

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION  
Water Utilities BranchRESOLUTION NO. W-3731  
December 16, 1992

## RESOLUTION

(RES. W-3731), GERBER WATER WORKS, INC. (GWW) -  
ORDER AUTHORIZING A ONE-TIME SURCHARGE PRODUCING  
ADDITIONAL ANNUAL REVENUE OF \$1,100 OR 1.64% FOR  
1992.

BY ADVICE LETTER NO. 29, FILED ON OCTOBER 26, 1992.

SUMMARY

This resolution authorizes GWW to bill a one-time surcharge to recover a total amount of \$1,100 or 1.64% 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 GWW.

BACKGROUND

GWW 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 \$2.83 per customer to recover the DHS fee of \$1,100 billed on August 7, 1992, for fiscal year July 1, 1991 to June 30, 1992. GWW presently serves 21 metered and 368 flat rate customers in the community of Gerber and vicinity, Tehama County.

The present rates became effective on August 16, 1992, pursuant to Resolution No. W-3666 which authorized an offset rate increase of \$2,806 or 4.4%. The last general rate increase became effective January 28, 1991, pursuant to Resolution W-3486, which authorized a rate increase of \$1,576 or 2.5% for attrition year 1991.

NOTICE AND PROTESTS

GWW has given public notice of the request for increase by publishing in the local newspaper on November 13, 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 DHS' 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 GWW to recover a memorandum account balance of \$1,100 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 Water Utilities Branch (Branch) recommends that GWW be authorized to assess a one-time surcharge of \$2.83 to each single-family residential unit to recover the \$1,100 balance, which will be booked in a memorandum account. Revenues received from such surcharge should be limited to the initial amount billed to GWW by DHS. The Branch further recommends that GWW be authorized to hold open such memorandum account until GWW's next general rate proceeding.

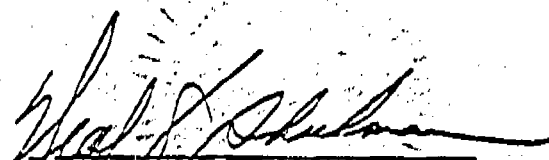
#### FINDINGS

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 \$2.83 is just and reasonable.

#### IT IS ORDERED that:

1. Gerber Water Works, Inc. is authorized, five days after the effective date herein, to make effective revised Schedule No. 1, Metered Service, and Schedule No. 2, Flat Rate 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 Gerber Water Works, 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