

MEM

Decision No. 91560 APR 15 1980

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 Hillview Water Company, Inc. for )  
 authority to enter into an agreement )  
 with the State of California under )  
 the auspices of the Safe Drinking )  
 Water Bond Act for a loan, and to )  
 increase rates for water services )  
 by means of a surcharge on existing )  
 rates to repay such loan. )

Application No. 58816  
(Filed April 23, 1979)

O P I N I O N

Hillview Water Company, Inc. (Hillview), a California corporation, requests authority to borrow \$442,797 under the California Safe Drinking Water Bond Act of 1976 (SDWBA) (Water Code 13850 et seq.), and to add a surcharge to water rates to repay the principal and interest on such loan.

Notice of the filing of Application No. 58816 appeared on the Commission's Daily Calendar of April 24, 1979.

The utility provides water service to five separate subdivisions known as Sunnydale, Royal Oaks - Hidden Oaks System (Sunnydale); the Raymond System (Raymond); the Hillview-Goldside System (Goldside); the Sierra Lakes System (Sierra); and the Coarsegold - Highlands System (Coarsegold). The approximate number of metered and flat rate residential and commercial customers served by Hillview in each of the aforementioned systems are Sunnydale - 189 customers; Raymond - 46 customers; Goldside - 101 customers; Sierra - 76 customers; and Coarsegold - 20 customers. The five systems are located in the unincorporated communities of Oakhurst, Raymond and Coarsegold, located approximately 45 miles northeast of Madera, Madera County; with populations of 4,200, 200 and 200, respectively.

Sunnydale's supply of water is derived from two wells located near the Fresno River; Raymond's supply is one spring and three wells; Goldside's supply is four wells; Sierra's supply is two wells; and Coarsegold's supply is one well. The Sunnydale, Raymond and Goldside systems have chlorination treatment facilities.

Hillview has serious deficiencies within its five water systems including inadequate transmission and distribution mains; inadequate water storage capacity facilities; insufficient sources of water supply and unreliable water treatment facilities.

Hillview proposes to correct the deficiencies in its five systems by the installation of approximately 10,000 feet of new water mains; drilling or repairing eight wells; addition of 1,130,000 gallons of water storage facilities; and installation of improved water treatment equipment.

The SDWBA provides, among other things, that water utilities whose systems fail to meet California Health and Safety Code standards and which cannot otherwise finance necessary plant improvements may apply to the California Department of Water Resources (DWR) for low interest rate loans. The SDWBA charges the California Department of Health Service (DHS) with the responsibility of analyzing the public health issues, and of making a determination of the specific plant improvements that are needed to meet water quality standards. DWR determines the need for financial assistance and acts as the lending agency and fiscal administrator. Before a loan is granted, the applicant must demonstrate to DWR its ability to repay the loan and show that it has instituted measures that will maximize water conservation. Under the provisions of Sections 816 through 851 of the Public Utilities Code, public utility water companies must obtain authorization from the California Public Utilities Commission (Commission) to enter into any long-term loan. Section 454 of that code requires a public utility water company to obtain Commission approval for rate increases.

A.58816 mcm/25\*

The DES has reviewed Hillview's loan proposal and has set forth a summary of construction to be undertaken with the loan proceeds. By letter dated February 5, 1979, DWR informed Hillview of its eligibility for a loan under the SDWBA.

The items of construction and estimated costs for each of Hillview's five water systems are detailed as follows:

SUNNYDALE

<u>Item</u>	<u>Cost</u>
1. Construction of an interconnection between the Sunnydale System and the Royal Oaks - Hidden Oaks System - 5,000 feet of 12" mains @ \$14 per foot of which 5,000 feet of 8" mains @ \$11 per foot is SDWBA funding.	\$ 55,000
2. Improvements to the Sunnydale well, including installation of water treatment facilities.	31,000
3. Construction of two 500,000 gallon concrete storage tanks @ \$60,000 each.	120,000
4. Installation of 5,000 feet of 12" mains @ \$14 per foot, to connect an existing well to new storage site to existing distribution system.	70,000
5. Installation of new meter for Royal Oaks well.	400
6. Construction of a new well and installation of a transmission main.	20,000
7. Engineering and other contingency costs.	<u>21,090</u>
Subtotal	\$317,490
8. DWR administrative fee, 3% of loan.	<u>9,544</u>
Total - Sunnydale	<u>\$327,034</u>

This is the amended construction proposal which differs from the application. The documents asking for or authorizing the amendments should be stated for the record.

