

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

Advice Letter Cover Sheet

Utility Name: Mountain Mesa Water Company, Inc. **Date Mailed to Service List:** June 21, 2021
District: N/A
CPUC Utility #: WTD-301 **Protest Deadline (20th Day):** July 11, 2021
Advice Letter #: 44-W **Review Deadline (30th Day):** July 21, 2021
Tier: 1 2 3 Compliance **Requested Effective Date:** June 21, 2021
Authorization: D.92-03-093 **Rate Impact:** \$4,805
Description: 2020 CPI Adjustment 1.4%

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: Frank Brommenschenkel
Phone: 805-525-4200
Email: Frank.brommen@verizon.net

Utility Contact: Scott Kissack
Phone: 661-340-4096
Email: SKissack@msn.com

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[] APPROVED [] WITHDRAWN [] REJECTED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: _____

Mountain Mesa Water Company, Inc.

Post Office Box 2431, Bakersfield, CA 93303-2431, 661-340-4096, SKissack@msn.com

6/21/2021

Advice Letter No. 44-W

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Mountain Mesa Water Company, Inc. (Mountain Mesa) hereby transmits for filing one digital copy of this advice letter 44-W and the following tariff sheets which are enclosed:

<u>NEW SHEET #</u>	<u>TITLE</u>	<u>CANCELLING SHEET #</u>
307-W	Schedule No. 1	303-W
308-W	Table of Contents	306-W

REQUEST

By AL 44-W, Mountain Mesa requests permission to increase its revenues (based on increase to the present monthly quantity rate and service charge) by 1.4%, the Consumer Price Index (CPI) for 2020. The projected revenue increase of \$4,805 will not result in a rate of return which exceeds the authorized rate of return of 12.25%. Workpapers justifying this increase are enclosed.

BACKGROUND

The present rates became effective on March 13, 2020, pursuant to Resolution W-4540, which authorized an offset (CPI) rate increase of \$7,716, or 2.3%

The last general rate increase became effective on January 1, 2013, pursuant to Resolution W-4919, which authorized a general rate increase of \$71,853, or 33.6% for test year 2012 and \$25,153 or 8.80% for escalation year 2013, and a rate of return of 12.25%.

AL 44-W is filed pursuant to Ordering Paragraphs No. 1 of **Decision 92-03-093** and **Resolution W-4493**, which authorize Class C and D water and sewer utilities to file a request for a CPI increase once a year by AL. The increase is to be passed on to the utility's customers in their quantity rate and service charge.

Mountain Mesa Water Company, Inc.

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TIER DESIGNATION AND REQUESTED EFFECTIVE DATE

This AL and the enclosed tariff sheets are submitted pursuant to General Order (GO.) 96-B. AL 44-W is designated as a Tier 1 AL and the enclosed tariff sheets will become effective upon filing.¹

NOTICE

This AL does not require notice;² however, the utility shall inform its customers, by bill insert in the first bill that includes the increase, of the amount of the increase expressed in dollar and percentage terms.³ A copy of this AL has been served to all parties listed on the service list⁴ 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 PROTEST⁵

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.

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.

¹ GO. 96-B, Water Industry Rule 7.3.1

² GO. 96-B, General Rule 4.2

³ GO. 96-B, General Rule 3.2

⁴ GO. 96-B, Water Industry Rule 4.1

⁵ GO. 96-B, General Rule 7.4.1

Mountain Mesa Water Company, Inc.

Post Office Box 2431, Bakersfield, CA 93303-2431, 661-340-4096, SKissack@msn.com

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 Scott Kissack at: Mountain Mesa Water Company, Inc.

Email Address:

SKissack@wescodist.com

Mailing Address:

Mountain Mesa Water Company, Inc.
P.O. Box 2431
Bakersfield, CA 93303-2431

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.⁶

⁶ GO. 96-B, General Rule 7.4.3

Mountain Mesa Water Company, Inc.

