

**CALIFORNIA PUBLIC UTILITIES COMMISSION
DIVISION OF WATER AND AUDITS**

Advice Letter Cover Sheet

Utility Name: TAHOE PARK Water Company

Date Mailed to Service List: Sept. 17, 2020

CPUC Utility #: WTC 96

Protest Deadline (20th Day): Oct. 7, 2020

Advice Letter #: 75-W

Review Deadline (30th Day): Oct. 17, 2020

Tier 1 2 3 Compliance

Requested Effective Date: Oct. 30, 2020

Authorization GO 96-B

Rate Impact: \$128,506
 10.9%

Description: Informal general rate case
 Test Year 2020

The protest or response deadline for this advice letter is 20 days from the date that this advice letter was mailed to the service list. Please see the "Response or Protest" section in the advice letter for more information.

Utility Contact: Richard Dewante

Utility Contact 2:

Phone: (916) 337-6775

Phone 2:

Email: rmdewante@sbcglobal.net

Email 2:

DWA Contact: Tariff Unit

Phone: (415) 703-1133

Email: Water.Division@cpuc.ca.gov

DWA USE ONLY

<u>DATE</u>	<u>STAFF</u>	<u>COMMENTS</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

APPROVED

WITHDRAWN

REJECTED

Signature: _____

Comments: _____

Date: _____

Tahoe Park Water Company

5000 Windplay Dr., Suite 4
El Dorado Hills, CA 95762
Telephone (209) 532-4806

September 17, 2020

Advice Letter No. 75-W

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

TAHOE PARK Water Company (TAHOE PARK) hereby transmits for filing one original and one copy of this advice letter (AL) and the following tariff sheets which are enclosed:

<u>NEW SHEET #</u>	<u>TITLE</u>	<u>CANCELLING SHEET #</u>
516-W	Schedule No. 1A, Annual Metered Service	510-W
517-W	Schedule No. 1B, Annual Metered Service	511-W
518-W	Schedule No. 2RA-TP, Annual Residential Flat Rate Service	512-W
519-W	Schedule No. 2RA-SKY, Annual Residential Flat Rate Service	513-W
520-W	Schedule No. 4, Private Fire Protection Service	514-W
521-W	Table of Contents	515-W

REQUEST

By Advice Letter (AL) 75-W, TAHOE PARK seeks authority under General Order 96-B, Rule 1.7 and Rule 7.6.2, Water Industry Rule 7.3.3(5) and Section 454 of the Public Utilities Code to increase its rates for water service to recover increased operating expenses and earn an adequate return on margin over current rates. The requested rates will be an increase of \$128,506 (19.8%) in gross annual revenue from its present rates and an increase of \$42,3854 (120.24%) in gross annual revenue from its last general rate case. The requested rates would provide a rate of return of 10.9% in test year 2020.

BACKGROUND

The present rates became effective on May 14, 2020, by approval of AL No. 74-W, which

Tahoe Park Water Company

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implemented a Consumer Price Index increase of 2.3%. The last general rate increase became effective on May 24, 2007, pursuant to Resolution W-4628, which authorized a general rate increase of \$145,925, or 70.6% with a return on rate base of 13%.

Affordability of Proposed Rates

Placer County has a persons in poverty rate of 7.1%¹, and the per capita income in the past 12 months (in 2018 dollars) is \$41,508². The annual cost of water for an average customer is approximately 1.52% of the median household income (MHI) of \$84,357³ for Placer County. The Water Division (WD) notes that no affordability criteria have been developed and adopted in any Commission Decision or legislation, and that the percentage of MHI represented by the increased rates is for informational purposes only. The Commission adheres to cost-of-service regulatory principles in developing rates for its jurisdictional utilities, and the WD's recommended rates for TAHOE PARK are the minimum required to satisfy the utility's technical, managerial and financial capacity, as well as operational capability. The discussion regarding affordability is presented to indicate to the Commission the relationship between the proposed rates and local incomes. With the proposed rates, the average annual bill for a flat rate residential customer would increase from \$1,037.02 to \$1,278.89, or 23.3% in TY 2020.

Safety

TAHOE PARK meets all applicable drinking water quality standards as required by the State Water Resources Control Board, Division of Drinking Water.

TIER DESIGNATION AND REQUESTED EFFECTIVE DATE

This AL and enclosed tariffs are submitted pursuant to Water Industry Rule 7.3.3(5) of General Order (GO.) 96-B and this AL is designated as a Tier 3 filing. This advice letter will become effective upon approval through a Commission Resolution. ⁴

¹ Source: 2018 Small Area Income and Poverty Estimates (SAIPE)

² Sources: U.S. Census Bureau, American Community Survey (ACS) and Puerto Rico Community Survey (PRCS), 5-Year Estimates.

