concerning the application. The stipulation was received in evidence as Exhibit 4 and is attached hereto as Attachment A. The underlying exhibit of Dominguez was received as Exhibit 1, and the underlying exhibits of DRA were received as Exhibits 2 and 3.

The stipulation provides for an increase in 1993 of \$1,456,500 or 9.11% rather than the \$1,965,800 or 12.5% originally requested. The attrition amount for 1994 is \$282,800 or 1.62% rather than the \$541,200 or 3.09% originally requested. The stipulation does not provide for a 1995 attrition increase. The 1995 attrition will be reviewed at the time of the filing for the 1995 attrition.

The increases set forth in the stipulation result in a rate of return of 10.63% and a return on equity of 11.5%.

On September 2, 1992 by Resolution W-3680, Dominguez was authorized to increase rates. The figures set forth in the stipulation do not reflect that increase. However, the rate design and adopted quantities set forth in Attachment B incorporate the results of the increase granted by Resolution W-3680. Attachment B also includes a revised Summary of Earnings reflecting the Resolution W-3680 increases which Summary of Earnings is to be used in future offset proceedings.

Based upon the stipulation, it is expected that the average residential customer who uses 15 Ccfs per month will

experience an increase from \$16.28 under present rates prior to the increase granted by Resolution W-3680 to approximately \$18.06 or 10.93% in 1993 and \$18.54 or 2.65% over 1993 rates in 1994.

Comments To The Proposed Decision

The ALJ's proposed decision was mailed to the parties on November 9, 1992 and filed on November 10, 1992. Comments on the proposed decision were filed by CACD. No other appearances filed comments nor were any replies to the comments filed.

The comments advise that a surcharge of \$0.036 per 100 cubic feet was inadvertently omitted from the rate schedules found in Attachment B, pages 1 and 2. The comments further point out that the surcharge is necessary due to undercollection in the balancing account.

Attachment B, pages 1 and 2 have been amended accordingly.

Findings of Fact

1. By this application, as originally filed, Dominguez requested an increase in rates for 1993 of \$1,965,800 or 12.5% over 1993 revenues based upon present rates. Dominguez also requests an allowance for 1994 of \$377,900 or 2.1% above the requested 1993 proposed rates and an attrition allowance for 1995 of \$339,400 or 1.9% above the requested 1994 proposed rates.

2. The increases sought would have given Dominguez an opportunity to earn a return on equity of 12.5% and a rate of return on rate base of 11.21%.

3. Properly noticed public hearings in this application were held at which all interested parties had an opportunity to be heard.

4. Dominguez and DRA entered into the stipulation set forth in Exhibit 4 and attached as Attachment A.

5. The stipulation provides for an increase in 1993 of \$1,456,500 or 9.11% rather than the \$1,965,800 or 12.5% originally requested. The amount for 1994 is \$282,800 or 1.62% rather than

the \$541,200 or 3.09% originally requested. The stipulation does not provide for a 1995 attrition increase. The 1995 attrition will be reviewed at the time of the filing for the 1995 attrition.

6. A return on common equity of 11.5% and a rate of return of 10.63% for the test year 1993, 1994, and 1995 are reasonable.

7. The rate design set forth in Attachment B attached hereto is reasonable and should be adopted.

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

Conclusion of Law

Dominguez should be authorized to place into effect the increased rates found to be reasonable in the findings set forth above.

ORDER

IT IS ORDERED that:

1. Dominguez Water Corporation (Dominguez) is authorized and directed to file revised rate schedules reflecting the rates and rate decreases set forth in this decision and concurrently withdraw and cancel its present effective schedules. Such filings shall comply with General Order 96-A and shall be effective 5 days after filing applicable to service rendered on and after the effective date of the tariffs. In no event shall the effective date of the tariff schedules be prior to January 1, 1993.

2. On or after November 1, 1993, Dominguez is authorized to file an advice letter, with appropriate work papers, requesting the step rate increase attached to this order as Appendix B for the year 1994, or to file for a lesser increase in the event that Dominguez's rate of return on rate base, adjusted to reflect the rates then in effect together with normal ratemaking adjustments

for the 12 months ending September 30, 1993, exceeds the rate of return adopted in this proceeding for the test year 1993. This filing shall comply with General Order 96-A. The requested step rates shall be reviewed by the staff to determine their compliance with the order in this application and shall go into effect upon the staff's determination of compliance. Staff shall inform the Commission if it finds that the proposed rates are not in accordance with the Commission's decision, and the Commission may modify them. The effective date of the revised rates shall be no earlier than January 1, 1994 or 40 days after the filing of the advice letter, whichever is later. The revised rates shall apply only to service rendered on or after their effective date.

3. On or after November 1, 1994, Dominguez is authorized to file an advice letter with appropriate work papers, requesting the step rate increase for the year 1995, adjusted to reflect the rates then in effect together with normal ratemaking adjustments for the 12 months ending September 30, 1994, to reflect the rate of return adopted for 1993. This filing shall comply with General Order 96-A. The requested step rates shall be reviewed by the staff to determine their compliance with the order in this application and shall go into effect upon the staff's determination of compliance. Staff shall inform the Commission if it finds that the proposed rates are not in accordance with the Commission's decision, and the Commission may modify them. The effective date of the revised rates shall be no earlier than January 1, 1995 or 40 days after the filing of the advice letter, whichever is later. The revised rates shall apply only to service rendered on or after their effective date.

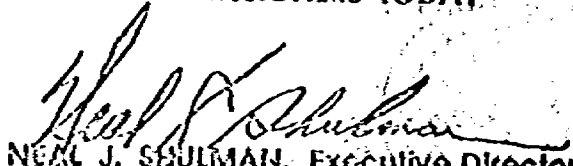
4. To the extent not granted herein, Application 92-03-040 is denied.

This order is effective today.

Dated December 16, 1992, at San Francisco, California.

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

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


NEAL J. SHULMAN, Executive Director

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the application of)
DOMINGUEZ WATER CORPORATION (U-330-W),)
for Authority to Increase Rates)

Application No.

92-03-040

STIPULATION FOR SETTLEMENT

THE PARTIES TO THIS PROCEEDING now pending before the Public Utilities Commission desiring to avoid the expense, inconvenience and uncertainty attendant to litigation of issues in dispute between them have agreed upon a settlement of the issues set forth in this stipulation and desire to submit to the Public Utilities Commission this stipulation for approval and adoption as its final disposition of issues herein.

This proceeding is governed by the Commission's Rate Case Plan (D.90-08-045).

Appended as Exhibits JS-1, JS-2 and JS-3 to this Stipulation are Joint Stipulated Company-CPUC Staff exhibits which discuss certain of the issues stipulated to by the parties and demonstrate the dollar impact of the settlements in relation to the Company's Application and the issues raised in the CPUC Staff Report which the CPUC Staff contested or would have contested in a hearing on those issues.

The parties believe that this Stipulation is reasonable in light of the whole record, consistent with the law, and in the public interest.

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In addition, since this stipulation represents a compromise by the parties, the parties have entered into this stipulation on the basis that the Commission's adoption of this stipulation not be construed as an admission or concession by any party regarding facts or law in dispute in this proceeding. Furthermore, it is the intent and understanding of the parties that Commission adoption of this stipulation will not be construed as a precedent or policy statement of any kind for or against the parties in any current or future proceeding.

The foregoing stipulation is understood and hereby accepted by the parties, Applicant Dominguez Water Corporation and the Commission Staff represented by the Advisory and Compliance Division.

By *Janice Grau*
Janice Grau

By *John S. Tootle*
John S. Tootle

On behalf of
CALIFORNIA PUBLIC UTILITIES COMMISSION
Advisory and Compliance Division

On behalf of
DOMINGUEZ WATER CORPORATION

Title: *Staff Council*

Title: *V.P., Finance*

Date: *7/17*, 1992

Date: *7/17*, 1992

STIPULATION AGREEMENT

1. Issue: Water Sales - Water Sales for Residential and Small Business Customers

Resolution:

Residential: 181.00 ccf/customer
Small business: 1240.00 ccf/customer

Staff and Company agree that 181.00 ccf represents reasonable residential customer sales for a residential customer per year. Staff and Company agree that 1240.00 ccf represents small business sales for a customer per year taking into account current economic conditions in southern California.

2. Issue: Water Costs - Utilization of well capacity; purchased water costs; power and chemical costs; water rights and replenishment tax.

