

**ORIGINAL**Decision No. 92111 AUG 19 1980

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application )	
of California Water Service Company, )	
a corporation, for an Order )	Application No. 58095
authorizing it to increase rates )	(Filed May 25, 1978)
charged for water service in the )	
Oroville District. )	

OPINION AND ORDER ON MODIFICATION


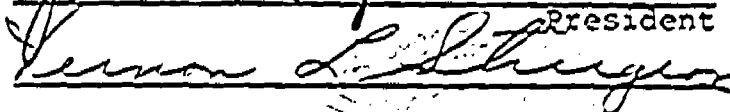
The Commission on June 19, 1979 issued Decision No. 90490 in this application. This decision provided rate increases, which included step rates extending into calendar year 1981. The 1981 step increase was designed to include an allowance for both operational and financial attrition. However, because of an omission, the calculation of the amount of attrition actually justified by the evidence was understated. As a result, Tables I and II, Finding 4, and Appendix B of that decision were erroneous. Corrected tables and Finding 4 are set forth in Appendix A to this decision, showing both the original figures (stricken) and the corrected numbers. Appendix B is a substitute for the 1981 tariff sheet which was Appendix B to the original decision.

As a result of this error, we find that Finding 4 and Appendix B of Decision No. 90490 did not reflect our intent and that our original intent is set forth in the corrected tables and finding set forth in Appendix A to this order. We conclude that Appendix B to this decision should be substituted for Appendix B of Decision No. 90490.

IT IS HEREBY ORDERED that Finding 4 and Tables I and II of Decision No. 90490 are corrected as shown in Appendix A and that Appendix B, Page 1 of 2, to this decision is hereby substituted for Appendix B, Page 1 of 2, of Decision No. 90490; all other requirements, terms, and conditions of that decision shall remain in full force and effect.

The effective date of this order shall be thirty days after the date hereof.

Dated           AUG 19 1980          , at San Francisco, California.

  
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President  
  
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Commissioners

Commissioner Richard D. Gravoille, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A  
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TABLE I  
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OROVILLE DISTRICT  
COMPARISON OF MONTHLY RATES

General Metered Service	Present* Rates	Proposed Rates†			Adopted Rates			Corrected 1981
		1979	1980	1981	1979	1980	1981	
<b>Service Charges:</b>								
For 5/8 x 3/4-inch meter .....	\$ 7.14	\$ 9.10	\$ 9.35	\$10.20	\$ 7.20	\$ 7.45	\$ 7.60	\$ 7.70
For 3/4-inch meter .....	7.84	11.00	11.75	13.50	10.30	10.70	10.90	11.05
For 1-inch meter .....	10.72	15.00	16.00	18.30	14.00	14.60	14.90	15.00
For 1 1/4-inch meter .....	14.99	21.00	22.50	26.00	19.00	20.00	21.00	
For 2-inch meter .....	19.27	27.00	29.00	31.00	25.00	26.00	27.00	
For 3-inch meter .....	35.73	50.00	54.00	61.00	47.00	48.00	50.00	
For 4-inch meter .....	48.63	68.00	73.00	84.00	63.00	66.00	69.00	
For 6-inch meter .....	80.79	113.00	120.00	139.00	105.00	110.00	113.00	
For 8-inch meter .....	120.10	161.00	180.00	206.00	157.00	163.00	168.00	
For 10-inch meter .....	148.69	208.00	222.00	255.00	194.00	202.00	209.00	
<b>Quantity Rates:</b>								
For the first 300 cu.ft., per 100 cu.ft. ....	0.320	0.390	0.400	0.436	0.400	0.415	0.424	.0428
For the next 200 cu.ft., per 100 cu.ft. ....	.320	.529	.543	.589	.480	.499	.515	.520
For the next 29,500 cu.ft., per 100 cu.ft. ....	.332	.529	.543	.589	.480	.499	.515	.520
For all over 30,000 cu.ft., per 100 cu.ft. ....	.332	.362	.371	.407	.418	.433	.438	.444

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

\* From tariff sheet 2137-W, effective August 27, 1978.

† Set forth in applicant's Exhibit 41-0, Page 1, which reflects rates set forth in application minus the reductions effected by Advice Letter 630.

