

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION
Water Utilities Branch

RESOLUTION NO. W-3397
June 8, 1988

R E S O L U T I O N

(RES. W-3397) JENSEN WATER COMPANY (JWC). ORDER
AUTHORIZING AN OFFSET RATE INCREASE PRODUCING
\$422 or 0.78% ADDITIONAL ANNUAL REVENUE.

By Advice Letter No. 17 filed May 6, 1988, JWC requests authority under Section VI of General Order 96-A and Section 454 of the Public Utilities Code to increase rates to offset increases in depreciation expense, property taxes, return on rate base, and income taxes associated with a \$2,408 increase in plant for the installation of production measuring devices. Ordering Paragraph 6 of Resolution No. W-3360, issued May 13, 1987, authorized the filing of an advice letter to offset costs associated with the installation of such devices at each source of supply. JWC serves 351 meter rate customers in Cabazon, Riverside County.

The present rates became effective May 13, 1987 pursuant to Resolution No. W-3360 which authorized a general rate increase, found a rate of return on rate base of 10.50% for 1986 reasonable, and ordered JWC to comply with General Order 103, "Rules Governing Water Service Including Minimum Standards for Design and Construction" by installing a suitable measuring device or otherwise determining production at each source of supply. The Water Branch subsequently inspected JWC's system and confirmed that measuring devices have been installed as ordered. This offset will not result in a rate of return greater than last authorized.

JWC notified its customers of the proposed increase by bill insert on April 25, 1988. No protests or other customer correspondence were received.

JWC's service is satisfactory. Its multiple sources of water and large storage facility together provide ample water supply, and all customers are metered. No additional water conservation measures are needed at this time.

JWC serves 351 metered customers of whom 350 have 5/8 x 3/4-inch meters and 1 has a 2-inch meter.

The present rates have been in effect since June 16, 1987. A comparison of present and proposed rates is shown below:

General Metered Service

<u>Quantity Rates</u>	<u>Per Meter Per Month</u>	
	<u>Present Rates</u>	<u>Proposed Rates</u>
All water, per 100 cu.ft.	\$ 0.81	\$ 0.81
<u>Service Charge</u>		
For 5/8 x 3/4-inch meter	\$ 4.70	\$ 4.80
For 3/4-inch meter	5.15	5.30
For 1-inch meter	7.05	7.20
For 1-1/2-inch meter	9.40	9.60
For 2-inch meter	12.70	12.95
For 3-inch meter	23.50	24.00

At the proposed rates, the monthly bill for the average metered customer using 1,000 cubic feet will increase from \$12.80 to \$12.90 per month or 0.78%.


THE COMMISSION FINDS that the requested rate increase is justified, and the resulting rates hereby authorized are reasonable.

IT IS ORDERED that Jensen Water Company is authorized, on the effective date herein, to make effective revised Schedule No. 1 attached to Advice Letter No. 17 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 June 8, 1988. The following commissioners approved it:

STANLEY W. HULETT
President
DONALD VIAL
FREDERICK R. DUDA
C. MITCHELL WILK
JOHN B. OHANIAN
Commissioners



VICTOR R. WEISSNER
Executive Director