

Cypress Ridge Sewer Co

P.O. Box 745, Grover Beach, CA 93483 805-473-3661

April 2, 2019

Advice Letter No. 31-SS-A

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Cypress Ridge Sewer Co (Cypress) hereby transmits for filing one original copy of this advice letter 31-SS-A including the following tariff sheets and supporting information which are enclosed:

| <u>NEW SHEET #</u> | <u>TITLE</u> | <u>CANCELLING SHEET #</u> |
|--------------------|---|---------------------------|
| 222-SS | Sch. No. 1, Residential Flat Rate Sewer Service | 217-SS |
| 223-SS | Sch. No. 2, Commercial Flat Rate Sewer Service | 218-SS |
| 224-SS | Table of Contents | 221-SS |

REQUEST

By AL 31-SS-A compliance filing, Cypress requests permission to increase its revenues by 9.12%, for a for test year 2018 GRC in accordance with Resolution No. W-5187. The projected revenue increase of \$46,657 will not result in a rate of margin which exceeds the authorized rate of margin of 24%. This is a compliance filing and the new tariff sheets are attached along with the approved Appendix "A".

BACKGROUND

AL 31-SS was originally filed on December 12, 2017.

The last general rate increase became effective on December 1, 2009, pursuant to Resolution W-4795, which authorized a general rate increase of \$98,628, or 29.8%, and a rate of margin of 20%.

TIER DESIGNATION AND REQUESTED EFFECTIVE DATE

This AL and the enclosed tariff sheets are submitted pursuant to General Order (GO.) 96-B. AL 31-SS-A is designated as a Tier 1 compliance AL filing in accordance with Resolution W-5187.¹

¹ GO. 96-B, Water Industry Rule 7.3.1 (3)

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NOTICE

A copy of this AL has been served to all parties listed on the service list² on the last page of this AL. This AL requires no customer notice as this is a compliance filing. This filing will not cause withdrawal of service nor conflict with any other schedule or rule.

RESPONSE OR PROTEST³

Anyone may respond to or protest this AL. A response supports the filing and may contain information that proves useful to the Commission in evaluating the AL. A protest objects to the AL in whole or in part and must set forth the specific grounds on which it is based. These grounds are:

1. The utility did not properly serve or give notice of the AL;
2. The relief requested in the AL would violate statute or Commission order, or is not authorized by statute or Commission order on which the utility relies;
3. The analysis, calculations, or data in the AL contain material error or omissions;
4. The relief requested in the AL is pending before the Commission in a formal proceeding;
or
5. The relief requested in the AL requires consideration in a formal hearing, or is otherwise inappropriate for the AL process; or
6. The relief requested in the AL is unjust, unreasonable, or discriminatory, provided that such a protest may not be made where it would require re-litigating a prior order of the Commission.

A protest may not rely on policy objections to an AL where the relief requested in the AL follows rules or directions established by statute or Commission order applicable to the utility.

² GO. 96-B, Water Industry Rule 4.1

³ GO. 96-B, General Rule 7.4.1

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A protest shall provide citations or proofs where available to allow staff to properly consider the protest. The Water Division must receive a response or protest via email (or postal mail) within 20 days of the date the AL is filed. The addresses for submitting a response or protest are:

Email Address:

Water.Division@cpuc.ca.gov

Mailing Address:

California Public Utilities Commission
Water Division, 3rd Floor
505 Van Ness Avenue
San Francisco, CA 94102

On the same day the response or protest is submitted to the Water Division, the respondent or protestant shall send a copy of the protest to Eric Sweeney at: Cypress Ridge Sewer Co.

Email Address:

cypressridgewwtp@gmail.com

Mailing Address:

Cypress Ridge Sewer Co
P.O. Box 745
Grover Beach, CA 93483

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform DWA, within the 20-day protest period, so that a late filed protest can be entertained. The informing document should include an estimate of the date the proposed protest might be voted on.

REPLIES

The utility shall reply to each protest and may reply to any response. Any reply must be received by DWA within five business days after the end of the protest period, and shall be served on the same day on each person who filed the protest or response to the AL.⁴

⁴ GO. 96-B, General Rule 7.4.3

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SERVICE LIST

- Recipient 1 Thomas J. MacBride Jr.
tmacbride@goodinmacbride.com
- Recipient 2 Ann Watson
watconsult@sbcglobal.net
- Recipient 3 Jose E. Guzman, Jr.
jeguzmanjr@gmail.com
- Recipient 4 Cypress Ridge Sewer Co
kathybaker9871@gmail.com
- Recipient 5 Cypress Ridge Sewer Co
cypressridgewwtp@gmail.com
- Recipient 6 Cypress Ridge HOA
rgreen2275@charter.net
- Recipient 7 Jon Rokke
jon.rokke@waterboards.ca.gov
- Recipient 8 Arocles Aguilar
aro@cpuc.ca.gov
- Recipient 9 Legal Division
apprhg@cpuc.ca.gov
- Recipient 10 Frank Brommenschenkel
frank.brommen@verizon.net

I hereby certify that the above service list has been served a copy of AL 31-SS-A on April 2, 2019.

