

CALIFORNIA PUBLIC UTILITIES COMMISSION DIVISION OF WATER AND AUDITS

Advice Letter Cover Sheet

Utility Name: East Pasadena Water Company

Dated Mailed to Service List: 11/24/2020

District: N/A

CPUC Utility #: WTB-331

Protest Deadline (20th Day): 12/14/2020

Advice Letter #: 112-A

Review Deadline (30th Day): 12/24/2020

Tier: 1 2 3 Compliance

Requested Effective Date: ASAP

Authorization: D. 92-03-093

Rate Impact: \$72,128
 2.3%

Description: 2019 CPI-U (2.3%)

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: Lawrence Morales

Utility Contact: Christian L. Aldinger

Phone: 626-793-6189

Phone: 714-536-4418

Email: lawrence@epwater.com

Email: chris@paocpas.com

DWA Contact: Tariff Unit

Phone: 415-703-1133

Email: Water.Division@cpuc.ca.gov

DWA USE ONLY		
DATE	STAFF	COMMENTS

APPROVED

WITHDRAWN

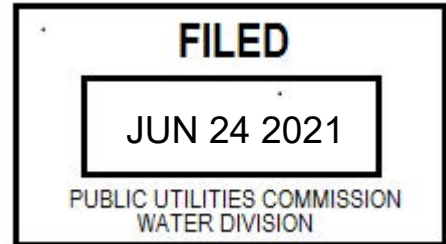
REJECTED

Signature: _____ Comments: _____

Date: _____

East Pasadena Water Company

3725 East Mountain View Avenue
Pasadena, CA 91107
Telephone: 626-793-6189
Email: lawrence@epwater.com



November 24, 2020

Advice Letter No.: 112-A

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

SUPPLEMENT

East Pasadena Water Company (WTB-331) 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>
494-W	Schedule No. 1, General Metered Service	463-W
495-W	Schedule No. 4, Private Fire Protection Service	464-W
496-W	Table of Contents	493-W

REQUEST

By AL 112-A, East Pasadena Water Company requests permission to increase its revenues (based on increase to the present monthly quantity rate and service charge) by 2.3%, the Consumer Price Index (CPI) for 2019. This projected revenue increase of \$72,128 will not result in a rate of return which exceeds the authorized rate of return. Workpapers justifying this increase are enclosed.

BACKGROUND

The present rates became effective on August 23, 2019 by AL #105. (2018 CPI increase)

The last general rate case became effective on May 29, 2015, by AL #86-A & pursuant to W-5039, which authorized a rate increase of \$357,854 or 12.88%.

AL 112 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.

East Pasadena Water Company

3725 East Mountain View Avenue
Pasadena, CA 91107
Telephone: 626-793-6189
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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. This advice letter is designated as a Tier 1 filing 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 serviced 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 PROTEST²

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 omission;
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.

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

¹ GO. 96-B, Water Industry Rule 7.3.3

² GO. 96-B, General Rule 7.4.1

East Pasadena Water Company

3725 East Mountain View Avenue
Pasadena, CA 91107
Telephone: 626-793-6189
Email: lawrence@epwater.com

RESPONSE OR PROTEST (continued)²

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 DWA, the respondent or protestant shall send a copy of the protest to Lawrence Morales at:

Email Address:

lawrence@epwater.com

Mailing Address:

Attn: Lawrence Morales
East Pasadena Water Company
3726 East Mountain View Avenue
Pasadena, CA 91104

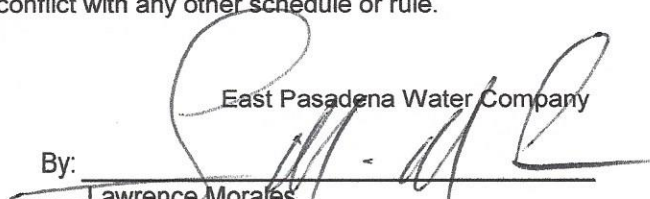
Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform DWA, within the 20 day protest period, so that a late filed protest can be entertained. The informing document should include an estimate of the date the proposed protest might be voted on.

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.³

This filing is made under the provisions of General Order No. 96-B.

This filing will not cause withdrawal of service or conflict with any other schedule or rule.

