

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION
Water Utilities BranchRESOLUTION NO. W-3716
December 16, 1992

RESOLUTION

(RES. W-3716), TORO WATER SERVICE, INC. (TWS).
ORDER AUTHORIZING A ONE-TIME SURCHARGE PRODUCING
ADDITIONAL ANNUAL REVENUE OF \$2,750 OR 2.17% FOR 1992.

BY ADVICE LETTER NO. 29, FILED ON OCTOBER 28, 1992.

SUMMARY

This resolution authorizes TWS to bill a one-time surcharge to recover a total amount of \$2,750 or 2.17% 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 TWS.

BACKGROUND

TWS 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 \$8.23 per customer to recover the DHS fee of \$2,750 billed on August 7, 1992, for fiscal year July 1, 1991 to June 30, 1992. TWS presently serves 334 metered rate customers in Corral de Tierra Oaks, and vicinity in Monterey County.

The present rates became effective on September 1, 1981, pursuant to Resolution W-2875, which authorized an offset rate increase of \$9,500 or 33.0%. The last general rate increase became effective January 17, 1978, pursuant to Resolution W-2284, which authorized a general rate increase of 13,180 or 84.0%.

NOTICE AND PROTESTS

TWS has given public notice of the request for increase by publishing in the local newspaper on October 26, 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 TWS to recover a memorandum account balance of \$2,750 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 TWS be authorized to assess a one-time surcharge of \$8.23 to each single-family residential unit to recover the \$2,750 balance, which will be booked in a memorandum account. Revenues received from such surcharge should be limited to the initial amount billed to TWS by DHS. The Branch further recommends that TWS be authorized to hold open such memorandum account until TWS's next general rate proceeding.

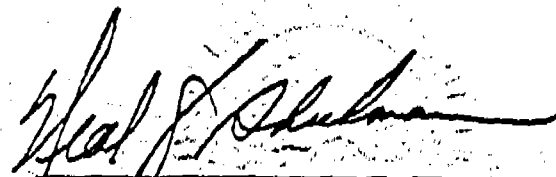
FINDINGS

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 \$8.23 is just and reasonable.

IT IS ORDERED that:

1. Toro Water Service, Inc., is authorized, five days after the effective date herein, to make effective revised Schedule No. 1, General Metered Service, attached to Advice Letter No. 29, and to cancel the presently effective rate schedule.
2. The memorandum account as authorized above may remain open until Toro Water Service Inc.'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 December 16, 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