RAYMOND

<u>Item</u>	<u>Cost</u>
1. Construct a new 100,000 gallon tank.	\$25,000
2. Install a used 30,000 gallon storage tank.	5,000
3. Rehabilitate and redevelop the Spring and Well No. 1.	5,000
4. Improve chlorination facilities at North Well Field.	8,000
5. Engineering and other contingency costs.	<u>3,135</u>
Subtotal	\$46,135
6. DWR administrative fee, 3% of loan.	<u>1,419</u>
Total - Raymond	<u>\$47,554</u>

GOLDSIDE

<u>Item</u>	<u>Cost</u>
1. Install three new vertical wells and transmission main.	\$45,000
2. Install meters for all three wells.	2,000
3. Engineering and other contingency costs.	<u>3,420</u>
Subtotal	\$50,420
4. DWR administrative fee, 3% of loan.	<u>1,547</u>
Total - Goldside	<u>\$51,967</u>

SIERRA

<u>Item</u>	<u>Cost</u>
1. Construct two vertical wells @ \$5,000 each.	\$10,000
2. Engineering and other contin- gency costs.	<u>570</u>
Subtotal	\$10,570
3. DWR administrative fee, 3% of loan.	<u>258</u>
Total - Sierra	<u>\$10,828</u>

COARSEGOLD

<u>Item</u>	<u>Cost</u>
1. Construction of a new vertical well.	\$ 5,000
2. Engineering and other contin- gency costs.	<u>285</u>
Subtotal	\$ 5,285
3. DWR administrative fee, 3% of loan.	<u>129</u>
Total - Coarsegold	<u>\$ 5,414</u>

SUMMARY OF PROJECT COSTS

Sunnydale	\$327,034
Raymond	47,554
Goldside	51,967
Sierra	10,828
Coarsegold	<u>5,414</u>
Total estimated project costs	<u>\$442,797</u>

The proposed loan from DWR will provide for a 35-year repayment schedule with equal semiannual payments of principal and interest, at an interest rate of 5-1/2 percent per annum.

The revenue to meet the semiannual payments on the SDWBA loan will be obtained from surcharges on all metered and flat-rate services. The total amount of revenue from the proposed surcharge will exceed the loan repayment requirements by approximately 10 percent. In accordance with DWR requirements, this overcollection will be deposited with the fiscal agent to accumulate a reserve of two semiannual loan payments over a 10-year period. Earnings of the reserve fund, net of charges for the fiscal agent's services, will be added to the fund. Net earnings of the reserve fund will be used, together with surcharge amounts collected from customers, to meet the semiannual loan payments. The Commission reserves the right to review the manner in which the fund is invested and to direct that a different fiscal agent be selected if appropriate.

The annual requirements for debt service for the Sunnydale customers will be approximately \$23,280. The amount of the surcharge to repay principal, interest and necessary reserve on the loan will be in proportion to the capacity of each customer's meter or service connection. The following surcharge would produce approximately \$1,940 per month.

ROYAL OAKS TARIFF AREA

(SUNNYDALE - ROYAL OAKS - HIDDEN OAKS)

SURCHARGE SCHEDULE

<u>Size of Service or Meter</u>	<u>Monthly Surcharge</u> <sup>2/</sup>
Residential <u>1/</u>	\$ 8.80
1 - inch	15.00
1-1/2 - inch	29.05
2 - inch	46.65
3 - inch	88.00
4 - inch	147.00
6 - inch	211.20

1/ 5/8" x 3/4" meter or 3/4" meter or service.

2/ This surcharge is in addition to regular charges for water service.

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The annual requirements for debt service for the Raymond customers will be approximately \$3,395. The amount of the surcharge to repay principal, interest and necessary reserve on the loan will be in proportion to the capacity of each customer's meter or service connection. The following surcharge would produce approximately \$283 per month.

RAYMOND TARIFF AREA  
SURCHARGE SCHEDULE

<u>Size of Service or Meter</u>	<u>Monthly Surcharge</u> <sup>2/</sup>
Residential <u>1/</u>	\$ 6.15
1 - inch	10.50
1-1/2 - inch	20.30
2 - inch	32.60
3 - inch	61.50
4 - inch	102.75
6 - inch	147.60

1/ 5/8" x 3/4" meter or 3/4" meter.

2/ This surcharge is in addition to regular charges for water service.

The annual requirements for debt service for the Goldside customers will be approximately \$3,636. The amount of the surcharge to repay principal, interest and necessary reserve on the loan will be in proportion to the capacity of each customer's meter or service connection. The following surcharge would produce approximately \$303 per month.

GOLDSIDE TARIFF AREA(HILLVIEW - GOLDSIDE)SURCHARGE SCHEDULE

<u>Size of Service or Meter</u>	<u>Monthly Surcharge<sup>2/</sup></u>
Residential <sup>1/</sup>	\$ 3.00
1 - inch	5.10
1-1/2 - inch	9.90
2 - inch	15.90
3 - inch	30.00
4 - inch	50.10
6 - inch	72.00

<sup>1/</sup> 5/8" x 3/4" meter or 3/4" meter or service.

