

ERSKINE CREEK WATER COMPANY

PO BOX 656 Lake Isabella, CA 93240 760-379-8309 Erskinecreekh20@aol.com

September 16, 2021

Advice Letter No. 103-W

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Erskine Creek Water Company (Erskine) hereby transmits for filing one digital copy of this advice letter 103-W and the following tariff sheets which are enclosed:

<u>NEW SHEET #</u>	<u>TITLE</u>	<u>CANCELLING SHEET #</u>
432-W	Schedule No. 1 Metered Service	429-W
433-W	Schedule No. 4 Private Fire Protection Service	430-W
434-W	Table of Contents	431-W

REQUEST

By AL 103-W, Erskine 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 \$15,212 will not result in a rate of margin which exceeds the authorized rate of 22.91%. Workpapers justifying this increase are enclosed.

BACKGROUND

The present rates became effective August 24, 2020, pursuant to Resolution W-4493, which authorized an offset (CPI) rate increase of \$21,203, or 2.3%.

The last general rate increase became effective February 21, 2019, pursuant to Resolution W-5185, which authorized a general rate increase of \$114,536, or 16.01% for Test Year 2018, and a rate of margin of 22.91%.

AL 103-W is filed pursuant to Ordering Paragraphs No. 1 of **Decision 92-03-093** and **Resolution W-4493**, which authorized 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.

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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 103-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 re-litigating a prior order of the Commission.

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

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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 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 Debbie Loseth at: Erskine Creek Water Company

Email Address:

Erskinecreekh20@aol.com

Mailing Address:

Erskine Creek Water Company
PO Box 656
Lake Isabella, CA 93240

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

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SERVICE LIST

- Recipient 1 County of Kern
2700 M Street Ste 400
Bakersfield, CA 93301
- Recipient 2 Mountain Mesa Water Company
skissick@westcostdist.com
- Recipient 3 California Water Service Co.
1720 North 1st St
San Jose, CA 95112
760-379-5336

I hereby certify that the above service list has been served a copy of AL 103-W on September 16, 2021.

Executed in Santa Paula, California on the September 16, 2021.

Erskine Creek Water Company

By: /s/Frank Brommenschenkel
Nicholas Silicz
President

Enclosures

Schedule No. 1
METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The unincorporated community of Lake Isabella and vicinity, Kern County.

RATES

Quantity Rate:

All water per 100 cubic feet..... \$1.64 (I)

Service Charge:

Per Meter Bimonthly

For	5/8-inch meter.....	\$ 60.89	(I)
For	3/4-inch meter	91.35	(I)
For	1-inch meter.....	152.25	(I)
For	1-1/2-inch meter.....	304.50	(I)
For	2-inch meter.....	487.21	(I)
For	3-inch meter.....	913.51	(I)
For	4-inch meter.....	1,522.53	(I)
For	6-inch meter	3,044.55	(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 Rates.

SPECIAL CONDITIONS

(To be inserted by Utility)

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

Advice Letter No. 103-W

Nicholas Silicz

Date Filed _____

Decision No. 92-03-093

President

Effective _____

Schedule No. 4
PRIVATE FIRE PROTECTION SERVICE

APPLICABILITY

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

TERRITORY

The unincorporated community of Lake Isabella and vicinity, Kern County.

RATE

Every Two Months

For each inch of diameter of service connection..... \$17.09 (I)

SPECIAL CONDITIONS

1. The fire protection service and connection shall be installed by the utility at the utility's directions. Cost for the entire fire protection installation, excluding the connection at the main shall be paid for by the applicant. Such payment shall not be subject to refund.
2. The expense of maintaining the private fire protection facilities on the applicant's premises (including the vault, meter, and backflow device) shall be paid for by the applicant.
3. All facilities paid for by the applicant shall be the sole property of the applicant. The utility and its duly appointed agents shall have the right to ingress to, and egress from the premises for all purposes relating to said facilities.
4. The minimum diameter for fire protection service shall be four inches, and the maximum diameter shall not be more than the diameter of the main to which the service is connected.
5. 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 main extension from the nearest existing main of adequate capacity shall be required by the utility.
6. 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. All facilities are to be installed according to the utility's specifications and maintained to the utility's satisfaction. The utility may require the installation of a backflow prevention device and a standard detector type meter approved by the Insurance Services Office for protection against theft, leakage, or waste of water.
7. No structure shall be built over the fire protection service and the customer shall maintain and safeguard the area occupied by the service from traffic and other hazardous conditions. The customer will be responsible for any damage to the fire protection service facilities.
8. Subject to the approval of the utility, any change in the location or construction of the fire protection service as may be required by public authority or the customers will be made by the utility following payment to the utility of the entire cost of such change.
9. Any unauthorized use of water through the fire protection service will be charged for at the applicable tariff rates and may be grounds for the utility's discontinuing fire protection service without liability.

