

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION
Water Utilities BranchRESOLUTION NO. W-3707
November 23, 1992

RESOLUTION

(RES. W-3707), DEL CRO WATER COMPANY (DOWC). ORDER AUTHORIZING A SURCHARGE PRODUCING ADDITIONAL REVENUE OF \$4,400 OR 0.57% FOR ITS PARADISE PINES DISTRICT AND ADDITIONAL REVENUE OF \$2,750 OR 3.13% FOR ITS LIME SADDLE DISTRICT IN 1992.

BACKGROUND

By Advice Letter 59, filed September 29, 1992, DOWC 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 \$0.98 per customer in its Paradise Pines District and a charge of \$8.76 per customer, to be billed at \$4.38 for each of two billing cycles, in its Lime Saddle District to recover the Department of Health Services (DHS) fees for fiscal year July 1, 1991 through June 30, 1992. DOWC presently serves 4,490 metered rate customers in its Paradise Pines District, located approximately six miles north of Paradise in Butte County, and 314 metered rate customers in its Lime Saddle District, located south of Paradise and north of Highway 70 in Butte County.

The present rates for the Paradise Pines District became effective on August 19, 1991, pursuant to Decision No. (D.) 91-08-012 which authorized an increase of \$69,719 or 9.9%. The rates for Lime Saddle became effective on October 10, 1990, pursuant to D.90-07-036 which ordered DOWC to either file a statement adopting the newly acquired Lime Saddle District tariffs or refile those tariffs under its own name as prescribed in General Order 96-A. The rates of Lime Saddle were not to be increased unless authorized by the Commission.

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 surcharges requested herein would allow DOWC to recover the memorandum accounts balances established on the basis of receipt of the DHS bills for fiscal year July 1, 1991 through June 30, 1992, for its two districts. The DHS fees would be paid from the funds collected from the individual district's customers as provided in W-3641.

The Water Utilities Branch (Branch) recommends that DOWC be authorized to assess a one-time surcharge of \$0.98 per customer in its Paradise Pines District and \$8.76 per customer, to be billed at \$4.38 for each of two billing cycles, in its Lime Saddle District to recover \$4,400 and \$2,750 balances, respectively, in the memorandum accounts accruing the billed DHS fees. Revenue received from such surcharges should be limited to the initial amounts billed to Paradise Pines and Lime Saddle Districts by DHS. The Branch further recommends that DOWC be authorized to hold open such memorandum accounts until its next general rate proceeding.

Service is satisfactory in both districts. There are no Commission orders requiring system improvement, nor are there service problems requiring corrective action in either of the districts.

PROTESTS

A notice of the increase request for the two districts was published in the local newspaper, The Paradise Post, on September 15, 1992. No protests have been received.

FINDINGS

THE COMMISSION FINDS, after investigation by the Branch, that recovery of the memorandum account balances authorized herein is justified, and the resulting charges of \$0.98 and \$8.76 are just and reasonable.

IT IS ORDERED that:

1. Del Oro Water Company, Inc. is authorized, five days after the effective date herein, to make effective revised Schedule No. PP-1A, Annual General Metered Service, Schedule No. PP-3M, Metered Irrigation Service, and Schedule No. LS-1A, Annual Metered Service, attached to Advice Letter No. 59, and to cancel the presently effective tariff sheets numbers 304-W, 303-W, and 287-W of Schedules Numbers PP-1A, PP-3M, and LS-1A, respectively.
2. The memorandum accounts as authorized above may remain open until Del Oro 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 23, 1992. The following Commissioners approved it:

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


NEAL J. SHULMAN
Executive Director