<sup>2/</sup> This surcharge is in addition to regular charges for water service.

The annual requirements for debt service for the Sierra customers will be approximately \$776. The amount of the surcharge to repay principal, interest and necessary reserve on the loan will be in proportion to the capacity of each customer's meter or service connection. The following surcharge would produce approximately \$65 per month.

SIERRA LAKES TARIFF AREASURCHARGE SCHEDULE

<u>Size of Service or Meter</u>	<u>Monthly Surcharge<sup>2/</sup></u>
Residential <sup>1/</sup>	\$ .85
1 - inch	1.45
1 - 1/2 - inch	2.85
2 - inch	4.55
3 - inch	8.50
4 - inch	14.20
6 - inch	20.40

<sup>1/</sup> 5/8 " x 3/4" meter or 3/4" meter.

<sup>2/</sup> This surcharge is in addition to regular charges for water service.



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The annual requirements for debt service for the Coarsegold customers will be approximately \$384. The amount of the surcharge to repay principal, interest and necessary reserve on the loan will be in proportion to the capacity of each customer's meter or service connection. The following surcharge would produce approximately \$32 per month.

COARSEGOLD - HIGHLANDS TARIFF AREA

SURCHARGE SCHEDULE

<u>Size of Service or Meter</u>	<u>Monthly Surcharge <sup>2/</sup></u>
Residential <sup>1/</sup>	\$ 1.60
1 - inch	2.75
1-1/2 - inch	5.30
2 - inch	8.50
3 - inch	16.00
4 - inch	26.75
6 - inch	38.40

<sup>1/</sup> 5/8" x 3/4" meter or 3/4" meter.

<sup>2/</sup> This surcharge is in addition to regular charges for water service.

Hillview's present rates for its five systems were authorized by the Commission as shown in the following detail:

A-58816 wt

<u>System</u>	<u>Commission Decision or Resolution Number</u>	<u>Effective Date</u>
Sunnydale Portion of Sunnydale <sup>1/</sup> Royal Oaks-Hidden Oaks	W-1439	April 1, 1973
Royal Oaks-Hidden Oaks Portion of Sunnydale, Royal Oaks-Hidden Oaks	W-1637	January 1, 1975
Raymond	D.63980	September 1, 1962
Goldside	W-1439	April 1, 1973
Sierra	W-1269	November 1, 1970
Coarsegold	W-1635	January 1, 1975

1/ On April 1, 1973 the Sunnydale system was a portion of the Hillview-Goldside system.

The estimated annual gross revenues for 1980 for Hillview, at present rates will be about \$52,200. The \$31,471 yearly increase for Hillview under the SDWBA loan surcharge thus would increase its revenues by approximately 60%. Per the SDWBA loan surcharge, the \$31,471 yearly increase is allocated to each of Hillview's five systems, as detailed below:

Sunnydale	\$23,280
Raymond	3,395
Goldside	3,636
Sierra	776
Coarsegold	<u>384</u>
Total	<u>\$31,471</u>

On February 7, 1980, staff accountants from the Commission's Revenue Requirements Division conducted a public meeting at the Oakhurst Community Center, Oakhurst, California, to explain the SDWBA loan program. About 55 Hillview customers were present at the start of their meeting, and about 35 were in attendance at the conclusion. Also participating in the meeting were representatives from DES, DWR and Hillview. At the direction of the Commission, Hillview sent a letter to all customers notifying them of the meeting. There were five different water system improvement projects, as well as five different rate surcharges; therefore, it was decided to explain the SDWBA loan program and answer questions from Hillview's customers predicated upon a system-by-system basis.

Overall, the Hillview customers who attended the meeting indicated their support for the proposed water system improvements. However, some customers from the various Hillview systems expressed concern about the proposed costs of and necessity for some of the water system improvements.

The Sunnydale customers were concerned about construction of excessive water storage capacity facilities for their system.

The DHS representatives stated that the Sunnydale proposed plant improvements were necessary to meet that system's minimum water quality and quantity standards. Other Sunnydale customers questioned the necessity for their having to pay for improvements because of pollution damage caused by a faulty Madera County sewer system which affected, among others, the Sunnydale service area. Presently, the owner of Hillview is suing Madera County for monetary losses which includes pollution damage to the Sunnydale System. He assured the Sunnydale customers that any of that system's potential monetary recovery received from Madera County, and attributable to the pollution damage, would be refunded to the customers through Sunnydale's balancing account.

