

# CALIFORNIA PUBLIC UTILITIES COMMISSION DIVISION OF WATER AND AUDITS

## Advice Letter Cover Sheet

Utility Name: [Searles Domestic Water Company](#)

Dated Mailed to Service List: [9/30/2022](#)

District: [N/A](#)

CPUC Utility #: [WTC-368](#)

Protest Deadline (20th Day): [10/20/2022](#)

Advice Letter #: [72](#)

Review Deadline (30th Day): [10/30/2022](#)

Tier:  1  2  3  Compliance

Requested Effective Date: [ASAP](#)

Authorization: [D. 92-03-093](#)

Rate Impact: [\\$48,244](#)  
[7.0%](#)

Description: [2021 CPI-U \(7%\)](#)

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: [Audrey Schuyler](#)

Utility Contact: [Christian L. Aldinger](#)

Phone: [760-372-5326](#)

Phone: [714-536-4418](#)

Email: [schuylea@svminerals.com](mailto:schuylea@svminerals.com)

Email: [chris@paocpas.com](mailto:chris@paocpas.com)

DWA Contact: [Tariff Unit](#)

Phone: [415-703-1133](#)

Email: [Water.Division@cpuc.ca.gov](mailto:Water.Division@cpuc.ca.gov)

### DWA USE ONLY

DATE

STAFF

COMMENTS

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

APPROVED

WITHDRAWN

REJECTED

Signature: \_\_\_\_\_ Comments: \_\_\_\_\_

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

# Searles Domestic Water Company

P.O. Box 577  
Trona, CA 93592  
Telephone: 760-372-5326  
Email: [schuylea@svminerals.com](mailto:schuylea@svminerals.com)

September 30, 2022

Advice Letter No.: 72

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Searles Domestic Water Company (WTC-368) 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>
461-W	Schedule No. 1, General Metered Service	451-W
462-W	Schedule No. 4, Private Fire Protection Service	452-W
463-W	Schedule No. 7M, Public School Metered Service	453-W
464-W	Schedule No. 9-MLZ, Surplus Water Hauling Schedule	454-W
465-W	Table of Contents	460-W

## REQUEST

By AL 72, Searles Domestic Water Company 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. This projected revenue increase of \$48,244 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 October 26, 2020 by AL #69. (2019 CPI increase)

The last general rate case became effective on May 1, 2013, pursuant to Resolution W-4888, which authorized a general rate increase of \$172,925, or 42.22% for test year 2011, \$55,650 or 9.55%, \$55,400 or 8.68% for escalation years 2012 and 2013 respectively and a rate of return of 10.08%.

AL 72 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.

# Searles Domestic 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. This advice letter is designated as a Tier 1 filing 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 serviced 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>2</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 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:

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<sup>1</sup> GO. 96-B, Water Industry Rule 7.3.3

<sup>2</sup> GO. 96-B, General Rule 7.4.1

# Searles Domestic Water Company

P.O. Box 577  
Trona, CA 93592  
Telephone: 760-372-5326  
Email: [schuylea@svminerals.com](mailto:schuylea@svminerals.com)

## **RESPONSE OR PROTEST (continued)<sup>2</sup>**

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

**Email Address:**  
[schuylea@svminerals.com](mailto:schuylea@svminerals.com)

**Mailing Address:**  
[Searles Domestic Water Company](#)  
[P.O. Box 577](#)  
[Trona, CA 93592](#)

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>3</sup>

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.

Searles Domestic Water Company

By: \_\_\_\_\_  
Audrey Schuyler  
Manager

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<sup>3</sup> GO. 96-B, General Rule 7.4.3

# Searles Domestic Water Company

P.O. Box 577  
Trona, CA 93592  
Telephone: 760-372-5326  
Email: [schuylea@svminerals.com](mailto:schuylea@svminerals.com)

## SERVICE LIST

Indian Wells Valley Water District  
Attn: Don Zdeba  
P.O. Box 1329  
Ridgecrest, CA 93555  
[iwwd@iwwd.com](mailto:iwwd@iwwd.com)  
760-384-5555

Tim Itnyre  
Chief of Staff to Supervisor Paul Cook  
385 N. Arrowhead Avenue, 5th Floor  
San Bernardino, CA 92415-0110  
[tim.itnyre@sbcountry.gov](mailto:tim.itnyre@sbcountry.gov)

Corporal Brian Woytovich  
San Bernardino County Sheriff's Office  
Trona Substation  
[bwoytovich@sbcasd.org](mailto:bwoytovich@sbcasd.org)

I hereby certify that the above service list has been served a copy of AL 72 on September 30, 2022.

