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FUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION
Water Utilities Branch

RESOLUTION NO. W-3400
June 8, 1988

RESOLUTION

(RES. W-3400) PONDEROSA WATER COMPANY (PWC). ORDER AUTHORIZING
A COLLECTION CHARGE OF \$10.00 PURSUANT TO DECISION 83-06-065
FOR THE COST OF MAKING A VISIT TO A CUSTOMER'S PREMISES TO
DISCONNECT SERVICE FOR NONPAYMENT OF A BILL.

PWC, by Advice Letter No. 39 filed on May 16, 1988, requested authority to add Section B.1.k to Tariff Rule No. 11 for the imposition of a collection charge of \$10.00 when its representative makes a call to a customer's premises to discontinue water service for nonpayment of a bill and, to avoid discontinuance of service, the customer pays in full. PWC serves about 390 customers near Tuolumne in Tuolumne County.

Ordering Paragraph #3 of Decision (D.) 83-06-065, dated June 15, 1983, in Order Instituting Rulemaking OIR-7 authorized the following for all water utilities:

"The following paragraph may be added to Rule No. 11, Discontinuance and Restoration of Service, as Section B.1.k by separate advice letter filing approved by the Commission justifying the collection charge included therein:

- "1. For Nonpayment of Bills
 - k. The utility may require payment of a collection charge of \$ ___ when Utility's representative makes a call to a customer's premises to discontinue service for nonpayment of a bill and, to avoid discontinuance of service, the customer makes payment in full."

On April 12, 1988 the Water Utilities Branch (Branch) received PWC's draft advice letter and workpaper supporting a \$15.10 collection charge. After reviewing PWC's submittal, the Branch proposed reductions in some components of PWC's proposed charge including office time and expense, vehicle expense, and

overheads. PWC accepted the Branch's suggestions and submitted Advice Letter No. 39 requesting a charge of \$10.00. PWC had already mailed a notice to its customers advising them that it was proposing a \$16.10 (not \$15.10) charge.

PWC's notice was mailed to its customers on March 30 and 31, 1988. No protests or correspondence have been received.

The Branch recommends that Advice Letter No. 39 reflecting a \$10.00 collection charge be approved.

THE COMMISSION FINDS that the collection charge of \$10.00 proposed in Advice Letter No. 39 meets the requirements of D.83-06-065, is justified and reasonable, and should be approved.

IT IS ORDERED that:

1. Ponderosa Water Company, Inc. is authorized to add Section B.1.k to Tariff Rule No. 11, as requested in Advice Letter No. 39, requiring payment of a collection charge of \$10.00 when its representative makes a call to a customer's premises to discontinue service for nonpayment of a bill and, to avoid discontinuance of service, the customer makes payment in full. The effective date of revised Rule No. 11 shall be the same as the effective date of this resolution.

2. 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
G. MITCHELL WILK
JOHN B. OHANIAN
Commissioners



VICTOR R. WEISSER
Executive Director