

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION  
Water Utilities BranchRESOLUTION NO. W-3662  
August 11, 1992

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

(RES. W-3662) COUNTY WATER COMPANY, (CWC). ORDER  
AUTHORIZING AN OFFSET RATE INCREASE PRODUCING \$102,281  
OR 13.4% ADDITIONAL ANNUAL REVENUE.

BACKGROUND

By Advice Letter 43, filed May 22, 1992, CWC requested authority under Section VI of General Order 96-A, and Section 454 of the Public Utilities Code to increase rates to offset: (1) a \$80,345 increase in purchased water costs, (2) \$215 in related increases in uncollectibles, and (3) \$21,721 in undercollection in the balancing account. CWC serves approximately 2,500 customers in portions of Artesia, Bellflower, Norwalk, and vicinity, Los Angeles County.

The present rates became effective August 2, 1990 pursuant to Resolution W-3503, which authorized a general rate increase of \$63,839 or 10.1%.

DISCUSSION

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

The reason for the \$80,345 increase is due to changes in the rates for purchased water charged by the City of Norwalk, the City of Bellflower, and Southern California Water Company.

The increase in the cost of purchased water is applied to the quantity block for metered service. The quantity rate for general metered service will be increased by \$0.147 per Ccf from \$0.953 per Ccf to \$1.10 per Ccf. Due to an undercollection of \$65,163 in the balancing account, a surcharge of \$0.040 per Ccf will be added to the quantity rate for a period of three years. One Ccf is one hundred cubic feet.

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

To promote water conservation, CWC has an ongoing conservation program including distribution of free conservation kits containing low-flow washers and conservation literature.

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) \$3.25 per month

<u>Monthly Usage</u>	<u>Present Rates</u>	<u>Proposed Rates</u>	<u>Percent Increase</u>
300 cu.ft.	\$ 6.11	\$ 6.55	7.2%
1,000	12.78	14.25	11.5%
1,700 (avg.)	19.45	21.95	12.9%
2,000	22.31	25.25	13.2%
3,000	31.84	36.25	13.9%
4,000	41.37	47.25	14.2%
5,000	50.90	58.25	14.4%

NOTICE AND PROTEST

CWC gave public notice of this requested increase to each customer as an insert in its February, 1992 billing, which was sent out on February 14, 1992. No letters protesting the increase have been received.

FINDINGS

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

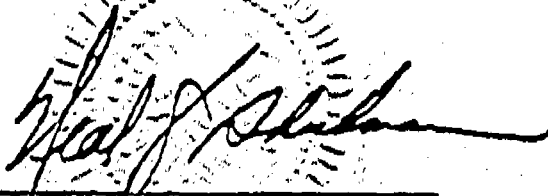
IT IS ORDERED that:

1. County Water Company is authorized, five days after the effective date herein, to make effective revised Schedule No. 1 attached to Advice Letter No. 43 and, concurrently, to cancel the presently effective rate Schedule No. 1.
2. County 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 hereby certify that this resolution was adopted by the Public Utilities Commission at its regular meeting on August 11, 1992. The following Commissioners approved it:

DANIEL Wm. FESSLER  
President  
PATRICIA M. ECKERT  
NORMAN D. SHUMWAY  
Commissioners

Commissioner John B. Ohanian,  
being necessarily absent, did  
not participate.



NEAL J. SHULMAN  
Executive Director