³ <https://www.census.gov/quickfacts/fact/table/placercountycalifornia#>

⁴ GO. 96-B, Water Industry Rule 7.3.3

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NOTICE

A copy of this AL has been served to all parties listed on the service list⁵ on the last page of this AL. This filing will not cause withdrawal of service nor conflict with any other schedule or rule.

RESPONSE OR PROTEST⁶

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 relitigating a prior order of the Commission.

⁵GO. 96-B, Water Industry Rule 4.2

⁶ GO. 96-B, General Rule 7.4.1

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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.

A protest shall provide citations or proofs where available to allow staff to properly consider the protest. The Water Division (DW) 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 DW, the respondent or protestant shall send a copy of the protest to TAHOE PARK at:

Mailing Address:

TAHOE PARK Water Company
5000 Windplay Dr., Suite 4,
El Dorado Hills, CA 95762

Email Address:

rmdewane@sbcglobal.net

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform DW, 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 DW 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.⁷

⁷ GO. 96-B, General Rule 7.4.3

Tahoe Park Water Company

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I hereby certify that the service list from Advice Letter No. 75-W has been served a copy of this Advice Letter on September 17, 2020.

Executed in El Dorado Hills, California on September 17, 2020.

TAHOE PARK Water Company

By: _____
Richard Dewante
President

Enclosures

Schedule No. 1A

ANNUAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service furnished on an annual basis.

TERRITORY

The unincorporated areas including Tahoe Park Miramar Heights, and Tahoe Sierra Estates Subdivision, and vicinity, located adjacent to State Highway 89 approximately 1 to 2 miles south of the community of Tahoe City, Placer County

RATES

Quantity Rate:

For all water, per 100 cu. ft. \$2.14 (l)

Service Charge:

	<u>Per Meter</u> <u>Per Year</u>	
For 5/8 x 3/4-inch meter	\$386.92	(l)
For 3/4-inch meter	\$580.39	(l)
For 1-inch meter	\$967.31	(l)
For 1 1/2-inch meter	\$1,934.62	(l)
For 2-inch meter	\$3,095.39	(l)
For 3-inch meter	\$5,803.85	(l)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rate.

(continued)

(To be inserted by utility)

Advice Letter No. 75-W

Decision No. _____

Issued By

Richard Dewante

President

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

Date Filed _____

Effective _____

Resolution No. _____

Schedule No. 1B

ANNUAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service furnished on an annual basis.

TERRITORY

The unincorporated areas including the Skyland and Nielsen subdivisions, and vicinity, located adjacent to Highway 89 approximately 2 to 3 miles south of the community of Tahoe City, Placer County.

RATES

Quantity Rate:

For all water, per 100 cu. ft. \$2.14 (I)

Service Charge:

		<u>Per Meter</u> <u>Per Year</u>	
For	5/8 x 3/4-inch meter	\$386.92	(D)
For	3/4-inch meter	\$580.39	(D)
For	1-inch meter	\$967.31	(I)
For	1 1/2-inch meter	\$1,934.62	(I)
For	2-inch meter	\$3,095.39	(I)
For	3-inch meter	\$5,803.85	(I)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rate.

(continued)

(To be inserted by utility)

Advice Letter No. 75-W

Decision No. _____

Issued By

Richard Dewante

President

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

Date Filed _____

Effective _____

Resolution No. _____

Schedule No. 2RA-TP

ANNUAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate residential water services furnished on an annual basis.

TERRITORY

The unincorporated areas including Tahoe Park, Miramar Heights, and Tahoe Sierra Estates Subdivision, and vicinity, located adjacent to State Highway 89 approximately 1 to 2 miles south of the community of Tahoe City, Placer County.

RATE

For a single-family residential unit or small business served by a 3/4" or smaller service connection, including premises	\$1,278.89 (I)
For each additional single-family residential unit or small business establishment on the same premises and served from the same 3/4" or smaller service connection.	\$1,023.15 (I)
For 1-inch diameter flat rate service	\$2,174.20 (I)

(continued)

(To be inserted by utility)

Advice Letter No. 75-W

Decision No. _____

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Richard Dewante

President

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

Date Filed _____

Effective _____

Resolution No. _____

Schedule No. 2RA-SKY
ANNUAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate residential water services furnished on an annual basis.

TERRITORY

The unincorporated areas including the Skyland and Nielsen subdivisions, and vicinity, located adjacent to Highway 89 approximately 2 to 3 miles south of the community of Tahoe City, Placer County.