Executed in Trona, California on September 30, 2022,

Searles Domestic Water Company

By: \_\_\_\_\_  
Audrey Schuyler  
Manager

Schedule No. 1  
GENERAL METERED SERVICE

APPLICABILITY

Applicable to metered water service for domestic household purposes for commercial or retail establishments and small industrial enterprises.

TERRITORY

Within Argus, Trona, Pioneer Point (Point of Rocks), Borosolvay and South Trona, unincorporated communities and territory along the westerly shore of Searles Lake, San Bernardino County.

RATES

Per Meter  
Per Month

Quantity Rates:

First	800 cu. ft., per 100 cu. ft.	\$ 2.53 (I)
Next	3,200 cu. ft., per 100 cu. ft.	5.14 (I)
Over	4,000 cu. ft., per 100 cu. ft.	8.46 (I)

Monthly Service Charges:

	Per Meter <u>Per Month</u>	Temp. <u>Surchg (2)</u>	Temp. <u>Surchg (3)</u>	Per <u>Meter/Mo.</u>
For 5/8x3/4-inch meter	\$ 32.25	-	-	\$ 32.25 (I)
For 3/4-inch meter	32.25	-	-	32.25
For 1-inch meter	80.64	-	-	80.64
For 1-1/2-inch meter	161.27	-	-	161.27
For 2-inch meter	258.04	-	-	258.04
For 3-inch meter	483.82	-	-	483.82
For 4-inch meter	806.36	-	-	806.36 (I)

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

SPECIAL CONDITIONS

- Multi-family apartment complexes may be independently metered or served from one meter. If they are served from one meter, the monthly or bimonthly consumption shall be divided by the number of active units to calculate the commodity charge. Then that result will be multiplied by the number of active units to arrive at the appropriate service charge for the meter. Service under this condition is subject to approval by the utility.

(continued)

(To be inserted by utility)

*Issued By*

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

Advice Letter No.	<u>72</u>	<u>Avinash Puri</u>	Date Filed	_____
		Name		
Decision No.	<u>D.92-03-093</u>	<u>President</u>	Effective	_____
		Title	Resolution No.	_____

Schedule No. 4  
PRIVATE FIRE PROTECTION SERVICE

APPLICABILITY

Applicable to metered water furnished to privately-owned fire protection systems.

TERRITORY

Within Argus, Trona, Pioneer Point (Point of Rocks), Borosolvay and South Trona, unincorporated communities and territory along the westerly shore of Searles Lake, San Bernardino County.

RATES

	Per Connection
	Per Month
	<u>Charge</u>
For each inch of diameter of service connection	\$ 12.58 (I)

SPECIAL CONDITIONS

1. Service hereunder is for private fire protection systems to which no connections for other than fire protection purposes are allowed. The fire protection service connection shall be installed by the utility, according to specifications of the San Bernardino County Fire Department and the cost paid by the applicant. Such payment shall not be subject to refund. The utility may install a meter or the standard detector type meter approved by the Board of Fire Underwriters for protection against theft, leakage or wast of water. The cost of the facilities will be paid by the applicant and not subject to refund.
2. The minimum diameter for fire protection service shall be four inches, and the maximum diameter shall be not more than the diameter of the main to which the service is connected.
3. The utility will supply only such water at such pressure as may be available from time to time as a result of normal operation of the system.
4. 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 service main from the nearest existing main of adequate capacity shall be installed by the utility and the cost paid by the applicant. Such cost shall not be subject to refund.

(To be inserted by utility)

*Issued By*

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

Advice Letter No. 72

Avinash Puri  
Name

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

Decision No. D.92-03-093

President  
Title

Effective \_\_\_\_\_

Resolution No. \_\_\_\_\_

Schedule No. 7M  
PUBLIC SCHOOL METERED SERVICE

APPLICABILITY

Applicable to metered water service furnished to and within the buildings and grounds of public schools.

TERRITORY

Within Argus, Trona, Pioneer Point (Point of Rocks), Borosolvay and South Trona, unincorporated communities and territory along the westerly shore of Searles Lake, San Bernardino County.

