

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

Advice Letter Cover Sheet

Utility Name: Sonora Water Company

Date Mailed to Service List: Dec. 7, 2020

CPUC Utility #: WTD 184

Protest Deadline (20th Day): Dec. 27, 2020

Advice Letter #: 78-W

Review Deadline (30th Day): Jan. 7, 2021

Tier 1 2 3 Compliance

Requested Effective Date: Jan. 8, 2021

Authorization GO 96-B

Rate Impact: \$86,385
36.55%

Description: Informal general rate case
Test Year 2021

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: Beverly Brown

Utility Contact 2:

Phone: (209) 532-4806

Phone 2:

Email: brown_bev@gmail.com

Email 2:

DWA Contact: Tariff Unit

Phone: (415) 703-1133

Email: Water.Division@cpuc.ca.gov

DWA USE ONLY

DATE

STAFF

COMMENTS

APPROVED

WITHDRAWN

REJECTED

Signature: _____

Comments: _____

Date: _____

Sonora Water Company

P.O. Box 2196, Columbia, CA 95310

Telephone (209) 532-4806

Email: brown.bev@gmail.com

December 7, 2020

Advice Letter No. 78-W

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

SONORA Water Company (SONORA) 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>
397-W	Schedule 1A, Monthly Metered Service	394-W
398-W	Schedule No. 4, Private Fire Protection Service	395-W
399-W	Table of Contents	396-W

REQUEST

By Advice Letter (AL) 78-W, SONORA 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 7. The requested rates will be an increase of \$86,385 (36.55%) in gross annual revenue from its present rates and an increase of \$94,830 (39.66%) in gross annual revenue from its last general rate case. The requested rates would provide a rate of margin of 24.0% in test year 2021.

BACKGROUND

The present rates became effective on April 20, 2020, by approval of AL No. 74-W, which implemented a Consumer Price Index increase of 2.3%. The last general rate increase became effective on September 14, 2017, pursuant to Resolution W-5147, which authorized a general rate increase of \$10,471, or 4.70% with a return on rate base of 17.85%.

Sonora Water Company

P.O. Box 2196, Columbia, CA 95310

Telephone (209) 532-4806

Email: brown.bev@gmail.com

Affordability of Proposed Rates

Tuolumne County has a persons in poverty rate of 12.5%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 1.43% of the median household income (MHI) of \$33,685³ for Tuolumne 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 SONORA 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 bill for a 5/8 x 3/4-inch metered residential customer consuming 6 CCF per month would increase from \$63.81 to \$78.74, or 23.4% in TY 2021.

Safety

SONORA meets all applicable drinking water quality standards as required by the State Water Resources Control Board, Division of Drinking Water (SWRCB). SONORA purchases all its water from the Tuolumne Utility District (TUD). The TUD regularly monitors and has strict schedules to collect water samples for testing. The TUD meets all applicable drinking water quality standards.

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

Sonora Water Company

P.O. Box 2196, Columbia, CA 95310

Telephone (209) 532-4806

Email: brown.bev@gmail.com

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

Sonora Water Company

P.O. Box 2196, Columbia, CA 95310

Telephone (209) 532-4806

Email: brown.bev@gmail.com

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 SONORA at:

Mailing Address:

SONORA Water Company
P.O. Box 2196,
Columbia, CA 95310

Email Address:

brown.bev@gmail.com

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

Sonora Water Company

P.O. Box 2196, Columbia, CA 95310

Telephone (209) 532-4806

Email: brown.bev@gmail.com

I hereby certify that the service list from Advice Letter No. 78-W has been served a copy of this Advice Letter on December 7, 2020.

Executed in Columbia, California on December 7, 2020.

SONORA Water Company

By: /s/ BEVERLY BROWN

Beverly Brown
Manager

Enclosures

Sonora Water Company				
Schedule No. 1A				
<u>GENERAL METERED SERVICE</u>				
<u>APPLICABILITY</u>				
Applicable to all water service furnished on a metered basis.				
<u>TERRITORY</u>				
Fairway Acres and vicinity, located approximately one mile east of Jamestown in Tuolumne County				
<u>RATES</u>				
Quantity Rate:				
	For all water, per 100 cu. ft.	.....	\$4.22	(I)
Service Charge:				
			<u>Per Meter Per</u> <u>Monthly</u>	<u>Per Meter Per</u> <u>Annually</u>
For	5/8 x 3/4-inch meter	.....	\$ 53.14	\$ 637.68 (I)
For	3/4-inch meter	.....	\$ 79.70	\$ 696.29 (I)
For	1-inch meter	.....	\$ 132.84	\$ 956.40 (I)
For	1-1/2 inch meter	.....	\$ 265.68	\$ 3,188.16 (I)
For	2-inch meter	.....	\$ 425.08	\$ 5,100.96 (I)
For	3-inch meter	.....	\$ 797.03	\$ 9,564.36 (I)
For	4-inch meter	.....	1,328.39	\$ 15,940.68 (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)

Issued By

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

Advice Letter No. 78-W

Beverly A. Brown

Date Filed _____

Decision No. _____

Manager

Effective _____

Resolution No. _____

Sonora Water Company

Schedule No. 4

PRIVATE FIRE PROTECTION SERVICE

APPLICABILITY

Applicable to water service furnished to privately owned fire protection systems.)

