

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

**Advice Letter Cover Sheet**

<b>Utility Name:</b> Cold Springs Water Company	<b>Date Mailed to Service List:</b> Mar. 17, 21
<b>District:</b> N/A	
<b>CPUC Utility #:</b> WTC-176	<b>Protest Deadline (20<sup>th</sup> Day):</b> Apr. 6, 2021
<b>Advice Letter #:</b> 77-W	<b>Review Deadline (30<sup>th</sup> Day):</b> Apr. 16, 2021
<b>Tier</b> <input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> Compliance	<b>Requested Effective Date:</b> Mar. 17, 2021
<b>Authorization</b> D. 92-03-093	
<b>Description:</b> 2020 CPI Adjustment	<b>Rate Impact:</b> \$5,538 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](mailto:Frank.brommen@verizon.net)

**Utility Contact:** Pete Kerns  
**Phone:** 209-965-3716  
**Email:** [office@coldspringwater.com](mailto:office@coldspringwater.com)

**DWA Contact:** Tariff Unit  
**Phone:** (415) 703-1133  
**Email:** [Water.Division@cpuc.ca.gov](mailto:Water.Division@cpuc.ca.gov)

**DWA USE ONLY**

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

APPROVED

WITHDRAWN

REJECTED

**Signature:** \_\_\_\_\_

**Comments:** \_\_\_\_\_

**Date:** \_\_\_\_\_

\_\_\_\_\_

# COLD SPRINGS WATER COMPANY

29820 Highway 108, Cold Springs, CA 95335, [office@coldspringwater.com](mailto:office@coldspringwater.com) 209-965-3716

March 17, 2021

Advice Letter No. 77-W

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Cold Springs Water Company, Inc. (Cold Springs) hereby transmits for filing one digital copy of this Advice Letter (AL) 77-W and the following tariff sheets which are enclosed:

<u>NEW SHEET #</u>	<u>TITLE</u>	<u>CANCELLING SHEET #</u>
467-W	Schedule No. 1 General Metered Service	463-W
468-W	Table of Contents	466-W

## REQUEST

By AL 77-W, Cold Springs 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 \$5,538 will not result in a rate of return which exceeds the authorized rate of margin of 22.78%. Work papers justifying this increase are enclosed.

## BACKGROUND

The present rates became effective on February 24, 2020, pursuant to Resolution W-4540, which authorized an offset (CPI) rate increase of \$8,893, or 2.3%.

The last general rate increase became effective on May 24, 2017, pursuant to Resolution W-5135, which authorized a general rate increase of \$98,040, or 35.8% for Test Year 2017 and a rate of margin of 22.78%.

AL 77-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.

# COLD SPRINGS WATER COMPANY

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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 77-W is designated as a Tier 1 AL and the enclosed tariff sheets will become effective upon filing.<sup>1</sup>

## **NOTICE**

This AL does not require notice;<sup>2</sup> 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.<sup>3</sup> A copy of this AL has been served to all parties listed on the service list<sup>4</sup> 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 PROTEST**<sup>5</sup>

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.

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<sup>1</sup> GO. 96-B, Water Industry Rule 7.3.1

<sup>2</sup> GO. 96-B, General Rule 4.2

<sup>3</sup> GO. 96-B, General Rule 3.2

<sup>4</sup> GO. 96-B, Water Industry Rule 4.1

<sup>5</sup> GO. 96-B, General Rule 7.4.1

# COLD SPRINGS WATER COMPANY

29820 Highway 108, Cold Springs, CA 95335, [office@coldspringwater.com](mailto:office@coldspringwater.com) 209-965-3716

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](mailto: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 Water Division (WD), the respondent or protestant shall send a copy of the protest to Pete Kerns at: Cold Springs Water Company, Inc.

