

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION
Water Utilities BranchRESOLUTION NO. W-3484
February 23, 1990

R E S O L U T I O N

(RES. W-3484) ROGINA WATER COMPANY, INC. (RWC)
ORDER AUTHORIZING AN OFFSET RATE INCREASE PRODUCING
\$13,505 OR 6.1% ADDITIONAL ANNUAL REVENUE.

By Advice Letter No. 25, filed January 16, 1990, RWC 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 \$7,495 increase due to an undercollection in the purchased power balancing account, (2) a \$5,151 increase due to an undercollection in the ad valorem tax balancing account, and (3) a \$859 increase due to an undercollection in the postage balancing account. RWC serves about 750 metered customers in Talmage, near Ukiah, in Mendocino County.

The present rates became effective on June 1, 1987 pursuant to Decision 87-05-025 which granted a general rate increase of \$44,498 or 25.4% in additional annual revenues and also ordered RWC to establish balancing accounts for purchased power, ad valorem taxes, and postage. In the above mentioned decision, the Commission found a rate of return on rate base of 12.00% reasonable for 1987. The requested increase would not result in a rate of return greater than last authorized for RWC.

Since the \$7,495 increase related to purchased power is dependent on the quantity of water used, it is applied to the quantity charge portion of metered rates. Since the \$5,151 increase related to ad valorem taxes and the \$859 increase related to postage are not dependent on the quantity of water used, they are applied to the service charge portion of metered rates and also to the flat rate for private fire protection service and for tank service.

RWC has given public notice of the request for increase by publishing in the local newspaper on December 19, 1989. No customer protests or correspondence have been received.

RWC's wells are in good condition and there is an adequate water supply. No additional conservation measures are needed.

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>
0 cu.ft.	\$ 7.00	\$ 7.35	5.0%
300	9.01	9.47	5.2
1,000	13.70	14.43	5.3
1,500	17.05	17.97	5.4
2,000	20.40	21.51	5.4
2,100 (avg.)	21.07	22.22	5.5
3,000	27.10	28.54	5.5
5,000	40.50	42.75	5.6


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. RWC is directed to maintain its balancing accounts as required by Public Utilities Code Section 792.5.

IT IS ORDERED that Rogina Water Company is authorized, on the effective date herein, to make effective revised Schedule Nos. 1, 3M, 4, and 9TS attached to Advice Letter No. 25 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 February 23, 1990. The following commissioners approved it:

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


NEAL J. SHULMAN
Executive Director