

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION  
Water Utilities BranchRESOLUTION NO. W-3733  
December 16, 1992

## RESOLUTION

(RES. W-3733), THE SEA RANCH GAS AND WATER COMPANY (SRWC).  
ORDER AUTHORIZING A ONE-TIME SURCHARGE PRODUCING ADDITIONAL  
ANNUAL REVENUE OF \$3,300 OR 1.05% FOR 1992.

BY ADVICE LETTER NO. 36, FILED ON OCTOBER 15, 1992.

SUMMARY

This resolution authorizes SRWC to bill a one-time surcharge to recover a total amount of \$3,300 or 1.05% 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 SRWC.

BACKGROUND

SRWC 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 \$2.52 per customer to recover the DHS fee of \$3,300 billed on August 7, 1992, for fiscal year July 1, 1991 to June 30, 1992. SRWC presently serves 1,307 metered rate customers and irrigation service to a golf course within the area known as The Sea Ranch, and vicinity, located approximately seven miles southeast of Gualala, Sonoma County.

The present rates became effective on September 28, 1990, pursuant to Resolution W-3510 which authorized a general rate increase of \$85,929 or 37.7%.

NOTICE AND PROTESTS

SRWC mailed a notice of this increase request to all customers on October 22, 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 SRWC to recover a memorandum account balance of \$3,300 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 SRWC be authorized to assess a one-time surcharge of \$2.52 to each single-family residential unit to recover the \$3,300 balance, which will be booked in a memorandum account. Revenues received from such surcharge should be limited to the initial amount billed to SRWC by DHS. The Branch further recommends that SRWC be authorized to hold open such memorandum account until SRWC's next general rate proceeding.

#### FINDINGS

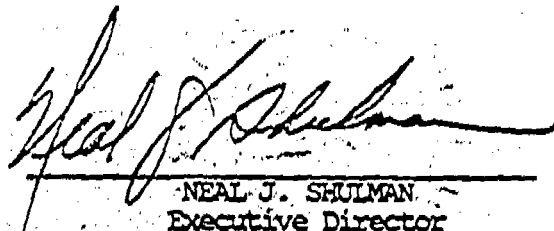
THE COMMISSION FINDS, after investigation by the Branch, that recovery of the memorandum account balance authorized herein is justified, and the resulting one-time charge of \$2.52 is just and reasonable.

#### IT IS ORDERED that:

1. The Sea Ranch Gas and Water Company is authorized, five days after the effective date herein, to make effective revised Schedule No. 1, Metered Service, attached to Advice Letter No. 36, and to cancel the presently effective rate schedule.
2. The memorandum account as authorized above may remain open until The Sea Ranch Gas And 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:

DANIEL Wm. FESSLER  
President  
JOHN B. OHANIAN  
PATRICIA M. ECKERT  
NORMAN D. SHUMWAY  
Commissioners

  
NEAL J. SHULMAN  
Executive Director