

# CALIFORNIA PUBLIC UTILITIES COMMISSION DIVISION OF WATER AND AUDITS

## Advice Letter Cover Sheet

**Utility Name:** Mountain Mesa Water Company, Inc.

**Dated Mailed to Service List:** 8/18/2022

**District:** N/A

**CPUC Utility #:** WTD-301

**Protest Deadline (20th Day):** 9/7/2022

**Advice Letter #:** 45

**Review Deadline (30th Day):** 9/17/2022

**Tier:**  1    2    3    Compliance

**Requested Effective Date:** ASAP

**Authorization:** D.92-03-093

**Rate Impact:** \$ 21,780  
7%

**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:** Scott Kissack

**Utility Contact:** Christian L. Aldinger

**Phone:** 661-340-4096

**Phone:** 714-536-4418

**Email:** [Skissack@msn.com](mailto:Skissack@msn.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

APPROVED

WITHDRAWN

REJECTED

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

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

# Mountain Mesa Water Company, Inc.

P.O. Box 2431  
Bakersfield, CA 93303-2431  
Telephone: 661-340-4096  
Email: [Skissack@msn.com](mailto:Skissack@msn.com)

August 18, 2022

Advice Letter No.: 45

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Mountain Mesa Water Company (WTD-301) 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>
309-W	Schedule No. 1, Metered Service	307-W
310-W	Table of Contents	308-W

## REQUEST

By AL 45, Mountain Mesa 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 \$21,780 will not result in a rate of margin which exceeds the authorized rate of margin. Workpapers justifying this increase are enclosed.

## BACKGROUND

The present rates became effective on June 21, 2021, with Advice Letter No. 44 pursuant to D.92-03-093 (2020 CPI)

The last general rate increase became effective on January 1, 2013, pursuant to Resolution W-4919, which authorized a general rate increase of \$71,853 or 33.67% for test year 2012 and \$25,153 or 8.80% for escalation year 2013, and a rate of return of 12.25%.

AL 45 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.

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Email: Skissack@msn.com

## **TIER DESIGNATION AND REQUESTED EFFECTIVE DATE**

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

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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

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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:

**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 the utility at:

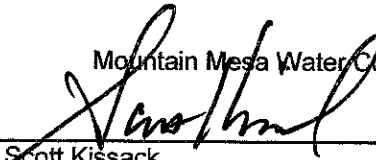
**Email Address:**  
[Skissack@msn.com](mailto:Skissack@msn.com)

**Mailing Address:**  
Mountain Mesa Water Company, Inc.  
P.O. Box 2431  
Bakersfield, CA 93303-2431

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>

Mountain Mesa Water Company, Inc.  
By:   
Scott Kissack  
Vice President

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

# Mountain Mesa Water Company, Inc.

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## SERVICE LIST


County of Kern  
1115 Truxtun Avenue 5th Floor  
Bakersfield, CA 93301  
[planning@kerncounty.com](mailto:planning@kerncounty.com)

California Water Service Company  
Jon Yasin  
[jyasin@calwater.com](mailto:jyasin@calwater.com)

Erskine Creek Water Company  
P.O. Box 656  
Lake Isabella, CA 93240  
[Erskinecreekh20@aol.com](mailto:Erskinecreekh20@aol.com)

I hereby certify that the above service list has been served a copy of AL 45 on 8/18/2022.

Executed in Bakersfield, California on 8/18/2022

Mountain Mesa Water Company, Inc.  
By:   
\_\_\_\_\_  
Scott Kissack  
Vice President

Schedule No. 1  
METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The unincorporated area located adjacent to State Highway 178 and approximately three miles east of the community of Lake Isabella, Kern County.

RATES

Per Meter  
Per Month

Quantity Rates:

For all water used, per 100 cu. ft from 1 to 5 units	\$ 1.43 (l)
For all water used, per 100 cu. ft from 6 to 10 units	\$ 2.30 (l)
For all water used, per 100 cu. ft over 10 units	\$ 3.20 (l)

Service Charge:

For 5/8 x 3/4-inch meter	\$ 41.08 (l)
For 3/4-inch meter	61.64 (l)
For 1-inch meter	102.74 (l)
For 1-1/2-inch meter	205.44 (l)
For 2-inch meter	328.70 (l)
For 3-inch meter	616.32 (l)
For 4-inch meter	1,027.23 (l)

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 computed at the Quantity Rate.

SPECIAL CONDITIONS

(1) All bills are subject to the reimbursement fee set forth in Schedule No. UF.

(continued)

(To be inserted by utility)

