

Decision No. 89109 JUL 25 1978

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
CALIFORNIA WATER SERVICE COMPANY, ) Application No. 57329  
a corporation, for an order author- ) (Filed May 23, 1977; amended  
izing it to increase rates charged ) June 1, 1977 and August 31, 1977)  
for water service in the King City )  
District. )

McCutchen, Doyle, Brown & Enersen, by  
Crawford Greene, Attorney at Law, for  
applicant.

Jasper Williams and Elmer Sjostrom,  
Attorneys at Law, and Ernst G. Knolle,  
Kenneth Chew, Benny Y. B. Tan, and  
A. V. Garde, for the Commission staff.

INTERIM OPINION

Applicant California Water Service Company seeks authority to increase rates for water service in its King City District. The proposed annual step rates through the year 1980 would increase annual revenues by a total of \$72,900 or 39 percent. Applicant also requests a preliminary order granting partial rate relief which would increase annual revenues by \$31,000, or 16 percent, pending final disposition of this proceeding.

Public hearing was held in King City on October 6, 1977. Copies of the original application and amendments had been served; notice of filing of the application published and mailed to customers; and notice of hearing published, mailed to customers, and posted, in accordance with this Commission's Rules of Practice and Procedure. The interim rate



relief phase of the application was submitted on October 6, 1977, subject to receipt of applicant's brief by November 8, 1977 and receipt of reply briefs within 10 additional days. Applicant's brief was filed November 7, 1977. A reply brief in opposition to the interim rate relief was filed by the Commission staff recommending that the interim relief be deferred until completion of the staff studies in early April, 1978.

Following notice to all appearances, adjourned hearings were held, on a consolidated record with pending applications involving four other of applicant's districts, before Administrative Law Judge Gilman in San Francisco on April 10, 11, and 12 and in Stockton on April 13 and 14, 1978. This application was submitted for final decision on April 14, 1978, subject to receipt of concurrent opening briefs by May 4, 1978 and reply briefs by May 14, 1978. An opening brief was filed by applicant and a reply brief was filed by the staff.

In support of the request for rate relief in this district, applicant presented testimony of its vice president in charge of regulatory matters. Testimony applicable to overall company operations has been presented by witnesses for applicant and the Commission's staff in pending Application No. 57328, the Stockton District rate proceeding. That evidence was incorporated by reference in the King City District proceeding.

The Commission presentation for this district was made through three engineers. No customers presented any testimony or statements at the hearings.

#### Service Area and Water System

Applicant owns and operates water systems in 21 districts in California. Its King City District includes all of the incorporated city of King City, together with contiguous territory in Monterey County. The terrain is relatively flat, with elevations ranging from 300 feet to 340 feet above sea level. The population within the area served is estimated at 3,700.



Water for the King City District is obtained from six company-owned wells located throughout the service area. All well pumps are electrically powered and three of them have a secondary source of power. The primary control of the well and two booster pumps is by float switch in the elevated tank and by pressure governors.

The transmission and distribution system includes about 18 miles of mains, ranging in size up to 12-inches, and approximately 100,000 gallons of storage capacity in an elevated tank. There are about 1,150 metered services, seven private fire protection services, and 115 public fire hydrants.

#### Service

There has been only one informal complaint to the Commission from this district during the period from January 1976 through August 1977. Utility records indicate that customer complaints received at applicant's district office were quickly resolved. The absence of any testimony or statements of any customers at the hearing is a further indication that service is satisfactory.

#### Rates

Applicant's present tariffs for this district consist primarily of schedules for general metered service and public fire hydrant service.

Applicant proposes to increase its rates for general metered service.

