

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

Advice Letter Cover Sheet

Utility Name: Cypress Ridge Sewer Co

Date Mailed to Service List: Mar. 29, 2021

District: N/A

CPUC Utility #: WTD 311-SS

Protest Deadline (20th Day): Apr. 18, 2021

Advice Letter #: 38-SS

Review Deadline (30th Day): Apr. 28, 2021

Tier 1 2 3 Compliance

Requested Effective Date: Mar. 29, 2021

Authorization D.92-03-093

Rate Impact: \$7,997

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

Utility Contact: Eric Sweeney

Phone: 805-525-4200

Phone: 805-473-3661

Email: Frank.brommen@verizon.net

Email: cypressridgewwtp@gmail.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WITHDRAWN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: _____

Cypress Ridge Sewer Co

P.O. Box 745, Grover Beach, CA 93483 805-473-3661

March 29, 2021

Advice Letter No. 38-SS

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Cypress Ridge Sewer Co (Cypress) hereby transmits for filing one digital copy of this advice letter 38-SS and the following tariff sheets which are enclosed:

<u>NEW SHEET #</u>	<u>TITLE</u>	<u>CANCELLING SHEET #</u>
239-SS	Sch. No. 1, Residential Flat Rate Sewer Service	231-SS
240-SS	Sch. No. 2, Commercial Flat Rate Sewer Service	232-SS
241-SS	Table of Contents	238-SS

REQUEST

By AL 38-SS, Cypress requests permission to increase its revenues (based on increase to the present monthly service charge) by 1.4%, the Consumer Price Index (CPI) for 2020. The projected revenue increase of \$7,997 will not result in a rate of margin which exceeds the authorized rate of margin of 24%. Workpapers justifying this increase are enclosed.

BACKGROUND

The present rates became effective on April 3, 2020, pursuant to Resolutions W-4493, W-4540 and W-4658 which authorized an offset (CPI) rate increase of \$12,843, or 2.3%

The last general rate increase became effective on April 5, 2019, pursuant to Resolution W-5187, which authorized a general rate increase of \$46,657, or 9.12%, and a rate of margin of 24% for test year 2018.

AL 38-SS 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.

Cypress Ridge Sewer Co

P.O. Box 745, Grover Beach, CA 93483 805-473-3661

TIER DESIGNATION AND REQUESTED EFFECTIVE DATE

This AL and the enclosed tariff sheets are submitted pursuant to General Order (GO.) 96-B. AL 38-SS 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, with 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.

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

Cypress Ridge Sewer Co

P.O. Box 745, Grover Beach, CA 93483 805-473-3661

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 Eric Sweeney at: Cypress Ridge Sewer Co.

Email Address:

cypressridgewwtp@gmail.com

Mailing Address:

Cypress Ridge Sewer Co
P.O. Box 745
Grover Beach, CA 93483

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

Cypress Ridge Sewer Co

P.O. Box 745, Grover Beach, CA 93483 805-473-3661

SERVICE LIST

- Recipient 1 Thomas J. MacBride Jr.
tmacbride@goodinmacbride.com
- Recipient 2 Ann Watson
watconsult@sbcglobal.net
- Recipient 3 Jose E. Guzman, Jr.
jeguzmanjr@gmail.com
- Recipient 4 Cypress Ridge Sewer Co
kathybaker9871@gmail.com
- Recipient 5 Cypress Ridge Sewer Co
cypressridgewwtp@gmail.com
- Recipient 6 Cypress Ridge HOA
rgreen2275@charter.net
- Recipient 7 Cypress Ridge Sewer Co
lisa@infinityeas.com
- Recipient 8 David La Caro
dlacaro@waterboards.ca.gov
- Recipient 9 Denise Kruger
dikruger@gswater.com
- Recipient 9 Arocles Aguilar
aro@cpuc.ca.gov
- Recipient 10 Legal Division
apprhg@cpuc.ca.gov
- Recipient 11 Frank Brommenschenkel
frank.brommen@verizon.net

I hereby certify that the above service list has been served a copy of AL 38-SS on March 29, 2021.

