

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION
Water Utilities Branch

RESOLUTION NO. W-3699
October 21, 1992

RESOLUTION

(RES. W-3699), GIBBS RANCH WATER COMPANY (GRWC). ORDER AUTHORIZING A ONE-TIME SURCHARGE PRODUCING ADDITIONAL ANNUAL REVENUE OF \$2,200 OR 1.01% FOR 1992.

BY ADVICE LETTER No. 49, FILED ON SEPTEMBER 2, 1992.

SUMMARY

This resolution authorizes GRWC to bill a one-time surcharge to recover a total amount of \$2,200 or 1.01% for the Department of Health Services (DHS) fee as mandated by recently enacted Sections 4020 and 4020.5 of the Health and Safety Code. The increase will not result in a rate of return greater than last authorized for GRWC.

BACKGROUND

GRWC 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 \$3.87 per customer to recover the Department of Health Services (DHS) bill it received on August 7, 1992, for \$2,200 for fiscal year July 1, 1991 to June 30, 1992. GRWC serves 568 customers in an area known as Rancho Sonora Estates and vicinity, located approximately 1 mile west of Sonora, Tuolumne County.

The present rates became effective on December 9, 1991, pursuant to Resolution No. W-3624 which authorized a surcharge to recover losses incurred due to conservation in response to the drought.

NOTICE AND PROTESTS

GRWC published a notice of this increase request in a local paper on September 17, 1992. No protests have been received.

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 GRWC to recover the memorandum account balance established to record DHS fees for fiscal year July 1, 1991 through June 30, 1992.

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

The Branch recommends that GRWC be authorized to assess a one-time surcharge of \$3.87 to each customer to recover the \$2,200 balance in the memorandum account accruing the billed DHS fee. Revenues received from such surcharge should be limited to the initial amount billed to GRWC by DHS. The Branch further recommends that GRWC be authorized to hold open such memorandum account until GRWC's next general rate proceeding.

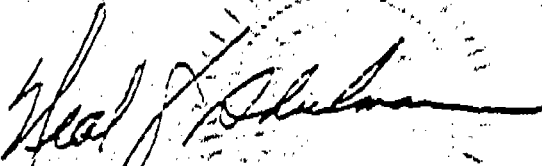
FINDINGS

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 \$3.87 is just and reasonable.

IT IS ORDERED that:

1. Gibbs Ranch Water Company is authorized, five days after the effective date herein, to make effective revised Schedule No. 1, Metered Service, Schedule No. T-11, General Metered Service (Untreated Water), Schedule No. T-12, Flat Rate Service (Untreated Water), and Schedule No. T-13, General Irrigation Service attached to Advice Letter No. 49 and concurrently to cancel the presently effective Tariff Sheet Nos. 292-W, 262-W, 264-W, and 281-W of Schedule Nos. 1, T-11, T-12 and T-13, respectively.
2. The memorandum account as authorized above may remain open until Gibbs Ranch Water Company's next general rate proceeding.
3. This resolution is effective today.

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


NEAL J. SHULMAN
Executive Director

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