

RETURN TO
WATER UTILITIES BRANCH
SAN FRANCISCO OFFICE

CA-29

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION
Water Utilities Branch

RESOLUTION NO. W-3637
March 31, 1992

RESOLUTION

(RES. W-3637), SOUTHERN CALIFORNIA WATER COMPANY (SCWC),
BAY DISTRICT. ORDER AUTHORIZING AN OFFSET RATE INCREASE
PRODUCING \$220,300 OR 8.20% ADDITIONAL ANNUAL REVENUE.

BACKGROUND

By Advice Letter 868-W filed February 21, 1992, SCWC 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 \$209,800 increase in purchased water costs, (2) a \$6,500 increase in purchased power expense, and (3) a corresponding \$4,000 increase in uncollectibles and franchise requirements. The total of these offsets is \$220,300. SCWC serves approximately 4,980 metered customers in Contra Costa County.

The present rates became effective on June 10, 1991, pursuant to Resolution No. W-3579, which granted a purchased water offset.

DISCUSSION

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

The reason for the requested \$220,300 increase is due to the increase in the cost of purchased water and purchased electricity. Contra Costa Water District increased its service charge from \$9.13 per month to \$92.95 per month; and increased its quantity charge from \$0.7611 per Ccf to \$0.9158 per Ccf. Contra Costa now applies the recording meter demand charge to SCWC and this will cause an increase from \$1.464/gpm to \$1.891/gpm. The cost of electricity from PG&E has increased from \$0.09898 per kWh to \$0.11024 per kWh. Including uncollectibles and franchise fees, the total increase is \$220,300 or 8.20% of gross revenue.

The net increase in quantity rates is \$0.1958 per one hundred cubic feet (Ccf).

To determine if purchased power is being used efficiently, the Branch reviewed the latest pump efficiency tests and found the results to be satisfactory.

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

To promote conservation, SCWC has requested its customers, through bill inserts and distribution of conservation material, to reduce their water consumption.

This increase will result in a \$3.29 per month or a 8.20% increase for the average metered customer on a 5/8 x 3/4-inch meter. The average monthly bill will increase from \$40.11 to \$43.40 for an average use of 1,680 cubic feet.

NOTICE AND PROTEST

SCWC has given public notice of the request for increase by publishing in a local newspaper on February 26, 1992. No customer protests or correspondence have been received.

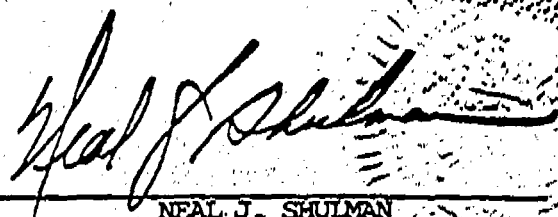
FINDINGS


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. Southern California Water Company is authorized, five days after the effective date herein, to make effective revised Schedule No. BY-1 attached to Advice Letter No. 868-W, and to cancel the presently effective rate schedule for water service.
2. Southern California Water 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 March 31, 1992. The following Commissioners approved it:


NEAL J. SHULMAN
Executive Director



DANIEL Wm. FESSLER
President
JOHN B. OGANLAN
PATRICIA M. ECKERT
NORMAN D. SHIMWAY
Commissioners