

**CALIFORNIA PUBLIC UTILITIES COMMISSION**  
**Water Division**  
**Advice Letter Cover Sheet**

**Utility Name:** Point Arena Water Works, Inc. **Date Mailed to Service List:** Oct. 3, 2022  
**District:** NA  
**CPUC Utility #:** U-WTD 40 **Protest Deadline (20<sup>th</sup> Day):** Oct. 23, 2022  
**Advice Letter #:** 96-W **Review Deadline (30<sup>th</sup> Day):** Nov. 2, 2022  
**Tier**  1  2  3  Compliance **Requested Effective Date:** Oct. 3, 2021  
**Authorization** NA **Rate Impact:** \$27,750  
**Description:** 2021 CPI Rate Adjustment 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:** William Hay, Jr. **Utility Contact 2:** Carla Shelton  
**Phone:** 707-882-1696 **Phone 2:** 707-882-1696  
**Email:** paww@cmcn.org **Email 2:** paww@mcn.org

**DWA Contact:** Tariff Unit  
**Phone:** (415) 703-1133  
**Email:** [Water.Division@cpuc.ca.gov](mailto:Water.Division@cpuc.ca.gov)

<b>DWA USE ONLY</b>		
---------------------	--	--

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

[ ] APPROVED [ ] WITHDRAWN [ ] REJECTED

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

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

# Point Arena Water Works, Inc.

P.O. Box 205  
Point Arena, CA 95468  
Telephone: (707) 882-1696

October 3, 2022

Advice Letter No. 96-W

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Point Arena Water Works, Inc. (PAWW) 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	456-W
462-W	Schedule F, Facilities Fees	457-W
463-W	Table of Contents	460-W

## REQUEST

By AL 96-W, PAWW 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 \$27,750 will not result in a rate of margin which exceeds the authorized rate of margin of 18.17%. Workpapers justifying this increase are enclosed.

## BACKGROUND

The present rates became effective on May 10, 2021, by approval of AL No. 93-W, which implemented a Consumer Price Index increase of \$5,550 or 1.4%.

The last general rate increase became effective on May 30, 2019, pursuant to Resolution W-5195, which authorized a general rate increase of \$91,486, or 30% and a rate of margin of 18.17%.

AL #96-W is filed pursuant to Ordering Paragraphs No. 1 of Decision 92-03-093 and

# Point Arena Water Works, Inc.

P.O. Box 205  
Point Arena, CA 95468  
Telephone: (707) 882-1696

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.

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

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

---

<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, Water Industry 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

# Point Arena Water Works, Inc.

P.O. Box 205  
Point Arena, CA 95468  
Telephone: (707) 882-1696

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.

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](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 DW, the respondent or protestant shall send a copy of the protest to PAWW at:

**Mailing Address:**

Point Arena Water Works, Inc.  
Attn: William Hay, Jr.  
P.O. Box 205  
Point Arena, CA 95468

**Email Address:**

[paww@mcn.org](mailto:paww@mcn.org)

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

# Point Arena Water Works, Inc.

P.O. Box 205  
Point Arena, CA 95468  
Telephone: (707) 882-1696

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 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.<sup>6</sup>

## CERTIFICATE OF SERVICE

I hereby certify that the service list from Advice Letter #96-W has been served a copy of this Advice Letter on October 3, 2022.

Executed in Point Arena, California on October 3, 2022.

Point Arena Water Works, Inc.



By: /S/ WILLIAM HAY, JR.  
Point Arena Water Works, Inc.  
President

Enclosures

---

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

# **Point Arena Water Works, Inc.**

P.O. Box 205  
Point Arena, CA 95468  
Telephone: (707) 882-1696

## **Advice Letter No. 96-W**

### **Service List**

(PER SECTION 4.3 OF GENERAL ORDER 96-B)

City of Point Arena  
P.O. Box 67  
Point Arena, CA 94568

North Gualala Water Company  
P.O. Box 1000  
Gualala, CA 95445

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

Independent Coastal Observer  
Editor  
P.O. Box 1200  
Gualala, CA 95445

**Schedule No. 1**

**GENERAL METERED SERVICE**

**APPLICABILITY**

Applicable to all metered water service

**TERRITORY**

The City of Point Arena and vicinity and Whisky Shoals Subdivision Units 1, 2 and 3, Mendocino County

**RATES**

Quantity Rate:

All water, per 100 cubic feet \$ 15.55 (I)

Service Charge:

Per Month

For 5/8 x 3/4 -inch meter	\$ 63.42	(I)
For 3/4-inch meter	\$ 95.12	(I)
For 1-inch meter	\$ 158.53	(I)
For 1 1/2 -inch meter	\$ 317.06	(I)
For 2-inch meter	\$ 507.31	(I)
For 3-inch meter	\$ 951.18	(I)
For 4-inch meter	\$1,585.31	(I)
For 6-inch meter	\$1,585.31	(I)

The service charge is a readiness-to-serve charge, which is applicable to all metered service, and to which is added the monthly charge for water used computed at the Quantity Rate.

