

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

WATER DIVISION
Small Water Branch

RESOLUTION NO. W-4018
January 13, 1997

RESOLUTION

(RES. W-4018), TAHOE SWISS VILLAGE UTILITIES, INC. (TSV).
ORDER AUTHORIZING AN OFFSET RATE INCREASE OF \$6,830 OR
6.87% ADDITIONAL ANNUAL REVENUE FOR 1997.

BY ADVICE LETTER 6, RECEIVED ON NOVEMBER 14, 1996.

SUMMARY

This resolution grants TSV an increase in gross annual revenues of \$6,830 or 6.87% to provide a rate of return of 13.35% and to allow TSV to charge its customers a one-time fee of \$1.45 per customer for the California Department of Health Services (DHS) fees in accordance with Res. W-3784. The requested rate of return increase was authorized in TSV's last general rate case Res. W-3903.

BACKGROUND

TSV requested authority under Section VI of General Order 96-A and Section 454 of the Public Utilities Code to increase rates for water service to produce additional revenues of \$6,830 or 6.87% in 1997. TSV presently serves approximately 358 flat rate and three metered customers in the Tahoe Swiss Village and Tahoe Pines Tracts located about one and one-half miles north of the town of Homewood, in Placer County.

The present rates became effective January 10, 1995, pursuant to Res. W-3903, which authorized a general rate increase of \$18,926 or 23.5%.

DISCUSSION

Res. W-3903 authorized TSV's last general rate increase and a rate of return of 10.13% that was lower than the recommended standard rates of return for Class D water utilities. Ordering Paragraph 2.c of Res. W-3903 also authorized TSV to file for an increase in rate of return equal to the rates of return in effect in 1996 for Class D water companies. The Water Division recommended rate of return for Class D water companies in 1996 was 13.35%. This revenue increase will recover only the added rate of return on that investment. This increase will not increase TSV's rate of return above that authorized by the Commission.

TSV is also requesting authority to charge its customers for DHS' fees in accordance with Res. W-3784.

January 13, 1997

In addition, TSV has submitted a revised Title Page, a revised service area map, and revised Schedule 1 AR (continued), Annual Metered Service for Glenridge system.

Service is satisfactory. There are no Commission orders requiring system improvement, nor are there service problems requiring corrective action.

NOTICE AND PROTESTS

TSVU mailed a notice of this increase request to all customers on November 28, 1996. No letters protesting the increase were received by the Small Water Branch (Branch).

FINDINGS

THE COMMISSION FINDS, after investigation by the Branch, that the rates hereby authorized are justified and the resulting rates are just and reasonable.

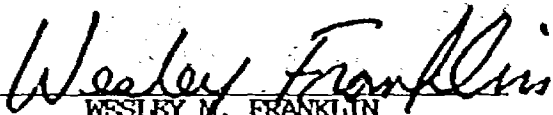
IT IS ORDERED that:

1. Authority is granted under the Public Utilities Code Section 454 for Tahoe Swiss Village Utilities, Inc., to make effective revised Schedules 1A, Annual General Metered Service; 2A, Annual Residential Flat Rate Service, and 4, Private Protection Service, revised Title Page, and service area map, and revised Schedule No. 1 AR (continued), Annual General Metered Service for Glenridge system. The filing shall comply with General Order 96-A. Because TSV charges its customers on an annual basis and the billing period has already started, the effective date of the revised schedules shall be on the effective date of this resolution.

January 13, 1997

2. This resolution is effective today.

I certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on January 13, 1997. The following Commissioners approved it:


WESLEY M. FRANKLIN
Executive Director

P. GREGORY CONLON
President

JESSIE J. KNIGHT, Jr.
HENRY M. DUQUE
JOSIAH L. NEEPER
RICHARD A. BILAS
Commissioners