The following Table I presents a comparison of applicant's present and proposed general metered service rates and those authorized herein:



TABLE I

## COMPARISON OF MONTHLY RATES

	Present*	Proposed Rates†			Authorized Rates		
	Rates	1978	1979	1980	1978	1979	1980
Service Charge:							
For 5/8 x 3/4-inch meter .....	\$ 3.37	\$ 3.37	\$ 3.55	\$ 3.95	\$ 3.37	\$ 3.37	\$ 3.55
For 3/4-inch meter .....	3.68	4.60	5.20	5.80	4.40	4.80	5.20
For 1-inch meter .....	5.00	6.40	7.10	7.90	6.00	6.50	7.10
For 1-1/2-inch meter .....	6.92	8.80	9.90	11.10	8.40	9.00	10.00
For 2-inch meter .....	8.90	11.30	12.80	14.20	11.00	12.00	13.00
For 3-inch meter .....	16.34	21.00	24.00	26.00	20.00	22.00	24.00
For 4-inch meter .....	22.42	28.00	32.00	36.00	27.00	30.00	32.00
For 6-inch meter .....	36.61	47.00	53.00	60.00	45.00	49.00	53.00
For 8-inch meter .....	54.85	70.00	79.00	89.00	67.00	73.00	79.00
For 10-inch meter .....	68.02	87.00	98.00	110.00	83.00	91.00	98.00
Quantity Rates:							
For the first 300 cu.ft., per 100 cu.ft.....	0.243	0.305	0.320	0.334	0.254	0.264	0.274
For the next 200 cu.ft., per 100 cu.ft.....	.243	.407	.426	.446			
For all over 500 cu.ft., per 100 cu.ft.....	.314	.407	.426	.446			
For all over 300 cu.ft., per 100 cu.ft.....					0.367	0.383	0.393

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

\* Authorized by Resolution No. W-2191, dated July 26, 1977, in response to applicant's Advice Letter 551.

† Set forth in applicant's Exhibit 7, which reflects the staff recommendations as to "Lifeline" rate guidelines.



Staff studies, with which applicant concurs, show that an average commercial customer (business and residential) will use about 32,000 cubic feet of water per year, or 27 Ccf (hundreds of cubic feet) per month. For a customer with a standard 5/8 x 3/4-inch meter, the charge for that quantity of water under present rates is \$11.49 per month. At applicant's proposed step rates for the years 1978, 1979 and 1980, the corresponding monthly charges would be, respectively, \$14.05, \$14.73 and \$15.66, or 22, 28 and 36 percent higher than under present rates. At the rates authorized herein, the corresponding monthly charges would be, respectively, \$12.94, \$13.35, and \$13.92, or 13, 16, and 21 percent higher than under present rates.

Results of Operation

Witnesses for applicant and the Commission staff have analyzed and estimated applicant's operational results. Summarized in the following Tables II-A and -B, based upon Exhibit 6, but expanded to show a more detailed breakdown of the various items of revenues and expenses, are the estimated results of operation for the test years 1978 and 1979 under present rates, under those proposed by applicant, and under the rates authorized herein.



TABLE II-A

Summary of Earnings - Test Year 1978

(Dollars in Thousands)