**Email Address:**

[Office@coldspringwater.com](mailto:Office@coldspringwater.com)

**Mailing Address:**

Cold Springs Water Company  
29820 Highway 108  
Cold Springs, CA 95335

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.<sup>6</sup>

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<sup>6</sup> GO. 96-B, General Rule 7.4.3

# COLD SPRINGS WATER COMPANY

29820 Highway 108, Cold Springs, CA 95335, [office@coldspringwater.com](mailto:office@coldspringwater.com) 209-965-3716

## SERVICE LIST

Recipient 1 Del Oro Water Company  
Attn: Bob Fortino  
[robert@corporatecenter.us](mailto:robert@corporatecenter.us)

Recipient 2 Bruce Ramsden, P.E.  
Associate Sanitary Engineer  
State Water Resources Control Board  
Division of Drinking Water – Merced District (11)  
(559) 447-3314 [Bruce.Ramsden@waterboards.ca.gov](mailto:Bruce.Ramsden@waterboards.ca.gov)

Recipient 3 Tuolumne Utilities District  
Attn: Don Perkins  
18885 Nugget Road  
Sonora, CA 95370  
[don.perkins@tudwater.com](mailto:don.perkins@tudwater.com)

I hereby certify that the above service list has been served a copy of AL 77-W on Wednesday, March 17, 2021.

Executed in Santa Paula, California on March 17, 2021.

Cold Springs Water Company

By: /s/Frank Brommenschenkel  
Pete Kerns  
President

Enclosures

Schedule No. 1  
GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service

TERRITORY

Applicable to all services as shown on the Service Area Map

RATES

Quantity Rates

Per 100 Cubic Foot

Per Meter  
Per Month

\$10.88

(I)

Service Charge

For 5/8x3/4-inch meter.....

\$45.23

(I)

For 3/4-inch meter.....

\$67.86

(I)

For 1-inch meter.....

\$113.11

(I)

For 1-1/2-inch meter.....

\$226.22

(I)

For 2-inch meter.....

\$361.96

(I)

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

SPECIAL CONDITIONS

- 1. All bills are subject to the reimbursement fee set forth in Schedule UF

(To be inserted by utility)

Advice Letter No. 77-W

Decision No. 92-03-093

Issued by

Pete Kerns

President

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

Date Filed \_\_\_\_\_

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.

Subject Matter of sheet	Cal. P.U.C. Sheet No.
Title page	434-W
Table of Contents	468-W, 433-W (T)
Preliminary Statement	100-W, 98-W, 390-W, 391-W
Service Area Map	200-W
Rate Schedules:	
Schedule No. 1, General Metered Service	467-W (C)
Schedule No. UF, Surcharge to Fund PUC Reimbursement Fee	465-W
Schedule No. F, facilities Fees	418-W
Schedule No. Surcharge to Fund New Tank	331-W
Schedule No. L C, Late Payment Charge	385-W
Rules:	
No. 1 Definitions	442-W, 443-W
No. 2 Description of Service	11-W
No. 3 Application for Service	339-W
No. 4 Contracts	13-W
No. 5 Special Information Required on Forms	444-W - 446-W
No. 6 Establishment & Re-establishment of Credit	16-W
No. 7 Deposits	343-W, 344-W
No. 8 Notices	447-W - 449-W
No. 9 Rendering and Payment of Bills	347-W, 348-W
No. 10 Disputed Bills	450-W, 451-W
No. 11 Discontinuance and Restoration of Service	452-W - 461-W
No. 12 Information Available to Public	27-W, 28-W
No. 13 Temporary Service	29-W, 30-W
No. 14 Continuity of Service	31-W
No. 14.1 Water Conservation and Rationing Plan	408-W, 409-W, 410-W, 411-W 412-W, 413-W, 414-W, 415-W
No. 15 Main Extensions	359-W, 357-W
No. 16 Service Connections, Meters, and Customer's Facilities	372-W, 378-W
No. 17 Standards for Measurement of Service	184-W
No. 18 Meter Tests and Adjustment of bills for Meter Error	45-W, 47-W
No. 19 Service to Separate Premises and Multiple Units, and Resale of Water	185-W, 186-W
No. 20 Water Conservation	379-W
No. 21 Fire Protection	380-W

(Continued)

(To be inserted by utility)

