

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION
Water Utilities BranchRESOLUTION NO. W-3727
December 16, 1992

RESOLUTION

(RES. W-3727) ALSO WATER SERVICE (AWS). ORDER
AUTHORIZING A ONE-TIME SURCHARGE PRODUCING ADDITIONAL
ANNUAL REVENUE OF \$4,400 OR 0.43% FOR 1992.

BY ADVICE LETTER NO. 57, FILED ON OCTOBER 28, 1992.

SUMMARY

This resolution authorizes AWS to bill a one-time surcharge to recover a total amount of \$4,400 or 0.43% 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 AWS.

BACKGROUND

AWS 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 \$0.96 per customer to recover the DHS fee of \$4,400 billed on August 7, 1992, for fiscal year July 1, 1991 to June 30, 1992. AWS presently serves 4,597 metered and 25 flat rate customers in the city of Salinas and vicinity in Monterey County.

The present rates became effective on August 12, 1991, pursuant to Resolution W-3609 which authorized an offset rate increase of \$20,300 or 2.0%. The last general rate increase became effective August 23, 1986, pursuant to Decision No. 86-08-048, which authorized a general rate increase of \$271,600 or 42.8%.

NOTICE AND PROTESTS

AWS 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 AWS to recover a memorandum account balance of \$4,400 for fiscal year July 1, 1991 through 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 AWS be authorized to assess a one-time surcharge of \$0.96 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 AWS by DHS. The Branch further recommends that AWS be authorized to hold open such memorandum account until AWS' next general rate proceeding.

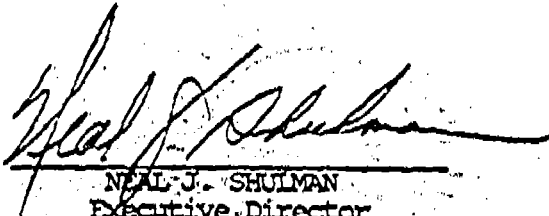
FINDINGS

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 \$0.96 is just and reasonable.

IT IS ORDERED that:

1. Alco Water Service is authorized, five days after the effective date herein, to make effective revised Schedule No. 1, General Metered Service, attached to Advice Letter No. 57, and to cancel the presently effective rate schedule.
2. The memorandum account as authorized above may remain open until Alco Water Service'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