

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION
Water Utilities Branch

RESOLUTION NO. W-3721
December 16, 1992

RESOLUTION

(RES. W-3721), CALIFORNIA-AMERICAN WATER COMPANY (CAL-AM).
ORDER AUTHORIZING THE RECOVERY OF \$53,350 FOR DEPARTMENT OF
HEALTH SERVICES FEES IMPOSED ON CAL-AM'S SIX OPERATING DISTRICTS.

BACKGROUND

By Advice Letter 416, filed November 5, 1992, CAL-AM requested authority under Section VI of General Order 96-A and Section 454 of the Public Utilities Code to impose a one-time charge to each customer's bill in its six districts to recover the Department of Health Services (DHS) fees for the fiscal year July 1, 1991 through June 30, 1992. The amounts of the one-time surcharge is shown by districts in the following table:

<u>Districts</u>	<u>Surcharge</u>
Baldwin Hills	\$ 0.90
Duarte	0.87
San Marino	0.68
Coronado	0.33
Village	0.39
Monterey	0.53

The present rates for Cal-Am's Districts became effective as follows:

<u>District</u>	<u>Date</u>	<u>Per</u>
Coronado	May 16, 1992	D.91-10-042
Baldwin Hills	May 26, 1992	W-3661
Duarte	May 16, 1992	D.91-10-042
San Marino	May 16, 1992	D.91-10-042
Monterey	August 14, 1992	D.91-10-042
Village	September 7, 1992	W-3681

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 CAL-AM to recover the memorandum accounts balances established on the basis of receipts of the DHS bills for fiscal year July 1, 1991 through June 30, 1992 for its six 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 CAL-AM be authorized to assess a one-time surcharge as indicated above in its districts in the memorandum accounts accruing the billed DHS fees. Revenue received from such surcharges should be limited to the initial amounts billed to districts by DHS. The Branch further recommends that CAL-AM be authorized to hold open such memorandum accounts until its next general rate proceeding.

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

PROTESTS

Notices of the increase request for the six districts were published in the local newspapers as follows:

<u>Districts</u>	<u>Dates</u>
Coronado	October 21, 1992
Baldwin Hills	October 18, 1992
Duarte	October 20, 1992
San Marino	October 21, 1992
Monterey	October 20, 1992
Village	October 20, 1992

No protests have been received by the Branch.

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 each of the districts are just and reasonable.

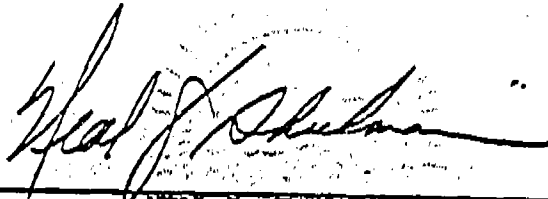
IT IS ORDERED that:

1. California-American Water Company is authorized, five days after the effective date herein, to make effective the tariff sheets attached to Advice Letter 416 and to cancel the presently effective corresponding tariff sheets.
2. The memorandum accounts as authorized above may remain open until CAL-AM's next general rate proceeding.

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Cal-Am/AL416/REP/PFL:mem

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