Item	Applicant		Staff		Adopted Rates
	Present Rates	Proposed Rates	Present Rates	Proposed Rates	
<u>Operating Revenues</u>					
Metered	\$179.1	\$223.1	\$192.6	\$240.9	\$221.7
Fire Protection & Misc.	5.0	5.0	5.2	5.2	5.2
Total Operating Revenues	184.1	228.1	197.8	246.1	226.9
<u>Operating Expenses</u>					
<u>O. &amp; M., A. &amp; G. &amp; Misc.</u>					
Purchased Power	20.1	20.1	21.4	21.4	21.4
Payroll	34.5	34.5	36.8	36.8	36.8
Other O. & M. Exp.	18.5	18.5	20.1	20.1	20.1
Other A. & G. & Misc.	4.7	4.7	3.8	3.8	3.8
Total O. & M., A. & G. & Misc. Expenses	77.8	77.8	82.1	82.1	82.1
<u>Taxes Other Than Income</u>					
Ad Valorem	15.4	15.4	13.5	13.5	13.5
Payroll	2.3	2.3	2.4	2.4	2.4
Other	1.9	2.4	2.1	2.6	2.4
Total Taxes Other Than Income	19.6	20.1	18.0	18.5	18.3
Depreciation	19.2	19.2	21.4	21.4	21.4
<u>G.O. Prorated Expenses</u>					
Payroll & Benefits	11.3	11.3	13.0	13.0	13.0
Payroll Taxes	0.4	0.4	0.6	0.6	0.6
Other Prorate Exp.	4.5	4.5	6.2	6.2	6.2
Total G.O. Prorated Expenses	16.2	16.2	19.8	19.8	19.8
<u>Income Taxes</u>					
Incl. Taxes Before I.T.C.	8.0	30.9	10.5	35.6	25.7
Investment Tax Credit	(4.5)	(4.5)	(4.9)	(4.9)	(4.9)
Total Income Taxes	3.5	26.4	5.6	30.7	20.8
Total Operating Expenses	136.3	159.7	146.9	172.5	162.4
Net Operating Revenues	47.8	68.4	50.9	73.6	64.5
Rate Base	659.1	659.1	648.5	648.5	648.5
Rate of Return	7.25%	10.38%	7.85%	11.35%	9.95%
<u>Average Services</u>					
les - KCcf	1,154	401.5	1,184	438.6	1,184

(Red Figure)



TABLE II-B

Summary of Earnings - Test Year 1979

(Dollars in Thousands)

Item	Applicant		Staff		Adopted Rates
	Present Rates	Proposed Rates	Present Rates	Proposed Rates	
<u>Operating Revenues</u>					
Metered	\$180.2	\$237.1	\$196.0	\$259.3	\$234.9
Fire Protection & Misc.	<u>5.1</u>	<u>5.1</u>	<u>5.3</u>	<u>5.3</u>	<u>5.3</u>
Total Operating Revenues	185.3	242.2	201.3	264.6	240.2
<u>Operating Expenses</u>					
<u>O. &amp; M., A. &amp; G. &amp; Misc.</u>					
Purchased Power	20.2	20.2	21.8	21.8	21.8
Payroll	36.7	36.7	39.9	39.9	39.9
Other O. & M. Exp.	19.6	19.6	21.1	21.1	21.1
Other A. & G. & Misc.	<u>4.7</u>	<u>4.7</u>	<u>3.9</u>	<u>3.9</u>	<u>3.9</u>
Total O. & M., A. & G. & Misc. Expenses	81.2	81.2	86.7	86.7	86.7
<u>Taxes Other Than Income</u>					
Ad Valorem	17.0	17.0	14.6	14.6	14.6
Payroll	2.4	2.4	2.7	2.7	2.7
Other	<u>2.0</u>	<u>2.5</u>	<u>2.1</u>	<u>2.7</u>	<u>2.5</u>
Total Taxes Other Than Income	21.4	21.9	19.4	20.0	19.8
Depreciation	20.8	20.8	22.4	22.4	22.4
<u>G.O. Prorated Expenses</u>					
Payroll & Benefits	12.0	12.0	14.0	14.0	14.0
Payroll Taxes	0.4	0.4	0.6	0.6	0.6
Other Prorate Exp.	<u>4.6</u>	<u>4.6</u>	<u>6.7</u>	<u>6.7</u>	<u>6.7</u>
Total G.O. Prorated Expenses	17.0	17.0	21.3	21.3	21.3
<u>Income Taxes</u>					
Incl. Taxes Before I.T.C.	2.1	31.8	6.0	39.0	26.3
Investment Tax Credit	<u>(5.1)</u>	<u>(5.1)</u>	<u>(5.5)</u>	<u>(5.5)</u>	<u>(5.5)</u>
Total Income Taxes	(3.0)	26.7	0.5	33.5	20.8
Total Operating Expenses	137.4	167.6	150.3	183.9	171.0
Net Operating Revenues	47.9	74.6	51.0	80.7	69.2
Rate Base	718.8	718.8	695.9	695.9	695.9
Rate of Return	6.66%	10.38%	7.33%	11.59%	9.95%
<u>Average Services</u>					
Sales - KCcf	1,165		1,206		1,206
	403.4		446.3		446.3