Resolution:

Staff agrees that over the three year period wells will be producing 85% of the time taking into account well degeneration and that additional production requirements will be satisfied by additional purchased water. Staff recognizes that adjudicated water basins limit pumping. Company will pump 15,116 acre feet in 1993 and 16,487 acre feet in 1994.

Staff agrees that only the power costs associated with pumping are contested and does accept power costs of 342,660 kwh for administrative building and 1,598,780 kwh (202.4 kwh per acre foot) for booster stations.

2. Resolution Continued:

Company agrees to 700 kwh/acre foot for 1993 and 1994 based on recent Edison Pump Tests and prior four year average of 699.2 kwh/acre foot.

3. Issue: Lease Well Sites and Rate Base

Resolution:

Staff agrees to include well site lease costs for 1993 and 1994 since the land purchase costs were removed from ratebase.

Having included lease costs for well sites, Company agrees to Staff's ratebase determination and depreciation expense.

4. Issue: Interest for Income Tax Purposes

Resolution:

Staff agrees to correct the calculation for interest expense in conjunction with the reductions to ratebase for the income tax calculation purposes.

5. Issue: Gross to Net Multiplier

Resolution:

Staff agrees with utility that the gross to net multiplier should be 1.67876.

6. Issue: Accelerated Depreciation

Resolution:

Staff agrees to correct its income tax computation regarding accelerated depreciation.

7. Issue: Other Items

Resolution:

The Company agrees with Staff's position on all other A & G and O & M expenses, except for outside services. Staff agrees to Company's position on outside services.

8. Issue: Cost of Capital

The Company agrees to Staff's capital ratios and capital cost factors which result in a rate of return of 10.63%.

1992 GENERAL RATECASE

Application 92-03-040

Date Printed

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DOMINGUEZ WATER CORPORATION
Joint Stipulation Company and CPUC Staff

EXHIBIT JS-2

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DESCRIPTION	1993 at Present Rates amounts stipulated	1993 at Proposed Rates			1993 at Proposed Rates			STAFF HIGHER -LOW
		DWC REPORT	DWC ADJ	DWC FINAL	STAFF REPORT	STAFF ADJ	STAFF FINAL	
OPERATING REVENUES:								
COMMODITY AND SERVICE CHARGE	15,709.5	17,423.6	-257.6	17,166.0	17,934.9	-327.5	17,607.4	(1) (2)
WATER RIGHTS	183.0	183.0	0.0	183.0	183.0	0.0	183.0	
OTHER	94.1	94.1	0.0	94.1	94.1	0.0	94.1	
TOTAL - OPERATING REVENUES	15,986.6	17,700.7	-257.6	17,443.1	18,212.0	-327.5	17,884.5	
\$ Increase over 1993 at Present Rates		1,965.8		1,456.5				
% Increase over 1993 at Present Rates		12.49%		9.11%				
(1) DWC adjusted revenue to obtain stipulated Rate of Return of 10.63%								
(2) Staff's revenue is based on DWC's original proposed tariff rates.								
DEDUCTIONS:								
VARIABLE PRODUCTION EXPENSES:								
PURCHASED WATER	5,514.5	5,359.9	154.6	5,514.5	5,390.3	124.2	5,514.5	0.0
PURCHASED POWER	1,023.6	964.3	39.3	1,023.6	649.4	374.2	1,023.6	0.0
REPLENISHMENT TAX	1,511.6	1,511.6	0.0	1,511.6	1,636.9	-125.3	1,511.6	0.0
OTHER	162.6	162.6	0.0	162.6	162.6	0.0	162.6	0.0
SUBTOTAL - VARIABLE	8,212.3	8,018.4	193.9	8,212.3	7,839.2	373.1	8,212.3	0.0
OTHER O & M EXPENSES:								
PAYROLL	1,456.0	1,467.5	-11.5	1,456.0	1,456.0	0.0	1,456.0	0.0
TRANSPORTATION	140.6	143.1	-2.5	140.6	140.6	0.0	140.6	0.0
UNCOLLECTIBLES	49.6	54.0	-4.8	53.2	56.5	-1.1	55.4	2.2
POSTAGE	172.5	175.7	-3.2	172.5	172.5	0.0	172.5	0.0
RENTAL OF WELL SITES	36.5	36.5	0.0	36.5	36.5	0.0	36.5	0.0
ALL OTHER O & M EXPENSES	484.8	577.2	-92.4	484.8	484.8	0.0	484.8	0.0
SUBTOTAL - OTHER O & M EXPENSE	2,340.0	2,417.6	-73.9	2,340.0	2,310.4	35.4	2,340.0	2.2
A & G EXPENSES:								
PAYROLL	834.8	841.4	-6.6	834.8	834.8	0.0	834.8	0.0
TRANSPORTATION	102.2	104.0	-1.8	102.2	102.2	0.0	102.2	0.0
SAFETY AND DAMAGES	3.9	3.9	0.0	3.9	3.9	0.0	3.9	0.0
PENSIONS AND BENEFITS	729.3	669.1	60.2	729.3	729.3	0.0	729.3	0.0
INSURANCE	264.4	284.5	-20.1	264.4	264.4	0.0	264.4	0.0
FRANCHISES	5.1	5.0	0.1	5.1	5.1	0.0	5.1	0.0
REGULATORY EXPENSE	8.4	20.0	-11.6	8.4	8.4	0.0	8.4	0.0
OUTSIDE SERVICES	231.6	231.6	0.0	231.6	174.1	57.5	231.6	0.0
RENTS	64.7	65.5	-0.8	64.7	64.7	0.0	64.7	0.0
ALLOCATION TO CAPITAL	-28.3	-28.3	0.0	-28.3	-28.3	0.0	-28.3	0.0
ALL OTHER A & G EXPENSES	417.8	483.4	-65.6	417.8	417.8	0.0	417.8	0.0
COMMONS EXPENSES	-56.4	-48.5	-7.9	-56.4	-56.4	0.0	-56.4	0.0
TOTAL - A & G EXPENSES	2,577.5	2,631.6	-54.1	2,577.5	2,520.0	67.5	2,577.5	0.0
DEPRECIATION	1,050.2	1,050.2	0.0	1,050.2	1,050.2	0.0	1,050.2	0.0
AD VALOREM TAXES	226.5	226.5	0.0	226.5	226.5	0.0	226.5	0.0
PAYROLL TAXES	183.1	171.6	11.5	183.1	183.1	0.0	183.1	0.0
OTHER TAXES	5.2	5.2	0.0	5.2	5.2	0.0	5.2	0.0
TOTAL DEDUCTIONS	14,594.8	14,521.0	77.4	14,598.4	14,134.6	466.0	14,600.6	2.2
Net Before Income Taxes	1,391.8	3,179.7	-335.0	2,844.7	4,077.4	-793.5	3,283.9	439.2
INCOME TAXES	199.3	994.9	-164.7	830.2	1,355.0	-334.2	1,020.8	190.6
NET OPERATING INCOME	1,192.4	2,184.8	-170.3	2,014.5	2,722.4	-459.3	2,262.9	248.4
TOTAL RATE BASE	18,942.3	19,485.4	-543.1	18,942.3	18,942.3	0.0	18,942.3	0.0
RATE OF RETURN	8.29%	11.21%	-0.68%	10.63%	14.37%	-2.43%	11.95%	1.31%
Interest Expense (for income taxes purposes)		-753.8	21.1	-732.7	-755.8	23.1	-732.7	0.0
Net Income		1,431.0	-149.2	1,281.8				
Equity		11,450.0	-300.0	11,150.0				
Return On Equity		12.50%	-1.00%	11.50%				

