

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION
Water Utilities BranchRESOLUTION NO. W-3479
January 9, 1990

R E S O L U T I O N

(RES. W-3479) NISH WATER SYSTEM (NWS). ORDER
AUTHORIZING AN OFFSET RATE INCREASE PRODUCING
\$2,384 OR 4.78% ADDITIONAL ANNUAL REVENUE.

By Advice Letter No. 17 filed December 7, 1989, NWS 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 \$2,405 increase in plant for the installation of production measuring devices (\$404 additional annual revenue requirement), and (2) a \$1,980 increase in water testing costs (\$1,980 additional annual revenue requirement). NWS serves 384 flat rate customers in an unincorporated area located one mile north of the City of Visalia, Tulare County.

The present rates became effective February 24, 1988, pursuant to Resolution No. W-3387 dated February 24, 1988, which authorized a general rate increase, found a rate of return on rate base of 10.50% for 1987 reasonable, and ordered NWS 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 Branch subsequently inspected NWS's system and confirmed that measuring devices have been installed as ordered. The Branch examined NWS's workpapers submitted with the draft of the Advice Letter and determined that \$1,980 is the proper amount for the increase in water testing costs. This offset will not result in a rate of return greater than last authorized.

NWS notified its customers of the proposed increase by a separate mailing on December 5, 1989. One letter of protest has been received blaming the slow delivery of the notice to customer on NWS. Branch believes the slow delivery was the result of the U.S. Postal Service and not NWS.

NWS's service is satisfactory. There are no outstanding Commission orders requiring system improvements.

NWS's multiple sources of water and boosting facility together provide ample water supply. No additional water conservation measures are needed at this time.

Since the entire amount of the increase is not dependent on the quantity of water used, the entire increase is applied to the service charge part of metered rates and to the flat rate charges as a constant percentage increase.

There are no metered customers presently; however, NWS maintains a metered schedule which enables NWS to meter a customer should there be need to do so.

A comparison of present and proposed rates is shown below:

General Metered Service

	<u>Per Meter Per Month</u>	
	<u>Present Rates</u>	<u>Proposed Rates</u>
<u>Quantity Rates:</u>		
All water, per 100 cu.ft.	\$ 0.31	\$ 0.31
<u>Service Charge:</u>		
For 5/8 x 3/4-inch meter	4.40	4.60
For 3/4-inch meter	5.80	6.10
For 1-inch meter	8.90	9.30
For 1-1/2-inch meter	15.50	16.25
For 2-inch meter	23.80	25.00

Residential Flat Rate Service

	<u>Per Service Connection Per Month</u>	
	<u>Present Rates</u>	<u>Proposed Rates</u>
For each single-family residential unit including premises not exceeding 8,000 sq.ft. in area.	\$10.00	\$10.50
For each additional 100 sq.ft. of premises in excess of 8,000 sq.ft.	0.068	0.07

At the proposed rates, the monthly bill for the single-family flat rate customer will increase from \$10.00 to \$10.50 per month or 5.0%.

After investigation by the Water Utilities Branch, the Commission finds that the requested rate increase hereby authorized is justified, and that the resulting rates are reasonable.

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

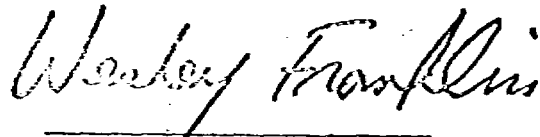
IT IS ORDERED that Nish Water System is authorized, on the effective date herein, to make effective revised Schedules Nos. 1, 2R, UF, the Title Page, and the Table of Contents attached to Advice Letter No. 17 and to cancel the presently effective rates schedules for water service.

This resolution is effective today.

I certify that this resolution was adopted by the Public Utilities Commission at its regular meeting on January 9, 1990. The following commissioners approved it:

G. MITCHELL WILK
President
FREDERICK R. DUDA
JOHN B. OHANIAN
PATRICIA M. ECKERT
Commissioners

Commissioner Stanley W. Hulett,
being necessarily absent, did
not participate.



