

CALIFORNIA PUBLIC UTILITIES COMMISSION

Water Division

Advice Letter Cover Sheet

Utility Name: North Gualala Water Company, Inc. **Date Mailed to Service List:** May 16, 2022
District: NA
CPUC Utility #: U-WTD 38 **Protest Deadline (20th Day):** June 6, 2022
Advice Letter #: 133-W **Review Deadline (30th Day):** June 15, 2022
Tier: 1 2 3 Compliance **Requested Effective Date:** May 16, 2022
Authorization: D.92-03-093 **Rate Impact:** \$77,506
7.0%
Description: 2021 CPI-U Rate Adjustment

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: David Bower **Utility Contact 2:** Suzette Eissler
Phone: 707-884-3579 **Phone 2:** 707-884-3579
Email: office@ngwco.com **Email 2:** office@ngwco.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APPROVED WITHDRAWN REJECTED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: _____

North Gualala Water Company, Inc.

P.O. Box 1000
Gualala, CA 95445
Telephone: 707-884-3579

May 16, 2022

Advice Letter No. 133-W

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

NORTH GUALALA Water Company, Inc. (NORTH GUALALA) 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>
506-W	Schedule No. 1, General Metered Service	502-W
507-W	Table of Contents	505-W

REQUEST

By AL 133-W, NORTH GUALALA requests permission to increase its revenues (based on increase to the present monthly quantity rate and service charge) by 7%, the Consumer Price Index (CPI) for 2021. The projected revenue increase of \$77,506 will not result in a rate of margin which exceeds the authorized rate of margin of 20.21%. Workpapers justifying this increase are enclosed.

BACKGROUND

The present rates became effective on July 26, 2021, by approval of AL No. 131-W, which implemented a Consumer Price Index increase of \$16,240 or 1.4%.

The last general rate increase became effective on June 25, 2015, pursuant to Resolution W-5045, which authorized a general rate increase of \$190,390, or 20.77% and a rate of margin of 20.21%.

AL #133-W is filed pursuant to Ordering Paragraphs No. 1 of Decision 92-03-093 and Resolution

May 16, 2022
Page 1 of 5

North Gualala Water Company, Inc.

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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.

TIER DESIGNATION AND REQUESTED EFFECTIVE DATE

This AL and the enclosed tariff sheets are submitted pursuant to General Order (GO.) 96-B. AL 133-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.

¹GO. 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

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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.

⁵ GO. 96-B, General Rule 7.4.1

North Gualala Water Company, Inc.

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A protest shall provide citations or proofs where available to allow staff to properly consider the protest. The Water Division (DW) 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 DW, the respondent or protestant shall send a copy of the protest to NORTH GUALALA at:

Mailing Address:

North Gualala Water Company, Inc.
Attn: David Bower
P.O. Box 1000
Gualala, CA 95445

Email Address:

office@ngwco.com

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform DW, 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.

North Gualala Water Company, Inc.

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REPLIES

The utility shall reply to each protest and may reply to any response. Any reply must be received by DW 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

CERTIFICATE OF SERVICE

I hereby certify that the service list from Advice Letter 133-W has been served a copy of this Advice Letter on May 16, 2022.

Executed in North Gualala, California on May 16, 2022.

By: /S/ SUZETTE Y. EISSLER
Suzette Eisler
Office Manager

Enclosures

⁶ GO. 96-B, General Rule 7.4.3

North Gualala Water Company

P.O. Box 1000
Gualala, CA 95445

Advice Letter No. 133-W

Service List

(PER SECTION 4.3 OF GENERAL ORDER 96-B)

Point Arena Water Works, Inc.
P.O. Box 205
Point Arena, CA 95468

The Sea Ranch Water Company
P.O. Box 16
The Sea Ranch, CA 95497

Schedule No. 1
GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered service.

TERRITORY

Gualala and vicinity located approximately 15 miles south of Point Arena, Mendocino County.