**SPECIAL CONDITIONS**

1. In addition to the above rates and charges rendered to all bills under this Schedule, a surcharge will be added as set forth in Schedule No. 2-X, General Metered Surcharge.
2. All bills are subject to the reimbursement fee set forth in Schedule No. UF.
3. Point Arena Associates and Wharf Masters Inn will be charged 4-inch meter charge pursuant to Resolution W-4233.

(To be inserted by utility)

Advice Letter No. 96-W

Decision No. 92-03-093

Issued By

**William Hay, Jr.**

**President**

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

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

Effective \_\_\_\_\_

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

**Schedule F**

**FACILITIES FEES**

**APPLICABILITY**

Applicable to all customers applying for service from the Utility in the territory served for premises services not previously connected to its distribution mains, for additional service connections to existing premises, and for increases in size of service connections to existing premises.

**TERRITORY**

This schedule is applicable within the territory served by the utility.

**RATES**

Initial Fee for each Service Connection

For	5/8 x 3/4 -inch meter	\$	2,170	(I)
For	3/4-inch meter	\$	3,253	(I)
For	1-inch meter	\$	5,425	(I)
For	1 1/2 -inch meter	\$	10,850	(I)
For	2-inch meter	\$	17,360	(I)
For	3-inch meter	\$	32,549	(I)
For	4-inch meter	\$	54,249	(I)
For	6-inch meter	\$	108,498	(I)

**SPECIAL CONDITIONS**

1. Facilities are payable in addition to and do not limit any charges for extensions of mains that may be applicable under Rule 15, Main Extensions.
2. Payments made under this schedule are not subject to the reimbursement fee set forth in Schedule No. UF.
3. The California Department of Forestry (Cal Fire) will be charged a facility fee at the rate of the 2-inch meter for its 6-inch meter.

(To be inserted by utility)

Advice Letter No. 96-W

Decision No. 92-03-093

Issued By

**William Hay, Jr.**

**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.

<b><u>SUBJECT MATTER OF SHEET</u></b>	<b><u>P.U.C. SHEET NO.</u></b>	
Title Page	113-W	
Table of Contents	<b>463-W</b> , 414-W	(T)
Preliminary Statements	114-W, 294-W, 340-W, 345-W, 346-W, 382-W - 385-W	
Service Area Map	74-W, 286-W	
<b>Rate Schedules:</b>		
Schedule No. 1 –General Metered Service	<b>461-W</b> , 427-W	(I)
Schedule No. UF – Surcharge to Fund PUC Reimbursement Fee	454-W	
Schedule No. LC - Late Payment Charge	251-W	
Schedule F - Facilities Fees	<b>462-W</b>	(I)
Schedule No. 2X - General Metered Service Surcharge	284-W	
Schedule WR – Water Rights Memorandum Account Fee	388-W	
List of Contract Deviations	266-W	
<b>Rules:</b>		
No. 1 – Definitions	432-W, 433-W	
No. 2 – Description of Service	119-W	
No. 3 – Application for Service	305-W	
No. 4 – Contracts	121-W	
No. 5 – Special Information Required on Forms	434-W - 436-W	
No. 6 – Establishment and Re-establishment of Credit	124-W	
No. 7 – Deposits	309-W, 310-W	
No. 8 – Notices	437-W - 439-W	
No. 9 – Rendering and Payment of Bills	252-W, 253-W	
No. 10 – Disputed Bills	440-W, 441-W	
No. 11 – Discontinuance and Restoration of Service	442-W - 452-W	
No. 12 – Information Available to Public	137-W, 138-W	
No. 13 – Temporary Service	139-W, 140-W	
No. 14 – Continuity of Service	141-W	
No. 14.1 – Voluntary Water Conservation Plan	371-W – 378-W	
No. 15 – Main Extensions	315-W – 327-W, 417-W, 459-W	
No. 16 – Service Connections, Meters, & Customer’s Facilities	328-W – 334-W	
No. 17 – Standards for Measurements of Service	159-W	
No. 18 – Meter Tests & Adjustment of Bills for Meter Error	160-W - 162-W	
No. 19 – Service to Separate Premises & Multiple Units and Resale of Water	219-W, 220-W	
No. 20 – Water Conservation	164-W	
No. 21 – Fire Protection	335-W	

(To be inserted by utility)