DESCRIPTION	1993 RATE BASE			1993 RATE BASE			STAFF HIGHER -LOWER
	DWC REPORT	DWC ADJ	DWC FINAL	STAFF REPORT	STAFF ADJ	STAFF FINAL	
RATE BASE: 1993							
BEG UTILITY PLANT	46,366.6	-493.7	45,872.9	45,872.9	0.0	45,872.9	0.0
ADDITIONS	2,310.3	-40.0	2,270.3	2,270.3	0.0	2,270.3	0.0
RETIREMENTS	-200.0		-200.0	-200.0	0.0	-200.0	0.0
TOTAL	48,476.9	-533.7	47,943.2	47,943.2	0.0	47,943.2	0.0
AVERAGE	47,421.7	-513.6	46,908.1	46,908.1	0.0	46,908.1	0.0
CWIP	750.0	0.0	750.0	750.0	0.0	750.0	0.0
SUB TOTAL	48,171.7	-513.6	47,658.1	47,658.1	0.0	47,658.1	0.0
DEPRECIATION	-16,172.4	0.0	-16,172.4	-16,172.4	0.0	-16,172.4	0.0
ADVANCES	-5,032.8	0.0	-5,032.8	-5,032.8	0.0	-5,032.8	0.0
CONTRIBUTIONS	-5,962.3	0.0	-5,962.3	-5,962.3	0.0	-5,962.3	0.0
NET UTILITY PLANT	21,004.2	-513.6	20,490.6	20,490.6	0.0	20,490.6	0.0
MATERIALS AND SUPPLIES	100.0	0.0	100.0	100.0	0.0	100.0	0.0
WORKING CAPITAL	579.7	0.0	579.7	579.7	0.0	579.7	0.0
DEFERRED TAX ADJUSTMENTS	-2,134.6	0.0	-2,134.6	-2,134.6	0.0	-2,134.6	0.0
COMMON PLANT ALLOCATION	-63.9	-29.5	-93.4	-93.4	0.0	-93.4	0.0
TOTAL RATE BASE	19,465.4	-543.1	18,942.3	18,942.3	0.0	18,942.3	0.0

CAPITAL STRUCTURE:

	Company - Original			F & A - Staff			
	RATIO	FACTOR	RATE	RATIO	FACTOR	RATE	
DEBT	41.97%	9.50%	3.99%	41.97%	9.50%	3.99%	0.0
PREFERRED STOCK	0.46%	5.00%	0.02%	0.46%	5.00%	0.02%	0.0
COMMON STOCK	57.57%	12.50%	7.20%	57.57%	11.50%	6.62%	0.0
TOTAL	100.00%		11.21%	100.00%		10.63%	0.0

1992 GENERAL RATECASE
Application 92-03-040DOMINGUEZ WATER CORPORATION
Joint Stipulation Company and CPUC Staff
1993 Water production,
and power costsEXHIBIT JS-2 Page 3 of 5
1993 Water production,
and power costs

DESCRIPTION	DOMINGUEZ WATER CORPORATION			EXHIBIT JS-2			STAFF HIGH -LOWER
	DWC REPORT	DWC ADJ	DWC FINAL	STAFF REPORT	STAFF ADJ	STAFF FINAL	
PRODUCTION QUANTITIES:							
TOTAL SALES (ACRE FEET)	33,356.0	435.0	33,791.0	34,567.3	-776.3	33,791.0	0.0
WATER PURCHASED (ACRE FEET)	19,407.0	450.0	19,857.0	19,407.0	450.0	19,857.0	0.0
WATER PUMPED (ACRE FEET)	15,116.0		15,116.0	16,369.4	-1,253.4	15,116.0	0.0
TOTAL PRODUCTION (ACRE FEET)	34,523.0	450.0	34,973.0	35,776.4	-803.4	34,973.0	0.0
LESS: UNACCOUNTED FOR (ACRE FEET)	1,167.0	15.0	1,182.0	1,209.1	-27.1	1,182.0	0.0
% Unaccounted	3.38%	0.0	3.38%	3.38%	0.00%	3.38%	0.0
PURCHASED WATER:							
MWD ACRE FEET PURCHASED	19,407.0	450.0	19,857.0	19,407.0	450.0	19,857.0	0.0
UNIT COSTS ACRE FEET PURCHASED	276.00	0.00	276.00	276.00	0.00	276.00	0.00
TOTAL COSTS (000)	5,356.3	124.2	5,480.5	5,356.3	124.2	5,480.5	0.0
TORRANCE ACRE FEET PURCHASED	0.0	0.0	0.0	0.0	0.0	0.0	0.0
UNIT COSTS ACRE FEET PURCHASED	263.00	0.00	263.00	263.00	0.00	263.00	0.00
TORRANCE METER CHARGES	3.6	0.0	3.6	3.6	0.0	3.6	0.0
TOTAL COSTS (000)	3.6	0.0	3.6	3.6	0	3.6	0.0
SUB-TOTAL COST (000)	5,359.9	124.2	5,484.1	5,359.9	124.2	5,484.1	0.0
WATER MASTER ASSESSMENT	30.4	0.0	30.4	30.4	0.0	30.4	0.0
MWD WATER AVAILABILITY CHARGE	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL COSTS (000)	5,390.3	124.2	5,514.5	5,390.3	124.2	5,514.5	0.0
PUMPED WATER - REPLENISHMENT TAX:							
ACRE FEET PUMPED	15,116.0	0.0	15,116.0	16,369.0	-1,253.0	15,116.0	0.0
AVERAGE COST PER ACRE FOOT	100.00	0.0	100.00	100.00	0.0	100.00	0.00
TOTAL COSTS (000)	1,511.6	0.0	1,511.6	1,636.9	-125.3	1,511.6	0.0
Total Water Cost (000)	6,901.9	124.2	7,026.1	7,027.2	-1.1	7,026.1	0.0
ACRE FEET PUMPED	15,116.0	0.0	15,116.0	16,369.4	-1,253.4	15,116.0	0.0
ACRE FEET BOOSTED	7,900.0	0.0	7,900.0	0.0	7,900.0	7,900.0	0.0
KWH PER AF PUMPED			700.0	555.9	144.1	700.0	0.0
KWH PER AF BOOSTED	202.38	0.0	202.38	0.0	202.38	202.38	0.0
KWH USED:							
ADMINISTRATION BUILDING	342,660	0	342,660				
PUMPED	11,211,365	-630,165	10,581,200	15,116 AF	@ 700 KWH per AF		
BOOSTED	1,598,780	0	1,598,780	7,900 AF	@ 202.4 KWH per AF		
TOTAL KWH USED	13,152,805	-630,165	12,522,640	8,663,257	3,859,383	12,522,640	0.0
POWER EXPENSE (\$):							
ADMINISTRATION BUILDING	33,310	0	33,310				
PUMPED	800,647	-31,969	768,678				
BOOSTED	133,861	0	133,861				
ADM SERVICE CHARGES	7,389	0	7,389				
PUMPING SERVICE CHARGES	63,874	0	63,874				
BOOSTED SERVICE CHARGES	16,530	0	16,530				
TOTAL POWER EXPENSE	1,055,611	-31,969	1,023,642	649,400	374,242	1,023,642	0.0
	1,055.6	-32.0	1,023.6	649.4	374.2	1,023.6	0.0

* New Well incorrectly not included in original working papers

1992 GENERAL RATE CASE
Application 92-03-040DOMINGUEZ WATER CORPORATION
Joint Stipulation Company and CPUC Staff
1993 Number of customers,
avg use and water salesEXHIBIT JS-2 Page 4 of 5
1993 Number of customers,
avg use and water sales

