

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION  
Water Utilities BranchRESOLUTION NO. W-3584  
July 2, 1991

## R E S O L U T I O N

(RES. W-3584), CALIFORNIA WATER SERVICE COMPANY (CWS),  
BEAR GULCH DISTRICT. ORDER AUTHORIZING AN OFFSET RATE  
INCREASE PRODUCING ADDITIONAL ANNUAL REVENUES OF  
\$1,106,800 OR 12.3%.

BACKGROUND

By Advice Letter 1191, filed May 30, 1991, CWS requested authority under Section VI of General Order 96-A to increase rates for water service for its Bear Gulch District to offset: (1) a \$1,053,000 increase in purchased water expense, (2) a \$37,900 increase in purchased power expense, (3) a \$7,500 increase in postage expense, (4) a \$1,000 decrease in ad valorem taxes, and (5) a \$9,400 increase in franchise and uncollectibles. CWS serves about 16,912 metered and flat rate customers in its Bear Gulch District.

The present rates for the Bear Gulch District became effective on January 1, 1991, pursuant to Decision No. 90-03-007, dated March 13, 1990.

DISCUSSION

The offset increase requested herein is for the purpose of recovering in rates the changes in expenses that have occurred since the present rates became effective. This rate increase will not result in a return greater than that previously authorized.

The requested expense offset will result in a 16.16% increase in the quantity rates. The service charge will not change.

The reason for the \$1,053,000 increase in purchased water costs is an increase in the rates the San Francisco Water Department charges CWS's Bear Gulch District. The cost of water has been increased from \$0.5444 to \$0.73 per Ccf.

To ensure that purchased power is being used economically, the Water Utilities Branch (Branch) reviewed the latest pump efficiency tests for this district and found the results to be satisfactory.

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

To promote water conservation, CWS has established water conservation programs in the Bear Gulch District which include leak repair and main replacement programs, conservation brochures, bill inserts, water kit distributions, paid conservation advertisements and conservation displays in the office.

July 2, 1991

At the proposed rates, the typical residential customer's bill will increase from \$39.24 to \$44.34 per month or 13.0% for an average use of 2,400 cubic feet.

PROTESTS

CWS has sent each customer a notice of this increase because it is over 10%. No protests have been received.

FINDINGS

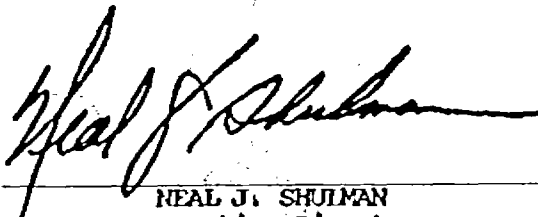
THE COMMISSION FINDS, after investigation by the Branch, that the rate increase hereby authorized is justified, and the resulting rate is just and reasonable.

IT IS ORDERED that:

1. California Water Service Company is authorized, five days after the effective date herein, to make effective revised Schedule No. BG-1, General Metered Service, as attached to Advice Letter No. 1191 and to cancel the presently effective Schedule No. BG-1.
2. California Water Service Company is directed to maintain its balancing account as required by Public Utilities Code Section 792.5.
3. This resolution is effective today.

I certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on July 2, 1991. The following Commissioners approved it:

PATRICIA M. ECKERT  
President  
G. MITCHELL WILK  
JOHN B. OHANIAN  
DANIEL Wm. FESSLER  
NORMAN D. SHUMWAY  
Commissioners

  
NEAL J. SHUMAN  
Executive Director