Advice Letter No. 77-WDecision No. 92-03-093

Issued by

Pete KernsPresident

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

Date Filed \_\_\_\_\_

Effective \_\_\_\_\_

Resolution No. W-4493 & W-4540

# Cold Springs Water Company

## Summary of Earnings - CPI-U 2020

17-Mar-21

	Res W-5135 4/27/2017	CPI-U 2017 2.1% 2018 1.9% 2019 2.3%	Recorded 2020	2020 CPI-U Increase 1.4%	Authorized 2021
<b>Operating Revenues:</b>					
Unmetered Revenue					
Metered Revenue	\$ 367,829		\$ 404,620		\$ 404,620
Other Water Revenue	\$ 3,820		\$ 10,345		\$ 10,345
Total Operating Revenue	\$ 371,649	\$ 395,557	\$ 414,966	\$ 5,538	\$ 420,504
<b>Operating Expenses:</b>					
Purchased Water					
Purchased Power	\$ 16,267		\$ 20,530		\$ 20,530
Other Vol. Rel. Exp.	\$ 2,683		\$ 5,162		\$ 5,162
Employee Labor	\$ 72,406		\$ 56,212		\$ 56,212
Materials	\$ 1,638		\$ 8,390		\$ 8,390
Contract Work-General Exp.	\$ 2,400		\$ 18,200		\$ 18,200
Contract Work-Water Testing	\$ 5,797				\$ -
Transportation	\$ 6,636		\$ 12,584		\$ 12,584
Other Plant Maintenance Exp	\$ 4,613		\$ 7,770		\$ 7,770
Office salaries	\$ 41,310		\$ 51,638		\$ 51,638
Management	\$ 31,223		\$ 49,200		\$ 49,200
Employee Pension & Benefits	\$ 17,201		\$ 11,445		\$ 11,445
Uncollectable Accounts Exp	\$ -		\$ -		\$ -
Office Services & Rentals	\$ 18,496		\$ 17,738		\$ 17,738
Office Supplies & Expense	\$ 11,029		\$ 12,660		\$ 12,660
Professional Services	\$ 1,455		\$ 20,629		\$ 20,629
Insurance	\$ 10,248		\$ 9,591		\$ 9,591
Regulatory Commission Exp	\$ 2,000		\$ 5,035		\$ 5,035
General Expenses	\$ 5,061		\$ 2,511		\$ 2,511
Total Operating Expense	\$ 250,463		\$ 309,294		\$ 309,294
Depreciation Expense	\$ 16,951		\$ 25,941		\$ 25,941
Taxes other than Income	\$ 16,839		\$ 21,172		\$ 21,172
Franchise Fee					
State Income Tax	\$ 7,726		\$ 8,826		\$ 8,826
Federal Income Tax	\$ 14,918		\$ 19,113		\$ 19,113
Total Deductions	\$ 306,896		\$ 384,346		\$ 384,346
<b>Net Revenue</b>	<b>\$ 64,753</b>		<b>\$ 30,619</b>		<b>\$ 36,157</b>
<b>Rate Base:</b>					
Plant	\$ 902,946		\$ 1,368,775		\$ 1,368,775
SDWBA/SRF			\$ 270,900		\$ 270,900
Less: Ratepayer Funded Plant	\$ 144,976		\$ -		\$ -
Adjusted Plant	\$ 757,970		\$ 1,639,675		\$ 1,639,675
Accumulated Depreciation	\$ 420,083		\$ 845,220		\$ 845,220
Net Plant	\$ 337,887		\$ 794,455		\$ 794,455
Less: Advances	\$ 12,819		\$ 8,403		\$ 8,403
Contributions	\$ 62,553		\$ 7,211		\$ 7,211
Plus: Working Cash	\$ 22,455		\$ 22,455		\$ 22,455
Materials & Supplies	\$ 2,360		\$ 2,360		\$ 2,360
Const. Work In Progress	\$ -		\$ -		\$ -
Rate Base	\$ 287,330		\$ 803,656		\$ 803,656
Rate of Margin	22.78%		6.05%		7.70%
Rate of Return	22.54%		3.81%		4.50%



# Cold Springs Water Company

Advice Letter 77-W

2020 CPI-U 1.4%

3/17/2021

## SCHEDULE NO. 1 - GENERAL METERED SERVICE

### RATES:

<i>Quantity Rates</i>	<b>Current</b>	<b>Increased</b>
Per 100 Cubic Feet	\$ 10.73	\$ 10.88

<i>Service Charge:</i>	<b>Current</b>	<b>Increased</b>
5/8 x 3/4-inch meter	\$ 44.61	\$ 45.23
3/4-inch meter	\$ 66.92	\$ 67.86
1-inch meter	\$ 111.55	\$ 113.11
1-1/2-inch meter	\$ 223.10	\$ 226.22
2-inch meter	\$ 356.96	\$ 361.96