By: 
Lawrence Morales
President

³ GO. 96-B, General Rule 7.4.3

East Pasadena Water Company

3725 East Mountain View Avenue
Pasadena, CA 91107
Telephone: 626-793-6189
Email: lawrence@epwater.com

SERVICE LIST

Patrick Tucker
Pasadena Water & Power
150 S. Los Robles, Suite 200
Pasadena, CA 91101

Department of Ratepayer Advocate
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Tom Tait
City of Arcadia Water Department
240 West Huntington Drive
Arcadia, CA 91006

Public Advisor's Office
California Public Utilities Commission
505 Van Ness Avenue, Room 2103
San Francisco, CA 94102

Ken Tcheng
Sunnyslope Water Company
1040 El Campo Drive
Pasadena, CA 91109

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

I hereby certify that the above service list has been served a copy of AL 112 on 11/24/2020

Executed in Pasadena, California on 11/24/2020

East Pasadena Water Company

By: 

Lawrence Morales
President

Schedule No. 1
GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The territory within and adjacent to the Cities of Arcadia and Temple City and adjacent to the Cities of Pasadena and San Gabriel, Los Angeles County, and as described on the service area map.

RATES

Quantity Rates:

All water used, per 100 cu. ft. _____ \$ 3.094 (1)

Monthly Service Charges:

	Per Meter Per Month	Temp. Surchg (2)	Temp. Surchg (3)	Per Meter/Mo.
For 5/8x3/4-inch meter _____	\$ 17.44	5.05	1.42	\$ 23.91 (1)
For 3/4-inch meter _____	26.18	7.57	2.13	35.88
For 1-inch meter _____	43.61	12.61	3.55	59.77
For 1-1/2-inch meter _____	87.21	35.23	7.10	129.54
For 2-inch meter _____	139.53	40.37	11.35	191.25
For 3-inch meter _____	261.62	75.69	21.29	358.60
For 4-inch meter _____	436.03	126.14	35.48	597.65 (1)

The service charge is applicable to all service. It is a readiness to serve charge to which is added the monthly charge, computed at the Quantity Rate, for water used during the month.

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth in Schedule No. UF.
2. The net balance accumulated in the regulatory balancing account will be recovered through a temporary increase in the service charge rate over a period of 12 months effective from the effective date of A.L. #108.
3. The net balance accumulated in the Conservation Lost Revenue Memorandum Account (CLRMA) and the TCJA Memorandum account will be recovered through a temporary increase in the service charge rate over a period of 12 months effective from the effective date of A.L. #109.
4. Beginning January 1, 2019, as required by Section 792.5 of the Public Utilities Code, a net increase in purchased power and pumping assessments cost of \$0.274 per CCF, relative to the purchased power and pumping assessments cost adopted by GRC Resolution W-5039, and an associated revenue increase of \$0.0274/CCF, are being tracked in a reserve account.

(To be inserted by utility)

Issued By

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

Advice Letter No. 112-A _____

 Name
 Decision No. D.92-03-093 _____

 Vice President
 Title
 Date Filed _____
 Effective _____
 Resolution No. _____

Schedule No. 4
PRIVATE FIRE PROTECTION SERVICE

APPLICABILITY

Applicable to all privately owned fire protection systems.

TERRITORY

Within the entire service area located within and adjacent to Cities of Arcadia and Temple City, also adjacent to the cities of Pasadena and San Marino, Los Angeles County, and as described on the service area map.

RATES

For each inch of diameter of fire
sprinkler service connection

Per Service
Per Month
Charge

\$ 15.95 (I)

SPECIAL CONDITIONS

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

(To be inserted by utility)

Issued By

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

Advice Letter No. 112-A

Lawrence Morales
Name

Date Filed _____

Decision No. D.92-03-093

Vice President
Title

Effective _____

Resolution No. _____

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>
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Schedule No. 4, Private Fire Protection Service	495-W (C)
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No. 2 Description of Service	116-W
No. 3 Application for Service	352-W
No. 4 Contracts	25-W
No. 5 Special Information Required on Forms	353-W thru 355-W
No. 6 Establishment and Re-establishment of Credit	28-W
No. 7 Deposits	356-W
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No. 9 Rendering and Payment of Bills	32-W, 33-W, 403-W
No. 10 Disputed Bills	313-W thru 314-W
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No. 13 Temporary Service	41-W thru 42-W
No. 14 Continuity of Service	315-W
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No. 15 Main Extensions	254-W thru 260-W, 270-W thru 275-W, 455-W
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No. 18 Meter Test & Adjustment of Bills for Meter Error	62-W thru 64-W
No. 19 Service to Separate Premises & Multiple Units, & Resale of Water	284-W
No. 20 Water Conservation	316-W
No. 21 Fire Protection	317-W

(To be inserted by utility)