(Red Figure)



Applicant's original estimates were completed in May 1977, with a major amendment made in August 1977." Between then and the completion date of the staff's exhibit, several changes took place in rates for purchased power, ad valorem taxes, and other expenses, some of which have been reflected in offset increases in applicant's rates. Also, additional data became available as to actual numbers of customers, year-end 1977 plant balances, and other recorded data.

Instead of amending the estimated summaries of earnings each time a change took place and each time later data became available, applicant kept the Commission staff advised of changes and new data so they could be reflected in the staff's estimates. When the staff exhibits were distributed, applicant checked the staff's independent estimates for reasonableness and adopted those portions on which there were no issues. For the purpose of this proceeding, all of the staff's estimates were accepted by applicant, leaving no issues to be resolved with respect to summary of earnings.

The more detailed breakdown in Tables II-A and -B under adopted results of operation will provide a basis for review of future advice letter requests for rate increases or decreases to offset changes not reflected in either (1) the test years 1978 and 1979 or (2) the trend in rate of return into 1980 adopted as the basis for the rates authorized herein. The purchased power rates are those which became effective April 1, 1978 and result in a composite charge of 5.615 cents per kwh. The composite equivalent effective ad valorem tax rate of 1.841 percent of the dollars of beginning-of-year net plant plus materials and supplies is that applicable to the fiscal year 1977-1978. The state and federal income tax rates used are the current 9 percent and 48 percent rates, respectively. The investment tax credit is the current 10 percent applicable to operations. The local business license and franchise tax combined rate used is 1.041 percent of gross revenue.



H-7a  
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Operating Revenues

Both applicant and the staff used the "Modified Bean" method, as described in the staff manual, Standard Practice U-25, to estimate commercial metered sales. Neither staff nor applicant used 1977 recorded data in the regression analysis due to the abnormal conservation effect experienced during that drought year. The methods used by both applicant and the staff were consistent with guidelines established by the staff and the California Water Association's Consumption-Revenue Estimation Committee. Estimated normalized consumption per commercial customer before adjustment for conservation for both 1978 and 1979 test years is 320.2 Ccf in applicant's studies and 323.2 Ccf in the staff's studies. This difference of less than one percent is due to slightly different projections of the indicated trend in consumption when data for 1977 was determined to be unusable. The drought effects had not been anticipated in the standardized guidelines and specific procedures relating thereto are not specified. ✓

Applicant and staff agree that there will be some residual conservation even though the drought is over. To estimate this effect, applicant used a judgmental percentage of the recent recorded decline in customer usage. Applicant estimated the long-term residual conservation effect to be 5 percent below the pre-drought "normal" for all classes of customers. The staff estimated the residual conservation effect to be approximately 1 percent below the pre-drought "normal" for commercial and 4 percent for public authority customers.

In August 1977, to arrive at its residual conservation effect, applicant estimated 1977 sales to be 15 percent below normalized and used one-third of the percentage difference as the residual conservation effect. However, the staff, in estimating its residual conservation effect, had later data available which showed recorded 1977 sales to be only about 4 percent below normalized. Applicant took no exception to the staff's estimate.



● Conservation of Water and Power

Applicant presented, in a previous series of rate proceedings, a comprehensive review of its efforts to effect water conservation. Decision No. 87333 dated May 17, 1977 in Application No. 56134, involved applicant's East Los Angeles District, which was the initial district of the previous series. That decision included a discussion of this subject and the finding that applicant's conservation program was satisfactory.