Post Office Box 2431, Bakersfield, CA 93303-2431, 661-340-4096, SKissack@msn.com

SERVICE LIST

- Recipient 1 County of Kern
1115 Truxtun Avenue 5th Floor
Bakersfield, CA 93301
planning@kerncounty.com
- Recipient 2 California Water Service Company
Jon Yasin
jyasin@calwater.com
- Recipient 3 Erskine Creek Water Company
PO Box 656
Lake Isabella, CA 93240
Erskinecreekh20@aol.com

I hereby certify that the above service list has been served a copy of AL 44-W on June 21, 2021.

Executed in Santa Paula, California on the June 21, 2021.

Mountain Mesa Water Company,
Inc.

By: /s/Frank Brommenschenkel
Scott Kissack
Vice President

Enclosures

Schedule No. 1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The unincorporated area located adjacent to State Highway 178 and approximately three miles east of the community of Lake Isabella, Kern County.

RATES

Per Meter Per Month

Quantity Rates:

For all water delivered, per 100 cu. ft from 1 to 5 units	\$ 1.34	(I)
For all water delivered, per 100 cu. ft from 6 to 10 units	\$ 2.15	
For all water delivered, per 100 cu. ft over 10 units	\$ 2.99	(I)

Service Charge:

For 5/8 x 3/4-inch meter.....	\$ 38.39	(I)
For 3/4-inch meter.....	\$ 57.61	
For 1-inch meter.....	\$ 96.02	
For 1-1/2 inch meter.....	\$192.00	
For 2-inch meter.....	\$307.20	
For 3-inch meter.....	\$576.00	
For 4-inch meter.....	\$960.03	(I)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is to be added the charge computed at the Quantity Rates.

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

(To be inserted by utility)

Issued by

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

Advice Letter No. 44-W

William Scott Kissack

Date Filed _____

Decision No. 92-03-093

Vice President

Effective _____

Resolution No. W-4493 & W-4540

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>	<u>Cal. P.U.C. Sheet No.</u>	
Title page	251-W	
Table of Contents	308-W, 276-W	(T)
Preliminary Statement	188-W, 221-W - 223-W, 252-W, 253-W	
Service Area Map	190-W	
<u>Rate Schedules:</u>		
Schedule No. 1, General Metered Service	307-W	(C)
Schedule No. LC, Late Payment Charge	219-W	
Schedule No. UF, Surcharge to Fund Public Utilities Commission Reimbursement Fee	305-W	
<u>Rules:</u>		
No. 1 Definitions	282-W, 283-W	
No. 2 Description of Service	62-W	
No. 3 Application for Service	224-W	
No. 4 Contracts	225-W	
No. 5 Special Information Required on Forms	284-W – 286-W	
No. 6 Establishment & Re-Establishment of Credit	229-W	
No. 7 Deposits	230-W, 231-W	
No. 8 Notices	287-W - 289-W	
No. 9 Rendering and Payment of Bills	232-W, 233-W	
No. 10 Disputed Bills	290-W, 291-W	
No. 11 Discontinuance and Restoration of Service	292-W – 301-W	
No. 12 Information Available to Public	193-W, 194-W	
No. 13 Temporary Service	237-W, 238-W	
No. 14 Continuity of Service	195-W	
No. 15 Main Extensions	165-W – 177-W, 141-W	
No. 16 Service Connections, Meters and Customer's Facilities	178-W – 184-W	
No. 17 Standards for Measurement of Service	103-W	
No. 18 Meter Tests and Adjustment of Bills for Meter Error	196-W – 198-W	
No. 19 Service to Separate Premises and Multiple Units; and Resale of Water	134-W, 135-W	
No. 20 Water Conservation	239-W	
No. 21 Fire Protection	240-W	

(Continued)

(To be inserted by utility)

