

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION
Water Utilities BranchRESOLUTION NO. W-3726
December 16, 1992

RESOLUTION

(RES. W-3726), VALENCIA WATER COMPANY (VWC). ORDER AUTHORIZING A ONE-TIME SURCHARGE PRODUCING ADDITIONAL ANNUAL REVENUE OF \$8,250 OR 0.35% FOR 1992.

BY ADVICE LETTER NO. 53, FILED ON OCTOBER 26, 1992.

SUMMARY

This resolution authorizes VWC to bill a one-time surcharge to recover a total amount of \$8,250 or 0.35% 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 VWC.

BACKGROUND

VWC 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 \$0.58 per customer to recover the DHS fee billed on August 7, 1992, for \$8,250 for fiscal year July 1, 1991 to June 30, 1992. VWC presently serves 14,236 metered rate customers, located in the community of Valencia, in Los Angeles County.

The present rates became effective on January 1, 1985, pursuant to Decision No. 83-09-074, which authorized a general rate increase of \$85,000 or 3.72% for attrition year 1985.

NOTICE AND PROTESTS

VWC has given public notice of the request for increase by publishing in the local newspaper on October 9, 1992 and October 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 VWC to recover a memorandum account balance of \$8,250 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 VWC be authorized to assess a one-time surcharge of \$0.58 to each single-family residential unit to recover the \$8,250 balance, which will be booked in a memorandum account. Revenues received from such surcharge should be limited to the initial amount billed to VWC by DHS. The Branch further recommends that VWC be authorized to hold open such memorandum account until VWC's next general rate proceeding.

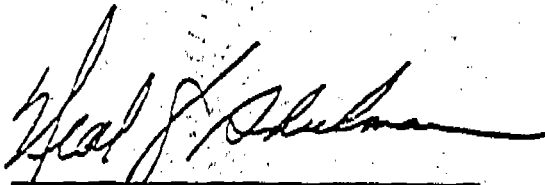
FINDINGS

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 \$0.58 is just and reasonable.

IT IS ORDERED that:

1. Valencia 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. 53, and to cancel the presently effective rate schedule.
2. The memorandum account as authorized above may remain open until Valencia 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 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