

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Copy for:

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to Executive Director

RESOLUTION NO. W-3316

EVALUATION & COMPLIANCE DIVISION  
BRANCH/SECTION: Water Utilities  
DATE: May 28, 1986

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Director  
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Numerical File  
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Accounting Officer

R E S O L U T I O N

ANTELOPE VALLEY WATER COMPANY (AVWC), NORTH EDWARDS  
DISTRICT. ORDER AUTHORIZING AN OFFSET RATE INCREASE  
PRODUCING \$660 OR 1.0% ADDITIONAL ANNUAL REVENUE.

By Advice Letter No. 72, filed March 31, 1986, AVWC requests authority under Section VI of General Order 96-A, and Section 454 of the Public Utilities Code to increase rates to offset: (1) a \$436 increase in purchased power costs, (2) a \$214 increase in property taxes, and (3) \$10 in related increases in uncollectibles. AVWC serves about 200 metered customers in the community of North Edwards in Kern County.

The present rates became effective on March 27, 1984 pursuant to Resolution No. W-3173 which authorized a general rate increase. This offset increase will not result in a rate of return greater than last authorized.

Since the increase caused by changes in the cost of purchased power is related to water consumption, it is applied to the quantity blocks for metered customers. The 25% lifeline differential has been met in prior increases since January 1, 1976, therefore, increases are applied to all quantity blocks. The rates for the first 300 Ccf were increased by \$0.013 per Ccf and the rates above 300 Ccf by \$0.014 per Ccf. The increase caused by changes in property taxes, which are fixed and not related to water consumption, is applied to the service charge. For the average metered residential customer, the service charge will increase by \$0.05 per month.

The Water Utilities Branch (Branch) has reviewed the latest pump efficiency tests and found them satisfactory.

AVWC has given public notice of the request for increase by publishing in the local newspaper on April 2, 1986. No customer protests or correspondence have been received.

Service is satisfactory. There are no Commission orders requiring system improvement, nor are there significant service problems requiring corrective action.

The table below shows typical bills for residential customers at various usage levels at present and proposed rates:

General Metered Service (5/8 x 3/4-inch meters)

<u>Monthly Usage</u>	<u>Present Rates</u>	<u>Proposed Rates</u>	<u>Percent Increase</u>
300 cu.ft.	\$ 8.40	\$ 8.48	1.0
1,000	17.92	18.11	1.0
2,000	31.52	31.85	1.0
3,000	45.12	45.59	1.0
4,000	58.72	59.33	1.0
5,000	72.32	73.07	1.0

After investigation by the Branch, the Commission finds that the requested rate increase is reasonable, and to the extent provided by the following resolution is justified. AVWC is directed to establish balancing accounts as required by Public Utilities Code Section 792.5.

THE COMMISSION FINDS that the increased rates hereby authorized are justified and that the present rates are for the future, unjust and unreasonable.

IT IS RESOLVED that Antelope Valley Water Company is authorized, on the effective date herein, to make effective revised Schedule No. NE-1 attached to Advice Letter No. 72 and to cancel the presently effective rate schedule for water service.

This resolution is effective today.

I certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on May 28, 1986. The following Commissioners approved it:

DONALD VIAL  
President  
VICTOR CALVO  
PRISCILLA C. GREW  
FREDERICK R. DUDA  
STANLEY W. HULETT  
Commissioners

*Howard A. Sarasohn*  
Howard A. Sarasohn  
Acting Executive Director