DESCRIPTION	DOMINGUEZ WATER CORPORATION			EXHIBIT JS-2			STAFF HIGHER -LOWER
	DWC REPORT	DWC ADJ	DWC FINAL	STAFF REPORT	STAFF ADJ	STAFF FINAL	
Average Number of Customers							
RESIDENTIAL	27,056	0	27,056	27,056	0	27,056	0
BUSINESS - SMALL	3,530	0	3,530	3,530	0	3,530	0
BUSINESS - LARGE	9	0	9	9	0	9	0
MULTI FAMILY - LARGE	4	0	4	4	0	4	0
INDUSTRIAL - SMALL	120	0	120	120	0	120	0
-LARGE	14	0	14	14	0	14	0
MUNICIPAL - SMALL	205	0	205	205	0	205	0
-LARGE	5	0	5	5	0	5	0
TEMPORARY CONSTRUCTION	36	0	36	36	0	36	0
TOTAL METERED SERVICES	30,979	0	30,979	30,979	0	30,979	0
PRIVATE FIRE	1,002	0	1,002	1,002	0	1,002	0
TOTAL CUSTOMERS	31,981	0	31,981	31,981	0	31,981	0
Average CCF Per Customer							
RESIDENTIAL	177.0	4.0	181.0	184.9	-3.9	181.0	0
BUSINESS - SMALL	1,217.0	23.0	1,240.0	1,305.9	-65.9	1,240.0	0
BUSINESS - LARGE	63,889.0	0	63,889.0	63,889.0	0	63,889.0	0
MULTI FAMILY - LARGE	59,750.0	0	59,750.0	59,750.0	0	59,750.0	0
INDUSTRIAL - SMALL	2,725.0	0	2,725.0	2,725.0	0	2,725.0	0
-LARGE	209,643.0	0	209,643.0	209,643.0	0	209,643.0	0
MUNICIPAL - SMALL	2,800.0	0	2,800.0	2,800.0	0	2,800.0	0
-LARGE	151,000.0	0	151,000.0	151,000.0	0	151,000.0	0
Water Sales KCCF							
RESIDENTIAL	4788.9	108.2	4,897.1	5002.7	-105.5	4,897.1	0
BUSINESS - SMALL	4296.0	81.2	4,377.2	4609.8	-232.6	4,377.2	0
BUSINESS - LARGE	575.0	0.0	575.0	575.0	0.0	575.0	0
MULTI FAMILY - LARGE	239.0	0.0	239.0	239.0	0.0	239.0	0
INDUSTRIAL - SMALL	327.0	0.0	327.0	327.0	0.0	327.0	0
-LARGE	2935.0	0.0	2,935.0	2935.0	0.0	2,935.0	0
MUNICIPAL - SMALL	574.0	0.0	574.0	574.0	0.0	574.0	0
-LARGE	755.0	0.0	755.0	755.0	0.0	755.0	0
TEMPORARY CONSTRUCTION	40.0	0.0	40.0	40.0	0.0	40.0	0
	14,529.9	189.4	14,719.3	15,057.5	-338.1	14,719.3	0
Water Sales - Acre Feet	33,356.0	435.0	33,791.0	34,567.3	-776.3	33,791.0	0

1992 GENERAL RATECASE
Application 92-03-040DOMINGUEZ WATER CORPORATION
Joint Stipulation Company and CPUC Staff

EXHIBIT JS-2

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1993 at Present Rates	1993 Income Taxes			1993 Income Taxes			STAFF HIGH -LOWER	
	DWC REPORT	DWC ADJ	DWC FINAL	STAFF REPORT	STAFF ADJ	STAFF FINAL		
Computation of State and Federal Income Taxes								
DESCRIPTION								
OPERATING REVENUES:								
COMMODITY AND SERVICE CHARGE	15,709.5	17,423.6	-257.6	17,166.0	17,934.9	-327.5	17,607.4	
OTHER	277.1	277.1	0.0	277.1	277.1	0.0	277.1	
TOTAL - OPERATING REVENUES	15,986.6	17,700.7	-257.6	17,443.1	18,212.0	-327.5	17,884.5	
			(1)				(2)	
(1) DWC adjusted revenue to obtain stipulated Rate of Return of 10.63%								
(2) Staff's revenue is based on DWC's original proposed tariff rates.								
PURCHASED POWER	1,023.6	984.3	39.3	1,023.6	649.4	374.2	1,023.6	00
PURCHASED WATER	5,514.5	5,359.9	154.6	5,514.5	5,390.3	124.2	5,514.5	00
REPLENISHMENT TAX	1,511.6	1,511.6	0.0	1,511.6	1,636.9	-125.3	1,511.6	00
OTHER	162.6	162.6	0.0	162.6	162.6	0.0	162.6	00
PAYROLL	2,290.8	2,308.9	-18.1	2,290.8	2,290.9	0.0	2,290.8	00
Customer Billing - Postage	172.5	175.7	-3.2	172.5	172.5	0.0	172.5	00
TRANSPORTATION	242.8	247.1	-4.3	242.8	242.8	0.0	242.8	00
ALL OTHER O & M EXPENSES	484.8	577.2	-92.4	484.8	484.8	0.0	484.8	00
ALL OTHER A & G EXPENSES	699.3	777.2	-77.9	699.3	641.8	57.5	699.3	00
PENSIONS AND BENEFITS	729.3	669.1	60.2	729.3	729.3	0.0	729.3	00
INSURANCE	264.4	284.5	-20.1	264.4	264.4	0.0	264.4	00
SAFETY AND DAMAGES	3.9	3.9	0.0	3.9	3.9	0.0	3.9	00
COMMONS EXPENSES	-56.4	-48.5	-7.9	-56.4	-56.4	0.0	-56.4	00
PAYROLL TAXES	183.1	171.6	11.5	183.1	183.1	0.0	183.1	00
AD VALOREM TAXES	226.5	226.5	0.0	226.5	226.5	0.0	226.5	00
UNCOLLECTIBLES	49.6	54.0	-8.8	53.2	56.5	-1.1	55.4	22
FRANCHISES	5.1	5.0	0.1	5.1	5.1	0.0	5.1	00
RENTAL OF WELL SITES	36.5	36.5	0.0	36.5	36.5	0.0	36.5	00
Sub Total	13,544.5	13,470.6	77.5	13,548.1	13,084.4	466.0	13,550.3	22
PENSIONS Not Deductible	-90.0	-90.0	0.0	-90.0	-90.0	0.0	-90.0	00
Sch M	1.5	1.5	0.0	1.5	1.5	0.0	1.5	00
Interest	732.7	753.8	-21.1	732.7	755.8	-23.1	732.7	00
Total Deductions	14,188.7	14,135.9	56.4	14,192.3	13,751.7	442.8	14,194.5	22
Net Operating Income for Tax Computation	1,797.9	3,564.8	-314.0	3,250.8	4,460.3	-770.3	3,690.0	439.2
State Tax Depreciation	1,547.2	1,547.2	0.0	1,547.2	1,547.2	0.0	1,547.2	00
State Taxable Income	250.7	2,017.6	-314.0	1,703.6	2,913.1	-770.3	2,142.8	439.2
State Tax	23.3	187.6	-29.2	158.4	270.9	-71.6	199.3	40.9
Fed Tax Depreciation	1,763.5	1,763.5	0.0	1,763.5	1,764.6	-1.1	1,763.5	00
State Tax For Deduction (Prior Year)	160.8	160.8	0.0	160.8	160.8	0.0	160.8	00
Federal Taxable Income	-126.4	1,640.0	-313.5	1,326.5	2,534.4	-768.7	1,765.7	439.2
Fed Tax @ 34.12%	-43.2	557.6	-105.0	452.6	864.9	-262.5	602.4	149.8
ITC, ACRS, ETC	219.2	249.8	-30.6	219.2	219.2	0.0	219.2	00
Total Fed Tax	176.0	807.3	-135.5	671.8	1,084.1	-262.6	821.5	149.7
Total Fed And State	199.3	994.9	-164.7	830.2	1,355.0	-334.2	1,020.8	