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TABLE I  
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GROVILLE DISTRICT  
COMPARISON OF MONTHLY RATES

<u>Residential Flat Rate Service</u>	<u>Present*</u> <u>Rates</u>	<u>Proposed Rates†</u>			<u>Adopted Rates</u>			<u>Corrected</u>	
		<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1981</u>	<u>1981</u>
<u>With premises of:</u>									
6,000 sq.ft. or less .....	\$14.51	\$18.74	\$19.24	\$21.04	\$18.00	\$18.65	\$19.00	\$19.20	
6,001 to 10,000 sq.ft. ....	16.17	21.05	21.65	23.65	20.00	20.70	21.15	21.35	
10,001 to 16,000 sq.ft. ....	19.44	26.08	26.98	29.48	24.00	24.90	25.50	25.75	
16,001 to 25,000 sq.ft. ....	24.06	31.73	32.93	36.03	30.00	31.00	31.70	32.00	
Each additional unit .....	8.43	11.16	11.56	12.66	10.50	10.90	11.15	11.25	
<u>Limited Flat Rate Service</u>									
Single irrigation customer .....	5.12	6.71	6.91	7.54	6.50	6.70	6.90		
<u>Irrigation Service</u>									
All use, per Miner's Inch Day ..	0.51	0.62	0.64	0.69	0.59	0.60	0.61		

\* From tariff sheets 2138-W, 1576-W, and 1577-W, effective August 27, 1978, January 4, 1976, and January 4, 1976, respectively.

† Set forth in applicant's Exhibit 41-0, Page 2, which reflects rates set forth in the application minus the reductions effected by Advice Letter 630.

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TABLE II

COMPARISON OF MONTHLY CHARGES

<u>Item</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>Corrected 1981</u>
<u>Average Commercial Customer</u>				
Present Rates, Monthly Charge	\$ 14.72	\$ 14.72	\$ 14.72	\$
Rates Proposed at Hearing:				
Monthly Charge	20.85	21.41	23.29	
Increase Over Present Rates:				
Amount	6.13	6.69	8.57	
Percent	41.6%	45.4%	58.2%	
Rates Adopted:				
Monthly Charge	\$ 18.00	\$ 18.68	\$ <del>19.17</del>	19.38
Increase Over Present Rates:				
Amount	3.28	3.96	4.45	4.66
Percent	22.3%	26.9%	<del>30.2%</del>	31.7%
<u>Average Industrial Customer</u>				
Present Rates:				
Monthly Charge	\$ 918.08	\$ 918.08	\$ 918.08	
Rates Proposed at Hearing:				
Monthly Charge	1,065.76	1,095.82	1,204.07	
Increase Over Present Rates:				
Amount	147.68	177.74	285.99	
Percent	16.1%	19.4%	31.2%	
Rates Adopted:				
Monthly Charge	\$1,176.10	\$1,219.58	\$1,232.95	1,254.36
Increase Over Present Rates:				
Amount	258.02	301.50	<del>320.87</del>	336.28
Percent	28.1%	32.8%	<del>35.0%</del>	36.6%
<u>Average Flat-Rate Customer</u>				
Present Rates:				
Monthly Charge	\$ 16.17	\$ 16.17	\$ 16.17	
Rates Proposed at Hearing:				
Monthly Charge	21.05	21.65	23.65	
Increase Over Present Rates:				
Amount	4.88	5.48	7.48	
Percent	30.2%	33.9%	46.3%	
Rates Adopted:				
Monthly Charge	\$ 20.00	20.70	<del>21.15</del>	21.35
Increase Over Present Rates:				
Amount	3.83	4.53	4.98	5.18
Percent	23.7%	28.0%	<del>30.8%</del>	32.0%

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FINDING 4

4. Rates of return of 10.08, 10.27, and 10.43 percent, respectively, on applicant's rate base for 1979, 1980, and 1981 are reasonable. The related return on common equity each year is 13.0 percent. This will require an increase of \$182,500, or 24.0 percent, in annual revenues for 1979; a further increase of \$34,600, or 3.6 percent, for 1980; and a further increase of \$32,700, or 3.3 percent, for 1981.

APPENDIX B  
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Oroville Tariff Area

AUTHORIZED INCREASE IN RATES

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 rates which would otherwise be in effect on that date.

<u>Metered Service</u>	<u>Rates to be Effective</u>	
	<u>1-1-80</u>	<u>1-1-81</u>
<u>Service Charge:</u>		
5/8 x 3/4-inch meter .....	\$ .25	\$ .25
3/4-inch meter .....	.40	.35
1-inch meter .....	.60	.40
1 1/2-inch meter .....	1.00	1.00
2-inch meter .....	1.00	1.00
3-inch meter .....	1.00	2.00
4-inch meter .....	3.00	3.00
6-inch meter .....	5.00	3.00
8-inch meter .....	6.00	5.00
10-inch meter .....	8.00	7.00
<u>Quantity Rates:</u>		
For the first 300 cu.ft., per 100 cu.ft.	.015	.013
For the next 29,700 cu.ft., per 100 cu.ft.	.019	.021
For all over 30,000 cu.ft., per 100 cu.ft.	.015	.011