HAIL DATE 2/8/96

Decision 96-02-025

L/afm

February 7, 1996

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Joseph F. McDonald,

Complainant,

Case No. 94-08-056

V8.

San Jose Water Company,

Defendant.

ORDER DENYING REHEARING OF D.95-02-081

Joseph McDonald has applied for rehearing of D.95-02-081 which denied McDonald's complaint for rate refunds from San Jose Water Company (SJWC). McDonald had filed a complaint asserting that SJWC had installed a 1-1/2 inch water meter when his house was being built and that there was no need for a meter of that size and no justification for the rates he had been paying.

On May 27, 1994 McDonald was notified that his monthly service charge of \$27.50 would be reduced to \$12.60, a reduction of slightly more than 54%. San Jose had filed a request for Commission authority to lower its rates to the 110 of its customers (including McDonald) which had 1-1/2 inch meters because of municipal requirements for automatic sprinklers.

SJWC's purpose had been to install sufficient capacity to serve a simultaneous demand for fire hydrant and house sprinkler flow. Sprinklers become extra water outlets when activated. They require added water volumes to meet the need for a water spray. C.94-08-056 L/afm

In San Jose Water Company Resolution No. W-3842 We stated:

> "SJWC has residential customers with automatic fire suppression sprinkler systems in their houses. These fire sprinklers require a large flow on a standby basis in the event of fire, but for normal use only the standard flow is required. The typical residential meter size is not adequate to meet the increased demand when sprinklers operate." (San Jose Water Co. Resolution No. W-3842 p. 1, April 6, 1994.)

The application for rehearing does not specify any legal ground as to why Decision 95-02-081 is unlawful. As explained in the decision SJWC has followed its lawful tariffs applicable to the time period involved. A retroactive refund is not justified. (See D.94-09-050 which concludes that a retroactive refund is not appropriate when there has been no tariff violation.)

The Commission has reviewed each and every allegation of the application for rehearing.

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Therefore, IT IS ORDERED that the application for rehearing of Decision 95-02-081 is denied.

This order is effective today.

Dated February 7, 1996, at San Francisco, California.

DANIEL WM. FESSLER President P. GREGORY CONLON JESSIE J. KNIGHT, JR. HENRY M. DUQUE JOSIAH L. NEBPER Commissioners