PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION Water Utilities Branch RESOLUTION NO. W-3694 October 21, 1992

No. of Street

RESOLUTION

(RES. W-3694), CONLIN STRAWBERRY WATER COMPANY (CSWC). ORDER AUTHORIZING & ONE-TIME SURCHARGE PRODUCING ADDITIONAL ANNUAL REVENUE OF \$2,200 OR 3.1% FOR 1992.

BACKGROUND

By Advice Letter 14, filed September 2, 1992, CSWC requested authority under Section VI of General Order 96-A and Section 454 of the Public Utilities Code to impose a one-time charge of \$6.45 per customer to recover the Department of Health Services (DHS) fee for fiscal year July 1, 1991 through June 30, 1992. CSWC presently serves 235 flat rate and 106 metered rate customers in an area known as Strawberry and vicinity, located approximately thirty-one miles east of Sonora, Tuolumne County.

The present rates became effective on May 17, 1989, pursuant to Resolution No. W-3445 which authorized a \$29,917 or 72.7% increase.

DISCUSSION

Resolution W-3641, dated May 8, 1992, authorized each water utility regulated by the Commission and subject to the provisions of Health and Safety Code Sections 4020 and 4020.5 to establish a memorandum account in which to record payment of Department of Health Services Office of Drinking Water fees resulting from those code sections. Subject utilities were also authorized to request recovery of the account balance by advice letter filing in accordance with General Order No. 96-A.

The surcharge requested herein would allow CSWC to recover the memorandum account balance established on the basis of receipt of the DHS bill for fiscal year July 1, 1991 through June 30, 1992. The DHS fee would be paid from the funds collected from CSWC's customers as provided in W-3641.

The Water Utilities Branch (Branch) recommends that CSWC be authorized to assess a one-time surcharge of \$6.45 to each single-family residential unit to recover the \$2,200 balance in the memorandum account accruing the billed DHS fee. Revenue received from such surcharge should be limited to the initial amount billed to CSWC by DHS. The Branch further recommends that CSWC be authorized to hold open such memorandum account until CSWC's next general rate proceeding.

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

1

PROTESTS.

CSWC published a notice of this increase request in a local paper, the Union Democrat, on September 24, 1992. No protests have been received.

FINDINGS

THE COMMISSION FINDS, after investigation by the Branch, that recovery of the memorandum account balance authorized herein is justified, and the resulting one-time charge of \$6.45 is just and reasonable.

IT IS ORDERED that:

1. Conlin Strawberry Water Company is authorized, five days after the effective date herein, to make effective revised Schedule No. 1A, Annual Metered Service, and Schedule No. 2A, Annual Flat Rate Service, attached to this resolution as Appendix A, and to cancel the presently effective Schedules No. 1A and 2A.

2. The memorandum account as authorized above may remain open until Conlin. Strawberry Water Company's next general rate proceeding.

3. This resolution is effective today.

I certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on October 21, 1992. The following Commissioners approved it:

SHULMAN

Executive Director

CA-22*

DANIEL Wm. FESSLER President JOHN B. OHANIAN PATRICIA M. ECKERT NORMAN D. SHUMWAY COmmissioners Resolution W-3694 CSWC/AL 14/REP/L.T:jlj

APPENDIX A Page 1

CONLIN STRAWBERRY WATER COMPANY

Schedule No. 1A

ANNUAL METERED SERVICE (Continued)

SPECIAL CONDITIONS

- 1. The annual service charge applies to service during the 12-month period commencing January 1 and is due in advance. If a permanent resident of the area has been a customer of the utility for at least 12 months, he may elect, at the beginning of the calendar year, to pay prorated service charges in advance at intervals of less than one year (monthly, bimonthly or quarterly) in accordance with the utility's established billing periods. Meters will be read and quantity charges billed monthly, bimonthly or quarterly in accordance with the utility's established billing periods except that meters may be read and quantity charges billed during the winter season at intervals greater than three months.
- 2. The opening bill for metered service, except upon conversion from flat rate service, shall be the established annual service charge for the service. Where initial service is established after the first day of any year, the portion of such annual charge applicable to the current year shall be determined by multiplying the annual charge by one three-hundred-sixty-fifth (1/365) of the number of days remaining in the calendar year. The balance of the payment of the initial annual charge shall be credited against the charges for the succeeding annual period. If service is not continued for at least one year after the date of initial service, no refund of the initial annual charges shall be due the customer.
- 3. A one-time charge of \$6.45 per customer shall be collected for the fiscal year July 1, 1991 through June 30, 1992, in accordance with Commission Resolution W-3461 to recover the operating cost fees imposed by the Department of Health Services pursuant to Assembly Bill 2158.

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Resolution W-3694 CSWC/AL 14/REP/L-T:jlj

APPENDIX A. Page 2

CONLIN STRAWBERRY WATER COMPANY

Schedule No. 2A

ANNUAL FLAT RATE SERVICE. (continued)

SPECIAL CONDITIONS

- 1. The above flat rates apply to a service connection not larger than 3/4-inch in diameter.
- 2. For services covered by the above classifications, if the utility so elects, a meter shall be installed and service provided under Schedule No. 1A, Annual Metered Service, effective as of the first day of the following calendar month. Where the flat rate charge for a period has been paid in advance, refund of the prorated difference between such flat rate payment and the minimum meter charge for the same period shall be made on or before that day.
- 3. The annual flat rate charge applies to service during the 12-month period commencing January 1 and is due in advance. If a permanent resident of the area has been a customer of the utility for at least 12 months, he may elect, at the beginning of the calendar year, to pay prorated flat rate charges in advance at intervals of not less than one year (monthly, bimonthly or quarterly) in accordance with the utility's established billing periods.
- 4. The opening bill for flat rate service shall be the established annual flat rate charge for the service. Where initial service is established after the first day of any year, the portion of such annual charge applicable to the current year shall be determined by multiplying the annual charge by one threehundred-sixty-fifth (1/365) of the number of days remaining in the calendar year. The balance of the payment of the initial annual charge shall be credited against the charges for the succeeding annual period. If service is not continued for at least one year after the date of initial service, no refund of the initial annual charges shall be due to the customer.

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5. A one-time charge of \$6.45 per customer shall be collected for the fiscal year July 1, 1991 through June 30, 1992, in accordance with Commission Resolution W-3461 to recover the operating cost fees imposed by the Department of Health Services pursuant to Assembly Bill 2158.

(END OF APPENDIX A)