In the current proceeding, applicant presented evidence that it is continuing actively to prevail upon its customers to avoid nonbeneficial consumption of water. Also, applicant has followed the recommendation of the Commission staff in Case No. 10114 (the pending Commission investigation into water conservation matters) that, in order to conserve power, a program of pump efficiency testing be established.

Rate of Return

● In Decision No. 89110 dated JUL 25 1978, 1978 in Application No. 57330, applicant's Salinas District rate proceeding, the Commission discussed at some length the basis for its findings that rates of return of 9.95 percent on rate base and 12.81 percent on common equity are reasonable for applicant's operations for the period from 1978 through 1980. The same discussion, including consideration of quality of service, apply to applicant's King City District and need not be repeated in this decision. It should be noted that in this proceeding, rate of return was really the only contested issue between staff and applicant. In all other areas, the company has adopted or accepted staff recommendations where differing from its own.

Trend in Rate of Return

In some prior decisions in rate proceedings involving other districts of applicant, the apparent future trend in rate of return has been offset by the authorization of a level of rates to remain in effect for several years and designed to produce, on the



average over that period, the rate of return found reasonable. In other decisions, it was deemed more appropriate to increase the rates in steps designed to maintain, in each of several future years, the rate of return found reasonable. In the current proceeding, applicant and the staff recommended that step rates be authorized. Estimates of operations for the years 1978 and 1979 provide the basis for the step rates applicable to those years. Estimated projection of the downward trend that would prevail at the 1979 level of rates provides the basis for the 1980 step rates required to maintain a level rate of return beyond 1979.

As shown on Tables II-A and-B, at present rates, the staff's estimated rates of return are 7.85 percent for 1978 and 7.33 percent for 1979, a difference of 0.52 percent. The staff's analysis also shows that there is somewhat greater attrition at higher levels of fixed rates. Applicant's studies show, however, that the expected decline from 1977 to 1978 was higher than from 1978 to 1979. It appears reasonable to adopt the staff's recommendation that an attrition allowance of 0.60 percent over 1979 rates be adopted in establishing the 1980 step rates. Applicant concurred in the staff's recommendation.

The staff recommends that applicant be required to file an advice letter with appropriate work papers at the end of 1978 and 1979 to justify the next year's step rate. To provide adequate review time, applicant will be expected to file its advice letters on or before December 1, each year, based upon data for the previous twelve months ending October 31.



Rate Spread

After the total revenue requirement is determined in a rate proceeding, there still remains the problem of an equitable distribution of that revenue requirement among the various components of the rate structure. Applicant's original proposed rates were based upon early "Lifeline" rate structures promulgated by the Commission, in which none of the increase is added to (1) the service charge for the smallest size (5/8 x 3/4-inch) of residential metered service and (2) the quantity rate for the first 500 cubic feet of consumption each month. In more recent rate increases granted to this company,<sup>1/</sup> recognition has been given in lifeline rates to the fact that indefinite freezing of the aforementioned two components of the rate structure would place an unfair burden on larger users.

In this proceeding, the staff presented more detailed guidelines for rate design. Applicant concurred in the guidelines and utilized them in designing revised proposed rates which would produce the same revenues as the original proposed rates. The staff's guidelines set forth in Exhibit 5, which were also used in designing the rates authorized herein, are:

- "A. The service charge for a 5/8 x 3/4-inch meter be increased for the years 1978, 1979 and 1980 so that the charge for the 5/8 x 3/4-inch meter continues to be approximately 75 percent of the charge for a 3/4-inch meter.
- B. The lifeline quantity be reduced from 500 cubic feet to 300 cubic feet."

Other Staff Recommendations and Comments

Several additional recommendations and comments were included by the staff in its exhibits and testimony relating to operations of the company as a whole and of the King City District. They do not affect the rates to be authorized and therefore need not be the subject of findings, conclusions, and the order herein. They do, however, warrant the discussion that was included in the

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<sup>1/</sup> Decision No. 87861 dated September 13, 1977 in Application No. 57190 involving applicant's San Francisco Peninsula districts, and Resolution No. W-2244 dated September 7, 1977, in response to applicant's Advice Letter 562, involving the Stockton District.