Goldside customers wanted to know what will happen when new customers are connected to their system after the SDWBA proposed plant improvements are completed. The staff accountants assured them that the SDWBA loan repayment surcharge should be adjusted periodically to reflect changes in the number of connections.

Coarsegold customers expressed concern that their system's proposed plant improvements would not rectify the problem of lower water pressure at higher elevations. The owner of Hillview assured the Coarsegold customers that the problem of lower water pressure could be corrected by ordinary repair work, with the costs to be borne from other than SDWBA loan funds.

None of the Raymond customers attended the public meeting; however, the staff accountants received letters from Raymond customers in support of the SDWBA proposed loan project.

At the conclusion of the meeting, the expression of customer sentiment was taken for each system of Hillview, pertaining to the SDWBA proposed plant improvements. The following is a summary of the votes as tallied:

<u>System</u>	<u>For</u>	<u>Customers Against</u>	<u>Not Voting</u>	<u>Total</u>
Sunnydale	12	3	2	17
Goldside <sup>1/</sup>	7	- 0 -	- 0 -	7
Sierra	5	2	- 0 -	7
Coarsegold <sup>2/</sup>	<u>2</u>	<u>- 0 -</u>	<u>- 1 -</u>	<u>3</u>
Grand Total	<u>26</u>	<u>5</u>	<u>3</u>	<u>34</u>

The staff has reviewed the application and concludes that the proposed plant improvements will substantially improve service. The proposed SDWBA loan clearly is the most feasible and economical method of financing these improvements. The Commission, therefore, will authorize Hillview to enter into the proposed loan contract with DWR and to institute a surcharge on customer bills to repay the loan.

We recognize that the proposed increase in rates exceeds the guidelines for voluntary non-inflationary prices promulgated by the President's Council on Wage and Price Stability. The increase, however, is in keeping with the exceptions noted in Section 705-C-8(d) (iii) of the Council's guidelines which section indicates that exceptions to the guidelines are warranted if the guidelines would impose extreme hardships and gross inequities on utilities.

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- 1/ An additional 13 customers from Goldside submitted a written petition in favor of the SDWBA loan proposal.
- 2/ Five letters were received from Coarsegold customers with mixed sentiments about the SDWBA loan proposal.

While Section 705-C-8 of the Council's guidelines applies to electric and gas utilities, equity dictates that the guidelines likewise should be applied to water utilities that qualify for loans provided by the SDWBA. Circumstances which constitute a hardship include inadequate cash flow. Under existing rates, Hillview would not have sufficient cash flow to meet the principal and interest payments on the proposed loan from DWR. The rate surcharge, therefore, is in accordance with the guideline exceptions of the President's Council on Wage and Price Stability.

The SDWBA loan repayment surcharge should be separately identified on customers' bills. The utility plant financed through the surcharge should be permanently excluded from rate base for ratemaking purposes and the depreciation on this plant should be recorded in memorandum accounts.

Hillview should establish separate balancing accounts for Sunnydale, Raymond, Goldside, Sierra and Coarsegold. These accounts will be credited with revenue collected through the surcharge and with investment tax credits arising from the plant reconstruction program as they are utilized. Each balancing account should be charged with payments of interest and principal on the loan. The surcharges should be adjusted periodically to reflect changes in the number of connections, and resulting overages or shortages in the balancing accounts.

It is appropriate to emphasize that the surcharges authorized herein will cover only the cost of the loan incurred to finance the added plant, not any additional operating expenses that may be incurred. It will not preclude the likelihood of future rate increase requests to cover increases in costs of repair materials, wages, property taxes, power bills, or other operating expenses that may be incurred in the future.

In order for the surcharges to produce enough revenue to meet the initial payment of principal and interest on the SDWBA loan due in January 1981, it is necessary for Hillview to place the surcharges in effect beginning May 1, 1980. This will enable Hillview to accumulate a small surplus in the balancing accounts to compensate for the time lag between billing and collection dates, and to meet DWR's requirement that a 10% reserve fund be established.

Findings of Fact

1. The proposed water system improvements are needed to produce a healthful, reliable water supply.
2. The SDWBA loan provides low-cost capital for the needed water system improvements and is a prudent means of acquiring necessary capital. The plant reconstruction program will cost an estimated \$442,797 including a three percent administrative charge by DWR.
3. The proposed borrowing is for proper purposes and the money, property or labor to be procured or paid for by the issue of the loan authorized by this decision is reasonably required for the purposes specified, which purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income.
4. The proposed surcharges will generate approximately \$31,500 per year. Approximately \$28,700 will be used to meet the loan payments. The remaining \$2,800, which is approximately 10% of the loan payments, will be deposited with the fiscal agent in order to accumulate a reserve equal to two semiannual loan payments over a 10-year period.
5. The establishment of a reserve equal to two semiannual loan payments is required by DWR Administrative Regulations.