DESCRIPTION	1994 at Present Rates amounts stipulated	1994 at Proposed Rates			1994 at Proposed Rates			STAFF HIGHER -LOWER
		DWC REPORT	DWC ADJ	DWC FINAL	STAFF REPORT	STAFF ADJ	STAFF FINAL	
OPERATING REVENUES:								
COMMODITY AND SERVICE CHARGES	15,817.2	17,878.7	-352.7	17,526.0	18,396.2	-331.8	18,064.4	
WATER RIGHTS	100.0	100.0	0.0	100.0	100.0	0.0	100.0	
OTHER	99.9	99.9	0.0	99.9	99.9	0.0	99.9	
TOTAL - OPERATING REVENUES	16,017.1	18,078.6	-352.7	17,725.9	18,596.1	-331.8	18,264.3	
\$ Increase over 1993 Proposed Rates		541.2		282.8				
% Increase over 1993 Proposed Rates		3.09%		1.62%				
(1) DWC adjusted revenue to obtain stipulated Rate of Return of 10.63%								
(2) Staff's revenue is based on DWC's original proposed tariff rates.								
DEDUCTIONS:								
VARIABLE PRODUCTION EXPENSES:								
PURCHASED WATER	5,192.7	5,036.0	156.7	5,192.7	5,067.4	125.3	5,192.7	0.0
PURCHASED POWER	1,098.6	1,127.4	-28.8	1,098.6	653.2	445.4	1,098.6	0.0
REPLENISHMENT TAX	1,648.7	1,648.7	0.0	1,648.7	1,775.3	-126.6	1,648.7	0.0
OTHER	186.3	186.3	0.0	186.3	186.3	0.0	186.3	0.0
SUBTOTAL - VARIABLE	8,126.3	7,998.4	127.9	8,126.3	7,682.2	444.1	8,126.3	0.0
OTHER O & M EXPENSES:								
PAYROLL	1,508.5	1,526.1	-17.6	1,508.5	1,508.5	0.0	1,508.5	0.0
TRANSPORTATION	145.4	147.8	-2.4	145.4	145.4	0.0	145.4	0.0
UNCOLLECTIBLES	49.7	55.4	-1.1	54.3	56.4	0.2	56.6	2.3
POSTAGE	173.5	176.7	-3.2	173.5	173.5	0.0	173.5	0.0
RENTAL OF WELL SITES	44.0	44.0	0.0	44.0	44.0	0.0	44.0	0.0
ALL OTHER O & M EXPENSES	504.6	596.6	-90.8	505.8	504.6	0.0	504.6	-1.2
SUBTOTAL - OTHER O & M EXPENSES	2,425.7	2,502.6	-71.1	2,431.6	2,388.4	44.2	2,432.6	1.1
A & G EXPENSES:								
PAYROLL	864.9	875.2	-10.3	864.9	864.9	0.0	864.9	0.0
TRANSPORTATION	105.6	107.3	-1.7	105.6	105.6	0.0	105.6	0.0
SAFETY AND DAMAGES	4.1	4.1	0.0	4.1	4.1	0.0	4.1	0.0
PENSIONS AND BENEFITS	801.7	737.2	64.5	801.7	801.7	0.0	801.7	0.0
INSURANCE	273.4	308.2	-34.8	273.4	273.4	0.0	273.4	0.0
FRANCHISES	5.2	5.2	0.0	5.2	5.2	0.0	5.2	0.0
REGULATORY EXPENSE	8.4	20.0	-11.6	8.4	8.4	0.0	8.4	0.0
OUTSIDE SERVICES	240.6	240.6	0.0	240.6	180.0	60.6	240.6	0.0
RENTS	66.9	68.0	-1.1	66.9	66.9	0.0	66.9	0.0
ALLOCATION TO CAPITAL	-28.3	-28.3	0.0	-28.3	-28.3	0.0	-28.3	0.0
ALL OTHER A & G EXPENSES	431.8	501.9	-70.1	431.8	431.8	0.0	431.8	0.0
COMMONS EXPENSES	-58.6	-51.4	-7.2	-58.6	-58.6	0.0	-58.6	0.0
TOTAL - A & G EXPENSES	2,715.7	2,788.0	-72.3	2,716.7	2,655.1	60.8	2,718.7	0.0
DEPRECIATION	1,107.0	1,108.9	-1.9	1,107.0	1,107.0	0.0	1,107.0	0.0
AD VALOREM TAXES	230.9	232.9	-2.0	230.9	230.9	0.0	230.9	0.0
PAYROLL TAXES	185.9	178.2	7.7	185.9	185.9	0.0	185.9	0.0
OTHER TAXES	5.2	5.2	0.0	5.2	5.2	0.0	5.2	0.0
TOTAL DEDUCTIONS	14,796.7	14,814.2	-11.7	14,802.5	14,254.7	548.9	14,803.8	1.3
Net Before Income Taxes	1,220.4	3,264.4	-341.0	2,923.4	4,341.4	-860.7	3,460.5	537.1
INCOME TAXES	109.9	1,031.7	-168.1	863.6	1,363.3	-280.7	1,082.6	219.0
NET OPERATING INCOME	1,110.5	2,232.7	-172.9	2,059.8	2,978.1	-600.0	2,377.9	318.1
TOTAL RATE BASE	19,369.1	19,920.8	-651.5	19,369.1	19,369.1	0.0	19,369.1	0.0
RATE OF RETURN	6.73%	11.21%	-0.57%	10.63%	15.38%	-3.10%	12.28%	1.64%
Interest Expense (for income taxes purposes)		-771.0	21.3	-749.7	-772.8	23.1	-749.7	0.0
Net Income		1,461.7	-151.6	1,310.1				
Equity		11,690.0	-295.0	11,395.0				
Return On Equity		12.50%	-1.01%	11.50%				

1992 GENERAL RATECASE
Application 92-03-040

DOMINGUEZ WATER CORPORATION
Joint Stipulation Company and CPUC Staff

EXHIBIT JS-3

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DESCRIPTION	1994 RATE BASE			1994 RATE BASE			ST HIGHER -LOWER
	DWC REPORT	DWC ADJ	DWC FINAL	STAFF REPORT	STAFF ADJ	STAFF FINAL	
RATE BASE: 1993							
BEG UTILITY PLANT	48,476.9	-533.7	47,943.2	47,943.2	0.0	47,943.2	0.0
ADDITIONS	1,573.3	-10.0	1,563.3	1,563.3	0.0	1,563.3	0.0
RETIREMENTS	-200.0		-200.0	-200.0	0.0	-200.0	0.0
TOTAL	49,850.2	-543.7	49,306.5	49,306.5	0.0	49,306.5	0.0
AVERAGE	49,163.6	-538.7	48,624.9	48,624.9	0.0	48,624.9	0.0
CWIP	750.0	0.0	750.0	750.0	0.0	750.0	0.0
SUB TOTAL	49,913.6	-538.7	49,374.9	49,374.9	0.0	49,374.9	0.0
DEPRECIATION	-17,267.5	1.0	-17,266.5	-17,266.5	0.0	-17,266.5	0.0
ADVANCES	-5,125.8	0.0	-5,125.8	-5,125.8	0.0	-5,125.8	0.0
CONTRIBUTIONS	-5,896.8	0.0	-5,896.8	-5,896.8	0.0	-5,896.8	0.0
NET UTILITY PLANT	21,623.5	-537.7	21,085.8	21,085.8	0.0	21,085.8	0.0
MATERIALS AND SUPPLIES	100.0	0.0	100.0	100.0	0.0	100.0	0.0
WORKING CAPITAL	583.9	-4.2	579.7	579.7	0.0	579.7	0.0
DEFERRED TAX ADJUSTMENTS	-2,303.4	0.0	-2,303.4	-2,303.4	0.0	-2,303.4	0.0
COMMON PLANT ALLOCATION	-83.4	-9.6	-93.0	-93.0	0.0	-93.0	0.0
TOTAL RATE BASE	19,920.6	-551.5	19,369.1	19,369.1	0.0	19,369.1	0.0

CAPITAL STRUCTURE:

	Company - Original			F & A - Staff			
	RATIO	COST FACTOR	RATE	RATIO	COST FACTOR	RATE	
DEBT	41.97%	9.50%	3.99%	41.97%	9.50%	3.99%	0.0
PREFERRED STOCK	0.46%	5.00%	0.02%	0.46%	5.00%	0.02%	0.0
COMMON STOCK	57.57%	12.50%	7.20%	57.57%	11.50%	6.62%	0.0
TOTAL	100.00%		11.21%	100.00%		10.63%	0.0

1992 GENERAL RATECASE
Application 92-03-040

DOMINGUEZ WATER CORPORATION
Joint Stipulation Company and CPUC Staff
1994 Water production,
and power costs