RATES

Quantity Rates:

		Per Meter Per Month
First	3,000 cu. ft., per 100 cu. ft.	\$ 2.40 (I)
Next	22,000 cu. ft., per 100 cu. ft.	3.60 (I)
Over	25,000 cu. ft., per 100 cu. ft.	5.54 (I)

Monthly Service Charges:

	Per Meter Per Month	Temp. Surchg (2)	Temp. Surchg (3)	Per Meter/Mo.
For 5/8x3/4-inch meter	\$ 32.25	-	-	\$ 32.25 (I)
For 3/4-inch meter	32.25	-	-	32.25
For 1-inch meter	80.64	-	-	80.64
For 1-1/2-inch meter	161.27	-	-	161.27
For 2-inch meter	258.04	-	-	258.04
For 3-inch meter	483.82	-	-	483.82
For 4-inch meter	806.36	-	-	806.36 (I)

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

SPECIAL CONDITIONS

1. Water served under this schedule will be furnished only for use in school buildings and on school grounds.
2. The utility reserves the right to limit the quantity of water delivered to the Trona Schools to 100,000 cubic feet per meter per month.

(continued)

(To be inserted by utility)

Issued By

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

Advice Letter No. 72

Avinash Puri  
Name

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

Decision No. D.92-03-093

President  
Title

Effective \_\_\_\_\_

Resolution No. \_\_\_\_\_



Schedule No. 9-MLZ  
SURPLUS WATER HAULING SCHEDULE

APPLICABILITY

Applicable to all water hauling customers for domestic household purposes and for commercial establishments from the standpipe at Pioneer Point Pump Station.

TERRITORY

Within Argus, Trona, Pioneer Point (Point of Rocks), Borosolvay and South Trona, unincorporated communities and territory along the westerly shore of Searles Lake, San Bernardino County.

RATES

Quantity Rates:

		Per Meter Per Month
First	800 cu. ft., per 100 cu. ft.	\$ 2.53 (I)
Next	3,200 cu. ft., per 100 cu. ft.	5.14 (I)
Over	4,000 cu. ft., per 100 cu. ft.	8.46 (I)

Monthly Service Charges:

	Per Meter Per Month	Temp. Surchg (2)	Temp. Surchg (3)	Per Meter/Mo.
For each customer	\$ 32.25	-	-	\$ 32.25 (I)

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

SPECIAL CONDITIONS

1. Each customer will be required to make a \$40.00 deposit to obtain an access key. This deposit will be refunded upon return of the key.
2. Each customer using this facility will record the beginning and ending read on the standpipe log sheet. Customers will be billed for water used. Any discrepancies in total water metered and not accounted for will be prorated and billed to each customer.

(continued)

(To be inserted by utility)

*Issued By*

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

Advice Letter No.	<u>72</u>	<u>Avinash Puri</u>	Date Filed	_____
		Name		
Decision No.	<u>D.92-03-093</u>	<u>President</u>	Effective	_____
		Title	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. 7M, Public School Metered Service	463-W, 458-W ( C)
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No. 5    Special Information Required on Forms	430-W - 432-W
No. 6    Establishment and Re-establishment of Credit	27-W
No. 7    Deposits	299-W, 423-W
No. 8    Notices	433-W - 435-W
No. 9    Rendering and Payment of Bills	30(A)-W, 30(B)-W
No. 10   Disputed Bills	436-W, 437-W
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No. 16   Service Connections, Meters, & Customer Facilities	260-W, 266-W
No. 17   Measurement of Service	181-W
No. 18   Service to Separate Premises & Multiple Units, & Resale of Water	207-W, 208-W

(continued)

(To be inserted by utility)

