

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION
Water Utilities BranchRESOLUTION NO. W-3706
November 6, 1992

RESOLUTION

(RES. W-3706), COUNTY WATER COMPANY (CWC). ORDER
AUTHORIZING A ONE-TIME SURCHARGE PRODUCING ADDITIONAL
ANNUAL REVENUE OF \$4,400 OR 0.58% FOR 1992.

BY ADVICE LETTER NO. 44, FILED ON SEPTEMBER 24, 1992.

SUMMARY

This resolution authorized CWC to bill a one-time surcharge to recover a total amount of \$4,400 or 0.58% 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 CWC.

BACKGROUND

CWC 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 \$1.65 per customer to recover the DHS fee billed on August 7, 1992, for \$4,400 for fiscal year July 1, 1991 to June 30, 1992. CWC presently serves 2,663 metered rate customers and 8 private fire protection services within portions of the cities of Artesia, Bellflower, Lakewood, and Norwalk in Los Angeles County.

The present rates became effective August 11, 1992 pursuant to Resolution W-3662, which authorized an offset rate increase of \$102,281 or 13.4%. The last general rate increase became effective August 2, 1990 pursuant to Resolution W-3503, which authorized a general rate increase of \$63,839 or 10.1%.

NOTICE AND PROTESTS

CWC mailed a notice of this increase request to all customers on September 16, 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 CWC to recover a memorandum account balance of \$4,400 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 CWC be authorized to assess a one-time surcharge of \$1.65 to each single-family residential unit to recover the \$4,400 balance, which will be booked in a memorandum account. Revenues received from such surcharge should be limited to the initial amount billed to CWC by DHS.

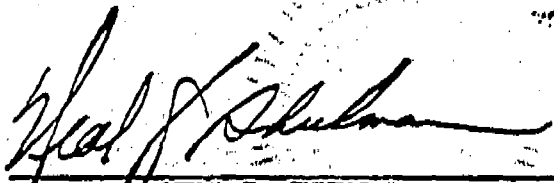
FINDINGS

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 \$1.65 is just and 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, Metered Service, attached to Advice Letter No. 44, and to cancel the presently effective rate schedule.
2. The memorandum account as authorized above may remain open until County 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