EXHIBIT JS-3 Page 3 of 5
1994 Water production,
and power costs

DESCRIPTION	DOMINGUEZ WATER CORPORATION			EXHIBIT JS-3			STAFF HIGHER -LOWER
	DWC REPORT	DWC ADJ	DWC FINAL	STAFF REPORT	STAFF ADJ	STAFF FINAL	
PRODUCTION QUANTITIES:							
TOTAL SALES (ACRE FEET)	33,547.0	438.0	33,985.0	34,770.3	-785.3	33,985.0	0 0
WATER PURCHASED (ACRE FEET)	18,233.0	454.0	18,687.0	18,233.0	454.0	18,687.0	0 0
WATER PUMPED (ACRE FEET)	16,487.0		16,487.0	17,752.8	-1,253.4	16,487.0	0 0
TOTAL PRODUCTION (ACRE FEET)	34,720.0	454.0	35,174.0	35,985.8	-790.4	35,174.0	0 0
LESS: UNACCOUNTED FOR (ACRE FEET)	1,174.0	16.0	1,189.0	1,216.3	-14.1	1,189.0	0 0
% Unaccounted	3.38%	0.0	3.38%	3.38%	0.00%	3.38%	0 0
PURCHASED WATER:							
MWD ACRE FEET PURCHASED	18,233.0	454.0	18,687.0	18,233.0	454.0	18,687.0	0 0
UNIT COSTS ACRE FEET PURCHASED	276.00	0.00	276.00	276.00	0.00	276.00	0 0
TOTAL COSTS (000)	5,032.3	125.3	5,157.6	5,032.3	125.3	5,157.6	0 0
TORRANCE ACRE FEET PURCHASED	0.0	0.0	0.0	0.0	0.0	0.0	0 0
UNIT COSTS ACRE FEET PURCHASED	263.00	0.00	263.00	263.00	0.00	263.00	0 0
TORRANCE METER CHARGES	3.6	0.0	3.6	3.6	0.0	3.6	0 0
TOTAL COSTS (000)	3.6	0.0	3.6	3.6	0	3.6	0 0
SUB-TOTAL COST (000)	5,035.9	125.3	5,161.2	5,035.9	125.3	5,161.2	0 0
WATER MASTER ASSESSMENT	0.0	31.5	31.5	31.5	0.0	31.5	0 0
MWD WATER AVAILABILITY CHARGE	0.0	0.0	0.0	0.0	0.0	0.0	0 0
TOTAL COSTS (000)	5,035.9	156.8	5,192.7	5,067.4	125.3	5,192.7	0 0
PUMPED WATER - REPLENISHMENT TAX:							
ACRE FEET PUMPED	16,487.0	0.0	16,487.0	17,753.0	-1,266.0	16,487.0	0 0
AVERAGE COST PER ACRE FOOT	100.00	0.0	100.00	100.00	0.0	100.00	0 0
TOTAL COSTS (000)	1,648.7	0.0	1,648.7	1,775.3	-126.6	1,648.7	0 0
Total Water Cost (000)	6,684.6	156.8	6,841.4	6,842.7	-1.3	6,841.4	0 0
ACRE FEET PUMPED	16,487.0	0.0	16,487.0	17,752.8	-1,265.8	16,487.0	0 0
ACRE FEET BOOSTED	7,900.0	0.0	7,900.0	0.0	7,900.0	7,900.0	0 0
KWH PER AF PUMPED			700.0	555.9	144.1	700.0	0 0
KWH PER AF BOOSTED	202.38	0.0	202.38	0.0	202.38	202.38	0 0
KWH USED:							
ADMINISTRATION BUILDING	342,660	0	342,660				
PUMPED	12,109,370	-568,470	11,540,900	16,487 AF	@ 700 KWH per AF		
BOOSTED	1,598,780	0	1,598,780	7,900 AF	@ 202.4 KWH per AF		
TOTAL KWH USED	14,050,810	-568,470	13,482,340	8,663,257	4,819,083	13,482,340	0 0
POWER EXPENSE (\$):							
ADMINISTRATION BUILDING	33,310	0	33,310				
PUMPED	866,923	-28,838	838,085				
BOOSTED	133,861	0	133,861				
ADM SERVICE CHARGES	7,389	0	7,389				
PUMPING SERVICE CHARGES	69,419	0	69,419				
BOOSTED SERVICE CHARGES	16,530	0	16,530				
TOTAL POWER EXPENSE	1,127,432	-28,838	1,098,594	649,400	449,194	1,098,594	0 0
Rounded	1,127.4	-28.8	1,098.6	649.4	449.2	1,098.6	0 0

1992 GENERAL RATECASE
Application 92-03-040DOMINGUEZ WATER CORPORATION
Joint Stipulation Company and CPUO Staff
1994 Number of customers,
avg use and water salesEXHIBIT JS-3 Page 4 of 5
1994 Number of customers,
avg use and water sales

DESCRIPTION	DOMINGUEZ WATER CORPORATION			EXHIBIT JS-3			STAFF HIGH -LOWER
	DWC REPORT	DWC ADJ	DWC FINAL	STAFF REPORT	STAFF ADJ	STAFF FINAL	
Average Number of Customers							
RESIDENTIAL	27,171	0	27,171	27,171	0	27,171	0
BUSINESS - SMALL	3,577	0	3,577	3,577	0	3,577	0
BUSINESS - LARGE	9	0	9	9	0	9	0
MULTI FAMILY - LARGE	4	0	4	4	0	4	0
INDUSTRIAL - SMALL	121	0	121	121	0	121	0
-LARGE	14	0	14	14	0	14	0
MUNICIPAL - SMALL	206	0	206	206	0	206	0
-LARGE	5	0	5	5	0	5	0
TEMPORARY CONSTRUCTION	37	0	37	37	0	37	0
TOTAL METERED SERVICES	31,144	0	31,144	31,144	0	31,144	0
PRIVATE FIRE	1,028	0	1,028	1,028	0	1,028	0
TOTAL CUSTOMERS	32,172	0	32,172	32,172	0	32,172	0
Average CCF Per Customer							
RESIDENTIAL	177.0	4.0	181.0	184.9	-3.9	181.0	0
BUSINESS - SMALL	1,217.0	23.0	1,240.0	1,305.9	-65.9	1,240.0	0
BUSINESS - LARGE	63,889.0	0	63,889.0	63,889.0	0	63,889.0	0
MULTI FAMILY - LARGE	59,750.0	0	59,750.0	59,750.0	0	59,750.0	0
INDUSTRIAL - SMALL	2,725.0	0	2,725.0	2,725.0	0	2,725.0	0
-LARGE	209,643.0	0	209,643.0	209,643.0	0	209,643.0	0
MUNICIPAL - SMALL	2,800.0	0	2,800.0	2,800.0	0	2,800.0	0
-LARGE	151,000.0	0	151,000.0	151,000.0	0	151,000.0	0
Water Sales KCCF							
RESIDENTIAL	4809.3	108.7	4,918.0	5023.9	-106.0	4,918.0	0
BUSINESS - SMALL	4353.2	82.3	4,435.5	4671.2	-235.7	4,435.5	0
BUSINESS - LARGE	575.0	0.0	575.0	575.0	0.0	575.0	0
MULTI FAMILY - LARGE	239.0	0.0	239.0	239.0	0.0	239.0	0
INDUSTRIAL - SMALL	329.7	0.0	329.7	329.7	0.0	329.7	0
-LARGE	2935.0	0.0	2,935.0	2935.0	0.0	2,935.0	0
MUNICIPAL - SMALL	576.8	0.0	576.8	576.8	0.0	576.8	0
-LARGE	755.0	0.0	755.0	755.0	0.0	755.0	0
TEMPORARY CONSTRUCTION	40.0	0.0	40.0	40.0	0.0	40.0	0
	14,613.0	191.0	14,804.0	15,145.7	-341.7	14,804.0	0
Water Sales - Acre Feet	33,547.0	438.0	33,985.0	34,770.3	-785.3	33,985.0	0