(To be inserted by Utility)

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

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Date Filed _____

Decision No. 92-03-093

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Effective _____

Resolution No. W-4493 & W-4540

TABLE OF CONTENTS

The following listed tariff sheets contain all effective rates and rules affecting charges and service of the utility, together with information:

<u>Subject matter of Sheet</u>	<u>Cal. P.U.C. Sheet No.</u>
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Preliminary Statement	218-W, 280-W, 281-W, 344-W & 345-W, 380-W
Service Area Map	364-W
<u>Rate Schedules:</u>	
Schedule No. 1 - Metered Service	432-W (C)
Schedule No. 4 - Private Fire Protection Service	433-W (C)
Schedule No. UF Surcharge to Fund CPUC Reimbursement Fee	427-W
Schedule No. L. C. Late Charge	181-W
Schedule F – Facilities Fees	362-W
<u>Rules:</u>	
No. 1 Definitions	406-W & 407-W
No. 2 Description of Service	79-W
No. 3 Application for Service	308-W
No. 4 Contracts	309-W
No. 5 Special Information Required on Forms	408-W - 410-W
No. 6 Establishment & Re-establishment of Credit	313-W
No. 7 Deposits	255-W, 256-W
No. 8 Notices	411-W - 413-W
No. 9 Rendering and Payment of Bills	182-W, 183-W
No. 10 Disputed Bills	414-W & 415-W
No. 11 Discontinuance and Restoration of Service	416-W - 425-W
No. 12 Information Available to Public	316-W & 317-W
No. 13 Temporary Service	318-W & 319-W
No. 14 Continuity of Service	320-W
No. 14.1 Water Conservation and Rationing Plan	369-W – 376-W
No. 15 Main Extensions	221-W-233-W
No. 16 Service Connections, Meters and Customer Facilities	234-W-240-W
No. 17 Standards for Measurement of Service	321-W
No. 18 Meter Tests and Adjustment of Bills for Meter Error	322-W, 324-W
No. 19 Service to Separate Premises and Multiple Units; and Resale of Water	241-W
No. 20 Water Conservation	242-W
No. 21 Fire Protection	243-W

(Continued)

(To be inserted by utility)

Issued by

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

Advice Letter No. 103-WNicholas Silicz

Date Filed _____

Decision No. 92-03-093President

Effective _____

Resolution No. W-4493 & W-4540

Erskine Creek Water Company

Summary of Earnings Advice Letter 103-W CPI-U

9/16/2021

	Res. W-5185 2/21/2019	2019 CPI-U 2.30%	Recorded 2020	2020 CPI-U 1.4%	Proposed Rates
<u>Operating Revenues:</u>					
Metered Revenue	\$ 825,058		\$ 913,043		\$ 913,043
Other Water Revenue Net			\$ 167,742		\$ 167,742
Private Fire Protection	\$ 4,942		\$ 5,768		\$ 5,768
Total Operating Revenues	\$ 830,000	\$ 21,203	\$ 1,086,553	\$ 15,212	\$ 1,101,765
<u>Operating Expenses:</u>					
Purchased water			\$ 33,474		\$ 33,474
Purchased power	\$ 56,142		\$ 65,426		\$ 65,426
Other vol. related	\$ 7,089		\$ 5,197		\$ 5,197
Employee labor	\$ 96,573		\$ 174,664		\$ 174,664
Materials	\$ 32,343		\$ 58,335		\$ 58,335
Contract work	\$ 12,694		\$ 14,791		\$ 14,791
Transportation	\$ 26,425		\$ 28,092		\$ 28,092
Other plant maintenance	\$ 5,000		\$ 32,292		\$ 32,292
Water Well Drilled & Abandoned					\$ -
Office salaries	\$ 82,646		\$ 157,139		\$ 157,139
Management	\$ 70,892		\$ 71,164		\$ 71,164
Employee pension & benefit	\$ 49,878		\$ 55,729		\$ 55,729
Uncollectible expense	\$ 4,268		\$ 4,985		\$ 4,985
Office services & rentals	\$ 32,291		\$ 25,552		\$ 25,552
Office supplies & expenses	\$ 29,638		\$ 53,866		\$ 53,866
Professional services	\$ 7,367		\$ 3,999		\$ 3,999
Insurance	\$ 35,776		\$ 34,183		\$ 34,183
Regulatory expense	\$ 2,971		\$ 12,645		\$ 12,645
General expenses	\$ 18,281		\$ 8,502		\$ 8,502
Total operating expenses	\$ 570,275		\$ 840,035		\$ 840,035
Depreciation expense	\$ 29,670		\$ 40,717		\$ 40,717
Payroll tax			\$ 35,173		\$ 35,173
Property taxes			\$ 7,755		\$ 7,755
Taxes other than income	\$ 39,219		\$ 9,528		\$ 9,528
State taxes	\$ 16,870		\$ 13,072		\$ 13,072
Federal income taxes	\$ 36,533		\$ 19,407		\$ 19,407
Total deductions	\$ 692,567		\$ 965,687		\$ 965,687
Net Revenue	\$ 137,433		\$ 120,866		\$ 136,078
<u>Rate Base:</u>					
Plant	\$ 1,368,709		\$ 1,544,189		\$ 1,544,189
Construction Work In Progress	\$ 22,309		\$ 240,856		\$ 240,856
Accumulated Depreciation	\$ 597,635		\$ 720,057		\$ 720,057
Net Plant	\$ 771,074		\$ 1,064,988		\$ 1,064,988
Plus: Working Cash	\$ 37,332		\$ 66,810		\$ 66,810
Materials & supplies	\$ 4,170		\$ 4,170		\$ 4,170
Less: Contributions	\$ 61,508		\$ 56,658		\$ 56,658
Rate Base	\$ 773,377		\$ 1,079,310		\$ 1,079,310
Rate of Return	17.77%		11.20%		12.61%
Rate of Margin	22.91%		14.39%		16.20%