

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION  
Water Utilities BranchRESOLUTION NO. W-3680  
September 2, 1992

## RESOLUTION

RES. W-3680), DOMINGUEZ WATER CORPORATION (DWC).  
 ORDER AUTHORIZING AN OFFSET RATE INCREASE  
 PRODUCING \$1,794,548 OR 11.6% ADDITIONAL ANNUAL  
REVENUE.

BACKGROUND

By Advice Letter 149, filed July 29, 1992, DWC 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 \$1,483,430 increase in purchased water; (2) a \$305,750 increase in pumped water replenishment tax; and (3) \$5,368 in related increase in uncollectibles. DWC serves about 29,700 metered customers in portions of Carson, Los Angeles, Long Beach, Torrance and unincorporated areas of Los Angeles County.

The present rates for DWC became effective on July 29, 1992, pursuant to Resolution No. W-3587, which granted an offset rate increase for purchased power, purchased water and pumped water.

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 increases in purchased water and pump tax are shown in the following table:

	<u>Adopted</u> <u>Rate</u> Per A.F. <sup>1</sup>	<u>Present</u> <u>Rate</u> Per A.F.	<u>Effective</u> <u>Date</u>
<u>Purchased Water</u> <u>West Basin MWD</u>	\$276	\$341	7/1/92
<u>Pumped Water</u> Water Replenishment District of Southern California	\$100	\$125	7/1/92

<sup>1</sup> A.F. = Acre foot of water.

Since the increase is caused by changes in expenses directly related to water consumption, it is applied to the quantity blocks. The rate for the quantity blocks will be increased by \$0.1255 per Ccf. One Ccf is one hundred cubic feet.

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

To promote conservation, DWC has requested its customers through bill inserts to reduce water consumption.

The following table shows the effect that this rate increase will have on typical bills for a residential customer at present and proposed rates:

General Metered Service (5/8 x 3/4-inch Meters)

Monthly Usage (cf)	Present Rates	Proposed Rates	Increase	
			Amount	Percentage
300	\$5.31	\$5.66	\$0.35	6.6%
1,000	11.87	13.10	1.23	10.4
1,470 (avg.)	16.28	18.09	1.81	11.2
2,000	21.24	23.72	2.48	11.7
3,000	30.61	34.34	3.73	12.2
4,000	39.98	44.96	4.98	12.5
5,000	49.35	55.57	6.22	12.6

For the average customer who uses 14.70 Ccf per month and has a 5/8 x 3/4-inch meter, this rate change will result in an increase of \$1.81 per month or 11.2%.

PROTESTS

A notice of the proposed increase was mailed to all customers during the week of July 27, 1992. The Water Utilities Branch (Branch) has received six letters protesting the rate increase. The Branch has responded to each protest.

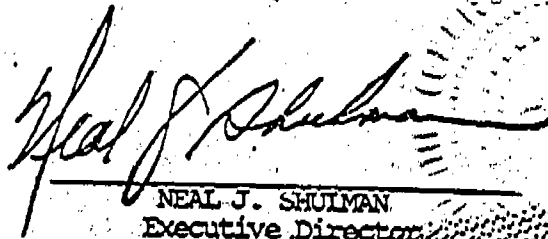
FINDINGS

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. Dominguez Water Corporation is authorized, five days after the effective date herein, to make effective revised Schedule Nos. 1 and 3M attached to Advice Letter 149, and concurrently to cancel its presently effective rate Schedule Nos. 1 and 3M.
2. This resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on September 2, 1992. The following Commissioners approved it:

  
NEAL J. SHULMAN  
Executive Director

DANIEL Wm. FESSLER  
President  
JOHN B. O'BANIAN  
NORMAN D. SHUMWAY  
Commissioners

Commissioner Patricia M. Eckert,  
being necessarily absent, did not  
participate.