Advice Letter No. 96-W

Decision No. 92-03-093

Issued By

**William Hay, Jr.**

**President**

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

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

Effective \_\_\_\_\_

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

**Earnings Test**  
**2021 CPI Rate Adjustment**  
**Point Arena Water Works, Inc.**  
**Summary of Earnings**

Category	Most Recent Adopted in Resolution W-5195 May 30, 2019		CPI Increase @7% on Adopted Revenue Only c=a*7%	Revenue After CPI Increase, Actual Expenses, & Actual Rate Base (Revenues) d=b + c
	TY 2019 a	Actual 2021 b		
<b>Operating Revenues:</b>				
Flat Rate			-	0
Metered	396,425	390,730	<b>27,750</b>	418,480
Approved Total Surcharge Revenue(s)		0	-	0
Private Fire Protection			-	0
<b>TOTAL OPERATING REVENUES</b>	<b>396,425</b>	<b>390,730</b>	<b>27,750</b>	<b>418,480</b>
<b>Operating Expenses:</b>				
Purchased Water	-	-		-
Purchased Power	23,655	25,434		25,434
Purchased Chemicals	-			-
Other Volume Related Expenses	505	2,235		2,235
Employee Labor	46,674	26,478		26,478
Materials	12,156	22,035		22,035
Contract Work	16,220	36,977		36,977
Water Testing	2,996	-		-
Transportation Expense	10,191	17,470		17,470
Other Plant Maintenance	28,308	29,019		29,019
Office Salaries	-	4,963		4,963
Management Salaries	64,221	92,383		92,383
Employee Pension and Benefits	-	-		-
Uncollectibles	793	-		-
Office Service and Rentals	8,760	10,584		10,584
Office Supplies and Expenses	7,490	11,196		11,196
Professional Services	45,622	51,317		51,317
Insurance	11,483	13,463		13,463
Regulatory Commission Expense	5,703	5,232		5,232
General Expenses	7,362	5,260		5,260
<b>SUBTOTAL</b>	<b>292,139</b>	<b>354,046</b>		<b>354,046</b>
Depreciation	10,985	21,214		21,214
Taxes Other than Income	16,815	6,420		6,420
State and Federal Income Taxes	21,403	6,846		6,846
Interest	-	-		-
<b>TOTAL DEDUCTIONS</b>	<b>341,342</b>	<b>388,526</b>		<b>388,526</b>
<b>NET REVENUE</b>	<b>55,083</b>	<b>2,204</b>		<b>29,954</b>
<b>RATE BASE</b>				
Average Plant	1,638,205	1,802,224		1,802,224
Less: Average Accumulated Depreciation	854,390	916,662		916,662
<b>NET PLANT</b>	<b>783,815</b>	<b>885,563</b>		<b>885,563</b>
Less: Advances & Contributions	493,648	453,084		453,084
Deferred Income Tax	18,362	39,185		39,185
Plus: Working Cash	24,345	27,201		27,201
Materials & Supplies	-	-		-
CWIP	-	39,058		39,058
<b>RATE BASE</b>	<b>296,150</b>	<b>498,738</b>		<b>498,738</b>
<b>RATE OF MARGIN</b>	<b>18.17%</b>	<b>2.32%</b>		<b>8.79%</b>
<b>Earnings Test:</b>	<b>8.79%</b>	<b>&lt;</b>	<b>18.17%</b>	

## Earnings Test

### Point Arena Water Works, 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 (1/2 x Line 1)	163,206
2 Purchased Power and/or Purchased Commodity for Resale*	-
3 Two Months' Average Operating Expenses (1/6 x Line 1)	27,201
4 One Month's Average Purchased Power and/or Purchased Commodity* (1/12 x Line 2)	-
5 Average Tax Accruals Available	
6 Working Cash Allowance (Line 3 - Line 4 - Line 5)	27,201
7 Use	27,201

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

## Metered Rates

### Point Arena Water Works, Inc.

#### METERED RATES:

CPI RATE 7.00%

Service Charge:	OLD	NEW	
	<u>Per Meter</u>	<u>Per Meter</u>	
	<u>Per Month</u>	<u>Per Month</u>	
<u>QR</u>	\$14.53	\$ 15.55	(I)
5/8 x 3/4-inch meter .....	\$59.27	\$ 63.42	(I)
3/4-inch meter .....	\$88.90	\$ 95.12	(I)
1-inch meter .....	\$148.16	\$ 158.53	(I)
1-1/2 inch meter .....	\$296.32	\$ 317.06	(I)
2-inch meter .....	\$474.12	\$ 507.31	(I)
3-inch meter .....	\$888.95	\$ 951.18	(I)
4-inch meter .....	\$1,481.60	\$ 1,585.31	(I)
6-inch meter .....	\$1,481.60	\$ 1,585.31	(I)

## Point Arena Water Works, Inc.

### FACILITIES FEES:

CPI RATE 7.00%

#### Initial Fee for each Service Connection

	OLD	NEW	
5/8 x 3/4-inch meter .....	\$2,028	\$ 2,170	(I)
3/4-inch meter .....	\$3,040	\$ 3,253	(I)
1-inch meter .....	\$5,070	\$ 5,425	(I)
1-1/2 inch meter .....	\$10,140	\$ 10,850	(I)
2-inch meter .....	\$16,224	\$ 17,360	(I)
3-inch meter .....	\$30,420	\$ 32,549	(I)
4-inch meter .....	\$50,700	\$ 54,249	(I)
6-inch meter .....	\$101,400	\$ 108,498	(I)