6. There are five separate systems in Hillview Water Company. Each system has been allocated a share of the amount required to repay the loan, based on the percentage of total construction dollars expended in each system.

7. The rate surcharges will increase Sunnydale's, Raymond's, Goldside's, Sierra's and Coarsegold's annual gross revenues by approximately \$23,280, \$3,395, \$3,536, \$776, and \$384, respectively, and increase the water rates by approximately \$8.80, \$6.15, \$3.00, \$0.85, and \$1.60 per month for an average residential customer of the Sunnydale, Raymond, Goldside, Sierra and Coarsegold systems, respectively.

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

9. These surcharges should be placed in effect beginning May 1, 1980 so as to accumulate funds to make the initial principal and interest payment due in January 1981.

10. Hillview has filed a lawsuit against Madera County which includes alleged pollution damage to the utility's Sunnydale system. This suit is identified as "Case No. 22765, filed March 15, 1978, Linton E. Forrester and Eleanor Forrester, dba Hillview Water Company, Plaintiffs vs. the County of Madera, a political subdivision of the State of California and Does I through X, Inclusive."



11. The rate surcharges which are established to repay the SDWBA loan should last as long as the loan. The surcharges would not be intermingled with other utility charges.

12. The utility plant financed through this SDWBA loan would be permanently excluded from rate base, as the customers should not be required to pay more than once for the utility plant.

13. Special accounting requirements are necessary to ensure that there are no unintended windfalls to the utility's owners. Hillview would establish separate balancing accounts for Sunnydale, Raymond, Goldside, Sierra and Coarsegold to be credited with revenue collected through the surcharge, and with investment tax credits resulting from the plant construction, as they are utilized. The balancing accounts would be reduced by payments of principal and interest on the loan. The rate surcharges would be adjusted periodically to reflect changes in the number of connections and resulting overages or shortages in the balancing accounts.

Conclusions of Law

1. The application should be granted to the extent set forth in the following order.
2. A formal hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. On or after the effective date of this order, Hillview Water Company, Inc., is authorized to file the revised rate schedules attached to this order as Appendix A. Such filings shall comply with General Order No. 96-A. The effective date of the revised rate schedules shall be five days after the date of filing, and shall apply only to services rendered on or after May 1, 1980.

2. Hillview Water Company, Inc., is authorized to borrow \$442,797 from the State of California, to execute the proposed loan contract, and to use the proceeds for the purposes specified in the application.

3. Hillview Water Company, Inc., shall establish and maintain separate balancing accounts for the Sunnydale, Royal Oaks-Hidden Oaks System; the Raymond System; the Hillview-Goldside System; the Sierra Lakes System; and the Coarsegold-Highlands System in which shall be recorded all billed surcharge revenue and the value of investment tax credits on the plant, as utilized. The balancing accounts shall be reduced by payments of principal and interest to the State Department of Water Resources. A separate statement pertaining to the surcharge will appear on each customer's water bill issued by Hillview Water Company, Inc.

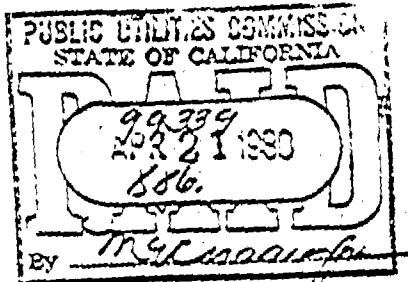
4. As a condition of the rate increase granted herein, Hillview Water Company, Inc., shall be responsible for refunding or applying on behalf of the customers any surplus accrued in the balancing accounts when ordered by the Commission.

5. Any monetary recovery received from Madera County attributable to pollution damages, as alleged in Case No. 22765, shall be refunded through the balancing account, to the customers of the Sunnydale, Royal Oaks-Hidden Oaks System.

6. Plant financed through the SDWBA loan shall be permanently excluded from rate base.

The authority granted by this order to issue an evidence of indebtedness and to execute a loan contract will become effective when Hillview Water Company, Inc., has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$886. In all other respects, the effective date of this order shall be five days from the date hereof.

Dated APR 15 1980, at San Francisco, California.



President  
*Veronica L. Strasser*  
*Richard D. Gavelle*  
*Clayton T. Padwick*  
*Samuel J. ...*  
Commissioners

Commissioner John E. Bryson, being necessarily absent, did not participate.

APPENDIX A  
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Royal Oaks Tariff Area

Schedule No. RO - 1A

ANNUAL GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service furnished on an annual basis.

TERRITORY

Royal Oaks Estates Subdivision and vicinity, southwest of Oakhurst,  
Madera County.

