

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION
Water Utilities BranchRESOLUTION NO. W-3705
NOVEMBER 6, 1992

RESOLUTION

(RES. W-3705), NORTH GUALALA WATER COMPANY (NGWC). ORDER AUTHORIZING A ONE-TIME SURCHARGE PRODUCING ADDITIONAL ANNUAL REVENUE OF \$3,300 OR 1.06% FOR 1992.

BY ADVICE LETTER NO. 26, FILED ON OCTOBER 5, 1992

SUMMARY

This resolution authorized NGWC to bill a one-time surcharge to recover a total amount of \$3,300 or 1.06% 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 NGWC.

BACKGROUND

NGWC 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 \$3.73 per customer to recover the Department of Health Services (DHS) fee billed on August 7, 1992, for \$3,300 for fiscal year July 1, 1991 to June 30, 1992. NGWC presently serves approximately 874 metered rate customers in Gualala and vicinity, located approximately 15 miles south of Point Arena, Mendocino County.

The present rates became effective June 20, 1990, pursuant to Resolution No. W-3501, which authorized a general rate increase of \$99,801 or 47.2%.

NOTICE AND PROTESTS

NGWC published a notice of this proposed increase in a local newspaper on October 2, 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 NGWC to recover a memorandum account balance of \$3,300 for fiscal year July 1, 1991 - 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 NGWC be authorized to assess a one-time surcharge of \$3.73 to each single-family residential unit to recover the \$3,300 balance, which will be booked in a memorandum account. Revenues received from such surcharge should be limited to the initial amount billed to NGWC by DHS.

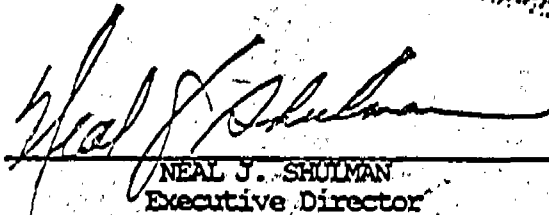
FINDINGS

THE COMMISSION FINDS, after investigation by the Branch, that recovery of a memorandum account balance authorized herein is justified, and the resulting one-time charge of \$3.73 is just and reasonable.

IT IS ORDERED that:

1. North Gualala Water Company is authorized, five days after the effective date herein, to make effective revised Schedule No. 1, General Metered Service, attached to Advice Letter No. 26, and to cancel the presently effective rate schedule.
2. The memorandum account as authorized above may remain open until North Gualala 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 November 6, 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