



# Cypress Ridge Sewer Co

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

August 15, 2022

Advice Letter No. 40-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 40-SS and the following tariff sheets which are enclosed:

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

## REQUEST

By AL 40-SS, Cypress requests permission to increase its revenues (based on increase to the present monthly service charge) by 7.0%, the Consumer Price Index (CPI) for 2021. The projected revenue increase of \$37,001 will not result in a rate of margin which exceeds the authorized rate of margin of 24%. Work papers justifying this increase are enclosed.

## BACKGROUND

The present rates became effective on June 1, 2022, pursuant to AL 38-A-SS which authorized an increase of 1.4%.

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 40-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.

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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. AL 40-SS 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, with 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;
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.

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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. 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](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 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](mailto: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.<sup>6</sup>

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

# Cypress Ridge Sewer Co

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## SERVICE LIST

- Recipient 1 Thomas J. MacBride Jr.  
[tmacbride@goodinmacbride.com](mailto:tmacbride@goodinmacbride.com)
- Recipient 2 Ann Watson  
[watconsult@sbcglobal.net](mailto:watconsult@sbcglobal.net)
- Recipient 3 Cypress Ridge Sewer Co  
[kathybaker9871@gmail.com](mailto:kathybaker9871@gmail.com)
- Recipient 4 Cypress Ridge Sewer Co  
[cypressridgewwtp@gmail.com](mailto:cypressridgewwtp@gmail.com)
- Recipient 5 Cypress Ridge HOA  
[rgreen2275@charter.net](mailto:rgreen2275@charter.net)
- Recipient 6 Cypress Ridge Sewer Co  
[lisa@infinityeas.com](mailto:lisa@infinityeas.com)
- Recipient 7 Legal Division  
[apprhg@cpuc.ca.gov](mailto:apprhg@cpuc.ca.gov)

I hereby certify that the above service list has been served a copy of AL 40-SS on August 15, 2022.

Executed in Arroyo Grande, California on the August 15, 2022.

Cypress Ridge Sewer Co

By: /s/Eric Sweeney  
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..... \$124.90 (R)

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.
4. For a period of 12 months after the approval of AL 39-A-SS, all monthly sewer service will have a(N) sur-credit in the amount of \$23.07 to refund \$108,238 in State and Federal income allowance (N) collected after the approval of GRC Resolution W-5187. (N)

(To be inserted by utility)

Issued by

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

Advice Letter No. 40-SS

Kathy Baker

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

Decision No. 92-03-093

President

Effective \_\_\_\_\_

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

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.....	\$124.90	(R)
For	Golf Maintenance Facility.....	\$124.90	(R)
For	Commercial/Office Facility...	\$124.90	(R)
For	Pavilion.....	\$124.90	(R)

SPECIAL CONDITIONS

5. A late charge will apply per Schedule No. LC.
6. Bills will be rendered in advance of the period for which service will be provided.
7. All bills are subject to the reimbursement fee set forth in Schedule No. UF.
8. For a period of 12 months after the approval of AL 39-A-SS, all monthly sewer service will have a(N) sur-credit in the amount of \$23.07 to refund \$108,238 in State and Federal income allowance (N) collected after the approval of GRC Resolution W-5187. (N)

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President

Effective \_\_\_\_\_

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

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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>
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Service Area Map	73-SS
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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. 40-SSKathy Baker

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

Decision No. 92-03-093President

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



# Cypress Ridge Sewer Co.

## Summary of Earnings AL 40-SS

August 15, 2022

	D 20-07-036 AL39-A-SS 2022 a	D 92-03-093 AL38-A-SS 2022 a1	Recorded 2021 b	2021 CPI-U Increase 7.0% c=(a+a1)*7.0%	Earnings Test 2022 d=b+c
<b>Operating Revenues:</b>					
Unmetered Revenue	\$ 521,290	\$ 7,298	\$ 585,508	\$ 37,001	\$ 622,509
<b>Operating Expenses:</b>					
Purchased Power	\$ 32,086		\$ 30,775		\$ 30,775
Other Vol. Rel. Exp.	\$ 10,374		\$ 8,584		\$ 8,584
Employee Labor	\$ 167,997		\$ 204,652		\$ 204,652
Materials	\$ 13,089		\$ 52,917		\$ 52,917
Contract Work	\$ 54,255		\$ 62,098		\$ 62,098
Transportation	\$ 2,500		\$ 2,413		\$ 2,413
Other Plant Maintenance	\$ 1,355		\$ 1,582		\$ 1,582
Office Salaries	\$ -		\$ -		\$ -
Management	\$ 10,000		\$ 10,000		\$ 10,000
Employee Pensions & Benefits	\$ 14,564		\$ 17,041		\$ 17,041
Uncollectible Accounts Expense	\$ 1,000		\$ 961		\$ 961
Office Services & Rentals	\$ 5,529		\$ 8,104		\$ 8,104
Office Supplies & Exp.	\$ 3,675		\$ 5,092		\$ 5,092
Professional Services	\$ 35,000		\$ 16,207		\$ 16,207
Insurance	\$ 17,964		\$ 18,613		\$ 18,613
Reg. Comm Exp.	\$ 7,500		\$ 8,239		\$ 8,239
General Expenses	\$ 17,000		\$ 25,684		\$ 25,684
Total Operating Expenses	\$ 393,888		\$ 472,962		\$ 472,962
Depreciation Expense	\$ 12,703		\$ 16,863		\$ 16,863
Taxes Other than Income	\$ 16,338		\$ 18,245		\$ 18,245
State Tax	\$ 800		\$ 856		\$ 856
Federal Income Taxes			\$ -		\$ -
Interest Expense	\$ -		\$ -		\$ -
Total Deductions	\$ 423,729		\$ 508,926		\$ 508,926
Net Operating Income (Loss)	\$ 97,561		\$ 76,582		\$ 113,583
Avg Plant	\$ 5,179,323		\$ 5,340,772		\$ 5,303,677
Avg Accum Depreciation	\$ 2,284,979		\$ 2,915,793		\$ 2,835,602
Net Plant	\$ 2,894,344		\$ 2,424,979		\$ 2,468,075
Less: CIAC	\$ 2,606,738		\$ 2,039,189		\$ 2,111,985
Plus: Working Cash	\$ -		\$ -		\$ -
Materials and Supplies	\$ 13,925		\$ 11,565		\$ 10,233
Rate Base	\$ 301,531		\$ 397,355		\$ 366,323
Rate of Return			19%		
Rate of Margin	18.7%		13.1%		18.2%

# Cypress Ridge Sewer Company, Co

## 2021 CPI-U - 7% Increase

**RATES:**

**Schedule No. 1**

	<b>Current</b>	<b>Increased</b>
For all residential sewer service per month =	\$ 116.73	\$ 124.90

**Schedule No. 2**

	<b>Current</b>	<b>Increased</b>
For Golf Pro Shop	\$ 116.73	\$ 124.90
For Golf Maintenance Facility	\$ 116.73	\$ 124.90
For Commercial/Office Facility	\$ 116.73	\$ 124.90
For Pavilion	\$ 116.73	\$ 124.90