Wesley Franklin
Acting Executive Director

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION
Water Utilities Branch

RESOLUTION NO. W-3478
January 9, 1990

R E S O L U T I O N

(RES. W-3478) CALIFORNIA-AMERICAN WATER COMPANY (CAL-AM),
CORONADO DISTRICT. ORDER AUTHORIZING AN OFFSET RATE
INCREASE PRODUCING \$116,907 OR 1.68% ADDITIONAL ANNUAL
REVENUE.

By Advice Letter No. 330, filed November 13, 1989, Cal-Am requests authority under Section VI of General Order 96-A and Section 454 of the Public Utilities Code to increase rates for water service to offset: (1) a \$116,383 increase in purchased water costs, and (2) \$524 in related increases in uncollectibles. Cal-Am serves about 19,570 metered services in the communities of Coronado, Imperial Beach, and portions of San Diego, and vicinity, San Diego County.

The present rates became effective on April 12, 1989 pursuant to a Commission authorized Advice Letter No. 319, dated February 25, 1989. The latest Commission general rate increase decision for this district is Decision No. 87-03-030, issued March 6, 1987, in which the Commission found rates of return on rate base of 10.89% for 1987 and 10.94% for 1989 reasonable, with a 13.00% constant return on equity.

Effective January 1, 1990, the City of San Diego, Cal-Am's water supplier, will increase the purchased water costs from \$256.13 per acre-foot to \$265.35 per acre-foot.

Since the increase is primarily the result of changes in the costs of purchased water which is related to water consumption, it is applied to the quantity block for metered services. The quantity rates will be increased by \$.0219 per Ccf (One Ccf equals one hundred cubic feet). No rate changes are proposed for the service charges or the flat rate fire protection services because those charges are related to the availability rather than the use of water.

Cal-Am's Coronado District water distribution is operated by the City of San Diego through its pressure stations. No utility-owned pump is needed in this water system.

Cal-Am has given public notice of this increase request by publishing in the local newspaper on December 7, 1989. No protest or correspondence has been received.

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

Cal-Am has a variety of programs designed to promote water conservation including printed brochures, movies, advertising, and community conservation awareness measures.

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

<u>General Metered Service (5/8 x 3/4-inch meters)</u>			
<u>Monthly Usage</u>	<u>Present Rates</u>	<u>Proposed Rates</u>	<u>Percent Increase</u>
300 cu. ft.	\$ 6.93	\$ 7.00	1.01%
500	8.95	9.06	1.23
1,000	14.00	14.22	1.57
1,450 (avg.)	18.55	18.87	1.73
2,000	24.10	24.54	1.83
3,000	34.21	34.86	1.90
5,000	54.41	55.51	2.02
10,000	104.92	107.11	2.09

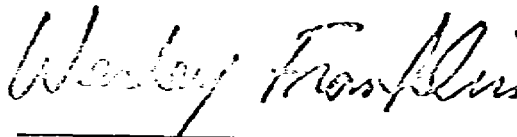
After investigation by the Water Utilities Branch, the Commission finds that the requested rate increase hereby authorized is justified, and that the resulting rates are reasonable. Cal-Am is directed to maintain its balancing account as required by Public Utilities Code 792.5.

IT IS ORDERED that California American Water Company is authorized, on the effective date herein, to make effective revised Schedule Nos. CO-1, CO-4, CO-4H, and CO-6 attached to Advice Letter No. 330 and to cancel the presently effective rate schedules 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 January 9, 1990. The following Commissioners approved it:

G. MITCHELL WILK
President
FREDERICK R. DUDA
JOHN B. OHANIAN
PATRICIA M. ECKERT
Commissioners



WESLEY FRANKLIN
Acting Executive Director

Commissioner Stanley W. Hulett,
being necessarily absent, did
not participate.