1992 GENERAL RATECASE
Application 92-03-040DOMINGUEZ WATER CORPORATION
Joint Stipulation Company and CPUC Staff

EXHIBIT JS-3

Page 5 of 5

1994 at Present Rates	1994 Income Taxes			1994 Income Taxes			STAFF HIGHER -LOWER		
	DWC REPORT	DWC ADJ	DWC FINAL	STAFF REPORT	STAFF ADJ	STAFF FINAL			
Computation of State and Federal Income Taxes									
DESCRIPTION									
OPERATING REVENUES:									
COMMODITY AND SERVICE CHARGES	15,817.2	17,878.7	-352.7	17,526.0	18,396.2	-331.8	18,064.4	(1)	(2)
OTHER	199.9	199.9	0.0	199.9	199.9	0.0	199.9		
TOTAL - OPERATING REVENUES	16,017.1	18,078.6	-352.7	17,725.9	18,596.1	-331.8	18,264.3		
(1) DWC adjusted revenue to obtain stipulated Rate of Return of 10.63%									
(2) Staff's revenue is based on DWC's original proposed tariff rates.									
PURCHASED POWER	1,098.6	1,127.4	-28.8	1,098.6	653.2	445.4	1,098.6	0.0	0.0
PURCHASED WATER	5,192.7	5,036.0	156.7	5,192.7	5,067.4	125.3	5,192.7	0.0	0.0
REPLENISHMENT TAX	1,648.7	1,648.7	0.0	1,648.7	1,775.3	-126.6	1,648.7	0.0	0.0
OTHER	186.3	186.3	0.0	186.3	186.3	0.0	186.3	0.0	0.0
PAYROLL	2,373.4	2,401.3	-27.9	2,373.4	2,373.5	0.0	2,373.4	0.0	0.0
Customer Billing - Postage	173.5	176.7	-3.2	173.5	173.5	0.0	173.5	0.0	0.0
TRANSPORTATION	251.0	255.1	-4.1	251.0	251.0	0.0	251.0	0.0	0.0
ALL OTHER O & M EXPENSES	504.6	596.6	-90.8	505.8	504.6	0.0	504.6	-1.2	-1.2
ALL OTHER A & G EXPENSES	724.6	807.4	-82.8	724.6	664.0	60.6	724.6	0.0	0.0
PENSIONS AND BENEFITS	801.7	737.2	64.5	801.7	801.7	0.0	801.7	0.0	0.0
INSURANCE	273.4	308.2	-34.8	273.4	273.4	0.0	273.4	0.0	0.0
SAFETY AND DAMAGES	4.1	4.1	0.0	4.1	4.1	0.0	4.1	0.0	0.0
COMMONS EXPENSES	-58.6	-51.4	-7.2	-58.6	-58.6	0.0	-58.6	0.0	0.0
PAYROLL TAXES	185.9	178.2	7.7	185.9	185.9	0.0	185.9	0.0	0.0
AD VALOREM TAXES	230.9	232.9	-2.0	230.9	230.9	0.0	230.9	0.0	0.0
UNCOLLECTIBLES	49.7	55.4	-1.1	54.3	56.4	0.2	56.6	2.3	2.3
FRANCHISES	5.2	5.2	0.0	5.2	5.2	0.0	5.2	0.0	0.0
RENTAL OF WELL SITES	44.0	44.0	0.0	44.0	44.0	0.0	44.0	0.0	0.0
Sub Total	13,689.7	13,705.3	-9.8	13,695.5	13,147.8	548.9	13,696.8	1.3	1.3
PENSIONS Not Deductible	-120.0	-120.0	0.0	-120.0	-120.0	0.0	-120.0	0.0	0.0
Sch M	6.9	6.9	0.0	6.9	6.9	0.0	6.9	0.0	0.0
Interest	749.7	771.0	-21.3	749.7	772.8	-23.1	749.7	0.0	0.0
Total Deductions	14,326.3	14,363.2	-31.1	14,332.1	13,807.5	525.9	14,333.4	1.3	1.3
Net Operating Income for Tax Computation	1,690.8	3,715.4	-321.6	3,393.8	4,788.6	-857.7	3,930.9	537.1	537.1
State Tax Depreciation	1,585.3	1,585.3	0.0	1,585.3	1,585.3	0.0	1,585.3	0.0	0.0
State Taxable Income	105.5	2,130.1	-321.6	1,808.5	3,203.3	-857.7	2,345.6	537.1	537.1
State Tax	9.8	198.1	-29.9	168.2	297.8	-79.7	218.1	49.9	49.9
Fed Tax Depreciation	1,819.9	1,819.9	0.0	1,819.9	2,016.7	-196.8	1,819.9	0.0	0.0
State Tax For Deduction (Prior Year)	199.3	187.6	0.0	157.7	270.4	-71.1	199.3	41.6	41.6
Federal Taxable Income	-328.5	1,707.4	-291.2	1,416.2	2,501.0	-589.3	1,911.7	495.5	495.5
Fed Tax @ 34.12%	-112.1	580.8	-97.6	483.2	853.3	-201.0	652.3	169.1	169.1
ITC, ACRS, ETC	212.2	253.0	-40.8	212.2	212.2	0.0	212.2	0.0	0.0
Total Fed Tax	100.1	833.7	-138.3	695.4	1,065.5	-201.0	864.5	169.1	169.1
Total Fed And State	109.9	1,031.8	-168.2	863.6	1,363.3	-280.7	1,082.6	219.0	219.0

(END OF ATTACHMENT A)

Dominquez Water Company

Schedule No. 1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service excepting metered irrigation service.

TERRITORY

Portions of Carson, Los Angeles, Long Beach, Torrance, and vicinity, Los Angeles County.

RATES

Per Meter

QUANTITY RATES:

First 500,000 cu ft. per 100 cu. ft.	1.074 (I)
Over 500,000 cu ft. per 100 cu. ft.	1.017 (I)

Service Charge:

Per Month

For 5/8 x 3/4-inch meter	\$3.95 (I)
For 1-inch meter	10.00
For 1-1/2-inch meter	20.00
For 2-inch meter	34.50
For 3-inch meter	66.00
For 4-inch meter	100.00
For 6-inch meter	180.00
For 8-inch meter	270.00
For 10-inch meter	350.00
For 12-inch meter	550.00 (I)

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

SPECIAL CONDITIONS

1. Due to the undercollection in the balancing account, a surcharge of \$0.036 per 100 cu. ft. of water used is to be added to the quantity rates for 12 months ending December 31, 1993.
2. All bills are subject to the reimbursement fee set forth on Schedule No. U.F.

Dominguez Water Company

Schedule No. 3M

METERED IRRIGATION SERVICE

APPLICABILITY

Applicable to all metered irrigation service.

TERRITORY

Portions of Carson, Los Angeles, Long Beach, Torrance, and vicinity, Los Angeles County.

RATES

Per Meter

QUANTITY RATES:

Per 100 cu. ft. 1.074 (I)

Service Charge:

Per Month

For	1-inch meter	10.00 (I)
For	1-1/2-inch meter	20.00
For	2-inch meter	34.50
For	3-inch meter	66.00
For	4-inch meter	100.00
For	6-inch meter	180.00
For	8-inch meter	270.00
For	10-inch meter	350.00
For	12-inch meter	550.00 (I)

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

SPECIAL CONDITIONS

1. Due to the undercollection in the balancing account, a surcharge of \$0.036 per 100 cu. ft. of water used is to be added to the quantity rates for 12 months ending December 31, 1993.
2. All bills are subject to the reimbursement fee set forth on Schedule No. U.F.

A.92-03-040

ATTACHMENT B
Page 3

APPENDIX A
Page 3

Dominguez Water Company

Schedule No. 4

PRIVATE FIRE SERVICE

APPLICABILITY

Applicable to all water service furnished to privated-owned fire systems and privately-owned fire hydrants,

TERRITORY

Approximatrly 35 square miles located south of the City of Los Angeles. north of the community of Wilmington, east of the City of Redondo Beach, and west of the Los Angeles River, all in the County of Los Angeles. Included are portions of the cities of Torrance, Los Angeles, Carson, Compton and Long Beach.

RATES

Per Month

For each inch of diameter of service connection. . . \$6.80 (I)

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. U.F.

(END OF APPENDIX A)

Dominguez Water Company

Each of the following increases in rates may be put into effect on the indicated date by filing a rate schedule which adds the appropriate increase to the rate which would otherwise be in effect on that date.

SCHEDULE NO. 1

Service Charges:	1994	1995
For 5/8 x 3/4-inch meter	\$0.05	\$0.00
For 1-inch meter	0.00	0.00
For 1-1/2-inch meter	0.00	0.00
For 2-inch meter	0.50	0.00
For 3-inch meter	0.00	0.00
For 4-inch meter	0.00	0.00
For 6-inch meter	0.00	0.00
For 8-inch meter	0.00	0.00
For 10-inch meter	0.00	0.00
For 12-inch meter	0.00	0.00
 Quantity Rates:		
First 500,000 cu.ft.per 100 cu. ft.	0.011	0.014
Over 500,000 cu.ft.per 100 cu. ft.	0.013	0.015

SCHEDULE NO. 3M

Quantity Rates:		
Per 100 cu.ft.	0.011	0.014
Service Charges:		
For 1-inch meter	0.00	0.00
For 1-1/2-inch meter	0.00	0.00
For 2-inch meter	0.50	0.00
For 3-inch meter	0.00	0.00
For 4-inch meter	0.00	0.00
For 6-inch meter	0.00	0.00
For 8-inch meter	0.00	0.00
For 10-inch meter	0.00	0.00
For 12-inch meter	0.00	0.00

SCHEDULE NO. 4

For each inch of diameter of service . . .	0.70	0.00
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(END OF APPENDIX B)

APPENDIX C
Page 1

Dominguez Water Company

Adopted Quantities

(Dollars in thousands)

