

WATER/ABJ/HJL:jlj

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**WATER DIVISION
Water Advisory Branch**

**RESOLUTION W-4174
December 2, 1999**

RESOLUTION

**(RES. W-4174), GREAT OAKS WATER COMPANY (GOWC).
ORDER AUTHORIZING AN OFFSET RATE INCREASE
PRODUCING \$657,249 OR 9.8% ADDITIONAL ANNUAL
REVENUE.**

SUMMARY

By Advice Letter No. 148, filed October 4, 1999, GOWC seeks to increase revenues by \$587,200 or 8.8% to offset changes in operating costs that have occurred since its present rates became effective. GOWC also seeks to assess a \$0.013 per Ccf surcharge for twelve months to recover \$70,049 undercollection in its purchased water, purchased power, and pumping assessment balancing accounts. This resolution grants the requested increases.

BACKGROUND

GOWC requested authority under Section VI of General Order 96-A, and Section 454 of the Public Utilities Code to offset: (1) a \$587,200 increase in pump tax assessed by the Santa Clara Valley Water District (SCVWD), and (2) a \$70,049 undercollection in the purchased water, purchased power, and pumping assessment balancing accounts. GOWC serves approximately 19,667 customers in southeast San Jose, east of Snell Road, and south of Hellyer Park, Santa Clara County.

The present rates became effective on July 22, 1996, pursuant to Res. W-3990.

GOWC's current rates reflect recovery of SCVWD rates that were in effect for the fiscal year ending June 30, 1996. The SCVWD's Board of Directors has increased groundwater charges for the period July 1, 1999 through June 30, 2000.

The change in pump tax for which recovery is requested in this filing is as follows:

<u>Zone W-2</u>	<u>1995/1996</u>	<u>1999/2000</u>
Water other than Agricultural	\$240.00 per acre-foot	\$285.00 per acre-foot

The composite undercollection of the purchased water, purchased power, and pumping assessment balancing accounts, as of August 1, 1999, is \$70,049. This amount is amortized over 12 months resulting in a surcharge of \$0.013 per Ccf (one Ccf is equal to one hundred cubic feet).

Since the requested increase is caused by changes in expenses directly related to water consumption, it is applied to the quantity rates. The rates for all quantities of water delivered would be increased by \$.124 per Ccf. For the typical residential customer who uses 15 Ccf per month, the monthly bill will increase by \$1.92 from \$21.51 to \$23.43.

Service is satisfactory. There are no Commission orders requiring system improvements nor significant service problems requiring corrective action.

NOTICE AND PROTESTS

GOWC has given public notice of the request for an increase by publishing in the San Jose Mercury newspaper on November 3, 1999. No protest letters were received.

FINDINGS

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

IT IS ORDERED that:

1. Great Oaks Water Company is authorized to make effective revised Schedule No. 1, Metered Service, as filed in Advice Letter No. 148, five days after the effective date herein and concurrently to cancel the presently effective rate schedules.
2. This resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on December 2, 1999. The following Commissioners approved it:



WESLEY M. FRANKLIN
Executive Director

RICHARD A. BILAS
President

HENRY M. DUQUE

JOSIAH L. NEEPER

JOEL Z. HYATT

CARL W. WOOD

Commissioners