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Decision

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application) of Rio Plaza Water Company, Inc.) for authority to revise the terms) of its loan contract with the) Department of Water Resources for) a \$365,650 loan, and to revise the) method of allocating the surcharge) to water rates to repay the) principal and interest on such) loan.)

Application 59722 (Filed June 11, 1980)

ORDER OF DISMISSAL

In this proceeding, Rio Plaza Water Company, Inc., (Rio Plaza) seeks authority to revise the terms of its existing loan contract with the California Department of Water Resources (DWR), under the California Safe Drinking Water Bond Act of 1976 (SDWBA). Rio Plaza also requests authority to revise the method of allocating the surcharge to water rates to repay the principal and interest on such a loan.

Subsequent to the filing of this application, the staff of the Commission's Revenue Requirements Division determined it would not be fair or reasonable to Rio Plaza or its customers to impose a 10% reserve requirement on the rate surcharge or extend the SDWBA loan repayment period from 30 years to 35 years, as

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suggested by DWR. Rio Plaza was one of the very first investorowned water utilities to execute a loan contract with DWR under the SDWBA, and such contract at that time did not include a provision for a DWR 10% reserve requirement.

Subsequently, on November 3, 1980, Rio Plaza filed A.60052, with the Commission, requesting only that the original SDWBA rate surcharge be revised to allocate the surcharge based on size or capacity of the utility's customers' meters, rather than on the quantity of water used.

By Decisions 92512 and 92548, dated December 16, 1980 and December 30, 1980, respectively, the Commission authorized Rio Flaza to revise its SDWBA rate surcharge, as requested per A.60052; therefore, A.59722 is now moot and should be dismissed. A.59722 RR/CFF/FS/WPSC

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IT IS ORDERED that Application 59722 is dismissed.

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This order becomes effective 30 days from today. Dated ______, at San Francisco, California.

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JOHN E BRYSON President RICHAED D. CRAVELLE LEONARD M. CRIMEX JR. VICTOR CALVO PRISCILLA C GREW Commissioners

I CERTIFY THAT THIS DECISION WAS AFFROVED BY THE ABOVE COMMISSIONERS TODAY.

Seph E. Rodovitz, Executive Dire PLOT . ••••• • •