

**CALIFORNIA PUBLIC UTILITIES COMMISSION
DIVISION OF WATER AND AUDITS**

Advice Letter Cover Sheet

Utility Name: Graeagle Water Company

Date Mailed to Service List: June 20, 2024

CPUC Utility #: WTC 53

Protest Deadline (20th Day): July 9, 2024

Advice Letter #: 63-W

Review Deadline (30th Day): July 19, 2024

Tier 1 2 3 Compliance

Requested Effective Date: June 20, 2024

Authorization D.92-03-093

Rate Impact: \$21,326
3.4%

Description: 2023 CPI 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: Katie Schmid

Utility Contact 2:

Phone: 530-836-2612

Phone 2:

Email: gwc@playgraeagle.com

Email 2:

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>
<u>7/9/24</u>	<u>Brian Lee</u>	<u>Advice Letter AL #63-W was approved for</u> <u>Graeagle Water Company because it passes the</u> <u>Earnings Test. All calculations and results were</u> <u>validated.</u>
<u> </u>	<u> </u>	<u> </u>

APPROVED

WITHDRAWN

REJECTED

Signature: /s/Wilson Tsai

Comments: Approved with effective date of June 20, 2024

Date: 7/10/24

June 20, 2024

Advice Letter No. 63-W

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Graeagle Water (GRAEAGLE) 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>
487-W	Schedule No. 1, General Metered Service	478-W
488-W	Schedule No. 2, General Flat Rate Service	479-W
489-W	Schedule No. 2S, Seasonal Flat Rate Service	480-W
490-W	Schedule No. 4, Private Fire Protection Service	481-W
491-W	Schedule No. 5, Public Fire Protection Service	482-W
492-W	Schedule No. 6, Seasonal Flat Rate Irrigation Service	483-W
493-W	Table of Contents	486-W

REQUEST

By AL 63-W, GRAEAGLE requests permission to increase its revenues (based on increase to the present monthly quantity rate and service charge) by 3.4%, the Consumer Price Index (CPI) for 2023. This projected revenue increase of \$ 21,326 will not result in a rate of return which exceeds the authorized rate of return of 10.7%. Work papers justifying this increase are enclosed.

BACKGROUND

The present rates became effective on July 1, 2023, by approval of AL No. 61A-W, which implemented a Consumer Price Index increase of \$42,278 or 6.5%.

The last general rate increase became effective on April 9, 2015, pursuant to Resolution W-5027, which authorized a general rate increase of \$179,133, or 40%, and a rate of return of 10.7%.

AL 63-W 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.

TIER DESIGNATION AND REQUESTED EFFECTIVE DATE

This AL and the enclosed tariff sheets are submitted pursuant to General Order (GO.) 96-B. AL 63-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.

RESPONSE OR PROTEST⁵

Anyone may respond to or protest this advice letter. A response supports the filing and may contain information that proves useful to the Commission in evaluating the advice letter. A protest objects to the advice letter in whole or in part and must set forth the specific grounds on which it is based. These grounds are:

¹ GO. 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

⁵ GO. 96-B, General Rule 7.4.1

1. The utility did not properly serve or give notice of the advice letter;
2. The relief requested in the advice letter 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 advice letter contain material error or omissions;
4. The relief requested in the advice letter is pending before the Commission in a formal proceeding; or
5. The relief requested in the advice letter requires consideration in a formal hearing, or is otherwise inappropriate for the advice letter process; or
6. The relief requested in the advice letter 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 the AL is filed. The addresses for submitting a response or protest are:

Mailing Address:

California Public Utilities
Commission
Water Division, 3rd Floor
505 Van Ness Avenue
San Francisco, CA 94102

Email Address:

Water.Division@cpuc.ca.gov

On the same day the response or protest is submitted to DWA, the respondent or protestant shall send a copy of the protest to GRAEAGLE at:

Mailing Address:

Graeagle Water Company

Email Address:

gwc@playeagle.com

Attn: Katie Schmid
P.O. Box 310
Graeagle, CA 96103

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. Each 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 to the person who filed the protest or response.