Executed in Santa Paula, California on the April 2, 2019.

Cypress Ridge Sewer Co

By: /s/Frank Brommenschenkel
Cypress Ridge Sewer Co

Enclosures

Schedule No. 1

RESIDENTIAL FLAT RATE SEWER SERVICE

APPLICABILITY

Applicable to all residential sewer service.

TERRITORY

Cypress Ridge, within Tract # 1933, and including Golf Course Complex, San Luis Obispo County.

RATES

Per Connection
Per Month

For all residential sewer service..... \$120.55 (I)

SPECIAL CONDITIONS

1. A late charge will apply per Schedule No. LC. (C)
2. Bills will be rendered in advance of the period for which service will be provided.
3. All bills are subject to the reimbursement fee set forth in Schedule No. UF.
4. For a period of 36 months beginning January 1, 2017, all sewer service will have a monthly sur-credit of \$13.69, subject to interest at the 90-day commercial paper rate on the unpaid balance for the excess labor charges collected from 2009 through 2012.

(To be inserted by utility)

Issued by

(To be inserted by Cal. P.U.C.)

Advice Letter No. 31-SS-A

Charles M. Baker

Date Filed _____

Decision No. _____

President

Effective _____

Resolution No. W-5187

Schedule No. 2

COMMERCIAL FLAT RATE SEWER SERVICE

APPLICABILITY

Applicable to all commercial sewer service.

TERRITORY

Cypress Ridge, within Tract # 1933, and including Golf Course Complex, San Luis Obispo County.

RATES

Per Connection
Per Month

| | | |
|------------------------------------|----------|-----|
| For Golf Pro Shop..... | \$120.55 | (I) |
| For Golf Maintenance Facility..... | \$120.55 | (I) |
| For Commercial/Office Facility... | \$120.55 | (I) |
| For Pavilion..... | \$120.55 | (I) |

SPECIAL CONDITIONS

1. A late charge will apply per Schedule No. LC. (C)
2. Bills will be rendered in advance of the period for which service will be provided.
3. All bills are subject to the reimbursement fee set forth in Schedule No. UF.
4. For a period of 36 months beginning January 1, 2017, all sewer service will have a monthly sur-credit of \$13.69, subject to interest at the 90-day commercial paper rate on the unpaid balance for the excess labor charges collected from 2009 through 2012.

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TABLE OF CONTENTS

The following listed tariff sheets contain all effective rates and rules affecting the charges and service of the utility, together with other pertinent information:

| <u>Subject matter of Sheet</u> | Cal. P.U.C. <u>Sheet No.</u> |
|---|--------------------------------------|
| Title page | 162-SS |
| Table of Contents | 224-SS, 70-SS (T) |
| Preliminary Statement | 197-SS, 71-SS, 72-SS, 179-SS, 180-SS |
| Service Area Map | 73-SS |
| <u>Rate Schedules:</u> | |
| Schedule No. 1, Residential Flat Rate Sewer Service | 222-SS (C) |
| Schedule No. 2, Commercial Flat Rate Sewer Service | 223-SS (C) |
| Schedule No. UF, Surcharge to Fund PUC Reimbursement Fee | 220-SS |
| Schedule No. LC, Late Payment Charge | 77-SS |
| <u>Rules:</u> | |
| No. 1 Definitions | 78-SS - 80-SS |
| No. 2 Description of Service | 81-SS |
| No. 3 Application for Service | 82-SS, 83-SS |
| No. 4 Contracts | 84-SS |
| No. 5 Special Information Required on Forms | 85-SS - 87-SS |
| No. 6 Establishment & Re-Establishment of Credit | 88-SS |
| No. 7 Deposits | 89-SS, 90-SS |
| No. 8 Notices | 91-SS – 93-SS |
| No. 9 Rendering and Payment of Bills | 94-SS – 96-SS |
| No. 10 Disputed Bills | 97-SS, 98-SS |
| No. 11 Discontinuance and Restoration of Service | 99-SS – 107-SS |
| No. 12 Information Available to Public | 108-SS, 109-SS |
| No. 13 Temporary Service | 110-SS, 111-SS |
| No. 14 Continuity of Service | 112-SS |
| No. 15 Main Extensions | 113-SS – 123-SS |
| No. 16 Service Connections, Meters and Customer's Facilities | 124-SS – 127-SS |
| No. 17 Measurement of Service | 128-SS |
| No. 18 Meter Tests and Adjustment of Bills for Meter Error | 129-SS – 132-SS |
| No. 19 Service to Separate Premises and Multiple Units; and Resale of Sewer Service | 133-SS |
| No. 20 Limitation of Wastes Discharged into the Utility's Sewer System | 134-SS, 135-SS |
| No. 21 Commercial, Institution, and Industrial Wastes | 136-SS |
| (Continued) | |

(To be inserted by utility)

Issued by

(To be inserted by Cal. P.U.C.)