TERRITORY

Fairway Acres and vicinity, located approximately one mile east of Jamestown in Tuolumne County.

RATE

Per Month

For each inch of diameter of service connection \$ 15.21 (I)

SPECIAL CONDITIONS

1. The fire protection service connection shall be installed by the utility and the cost paid by the applicant. Such payment shall not be subject to refund.
2. The minimum diameter for the private service connection shall be four inches and the maximum diameter shall not be more than the diameter of the water main to which the service is connected.
3. If a distribution main of adequate size to serve a private fire protection system in addition to all other normal service, does not exist in the street or alley adjacent to the premises to be served, then a service main from the nearest existing main of adequate capacity shall be installed by the utility and the cost paid by the applicant. Such cost will not be subject to refund.
4. Service hereunder is for private fire protection systems to which no connections for other than fire protection purposes are allowed and which are regularly inspected by the underwriters having jurisdiction are installed according to specifications of the utility, and are maintained to the satisfaction of the utility. The utility may install the standard detector type meter approved by the Board of Fire Underwriters for protection against theft, leakage, or waste of water and with cost paid by the applicant. Such payment shall not be subject to refund.

(To be inserted by utility)

Issued By

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

Advice Letter No. 78-W

Beverly A. Brown

Date Filed _____

Decision No. _____

Manager

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.

<u>SUBJECT MATTER OF SHEET</u>	<u>P.U.C. SHEET NO.</u>
Title Page	351-W
Table of Contents	399-W , 321-W (T)
Preliminary Statements	7-W, 8-W, 309-W 310-W, 337-W, 338-W
Service Area Map	177-W
Rate Schedules:	
Schedule No. 1A – Monthly Metered Service	397-W , 367-W (I)
Schedule No. 4 – Private Fire Protection Service	398-W (I)
Schedule No. LC – Late Payment Charge	234-W
Schedule No. UF – PUC Reimbursement Fee	394-W
Schedule F, Facilities Fees	381-W
Rules:	
No. 1 – Definitions	142-W, 143-W
No. 2 – Description of Service	8-W
No. 3 – Application for Service	313-W
No. 4 – Contracts	14-W
No. 5 – Special Information Required on Forms	314-W - 316-W
No. 6 – Establishment and Re-establishment of Credit	17-W
No. 7 – Deposits	279-W, 280-W
No. 8 – Notices	252-W, 253-W
No. 9 – Rendering and Payment of Bills	235-W, 236-W
No. 10 – Disputed Bills	317-W, 318-W
No. 11 – Discontinuance and Restoration of Service	237-W – 244-W
No. 12 – Information Available to Public	28-W, 29-W
No. 13 – Temporary Service	30-W, 31-W
No. 14 – Continuity of Service	32-W
No. 14.1 – Water Conservation & Rationing Plan	355-W – 359-W
No. 15 – Main Extensions	202-W – 214-W; 179-W
No. 16 – Service Connections, Meters, & Customer’s Facilities	215-W – 221-W
No. 17 – Standards for Measurements of Service	131-W
No. 18 – Meter Tests & Adjustment of Bills for Meter Error	51-W, 53-W
No. 19 – Service to Separate Premises & Multiple Units and Resale of Water	160-W, 161-W
No. 20 – Fire Protection	55-W
No. 21 – Water Conservation	190-W

(continued)

(To be inserted by utility)

Issued By

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

Advice Letter No. 78-W

Beverly A. Brown

Date Filed _____

Decision No. _____

Manager

Effective _____

Resolution No. _____

Sonora Water Company

P.O. Box 2196, Columbia, CA 95310

Telephone (209) 532-4806

Email: brown.bev@gmail.com

Advice Letter #78-W

SERVICE LIST:

Jamestown Sanitary District
18351 Main Street
Jamestown, CA 95327

Tuolumne County
Department of Environmental Health
48 W. Yaney Street
Sonora, CA 95370

Tuolumne Utilities District
18885 Nugget Blvd
Sonora, CA 95370