RATES

Monthly Quantity Rates:

	<u>Per Meter Per Month</u>
First 500 cu.ft., or less .....	\$ 6.50
Next 1,000 cu.ft., per 100 cu.ft. ....	.50
Next 4,500 cu.ft., per 100 cu.ft. ....	.40
Over 6,000 cu.ft., per 100 cu.ft. ....	.30

Annual Minimum Charge:

	<u>Per Meter Per Year</u>
For 5/8 x 3/4-inch meter .....	\$ 78.00
For 3/4-inch meter .....	96.00
For 1-inch meter .....	132.00
For 1 1/2-inch meter .....	216.00
For 2-inch meter .....	288.00

The Annual Minimum Charge will entitle the customer to the quantity of water each month which one-twelfth of the annual minimum charge will purchase at the Monthly Quantity Rates.

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Royal Oaks Tariff Area

Schedule No. RO - 1A (Continued)

ANNUAL GENERAL METERED SERVICE

METERED SERVICE SURCHARGE

(N)

Applicable to Royal Oaks Estates including Sunnydale Subdivision and vicinity, Madera County.

<u>Size of Meter</u>	<u>Surcharge Per Meter Per Month</u>
For 5/8 x 3/4 inch .....	\$ 8.80
For 3/4 inch .....	8.80
For 1 inch .....	15.00
For 1 1/2 inch .....	29.05
For 2 inch .....	46.65
For 3 inch .....	88.00
For 4 inch .....	147.00
For 6 inch .....	211.20

NOTE: This surcharge is in addition to the regular monthly metered water bill. The total monthly surcharge must be identified on each bill. This surcharge is specifically for the repayment of the California Safe Drinking Water Bond Act loan authorized by Decision No. (a).

(N)

(a) Insert Decision Number in Application No. 58816 before filing tariff.

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Royal Oaks Tariff Area  
Schedule No. RO - 2AR

ANNUAL RESIDENTIAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate residential water service furnished on an annual basis.

TERRITORY

Royal Oaks Estates Subdivision and vicinity, southwest of Oakhurst, Madera County.

RATES

	<u>Per Service Connection Per Year</u>
For a single-family residential unit, including premises .....	\$96.00
For each additional single-family residential unit on the same premises and served from the same service connection .....	48.00

FLAT RATE SERVICE SURCHARGE

Applicable to Royal Oak Estates including Sunnydale Suddivision and vicinity, Madera County.

<u>Size of Service</u>	<u>Surcharge Per Service Connection Per Month</u>
3/4-inch service .....	\$8.80

NOTE: This surcharge is in addition to the regular charge of \$96.00 per 3/4-inch service connection, per year. The total monthly surcharge must be identified on each bill. This surcharge is specifically for the repayment of the California Safe Drinking Water Bond Act loan as authorized by Decision No. (a).

(a) Insert Decision Number in Application No. 58816 before filing tariff.

(N)

(N)

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Raymond Tariff Area  
Schedule No. RA - 1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Raymond and vicinity, Madera County.

RATES

Quantity Rates:	<u>Per Meter Per Month</u>
First 400 cu. ft., or less .....	\$4.75
Over 400 cu. ft., per 100 cu. ft. ....	.85

Minimum Charge:

For 5/8 x 3/4-inch meter .....	\$4.75	(N)
3/4-inch meter .....	5.30	
1-inch meter .....	9.25	
1 1/2-inch meter .....	19.00	
2-inch meter .....	30.00	(N)

The Minimum Charge will entitle the customer to the quantity of water which that minimum charge will purchase at the Quantity Rates.

METERED SERVICE SURCHARGE

<u>Size of Meter</u>	<u>Surcharge Per Meter Per Month</u>	(N)
For 5/8 x 3/4-inch .....	\$ 6.15	
For 3/4-inch .....	6.15	
For 1-inch .....	10.50	
For 1 1/2-inch .....	20.30	
For 2-inch .....	32.60	(N)

NOTE: This surcharge is in addition to the regular monthly metered water bill. The total monthly surcharge must be identified on each bill. This surcharge is specifically for the repayment of the California Safe Drinking Water Bond Act loan authorized by Decision No. \_\_\_\_\_ (a) \_\_\_\_\_.

(a) Insert Decision Number in Application No. 58816 before filing tariff.

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Raymond Tariff Area

Schedule No. RA - 2

GENERAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate water service.

TERRITORY

Raymond and vicinity, Madera County.