*Issued By*

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

Advice Letter No. 72

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Decision No. D.92-03-093

President  
Title

Effective \_\_\_\_\_

Resolution No. \_\_\_\_\_

SEARLES DOMESTIC WATER COMPANY  
ATTACHMENT TO ADVICE LETTER 72  
SUMMARY OF EARNINGS  
2021

CATEGORY	A	B	C = (A x 7%)	F = (D + E)
	ADOPTED W-4888	(PER ANN RPT) ACTUAL 2021	CPI INCREASE @ 7%	AFTER INCREASED REVENUES
Operating Revenues:				
Metered	667,515	583,512	46,726	630,238
Private Fire	2,340	2,576	164	2,740
School	19,345	-	1,354	1,354
Other Water Revenue	4,350	37,150	-	37,150
Total Operating Revenue	693,550	623,238	48,244	671,482
Operating Expenses:				
Purchased Water	100,833	72,748	-	72,748
Power	-	-	-	-
Other Volume Related Expenses	-	-	-	-
Employee Labor	106,460	133,648	-	133,648
Materials	23,203	23,835	-	23,835
Contract Work	6,164	3,651	-	3,651
Transportation Expense	20,978	19,115	-	19,115
Other Plant Maintenance	-	-	-	-
Office Salaries	30,000	41,279	-	41,279
Management Salaries	45,000	55,440	-	55,440
Employee Pensions & Benefits	40,651	47,727	-	47,727
Uncollectible Accounts Expense	936	1,743	-	1,743
Office Services & Rentals	2,696	-	-	-
Office Supplies & Expense	14,401	17,109	-	17,109
Professional Services	1,503	2,565	-	2,565
Insurance	5,337	(149)	-	(149)
Regulatory Commission Expense	6,052	7,478	-	7,478
General Expenses	10,664	17,687	-	17,687
Expenses Capitalized	-	-	-	-
Total Operating Expenses	414,878	443,876	-	443,876
Other Deductions:				
Depreciation	56,844	93,528	-	93,528
Taxes Other Than Income	30,009	33,478	-	33,478
Bad Debts	-	-	-	-
Interest expense (SDWBA)	-	103	-	103
Total Operating Expenses & Other Deductions	501,731	570,985	-	570,985
Net Income Before Taxes	191,819	52,253	-	100,497
State Income Tax	-	-	-	8,884
Federal Income Tax	68,403	-	-	31,148
Net Revenue	123,416	52,253	-	60,465
Rate Base	1,224,310			1,668,816
Rate of Return (on Rate Base)	10.08%			3.62%
Rate of Margin (N/A)				<i>test passed</i>

SEARLES DOMESTIC WATER COMPANY  
 CPI INCREASE IN RATES  
 ATTACHMENT TO ADVICE LETTER 72  
 2021

AL 69-W 7.00%

DESCRIPTION	CURRENT RATES	INCREASE OF 7%	PROPOSED RATES
Schedule No. 1, Metered Service:			
Quantity Rate			
First 800 cu. ft, per 100 cu. ft	\$ 2.36	\$ 0.17	\$ 2.53
Next 3,200 cu. ft, per 100 cu. ft	4.80	0.34	5.14
Over 4,000 cu. ft, per 100 cu. ft	7.91	0.55	8.46
Monthly Service Charge:			
5/8 "X 3/4" Meter	30.14	2.11	32.25
3/4 " Meter	30.14	2.11	32.25
1 " Meter	75.36	5.28	80.64
1 1/2 " Meter	150.72	10.55	161.27
2 " Meter	241.16	16.88	258.04
3 " Meter	452.17	31.65	483.82
4 " Meter	753.61	52.75	806.36
Schedule No. 4, Private Fire Protection:			
For each inch of diameter of service connection	11.76	0.82	12.58
Schedule No. 7M, Public School Metered Service			
Quantity Rate			
First 800 cu. ft, per 100 cu. ft	\$ 2.24	\$ 0.16	\$ 2.40
Next 3,200 cu. ft, per 100 cu. ft	3.36	0.24	3.60
Over 4,000 cu. ft, per 100 cu. ft	5.18	0.36	5.54
Monthly Service Charge:			
5/8 "X 3/4" Meter	30.14	2.11	32.25
3/4 " Meter	30.14	2.11	32.25
1 " Meter	75.36	5.28	80.64
1 1/2 " Meter	150.72	10.55	161.27
2 " Meter	241.16	16.88	258.04
3 " Meter	452.17	31.65	483.82
4 " Meter	753.61	52.75	806.36
Schedule No. 9-MLZ, Surplus Water Hauling Schedule			
Quantity Rate			
First 3,000 cu. ft, per 100 cu. ft	\$ 2.36	\$ 0.17	\$ 2.53
Next 22,000 cu. ft, per 100 cu. ft	4.80	0.34	5.14
Over 25,000 cu. ft, per 100 cu. ft	7.91	0.55	8.46
Monthly Service Charge:			
For each customer	30.14	2.11	32.25

SEARLES DOMESTIC WATER COMPANY  
ATTACHMENT TO ADVICE LETTER 72  
ESTIMATE OF RATE BASE  
2021

DESCRIPTION	SOURCE	RATE BASE BEG	RATE BASE END	AVG RATE BASE
Utility Plant	PUC rpt, Sch A	2,803,741	2,820,978	2,812,360
Accumulated Depreciation	PUC rpt, Sch A	(1,842,282)	(1,932,722)	(1,887,502)
Net Utility Plant		961,459	888,256	924,858
Materials & Supplies	PUC rpt, Sch A	117,679	133,539	125,609
Working Cash	W-5039 SOE	561,661	675,037	618,349
Advances for Construction	PUC rpt, Sch A	-	-	-
Net Contributions in Aid of Construction	PUC rpt, Sch A	-	-	-
Deferred Income Taxes/ITC	PUC rpt, Sch A34	-	-	-
<b>RATE BASE</b>		<b>1,640,799</b>	<b>1,696,832</b>	<b>1,668,816</b>