Issued By

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

Advice Letter No. 112-A

Lawrence Morales

Date Filed _____

Name

Effective _____

Decision No. D.19-07-015

President

Title

Resolution No. _____

EAST PASADENA WATER COMPANY
ATTACHMENT TO ADVICE LETTER 112-A
SUMMARY OF EARNINGS
2019

CATEGORY	A (GRC AL 86A)	B (PER ANN RPT)	2.30% C=(A x 2.3%)	F=(D + E)
	ADOPTED W-5039	ACTUAL 2019	CPI INCREASE @ 2.3%	AFTER INCREASED REVENUES
Operating Revenues:				
Metered	3,112,027	3,294,871	71,577	3,366,448
Private Fire	23,949	31,396	551	31,947
Other Water Revenue	-	45,128	-	45,128
Total Operating Revenue	3,135,976	3,371,395	72,128	3,443,523
Operating Expenses:				
Purchased Water	-	497,107	-	497,107
Power	210,832	211,949	-	211,949
Other Volume Related Expenses	430,719	256,727	-	256,727
Employee Labor	318,973	308,624	-	308,624
Materials	55,079	39,449	-	39,449
Contract Work	87,464	64,076	-	64,076
Transportation Expense	66,609	68,499	-	68,499
Other Plant Maintenance	24,657	26,411	-	26,411
Office Salaries	118,679	141,188	-	141,188
Management Salaries	255,000	343,871	-	343,871
Employee Pensions & Benefits	148,471	182,279	-	182,279
Uncollectible Accounts Expense	3,038	517	-	517
Office Services & Rentals	90,000	96,542	-	96,542
Office Supplies & Expense	39,143	53,504	-	53,504
Professional Services	72,000	74,026	-	74,026
Insurance	137,793	126,860	-	126,860
Regulatory Commission Expense	23,500	62,373	-	62,373
General Expenses	61,283	89,593	-	89,593
Expenses Capitalized	-	-	-	-
Total Operating Expenses	2,143,240	2,643,595	-	2,643,595
Other Deductions:				
Depreciation	272,278	290,357	-	290,357
Taxes Other Than Income	101,507	107,997	-	107,997
Bad Debts	-	-	-	-
Penalties	-	-	-	-
Total Operating Expenses & Other Deductions	2,517,025	3,041,949	-	3,041,949
Net Income Before Taxes	618,951	329,446	-	401,574
State Income Tax	51,768	3,121	-	6,024
Federal Income Tax	181,508	-	-	-
Net Revenue	385,675	326,325	-	395,550
Rate Base	3,959,034			4,133,204
Rate of Return (on Rate Base)	9.74%			9.57%
Rate of Margin (N/A)				test passed

EAST PASADENA WATER COMPANY
 CPI INCREASE IN RATES
 ATTACHMENT TO ADVICE LETTER 112-A
 2019

AL 105

2.30%

DESCRIPTION	CURRENT RATES	INCREASE OF 2.3%	PROPOSED RATES
Metered Service: Quantity Rate	3.024	0.070	3.094
Service Charge:			
5/8 "X 3/4" Meter	17.05	0.392	17.44
3/4 " Meter	25.59	0.589	26.18
1 " Meter	42.63	0.980	43.61
1 1/2 " Meter	85.25	1.961	87.21
2 " Meter	136.39	3.137	139.53
3 " Meter	255.74	5.882	261.62
4 " Meter	426.23	9.803	436.03
Private Fire Protection: For each inch of diameter of fire sprinkler service connection	15.59	0.359	15.95

EAST PASADENA WATER COMPANY
 ATTACHMENT TO ADVICE LETTER 112-A
 ESTIMATE OF RATE BASE
 2019

DESCRIPTION	SOURCE	RATE BASE BEG	RATE BASE END	AVG RATE BASE
Utility Plant	PUC rpt, Sch A	13,405,115	13,723,485	13,564,300
Accumulated Depreciation	PUC rpt, Sch A	(7,146,561)	(7,483,675)	(7,315,118)
Net Utility Plant		6,258,554	6,239,810	6,249,182
Materials & Supplies	PUC rpt, Sch A	22,225	22,225	22,225
Working Cash	W-5039 SOE	178,603	178,603	178,603
Advances for Construction	PUC rpt, Sch A	(2,753)	(2,753)	(2,753)
Net Contributions in Aid of Construction	PUC rpt, Sch A	(858,566)	(835,028)	(846,797)
Deferred Income Taxes/ITC	PUC rpt, Sch A34	-	-	(1,467,256)
RATE BASE		5,598,063	5,602,857	4,133,204