RATES

5/8 x 3/4-inch meter		
First 300 cu. Ft. of water, per 100 cu. ft.	\$8.14	(I)
Over 300 cu. Ft. of water, per 100 cu. ft.	\$10.33	(I)
All other meter sizes		
All water per 100 cu. ft.	\$10.33	(I)

	<u>Per Meter Per Month</u>	
	<u>Service Charge</u>	<u>SDWBA Surcharge</u>
5/8 x 3/4-inch meter	\$ 49.27	(I) \$ 15.91
3/4-inch meter	\$ 73.88	(I) \$ 23.87
1-inch meter	\$ 123.16	(I) \$ 39.78
1-1/2 inch meter	\$ 246.29	(I) \$ 79.55
2-inch meter	\$ 394.07	(I) \$ 127.28
3-inch meter	\$ 738.90	(I) \$ 238.65
4-inch meter	\$1,231.50	(I) \$ 397.75

The service charge is a readiness to service charge, which is applicable to all metered service and to which is added the monthly charges computed at Quantity Rates.

SPECIAL CONDITIONS:

1. All bills are subject to the reimbursement fee set forth on Schedule UF.
2. The SDWBA (Safe Drinking Water Bond Act) surcharge is in addition to the water bill. This surcharge must be identified on each bill. The surcharge is specifically for the repayment of the California SDWBA loan authorized by Resolution F-645 and Resolution W-4108.
3. A late charge will be imposed per Schedule No. LC.
4. In accordance with Section 2714 of the Public Utilities Code, if a tenant in a rental unit leaves owing the company, service to subsequent tenants in that unit will, at the company's option, be furnished on the account of the landlord or property owner.

(To be inserted by utility)

Advice Letter No. 133-W

Decision No. 92-03-093

Issued By

David Bower

President

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

Date Filed _____

Effective _____

Resolution No. _____

TABLE OF CONTENTS

The following listed tariff sheets contain all effective rates and rules affecting the charges and services of the utility, together with other pertinent information.

<u>SUBJECT MATTER OF SHEET</u>	<u>P.U.C. SHEET NO.</u>
Title Page	408-W
Table of Contents	507-W , 470-W (T)
Preliminary Statements	56-W, 355-W, 388-W, 419-W, 459-W
Service Area Map	244-W
Rate Schedules:	
Schedule No. 1, General Metered Service	506-W , 500-W (I)
Schedule No. 3, State Bond Act Load Fee -Inactive & New Matter	315-W
Schedule F, Facilities Fees	474-W
Schedule No. LC, Late Payment Charge	295-W
Schedule No. UF, PUC Reimbursement Fee	498-W
List of Contract Deviations	266-W
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No. 2 – Description of Service	116-W
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No. 4 – Contracts	63-W
No. 5 – Special Information Required on Forms	478-W - 480-W
No. 6 – Establishment and Re-establishment of Credit	66-W
No. 7 – Deposits	327-W, 328-W
No. 8 – Notices	481-W - 483-W
No. 9 – Rendering and Payment of Bills	296-W, 297-W
No. 10 – Disputed Bills	484-W, 485-W
No. 11 – Discontinuance and Restoration of Service	486-W - 496-W
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No. 14.1 – Mandatory Water Conservation Program	420-W – 424-W
No. 15 – Main Extensions	217-W – 229-W, 504-W
No. 16 – Service Connections, Meters, & Customer’s Facilities	230-W – 236-W
No. 17 – Standards for Measurements of Service	153-W
No. 18 – Meter Tests & Adjustment of Bills for Meter Error	90-W - 92-W
No. 19 – Service to Separate Premises & Multiple Units and Resale of Water	184-W, 185-W
No. 20 – Water Conservation	369-W
No. 21 – Fire Protection	370-W

(continued)

(To be inserted by utility)