Issued By

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

Advice Letter No. 45

William Scott Kissack  
Name

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

Decision No. D. 92-03-093

Vice President  
Title

Effective \_\_\_\_\_

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>
Title Page	251-W
Table of Contents	310-W, 276-W (T)
Preliminary Statement	188-W, 221-W - 223-W, 252-W, 253-W
Service Area Map	190-W
<b>Rate Schedules:</b>	
Schedule No. 1, Metered Service	309-W (C)
Schedule LC, Late Payment Charge	219-W
Schedule UF, Surcharge to Fund Public Utility Commission Reimbursement Fee	305-W
<b>Rules:</b>	
No. 1 Definitions	282-W, 283-W
No. 2 Description of Service	62-W
No. 3 Application for Service	224-W
No. 4 Contracts	225-W
No. 5 Special Information Required on Forms	284-W - 286-W
No. 6 Establishment and Re-establishment of Credit	229-W
No. 7 Deposits	230-W, 231-W
No. 8 Notices	287-W - 289-W
No. 9 Rendering and Payment of Bills	232-W, 233-W
No. 10 Disputed Bills	290-W, 291-W
No. 11 Discontinuance and Restoration of Service	292-W - 301-W
No. 12 Information Available to Public	193-W, 194-W
No. 13 Temporary Service	237-W, 238-W
No. 14 Continuity of Service	195-W
No. 15 Main Extensions	165-W -177-W, 141-W
No. 16 Service Connections, Meters, & Customers Facilities	178-W - 184-W
No. 17 Standards for Measurement of Service	103-W
No. 18 Meter Tests and Adjustment of Bills for Meter Error	196-W - 198-W
No. 19 Service to Separate Premises and Multiple Units, and Resale of Water	134-W, 135-W
No. 20 Water Conservation	239-W
No. 21 Fire Protection	240-W

(continued)

(To be inserted by utility)

Issued By

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

Advice Letter No. 45

William Scott Kissack  
Name

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

Decision No. D. 92-03-093

Vice President

Effective \_\_\_\_\_

MOUNTAIN MESA WATER COMPANY  
ATTACHMENT TO ADVICE LETTER 45  
SUMMARY OF EARNINGS  
2021

	(A)	(B)	(C) = (A) * 0.07%	(D) = (B) + (C)
CATEGORY	ADOPTED 2012 GRC W-4919	(PER ANN RPT) ACTUAL 2021	CPI INCREASE @ 7%	AFTER INCREASED REVENUES
Operating Revenues:				
Metered	311,148	342,485	21,780	364,265
Other Revenue	-	5,160	-	5,160
Total Operating Revenue	311,148	347,645	21,780	369,425
Operating Expenses:				
Purchased Water	9,227	-	-	-
Power	26,616	56,547	-	56,547
Other Volume Related Expenses	39,176	16,031	-	16,031
Materials	2,897	1,054	-	1,054
Contract Work	74,691	118,286	-	118,286
Transportation Expense	-	3,334	-	3,334
Other Plant Maintenance	3,249	25,592	-	25,592
Management Salaries	9,500	9,000	-	9,000
Office Services & Rentals	5,427	12	-	12
Office Supplies & Expense	449	6,280	-	6,280
Professional Services	3,770	3,039	-	3,039
Insurance	2,545	5,380	-	5,380
Regulatory Commission Expense	3,476	5,158	-	5,158
General Expenses	2,383	5,787	-	5,787
Expenses Capitalized	-	-	-	-
Total Operating Expenses	183,406	255,500	-	255,500
Other Deductions:				
Depreciation	21,254	26,859	-	26,859
Taxes Other Than Income	5,571	10,497	-	10,497
Income Taxes	26,920	15,944	-	-
Penalties	-	-	-	-
Total Operating Expenses & Other Deductions	237,151	308,800	-	292,856
Net Income Before Taxes	73,997	38,845	-	76,569
State Income Tax	-	-	-	6,769
Federal Income Tax	-	-	-	11,982
Net Revenue	73,997	38,845	-	57,818
Rate Base	604,298			671,684
Rate of Return (on Rate Base)	12.25%			8.61%
Rate of Margin				

Based on adopted revenues



MOUNTAIN MESA WATER COMPANY  
 CPI INCREASE IN RATES  
 ADVICE LETTER NO. 45  
 2021

In Dollars

DESCRIPTION	CURRENT RATES (AL 44)	INCREASE OF 7.0%	PROPOSED RATES
<b>Metered Service:</b>			
<b>Service Charge: (per month)</b>			
5/8 x 3/4 " Meter	38.39	2.69	41.08
3/4 " Meter	57.61	4.03	61.64
1 " Meter	96.02	6.72	102.74
1 1/2 " Meter	192.00	13.44	205.44
2 " Meter	307.20	21.50	328.70
3 " Meter	576.00	40.32	616.32
4 " Meter	960.03	67.20	1,027.23
<b>Quantity Rate :</b>			
All water used per 100 cubic feet from 1 to 5 units	1.3400	0.0938	1.4338
All water used per 100 cubic feet from 5 to 10 units	2.1500	0.1505	2.3005
All water used per 100 cubic feet over 10 units	2.9900	0.2093	3.1993

MOUNTAIN MESA WATER COMPANY  
ATTACHMENT TO ADVICE LETTER 45  
ESTIMATE OF RATE BASE  
2021

DESCRIPTION	SOURCE	RATE BASE BEG	RATE BASE END	AVG RATE BASE
Utility Plant	PUC rpt, Sch A1	1,186,933	1,197,465	1,192,199
Accumulated Depreciation	PUC rpt, Sch A2	(506,424)	(533,782)	(520,103)
Net Utility Plant		680,509	663,683	672,096
Materials & Supplies	PUC rpt, Sch A	-	-	-
Working Cash	W-4919 SOE	19,177	19,177	19,177
Advances for Construction	PUC rpt, Sch A	-	-	-
Net Contributions in Aid of Construction	PUC rpt, Sch A	(25,600)	(13,577)	(19,589)
		-	-	-
<b>RATE BASE</b>		<b>674,086</b>	<b>669,283</b>	<b>671,684</b>