RATE

Per Month

For each service connection ..... \$5.00

FLAT RATE SERVICE SURCHARGE

<u>Size of Service</u>	<u>Surcharge Per Service Connection Per Month</u>
3/4 inch .....	\$ 6.15
1 inch .....	10.40

(N)

NOTE: This surcharge is in addition to the regular charge of \$5.00 per 3/4-inch service connection per month. The total monthly surcharge must be identified on each bill. This surcharge is specifically for the repayment of the California Safe Drinking Water Bond Act loan as authorized by Decision No. (a) -

(N)

(a) Insert Decision Number in Application No. 58816 before filing tariff.



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Goldside Tariff Area  
Schedule No. GS - 1A

ANNUAL GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service furnished on an annual basis.

TERRITORY

Hillview Estates including Sunnydale Subdivision and vicinity,  
Madera County.

RATES

Monthly Quantity Rates:		<u>Per Meter</u> <u>Per Month</u>
First 1,000 cu. ft., or less .....		\$8.00
Next 500 cu. ft., per 100 cu. ft. ....		.40
Next 1,000 cu. ft., per 100 cu. ft. ....		.30
Over 2,500 cu. ft., per 100 cu. ft. ....		.20
Annual Minimum Charge:		<u>Per Meter</u> <u>Per Year</u>
For 5/8 x 3/4-inch meter .....		\$ 96.00
For 3/4-inch meter .....		105.60
For 1-inch meter .....		144.00
For 1 1/2-inch meter .....		201.60
For 2-inch meter .....		259.20
For 3-inch meter .....		480.00
For 4-inch meter .....		652.80

The Annual Minimum Charge will entitle the customer to the quantity of water each month which one-twelfth of the annual minimum charge will purchase at the Monthly Quantity Rates.

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Goldside Tariff Area

Schedule No. GS - 1A (Continued)

ANNUAL GENERAL METERED SERVICE

METERED SERVICE SURCHARGE

(N)

Applicable to Hillview Estates and vicinity, Madera County, but  
excluding Sunnydale Subdivision.

<u>Size of Meter</u>	<u>Surcharge Per Meter Per Month</u>
For 5/8 x 3/4 inch .....	\$ 3.00
For 3/4 inch .....	3.00
For 1 inch .....	5.10
For 1 1/2 inch .....	9.90
For 2 inch .....	15.90
For 3 inch .....	30.00
For 4 inch .....	50.10

NOTE: This surcharge is in addition to the regular monthly metered water bill. The total monthly surcharge must be identified on each bill. This surcharge is specifically for the repayment of the California Safe Drinking Water Bond Act loan authorized by Decision No. (a).

(N)

(a) Insert Decision Number in Application No. 58816 before filing tariff.

APPENDIX A  
Page 8 of 14  
Goldside Tariff Area

Schedule No. GS - 2AR

ANNUAL RESIDENTIAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate residential water service furnished on an annual basis.

TERRITORY

Hillview Estates including Sunnydale Subdivision and vicinity, Madera County.

RATES

	<u>Per Service Connection Per Year</u>
For a single-family residential unit, including premises .....	\$120.00

FLAT RATE SERVICE SURCHARGE

Applicable to Hillview Estates and vicinity, Madera County, but excluding Sunnydale Subdivision.

	<u>Surcharge Per Service Connection Per Month</u>
<u>Size of Service</u>	
3/4-inch .....	\$3.00

NOTE: This surcharge is in addition to the regular charge of the \$120.00 per 3/4-inch service connection, per year. The total monthly surcharge must be identified on each bill. This surcharge is specifically for the repayment of the California Safe Drinking Water Bond Act loan as authorized by Decision No. (a).

(a) Insert Decision Number in Application No. 58816 before filing tariff.

(N)  
|  
(N)

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Sierra Lakes Tariff Area

Schedule No. SL - 1A

ANNUAL GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service furnished on an annual basis.

TERRITORY

Sierra Lakes Tracts and vicinity, southeast of Oakhurst, Madera County.

RATES

Monthly Quantity Rates:

	<u>Per Meter Per Month</u>
First 600 cu. ft., or less .....	\$7.75
Next 1,400 cu. ft., per 100 cu. ft. ....	.70
Next 4,000 cu. ft., per 100 cu. ft. ....	.55
Over 6,000 cu. ft., per 100 cu. ft. ....	.40

Per Meter  
Per Year

Annual Minimum Charge:

For 5/8 - x 3/4-inch meter .....	\$ 93.00
For 3/4-inch meter .....	140.00
For 1-inch meter .....	210.00

The Annual Minimum Charge will entitle the customer to the quantity of water each month which one-twelfth of the annual minimum charge will purchase at the Monthly Quantity Rates.