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Date Filed _____

Decision No. _____

President

Effective _____

Resolution No. W-5187

RESOLUTION

Resolution W-5187
WD

March 28, 2019 (Rev. 2)

APPENDIX A Cypress Ridge Sewer Co. Summary of Earnings Test Year 2018

| | Cypress Ridge | | Water Division | |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|
| | Present Rates | Requested Rates | Present Rates | Recommended Rates |
| Operating Revenues | | | | |
| Unmetered Revenue | \$ 511,743 | \$ 622,250 | \$ 511,743 | \$ 558,400 |
| Total Revenue | \$ 511,743 | \$ 622,250 | \$ 511,743 | \$ 558,400 |
| Operating Expenses | | | | |
| 610 Purchased Water | \$ - | \$ - | \$ - | \$ - |
| 615 Purchased Power | \$ 32,569 | \$ 32,569 | \$ 32,086 | \$ 32,086 |
| 618 Other Volume Related Expenses | \$ 10,374 | \$ 10,374 | \$ 10,374 | \$ 10,374 |
| 630 Employee Labor | \$ 167,997 | \$ 167,997 | \$ 167,997 | \$ 167,997 |
| 640 Materials | \$ 13,089 | \$ 13,089 | \$ 13,089 | \$ 13,089 |
| 650 Contract Work | \$ 67,438 | \$ 67,438 | \$ 54,255 | \$ 54,255 |
| 660 Transportation Expenses | \$ 2,500 | \$ 2,500 | \$ 2,500 | \$ 2,500 |
| 664 Other Plant Maintenance | \$ 1,355 | \$ 1,355 | \$ 1,355 | \$ 1,355 |
| 670 Office Salaries | \$ - | \$ - | \$ - | \$ - |
| 671 Management Salaries | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 10,000 |
| 674 Employee Pensions and Benefits | \$ 16,725 | \$ 16,725 | \$ 14,564 | \$ 14,564 |
| 676 Uncollectable Accounts | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 1,000 |
| 678 Office Services and Rentals | \$ 5,529 | \$ 5,529 | \$ 5,529 | \$ 5,529 |
| 681 Office Supplies and Expenses | \$ 3,675 | \$ 3,675 | \$ 3,675 | \$ 3,675 |
| 682 Professional Services | \$ 72,497 | \$ 72,497 | \$ 35,000 | \$ 35,000 |
| 684 Insurance | \$ 20,000 | \$ 20,000 | \$ 17,964 | \$ 17,964 |
| 688 Regulatory Compliance Expense | \$ 8,712 | \$ 8,712 | \$ 7,500 | \$ 7,500 |
| 689 General Expenses | \$ 17,000 | \$ 17,000 | \$ 17,000 | \$ 17,000 |
| Subtotal | \$ 450,460 | \$ 450,460 | \$ 393,888 | \$ 393,888 |
| 403 Depreciation | \$ 12,703 | \$ 12,703 | \$ 12,703 | \$ 12,703 |
| 408 Taxes Other Than Income | \$ 16,338 | \$ 16,338 | \$ 16,338 | \$ 16,338 |
| 409 State Income Taxes | \$ 3,047 | \$ 9,371 | \$ 7,851 | \$ 11,976 |
| 410 Federal Income Taxes | \$ 9,450 | \$ 22,806 | \$ 17,002 | \$ 25,934 |
| Total Expenses | \$ 41,538 | \$ 61,218 | \$ 53,894 | \$ 66,951 |
| Net Revenue | \$ 19,745 | \$ 110,572 | \$ 63,961 | \$ 97,562 |
| Rate Base | | | | |
| Average Plant | \$ 5,201,924 | \$ 5,201,924 | \$ 5,179,323 | \$ 5,179,323 |
| Average Accumulated Depreciation | \$ 2,414,525 | \$ 2,414,525 | \$ 2,284,979 | \$ 2,284,979 |
| Net Plant | \$ 2,787,399 | \$ 2,787,399 | \$ 2,894,344 | \$ 2,894,344 |
| Less: | | | | |
| Advances | \$ - | \$ - | \$ - | \$ - |
| Contributions in Aid of Construction | \$ 2,476,831 | \$ 2,476,831 | \$ 2,606,738 | \$ 2,606,738 |
| Plus: | | | | |
| Construction Work in Progress | \$ - | \$ - | \$ - | \$ - |
| Working Cash | \$ - | \$ - | \$ - | \$ - |
| Materials and Supplies | \$ 13,925 | \$ 13,925 | \$ 13,925 | \$ 13,925 |
| Rate Base | \$ 324,493 | \$ 324,493 | \$ 301,531 | \$ 301,531 |
| Rate of Margin | 4.26% | 23.87% | 15.73% | 24.00% |

END OF APPENDIX A