	1993 -----	1994 -----
Purchased Water		
MWD, Acre Feet	19,857.2	18,687.2
Cost Per A.F. (7/1/92)	341.00	341.00
Total Cost (\$000)	6,771.3	6,372.3
City of Torrance, A.F.	0.0	0.0
Cost Per A.F. (7/1/92)	328.00	328.00
Meter charges (\$000)	3.6	3.6
Total dollars (\$000)	3.6	3.6
Less Interrupt, Credits	0.0	0.0
Temporary Credit, MWD	0.0	0.0
Water Master Assessment	30.33	31.49
Total Purchased Water Cost (\$000)	6,805.2	6,407.4
Replenishment Pump Tax		
Total Acre Feet Pumped	15116	16487
Cost Per A.F. (7/1/92)	125.00	125.00
Total Cost (\$000)	1,889.5	2,060.9
Purchased Power		
Supplier - SoCal.Ed. (1-1-92)		
Kwh Used		
Pumping	10,581.2	11,540.9
Boosting	1,598.8	1,598.8
Adm. Bldg.	342.7	342.7
total kwh	12,522.6	13,482.3
Unit Cost (\$/Kwhr)	0.074733	0.074733
Power Cost (\$000)	935.9	1007.6
Fixed Demand chrg.	87.8	91.0
Total Purchased Power Cost (\$000)	1,023.6	1,098.6

Dominguez Water Company

Adopted Quantities

Schedule 1

Number of Services by meter size

	1993	1994
	-----	-----
5/8 x 3/4 inch	27,647	27,770
1	1,024	1,037
1 1/2	753	762
2	1,210	1,226
3	174	176
4	50	51
6	24	24
8	35	35
10	24	24
12	2	2
	-----	-----
	30,943	31,107
Metered 0-500 (Kccf)	11,236.6	11320.1
Over 500	3,442.8	3443.9
total sales	14,679.4	14764.0

No. Service, Usage	No. of Service 1993	No. of Service 1994	Usage - Kccf 1993	Usage - Kccf 1994	Ave Usage - ccf 1993	Ave Usage - ccf 1994
	-----	-----	-----	-----	-----	-----
Residential	27,056	27,171	4897.1	4918.0	181.0	181.0
Multi-fam.	4	4	239.0	238.1	59750.0	59750.0
Busin. small	3530	3577	4377.2	4435.5	1240.0	1240.0
Busin. large	9	9	575.0	575.0	63889.0	63889.0
Munic. small	205	206	574.0	576.8	2800.0	2800.0
Munic. large	5	5	755.0	755.0	151000	151000
Indust. small	120	121	327.0	329.7	2725.0	2725.0
Indust. large	14	14	2935.0	2935.0	209643	209643
Other	36	37	40.0	40.0		
	-----	-----	-----	-----		
Subtotal	30,979	31,144	14719.3	14803.1		
Priv Fire Prot	1,002	1,028				
	-----	-----				
Total	31,981	32,172				
Water Loss	3.380%		514.9	517.8		
			-----	-----		
Total Water Produced			15234.2	15320.9		
Purchased Water (Kccf)			8648.4	8138.7		
Well (Kccf)			6585.9	7182.1		

Dominguez Water Company

Utility Plant, Depreciation Reserve, and Rate Base

	1993 ----	1994 ----
	(Dollars in thousands)	
Utility Plant		
Plant Beg.Yr.	45,872.9	47,934.9
Add.	2,270.3	1,563.3
Retirement	200.0	200.0
Plant End.Yr.	47,943.2	49,298.2
Wgt.Plant Add.	1,035.2	690.0
Avg. Plant	46,908.1	48,624.9
Depreciation Reserve		
Reserve Beg.Yr.	15,639.5	16,705.3
Contrib.	215.6	215.6
Dep.Exp.	1,050.2	1,107.0
Clear.Chg.	0.0	0.0
total accural	1,265.8	1,322.6
Retirement	200.0	200.0
Reserve End.Yr.	16,705.3	17,827.9
Wgt.Accr.	533.0	561.2
Avg. Depr. Reserve	16,172.5	17,266.5
RATE BASE		
Utility Plant	46,908.1	48,624.9
CWIP	750.0	750.0
Material & Sup.	100.0	100.0
Work.Cash.LdIg.	579.7	579.7
Depreciation Reserve	(16,172.5)	(17,266.5)
Adv.Construction	(5,032.8)	(5,125.8)
Contribution	(5,962.3)	(5,896.8)
G.O.Allocation	(93.4)	(93.0)
Unamort.Defer.Taxes	(1,986.7)	(2,247.8)
Unamortized ITC	(286.7)	(277.0)
Prepaid Taxes	899.6	1,043.1
Pens.Plan.adj.	(760.7)	(821.5)
Avg. RATE BASE	18,942.3	19,369.1

APPENDIX C
Page 4

Dominguez Water Company

Income Tax Calculation

	1993 -----	1994 -----
	(Dollars in thousands)	
Operating Revenue (authorized rates)	\$19,116.8 *	\$19,355.2
Expenses		
Purchased water	6,805.2 *	6,407.4
Purchased power	1,023.6	1,098.6
Pump tax	1,889.5 *	2,060.9
Payroll	2,290.9	2,373.3
Customer Billing	172.5	173.5
Other O & M	890.2	941.9
Other A & G	1717.9	1832.4
Reg.Com.Exp.	15.6	15.6
G.O. prorations	(56.4)	(58.6)
Payroll Taxes	183.1	185.9
Ad.Valorem Tax	226.5	230.9
Uncollectibles 0.0031	59.3	60.0
Franch.tax,other	(83.3)	(107.9)
Interest expense	732.7	749.7
Total Deduction	15,867.3	15,963.6
State Tax Depreciation	1,547.2	1,585.3
Net Taxable Income	1,702.3	1,806.3
State Corp. Franch. Tax 9.3%	158.3	168.0
Federal Tax Depreciation	1,763.5	1,819.9
State Income Tax	160.6	158.3
Less Preferred Stock Dividend	0.0	0.0
Net Taxable Income	1,325.4	1,413.4
Fed. Income Tax 34.12%	452.2	482.2
ITC,acrs,nd.pn.	219.2	212.2
Total Federal Income Tax	671.4	694.4
Total Income Tax	829.7	862.4
Uncoll.rate	0.00310	
Franch.rate	0.00000	
Net/Gross	1.67876	

* reflects the increase granted by Resolution W-3680 dated Sep 2, 1992.

(END OF APPENDIX C)

ATTACHMENT B
Page 9APPENDIX D
Page 1

Dominguez Water Company

Comparison of typical bills for residential metered customers of various usage level and average level at present and authorized rates for the year 1993.

General Metered Service
(5/8 x 3/4-inch meters)

Monthly Usage (Cubic Feet)	At Present Rates	At Authorized Rates	Percent Increase
500	\$7.81	\$9.32	19.33%
1000	13.12	14.69	11.97
1510 (Average)	18.54	20.17	8.80
2000	23.74	25.43	7.12
3000	34.36	36.17	5.27
5000	55.60	57.65	3.69
10000	108.70	111.35	2.44

(END OF APPENDIX D)

ATTACHMENT B
Page 10

Dominguez Water Company

Adopted Summary of Earnings*
(Dollars in Thousands)

At Present Rates	1993	1994
-----	Adopted at Auth. Rates	Adopted at Auth. Rates
-----	-----	-----
Operating revenues	\$19,116.8 *	\$19,355.2 *
Operating expenses		
Purchased water	6,805.2 *	6,407.4 *
Purchased power	1,023.6	1,098.6
Pump tax	1,889.5 *	2,060.9 *
Payroll	2,290.9	2,373.3
Postage	172.5	173.5
Other O & M	890.2	941.9
Other A & G	1733.5	1848.0
G.O. prorations	(56.4)	(58.6)
Business license	0.0	0.0
Taxes other than inc.	414.8	422.0
Depreciation	1,050.2	1,107.0
Subtotal	16,214.0	16,374.0
Uncollectibles	59.3	60.0
Franchise tax	0.0	0.0
State income tax	158.3	168.0
Federal income tax	671.4	694.4
Total oper. expenses	17,103.0	17,296.4
Net oper. revenues	2,013.8	2,058.8
Rate Base	18,942.3	19,369.1
Rate of Return	10.63%	10.63%

* reflects the increase granted by Resolution W-3680 dated September 2, 1992.

(END OF ATTACHMENT B)