Advice Letter No. 133-W

Decision No. 92-03-093

Issued By

David Bower

President

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

Date Filed _____

Effective _____

Resolution No. _____

Earnings Test

North Gualala Water Company, Inc. Summary of Earnings

Category	Most Recent Adopted in Resolution W-5045 June 25, 2015		CPI Increase @7% on Adopted Revenue Only	Revenue After CPI Increase, Actual Expenses, & Actual Rate Base
	TY2015 a	Actual 2021 b	c=a*7%	(Revenues) d=b + c
Operating Revenues:				
Flat Rate				
Metered	1,107,225	1,101,375	77,506	1,178,881
Approved Total Surcharge Revenue(s)				
Private Fire Protection				
TOTAL OPERATING REVENUES	1,107,225	1,101,375	77,506	1,178,881
Operative Expenses:				
Purchased Water	-	-		-
Purchased Power	74,610	86,989		86,989
Purchased Chemicals	-			-
Other Volume Related Expenses	4,055	10,568		10,568
Employee Labor	151,657	166,464		166,464
Materials	23,001	25,921		25,921
Contract Work	44,444	50,694		50,694
Water Testing		-		-
Transportation Expense	36,763	33,504		33,504
Other Plant Maintenance	-	10,315		10,315
Office Salaries	75,000	66,966		66,966
Management Salaries	87,333	101,294		101,294
Employee Pension and Benefits	55,757	84,881		84,881
Uncollectibles	1,233	-		-
Office Service and Rentals	6,000	17,700		17,700
Office Supplies and Expenses	41,976	85,096		85,096
Professional Services	87,277	28,492		28,492
Insurance	33,802	64,424		64,424
Regulatory Commission Expense	8,817	20,605		20,605
General Expenses	5,840	6,807		6,807
Capitalized Expense	(14,212)			
SUBTOTAL	723,353	860,720		860,720
Depreciation	55,640	27,902		27,902
Taxes Other than Income	75,231	74,261		74,261
State and Federal Income Taxes	95,563	800		800
Interest	-	6,353		6,353
TOTAL DEDUCTIONS	949,787	970,036		970,036
NET REVENUE	157,438	131,339		208,845
RATE BASE				
Average Plant	8,260,577	9,635,769		9,635,769
Less: Average Accumulated Depreciation	1,720,035	5,058,531		5,058,531
NET PLANT	6,540,542	4,577,238		4,577,238
Less: Advances & Contributions	5,523,714	577,182		577,182
Plus: Working Cash	60,279	83,000		83,000
Materials & Supplies	16,557	32,555		32,555
RATE BASE	1,093,664	4,032,611		4,032,611
RATE OF MARGIN	20.21%	12.57%		18.32%
Earnings Test:	18.32%	<	20.21%	

Note: The above financial statement does not include Other Income and Expenses for 2021.

Earnings Test

North Gualala Water Company, Inc. Working Cash

SIMPLIFIED BASIS DETERMINATION OF WORKING CASH ALLOWANCE

(A utility operating as an individual or partnership using monthly billing at meter rates)

1 Operating Expenses, Excluding Taxes and Depreciation	758,557
2 Purchased Power and/or Purchased Commodity for Resale*	86,989
3 Two Months' Average Operating Expenses (1/6 x Line 1)	126,426
4 One Month's Average Purchased Power and/or Purchased Commodity* (1/12 x Line 2)	43,495
5 Average Tax Accruals Available	0
6 Working Cash Allowance (Line 3 - Line 4 - Line 5)	82,932
7 Use	83,000

* Electric power, gas or other fuel purchased for pumping and or purchased water or gas or electricity for resale billed after receipt (metered).

Earnings Test

North Gualala Water Company, Inc.

METERED RATES:

CPI RATE 7.00%

<u>OLD</u>	<u>NEW</u>
<u>Per Meter</u>	<u>Per Meter Per</u>
<u>Per Month</u>	<u>Month</u>

Quantity Rates:

5/8 x 3/4-inch meter

First 300 cu. Ft. of water, per 100 cu. ft.	7.61	\$	8.14	(I)
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Over 300 cu. Ft. of water, per 100 cu. ft.	9.65	\$	10.33	(I)
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All other meter sizes

All water per 100 cu. ft.	\$9.65	\$	10.33	(I)
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Service Charge:

5/8 x 3/4-inch meter	\$46.05	\$	49.27	(I)
3/4-inch meter	\$69.05	\$	73.88	(I)
1-inch meter	\$115.10	\$	123.16	(I)
1-1/2 inch meter	.....	\$230.18	\$	246.29	(I)
2-inch meter	.....	\$368.29	\$	394.07	(I)
3-inch meter	.....	\$690.56	\$	738.90	(I)
4-inch meter	.....	\$1,150.93	\$	1,231.50	(I)