Executed in Ventura, California on the March 29, 2021.

Cypress Ridge Sewer Co

By: /s/Frank Brommenschenkel
Charles M. Baker, as successor in
interest to Rural Water Company,
doing business as Cypress Ridge
Sewer Co

Enclosures

Schedule No. 1

RESIDENTIAL FLAT RATE SEWER SERVICE

APPLICABILITY

Applicable to all residential sewer service.

TERRITORY

Cypress Ridge, within Tract # 1933, and including Golf Course Complex, San Luis Obispo County.

RATES

Per Connection
Per Month

For all residential sewer service..... \$125.05 (I)

SPECIAL CONDITIONS

1. A late charge will apply per Schedule No. LC.
2. Bills will be rendered in advance of the period for which service will be provided.
3. All bills are subject to the reimbursement fee set forth in Schedule No. UF.

(D)

(To be inserted by utility)

Issued by

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

Advice Letter No. 38-SS

Charles M. Baker

Date Filed _____

Decision No. 92-03-093

President

Effective _____

Resolution No. W-4493 & W-4540

Schedule No. 2

COMMERCIAL FLAT RATE SEWER SERVICE

APPLICABILITY

Applicable to all commercial sewer service.

TERRITORY

Cypress Ridge, within Tract # 1933, and including Golf Course Complex, San Luis Obispo County.

RATES

Per Connection
Per Month

For Golf Pro Shop.....	\$125.05	(I)
For Golf Maintenance Facility.....	\$125.05	(I)
For Commercial/Office Facility...	\$125.05	(I)
For Pavilion.....	\$125.05	(I)

SPECIAL CONDITIONS

1. A late charge will apply per Schedule No. LC.
2. Bills will be rendered in advance of the period for which service will be provided.
3. All bills are subject to the reimbursement fee set forth in Schedule No. UF.

(D)

(To be inserted by utility)

Issued by

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

Advice Letter No. 38-SS

Charles M. Baker

Date Filed _____

Decision No. 92-03-093

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>	Cal. P.U.C. <u>Sheet No.</u>
Title page	162-SS
Table of Contents	241-SS, 70-SS (T)
Preliminary Statement	197-SS, 71-SS, 72-SS, 179-SS, 180-SS
Service Area Map	73-SS
<u>Rate Schedules:</u>	
Schedule No. 1, Residential Flat Rate Sewer Service	239-SS (C)
Schedule No. 2, Commercial Flat Rate Sewer Service	240-SS (C)
Schedule No. UF, Surcharge to Fund PUC Reimbursement Fee	234-SS
Schedule No. LC, Late Payment Charge	77-SS
<u>Rules:</u>	
No. 1 Definitions	78-SS - 80-SS
No. 2 Description of Service	81-SS
No. 3 Application for Service	82-SS, 83-SS
No. 4 Contracts	84-SS
No. 5 Special Information Required on Forms	85-SS - 87-SS
No. 6 Establishment & Re-Establishment of Credit	88-SS
No. 7 Deposits	89-SS, 90-SS
No. 8 Notices	91-SS – 93-SS
No. 9 Rendering and Payment of Bills	94-SS – 96-SS
No. 10 Disputed Bills	97-SS, 98-SS
No. 11 Discontinuance and Restoration of Service	99-SS – 107-SS
No. 12 Information Available to Public	108-SS, 109-SS
No. 13 Temporary Service	110-SS, 111-SS
No. 14 Continuity of Service	112-SS
No. 15 Main Extensions	113-SS – 123-SS
No. 16 Service Connections, Meters and Customer's Facilities	124-SS – 127-SS
No. 17 Measurement of Service	128-SS
No. 18 Meter Tests and Adjustment of Bills for Meter Error	129-SS – 132-SS
No. 19 Service to Separate Premises and Multiple Units; and Resale of Sewer Service	133-SS
No. 20 Limitation of Wastes Discharged into the Utility's Sewer System	134-SS, 135-SS
No. 21 Commercial, Institution, and Industrial Wastes	136-SS
(Continued)	

(To be inserted by utility)

Issued by

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

Advice Letter No. 38-SSCharles M. Baker

Date Filed _____

Decision No. 92-03-093President

Effective _____

Resolution No. W-4493 & W-4540

Cypress Ridge Sewer Co.