Salinas District decision hereinbefore mentioned. The topics covered are:

1. Utility plant acquisition adjustment.
2. Balancing accounts.
3. Allocating common plant in district reports to Commission.
4. Accounting for revenue from leased water rights.
5. Ad valorem taxes used in calculating income taxes.
6. Amortization of abnormal conservation expenses.

Findings

1. Applicant's water quality, conservation program, and service are satisfactory.

2. Applicant is in need of additional revenues but the rates requested would produce an excessive rate of return.

3. The adopted estimates, previously discussed herein, of operating revenues, operating expenses, and rate base for the test years 1978 and 1979, and an annual fixed-rate decline of 0.60 percent in rate of return into 1980, reasonably indicate the probable results of applicant's operations for the near future.

4. A rate of return of 9.95 percent on applicant's rate base for 1978, 1979, and 1980 is reasonable. The related average rate of return for common equity over the three-year period is approximately 12.81 percent. This will require an increase of \$29,100, or 15.0 percent, in annual revenues for 1978; an increase from present rate of \$38,900, or 19.3 percent, for 1979; and a further increase of \$8,900, or 4.0 percent, for 1980.

5. The staff's recommendations on rate spread are reasonable and should be adopted.

6. The increases in rates and charges authorized herein are justified; the rates and charges authorized herein are reasonable; and the present rates and charges, insofar as they differ from those prescribed herein, are for the future unjust and unreasonable.

7. The offset increases authorized in Appendix B and Appendix C should be appropriately modified in the event the rate of return



on rate base, adjusted to reflect the rates then in effect and normal ratemaking adjustments for the twelve months ended October 31, 1978 and/or the twelve months ended October 31, 1979 exceeds 9.95 percent.

8. Inasmuch as this matter is now submitted for final decision, there is no need for the preliminary decision phase which was submitted over seven months ago.

9. At this time the effect of the revision of Article XIII of the Constitution of the State of California by the passage of proposition 13 (known as the Jarvis-Gann initiative) in the June 6, 1978 primary election on applicant's ad valorem tax liability is not known. The rates granted herein should be adjusted by a proper amount when the ad valorem tax savings under Article XIII-A are known.

The Commission concludes that the application should be granted to the extent provided by the following order on an interim basis until such time that the effect of Article XIII-A on applicant's ad valorem tax liability is known.

INTERIM ORDER

IT IS ORDERED that:

1. After the effective date of this order, applicant California Water Service Company is authorized to file for its King City District, the initial revised rate schedule attached to this order as Appendix A. Such filing shall comply with General Order No. 96-A. The effective date of the revised schedule shall be four days after the date of filing. The revised schedule shall apply only to service rendered on and after the effective date thereof.

2. On or before December 1, 1978, applicant is authorized to file, along with appropriate work papers, the step rates attached to this order as Appendix B or to file a lesser increase which includes a uniform cents-per-hundred-cubic-feet of water adjustment from Appendix B in the event that the King City District rate of return on rate base, adjusted to reflect the rates then in effect on



(1) pro forma basis using recorded sales and (2) pro forma basis with normal ratemaking adjustments for the twelve months ended October 31, 1978, exceeds 9.95 percent. Such filing shall comply with General Order No. 96-A. The effective date of the revised schedule shall be January 1, 1979. The revised schedule shall apply only to service rendered on and after the effective date thereof.

3. On or before December 1, 1979, applicant is authorized to file, along with appropriate work papers, the step rates attached to this order as Appendix C or to file a lesser increase which includes a uniform cents-per-hundred-cubic-feet of water adjustment from Appendix C in the event that the King City District rate of return on rate base, adjusted to reflect the rate base, adjusted to reflect the rates then in effect on (1) pro forma basis using recorded sales and (2) pro forma basis with normal ratemaking adjustments for the twelve months ended October 31, 1979, exceeds 9.95 percent. Such filing shall comply with General Order No. 96-A. The effective date of the revised schedule shall be January 1, 1980. The revised schedule shall apply only to service rendered on and after the effective date thereof.