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Sierra Lakes Tariff Area

Schedule No. SL - 1A (Continued)

ANNUAL GENERAL METERED SERVICE

METERED SERVICE SURCHARGE

<u>Size of Meter</u>	<u>Surcharge Per Meter Per Month</u>
For 5/8 x 3/4 inch .....	\$0.85
For 3/4 inch .....	.85
For 1 inch .....	1.45
For 1 1/2 inch .....	2.85
For 2 inch .....	4.55

(N)

NOTE: This surcharge is in addition to the regular monthly metered water bill. The total monthly surcharge must be identified on each bill. This surcharge is specifically for the repayment of the California Safe Drinking Water Bond Act loan authorized by Decision No. (a).

(N)

(a) Insert Decision Number in Application No. 58816 before filing tariff.

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Sierra Lakes Tariff Area

Schedule No. SL - 2AR

ANNUAL RESIDENTIAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate residential water service furnished on an annual basis.

TERRITORY

Sierra Lakes Tracts and vicinity, southeast of Oakhurst, Madera County.

RATES

	<u>Per Service Connection</u>
Annual Minimum	
For a single-family residential unit, including premises .....	\$108.00
Monthly Charges	
a. For each additional single-family residential unit on the same premises and served from the same service connection .....	6.25
b. For each 1,000 sq. ft. of premises in excess of 20,000 sq. ft. ....	.10

FLAT RATE SERVICE SURCHARGE

<u>Size of Service</u>	<u>Surcharge Per Service Connection Per Month</u>
3/4-inch .....	\$0.85

NOTE: This surcharge is in addition to the regular charge of \$108.00 per 3/4-inch service connection, per year. The total monthly surcharge must be identified on each bill. This surcharge is specifically for the repayment of the California Safe Drinking Water Bond Act loan as authorized by Decision No. \_\_\_\_\_ (a).

(a) Insert Decision Number in Application No. 58816 before filing tariff.

(N)

(N)

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Coarsegold-Highlands Tariff Area  
Schedule No. CH - 1A

ANNUAL GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service furnished on an annual basis.

TERRITORY

Coarsegold Highlands, and vicinity, 3 miles south of Coarsegold,  
Madera County.

RATES

		<u>Per Meter</u> <u>Per Month</u>
Monthly Quantity Rates:		
First	500 cu. ft., or less .....	\$6.50
Next	1,000 cu. ft., per 100 cu. ft. ....	.50
Next	4,500 cu. ft., per 100 cu. ft. ....	.40
Over	6,000 cu. ft., per 100 cu. ft. ....	.30
		<u>Per Meter</u> <u>Per Year</u>
Annual Minimum Charge:		
For	5/8 x 3/4-inch meter .....	\$ 78.00
For	3/4-inch meter .....	96.00
For	1-inch meter .....	132.00
For	1 1/2-inch meter .....	216.00
For	2-inch meter .....	288.00

The Annual Minimum Charge will entitle the customer to the quantity of water each month which one-twelfth of the annual minimum charge will purchase at the Monthly Quantity Rates.

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Coarsegold-Highlands Tariff Area

Schedule No. CH - 1A (Continued)

ANNUAL GENERAL METERED SERVICE

METERED SERVICE SURCHARGE

	<u>Size of Meter</u>	<u>Surcharge Per Meter Per Month</u>
For	5/8 x 3/4 inch .....	\$1.60
For	3/4 inch .....	1.60
For	1 inch .....	2.75
For	1 1/2 inch .....	5.30
For	2 inch .....	8.50

(N)

NOTE: This surcharge is in addition to the regular monthly metered water bill. The total monthly surcharge must be identified on each bill. This surcharge is specifically for the repayment of the California Safe Drinking Water Bond Act loan authorized by Decision No. \_\_\_\_\_ (a).

(N)

(a) Insert Decision Number in Application No. 58816 before filing tariff.



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Coarsegold-Highlands Tariff Area

Schedule No. CH - 2AR

ANNUAL RESIDENTIAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate residential water service furnished on an annual basis.

TERRITORY

Coarsegold Highlands, and vicinity, 3 miles south of Coarsegold, Madera County.

RATES

	<u>Per Service Connection Per Year</u>
For a single-family residential unit, including premises .....	\$96.00
For each additional single-family residential unit on the same premises and served from the same service connection.....	48.00

FLAT RATE SERVICE SURCHARGE

<u>Size of Service</u>	<u>Surcharge Per Service Connection Per Month</u>	(N)
3/4-inch .....	\$1.60	

NOTE: This surcharge is in addition to the regular charge of \$96.00 per 3/4-inch service connection, per year. The total monthly surcharge must be identified on each bill. This surcharge is specifically for the repayment of the California Safe Drinking Water Bond Act loan as authorized by Decision No. (a).

(a) Insert Decision Number in Application No. 58816 before filing tariff.

(N)