Summary of Earnings AL38-SS

March 29, 2021

	Res. W-5187 5-Apr-19	CPI-U 2019 2.3%	Recorded 2020	2020 CPI-U Increase 1.4%	Earnings Test 2021
Operating Revenues:					
Unmetered Revenue	\$ 558,400	\$ 571,243	\$ 575,503	\$ 7,997	\$ 583,500
Operating Expenses:					
Purchased Power	\$ 32,086		\$ 32,807		\$ 32,807
Other Vol. Rel. Exp.	\$ 10,374		\$ 6,826		\$ 6,826
Employee Labor	\$ 167,997		\$ 201,921		\$ 201,921
Materials	\$ 13,089		\$ 33,596		\$ 33,596
Contract Work	\$ 54,255		\$ 55,025		\$ 55,025
Transportation	\$ 2,500		\$ 3,148		\$ 3,148
Other Plant Maintenance	\$ 1,355		\$ 1,570		\$ 1,570
Office Salaries	\$ -		\$ -		\$ -
Management	\$ 10,000		\$ 10,000		\$ 10,000
Employee Pensions & Benefits	\$ 14,564		\$ 15,857		\$ 15,857
Uncollectible Accounts Expense	\$ 1,000		\$ 945		\$ 945
Office Services & Rentals	\$ 5,529		\$ 10,167		\$ 10,167
Office Supplies & Exp.	\$ 3,675		\$ 1,318		\$ 1,318
Professional Services	\$ 35,000		\$ 48,213		\$ 48,213
Insurance	\$ 17,964		\$ 19,310		\$ 19,310
Reg. Comm Exp.	\$ 7,500		\$ 7,164		\$ 7,164
General Expenses	\$ 17,000		\$ 22,263		\$ 22,263
Total Operating Expenses	\$ 393,888		\$ 470,130		\$ 470,130
Depreciation Expense	\$ 12,703		\$ 14,436		\$ 14,436
Taxes Other than Income	\$ 16,338		\$ 17,462		\$ 17,462
State Tax	\$ 11,976		\$ 856		\$ 856
Federal Income Taxes	\$ 25,934		\$ -		\$ -
Interest Expense	\$ -		\$ 6		\$ 6
Total Deductions	\$ 460,839		\$ 502,890		\$ 502,890
Net Operating Income (Loss)	\$ 97,562		\$ 72,613		\$ 80,610
Avg Plant	\$ 5,179,323		\$ 5,266,581		\$ 5,266,581
Avg Accum Depreciation	\$ 2,284,979		\$ 2,755,410		\$ 2,755,410
Net Plant	\$ 2,894,344		\$ 2,511,171		\$ 2,511,171
Less: CIAC	\$ 2,606,738		\$ 2,184,780		\$ 2,184,780
Plus: Working Cash	\$ -		\$ -		\$ -
Materials and Supplies	\$ 13,925		\$ 8,900		\$ 8,900
Rate Base	\$ 301,531		\$ 335,291		\$ 335,291
Rate of Return	32%		22%		24%
Rate of Margin	24%		13%		14%

Cypress Ridge Sewer Company, Co

2020 CPI-U - 1.4% Increase

RATES:

Schedule No. 1

	Current	Increased
For all residential sewer service per month =	\$ 123.32	\$ 125.05

Schedule No. 2

	Current	Increased
For Golf Pro Shop	\$ 123.32	\$ 125.05
For Golf Maintenance Facility	\$ 123.32	\$ 125.05
For Commercial/Office Facility	\$ 123.32	\$ 125.05
For Pavilion	\$ 123.32	\$ 125.05