RATE

	<u>Per Service Connection Per Year</u>		
	<u>BASE</u>	<u>PUMPING</u>	
	<u>CHARGE</u>	<u>ZONE ADDER</u>	
For a single-family residential unit or small business served by a 3/4" or smaller service connection, including premises	\$1,278.89	\$207.36	(I)
For each additional single-family residential unit or small business establishment on the same premises and served from the same 3/4" or smaller service connection.	\$1,023.15	\$165.77	(I)
For 1-inch diameter flat rate service	\$2,174.20	\$363.46	(I)

Note: The pumping zone adder is an explicit part of the flat rate charge to reflect different pumping requirements for each of the service territories

(continued)

(To be inserted by utility)

Advice Letter No. 75-W

Decision No. _____

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President

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

Date Filed _____

Effective _____

Resolution No. _____

Schedule No. 4

PRIVATE FIRE PROTECTION SERVICE

APPLICABILITY

Applicable to all water service furnished for private fire systems and to private fire hydrants.

TERRITORY

This schedule is applicable within the entire territory served by the utility.

RATES

	<u>Per Year</u>	
For each inch of diameter of service connection	\$512.03	(I)

SPECIAL CONDITIONS

1. The customer will pay, without refund, the entire cost of the private fire facilities.
2. The private fire service facilities shall be installed by the utility or under the utility's direction and shall be the sole property of the applicant but subject to the control of the utility, with the right to alter, repair, replace, and the right to remove upon discontinuance of service.
3. The minimum diameter for the private fire service connection will be 4 inches. The maximum diameter shall not be larger than the diameter of the water main to which the private fire service facilities are connected.
4. If a water main of adequate size is not available adjacent to the premises to be served, then a new main from the nearest existing main of adequate size will be installed by the utility at the cost of the customer. Such cost shall not be subject to refund.

(continued)

(To be inserted by utility)

Advice Letter No. 75-W

Decision No. _____

Issued By

Richard Dewante

President

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

Date Filed _____

Effective _____

Resolution No. _____

TABLE OF CONTENTS

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

Title Page	255-W
Table of Contents	521-W , 469-W (T)
Preliminary Statements	453-W, 454-W
Service Area Map	363-W, 364-W
Rate Schedules:	
Schedule No. 1A, Annual Metered Service	516-W , 203-W (I)
Schedule No. 1 B, Annual Metered Service	517-W , 382-W (I)
Schedule No. 2RA-TP, Annual Residential Flat Rate Service	518-W , 362-W (I)
Schedule No. 2RA-SKY, Annual Residential Flat Rate Service	519-W , 358-W (I)
Schedule No. 4, Private Fire Protection Service	520-W , 252-W, 297-W (I)
Schedule No. UF – Surcharge to Fund PUC Reimbursement Fee	477-W
Rules:	
No. 1 – Definitions	487-W, 488-W
No. 2 – Description of Service	112-W
No. 3 – Application for Service	17-W
No. 4 – Contracts	18-W
No. 5 – Special Information Required on Forms	489-W - 492-W
No. 6 – Establishment and Re-establishment of Credit	21-W
No. 7 – Deposits	22-W, 124-W
No. 8 – Notices	493-W, 496-W
No. 9 – Rendering and Payment of Bills	25-W, 27-W
No. 10 – Disputed Bills	497-W, 498-W
No. 11 – Discontinuance and Restoration of Service	499-W - 508-W
No. 12 – Information Available to Public	32-W, 33-W
No. 13 – Temporary Service	34-W, 35-W
No. 14 – Continuity of Service	36-W
No. 15 – Main Extensions	269-W- 281-W, 479-W
No. 16 – Service Connections, Meters, & Customer’s Facilities	282-W- 288-W
No. 17 – Standards for Measurements of Service	174-W
No. 18 – Meter Tests & Adjustment of Bills for Meter Error	50-W - 52-W
No. 19 – Service to Separate Premises & Multiple Units and Resale of Water	199-W, 200-W
No. 20 – Fire Protection	318-W

(continued)

(To be inserted by utility)

Issued By

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

Advice Letter No. 75-W

Richard Dewante

Date Filed _____

Decision No. _____

President

Effective _____

Resolution No. _____

Tahoe Park Water Company
Advice Letter No. 75
Service List

Placer Co. Environmental Health
PO Box 909
Tahoe City, CA 96145

Placer County Public Works
1091 County Center Dr., Ste. 220
Auburn, CA 95603

Tahoe Swiss Village Utility
glazerwest@att.net

Gerald Rockwell
PO Box 1431
Tahoe City, CA 96145

Skyland HOA
stormyb1@att.net

mmarques@gmail.com

James T. Bialson
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