4. Applicant's request for a preliminary decision is denied. Applicant shall, by August 1, 1978, file an advice letter reducing the rates set forth in Appendix A to account for the ad valorem tax saving it estimates will result from the adoption of California



Constitution Article XIII-A. It shall, at the same time, file in this proceeding and serve an explanation of its estimate and proposed modifications in Appendices B and C.

Because of the elapsed time since this application was filed, the effective date of this order is the date hereof.

Dated at San Francisco, California, this 25<sup>th</sup> day of JULY, 1978.

*I concur in part  
William Lyons J*

*Robert Batimmin*  
\_\_\_\_\_  
President

*Richard D. Gavelle*  
*Chaim T. Delisle*  
\_\_\_\_\_  
Commissioners

*I concur in part  
Vernon L. Sturgeon*



## APPENDIX A

Schedule No. KC-1

King City Tariff AreaGENERAL METERED SERVICEAPPLICABILITY

Applicable to all metered water service.

TERRITORY

King City and vicinity, Monterey County.

RATES

## Service Charge:

Per Meter  
Per Month

For 5/8 x 3/4-inch meter .....	\$ 3.60 (I)
For 3/4-inch meter .....	4.80 (I)
For 1-inch meter .....	5.80
For 1-1/2-inch meter .....	8.00
For 2-inch meter .....	10.30
For 3-inch meter .....	19.00
For 4-inch meter .....	26.00
For 6-inch meter .....	43.00
For 8-inch meter .....	64.00
For 10-inch meter .....	79.00 (I)

## Quantity Rates:

For the first 300 cu.ft., per 100 cu.ft. ....	.254 (I) (T)
For all over 300 cu.ft., per 100 cu.ft. ....	.367 (I) (T)

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



## APPENDIX B

Schedule No. KC-1

King City Tariff AreaGENERAL METERED SERVICEAPPLICABILITY

Applicable to all metered water service.

TERRITORY

King City and vicinity, Monterey County.

RATES

		Per Meter Per Month	
Service Charge:			
For 5/8 x 3/4-inch meter	.....	\$ 3.73	(I)
For 3/4-inch meter	.....	5.00	
For 1-inch meter	.....	6.00	
For 1-1/2-inch meter	.....	8.30	
For 2-inch meter	.....	10.70	
For 3-inch meter	.....	20.00	
For 4-inch meter	.....	27.00	
For 6-inch meter	.....	45.00	
For 8-inch meter	.....	67.00	
For 10-inch meter	.....	82.00	(I)
Quantity Rates:			
For the first 300 cu.ft., per 100 cu.ft.	.....	.264	(I)
For all over 300 cu.ft., per 100 cu.ft.	.....	.383	(I)

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



## APPENDIX C

Schedule No. KC-1

King City Tariff AreaGENERAL METERED SERVICEAPPLICABILITY

Applicable to all metered water service.

TERRITORY

King City and vicinity, Monterey County.

RATES

	Per Meter Per Month	
Service Charge:		
For 5/8 x 3/4-inch meter .....	\$3.87	(I)
For 3/4-inch meter .....	5.20	
For 1-inch meter .....	6.20	
For 1-1/2-inch meter .....	8.60	
For 2-inch meter .....	11.00	
For 3-inch meter .....	21.00	
For 4-inch meter .....	28.00	
For 6-inch meter .....	47.00	
For 8-inch meter .....	69.00	
For 10-inch meter .....	85.00	(I)

## Quantity Rates:

For the first 300 cu.ft., per 100 cu.ft. ....	.274	(I)
For all over 300 cu.ft., per 100 cu.ft. ....	.398	(I)

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