

Decision 82 03 063 MAR 16 1982

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application)	
of CALIFORNIA WATER SERVICE)	
COMPANY for an order authorizing)	Application 60568
it to increase rates charged for)	(Filed May 20, 1981)
water service in its Hermosa-)	
Redondo District.)	

SUPPLEMENTAL OPINION AND ORDER

By Decision (D.) 82-01-51 dated January 5, 1982 in this proceeding, we authorized California Water Service Company (CWS) to increase rates for water service in its Hermosa-Redondo District during 1982, 1983, and 1984.

Portions of the increases authorized are attributable to the effect of President Reagan's Economic Recovery Tax Act of 1981 (ERTA). Of the total revenue increase of \$599,500 authorized during 1982, for example, \$137,900 is a result of the consequences of ERTA and of our issuance of D.93848 dated December 15, 1981 in Order Instituting Investigation 24.

In subsequent companion decisions to D.82-01-51, we ordered CWS to mail bill inserts to its customers in other districts informing them of the effect of ERTA during 1982. The customers in CWS' Hermosa-Redondo District should have the benefit of the same information.

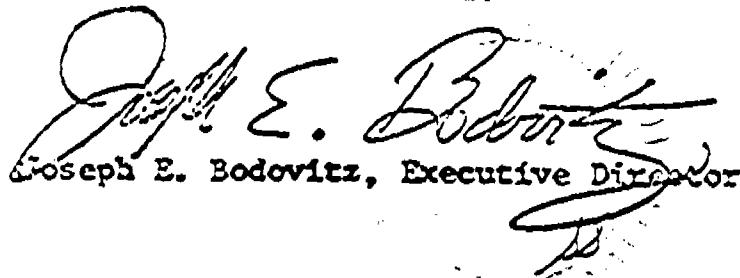
IT IS ORDERED that by May 1, 1982 California Water Service Company shall mail to all its customers in its Hermosa-Redondo District a bill insert notice as shown in Appendix A.

This order is effective today.

Dated MAR 16 1982, at San Francisco, California.

JOHN E. BRYSON
President
RICHARD D. GRAVELLE
LEONARD M. GRIMES, JR.
VICTOR CALVO
PRISCILLA C. GREW
Commissioners

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


Joseph E. Bodovitz, Executive Director

APPENDIX A

Bill Insert for CWS Customers
(Hermosa-Redondo District)

One item of expense included in the rate increase recently granted to CWS for its Hermosa-Redondo District by the Public Utilities Commission, amounting to \$137,900, was attributable to President Reagan's Economic Recovery Tax Act of 1981, which requires the Public Utilities Commission to charge ratepayers for the expense of taxes which are not now being paid to the Federal Government and which may never be paid. This expense may increase in the future.

(END OF APPENDIX A)