Issued by

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

Advice Letter No. 44-WWilliam Scott Kissack

Date Filed _____

Decision No. 92-03-093Vice President

Effective _____

Resolution No. W-4493 & W-4540

Mountain Mesa Water Company
Summary of Earnings - CPI-U 2020
21-Jun-21

	Res. W-4919 5/24/12	2019 CPI-U Increase 2.3%	Recorded 2020	2020 CPI-U Increase 1.4%	Authorized 2021
Operating Revenue					
Metered Water Revenue	\$ 311,148	\$ 7,716	\$ 341,990	\$ 4,805	\$ 346,795
Total Revenue	\$ 311,148	\$ 7,716	\$ 341,990		\$ 346,795
Operating Expenses					
Purchased Water	\$ 9,227				\$ -
Purchased Power	\$ 26,616		\$ 46,522		\$ 46,522
Other Volume Related Expense	\$ 39,176		\$ 15,986		\$ 15,986
Employee Labor			\$ -		\$ -
Materials	\$ 2,897		\$ 7,621		\$ 7,621
Contract Work	\$ 74,691		\$ 122,910		\$ 122,910
Transportation Expenses	\$ -		\$ 3,334		\$ 3,334
Other Plant Maintenance	\$ 3,249		\$ 28,183		\$ 28,183
Office salaries			\$ -		\$ -
Management	\$ 9,500		\$ 9,000		\$ 9,000
Employee Pension & Benefits					\$ -
Uncollectable Accounts Expense					\$ -
Office Services & Rentals	\$ 5,427		\$ 72		\$ 72
Office Supplies & Expenses	\$ 449		\$ 6,847		\$ 6,847
Professional Services	\$ 3,770		\$ 5,878		\$ 5,878
Insurance	\$ 2,545		\$ 4,774		\$ 4,774
Regulatory Commission Expense	\$ 3,476		\$ 4,099		\$ 4,099
General Expenses	\$ 2,383		\$ 3,857		\$ 3,857
Subtotal	\$ 183,406		\$ 259,082		\$ 259,082
Depreciation	\$ 21,254		\$ 26,083		\$ 26,083
Taxes Other than Income	\$ 5,571		\$ 10,285		\$ 10,285
Income Taxes	\$ 26,920		\$ 12,751		\$ 12,751
Interest Expense	\$ -		\$ -		\$ -
Total Deductions	\$ 237,151		\$ 308,201		\$ 308,201
Net Revenue	\$ 73,997		\$ 33,789		\$ 38,594
Rate Base					
Average Plant	\$ 983,560		\$ 1,186,726		\$ 1,186,726
Avg. Accum. Depreciation	\$ 372,839		\$ 506,424		\$ 506,424
Net Plant	\$ 610,721		\$ 680,302		\$ 680,302
Less: Advances	\$ -		\$ 5,040		\$ 5,040
Contributions	\$ 25,600		\$ 21,994		\$ 21,994
Plus: Working Cash	\$ 19,177		\$ 19,177		\$ 19,177
Mat'l & Supplies	\$ -		\$ -		\$ -
Rate Base:	\$ 604,298		\$ 672,445		\$ 672,445
Rate of Return	12.25%		5.02%		5.74%

Mountain Mesa Water Company

2020 CPI-U

6/21/2021

SCHEDULE NO. 1 - GENERAL METERED SERVICE

RATES:

<i>Quantity Rates per 100 cubic feet (Ccf):</i>	Current	Increased
For all water delivered, per 100 cu. ft from 1 to 5 units	\$ 1.32	\$ 1.34
For all water delivered, per 100 cu. ft from 6 to 10 units	\$ 2.12	\$ 2.15
For all water delivered, per 100 cu. ft over 10 units	\$ 2.95	\$ 2.99

Monthly Service Charge:

	Current	Increased
5/8 x 3/4-inch meter	\$ 37.86	\$ 38.39
3/4-inch meter	\$ 56.81	\$ 57.61
1-inch meter	\$ 94.69	\$ 96.02
1-1/2-inch meter	\$ 189.35	\$ 192.00
2-inch meter	\$ 302.96	\$ 307.20
3-inch meter	\$ 568.05	\$ 576.00
4-inch meter	\$ 946.78	\$ 960.03