SERVICE LIST

Richard C. Vasquez
1550 Parkside Drive, Suite 130
Walnut Creek, CA 94596

Shirley Poitras
22415 Ranch Deep Cliff
Cupertino, CA 95014

William R. Dunn
1034 Meadow Brook Dr
Brentwood, CA 94513

Frank Kortangian
PO Box 398
Graeagle, CA 96103

Mark Mihevc
PO Box 722
Graeagle, CA 96103

Mel Brooks*
melskids@pacbell.net

David Johnson*
mrjokerwild@msn.com

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of Advice Letter 63-W on the parties listed on the above Service List by mailing a properly addressed copy by first class mail with postage prepaid or by email to those marked with an asterisk (*).

Executed in Graeagle, California on June 20, 2024.

Graeagle Water Company

By: 
Katie Schmid
Controller

Earnings Test

Greagle Water Company Summary of Earnings

Category	Most Recent Adopted in Resolution W-5027 April 9, 2015 TY 2014 a	Actual 2023 b	CPI Increase @3.4% on Adopted Revenue c=a*3.4%	Revenue After CPI Increase, Actual Expenses, & Actual Rate Base (Revenues) d=b + c
Operating Revenues:				
Flat Rate	189,593	129,156	6,446	135,602
Metered	437,634	501,006	14,880	515,886
Private Fire Protection		13,070	-	13,070
Irrigation		36,591	-	36,591
TOTAL OPERATING REVENUES	627,227	679,823	21,326	701,149
Operating Expenses:				
Purchased Water				-
Purchased Power	10,026	14,974		14,974
Other Volume Related Expenses	7,391	20,140		20,140
Employee Labor				-
Materials	3,687	122		122
Contract Work	144,468	178,812		178,812
Water Testing	5,426			-
Transportation Expense	8,106	20,352		20,352
Other Plant Maintenance	10,036	946		946
Office Salaries	96,523	94,605		94,605
Management Salaries		128,520		128,520
Employee Pension and Benefits	64,973			-
Uncollectibles	68			-
Office Service and Rentals	4,860	20,916		20,916
Office Supplies and Expenses	8,987	10,703		10,703
Professional Services	13,380	16,300		16,300
Insurance	4,093	3,000		3,000
Regulatory Compliance Expense	500	5,245		5,245
General Expenses	6,740	13,389		13,389
SUBTOTAL	389,264	528,024		528,024
Depreciation	51,016	71,922		71,922
Taxes Other than Income	15,314	45,080		45,080
State and Federal Income Taxes	59,441	800		800
Interest	-	-		-
TOTAL DEDUCTIONS	515,035	645,826		645,826
NET REVENUE	112,192	33,997		55,323
RATE BASE				
Average Plant	2,154,561	3,018,393		3,018,393
Less: Average Accumulated Depreciation	1,033,334	1,794,588		1,794,588
NET PLANT	1,121,227	1,223,805		1,223,805
Less: Advances				-
Contributions	98,894	78,340		78,340
Plus: Working Cash	25,741	44,002		44,002
Materials & Supplies	475			
RATE BASE	1,048,549	1,189,468		1,189,468
RATE OF RETURN	10.70%	2.86%		4.65%
Earnings Test:	4.65%	<	10.70%	

Schedule No. 1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

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

RATES

Quantity Rate:			
For all water per 100 cubic feet	\$2.21		(I)

Service Charge:		<u>Per Meter Per Month</u>	
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For 5/8 x 3/4 -inch meter	\$ 35.65	(I)
For 3/4-inch meter	\$ 53.48	(I)
For 1-inch meter	\$ 89.12	(I)
For 1 1/2 -inch meter	\$ 178.24	(I)
For 2-inch meter	\$ 285.20	(I)
For 3-inch meter	\$ 373.37	(I)
For 2-inch meter	\$ 672.08	(I)

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

SPECIAL CONDITIONS

1. The established billing cycle for service is every two months.
2. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
3. In the event that a customer terminates service under this schedule and reinstates service at the same location within 12 months, there will be a reconnection charge equal to the minimum charge which would have been billed had the customer not terminated service.

(continued)

(To be inserted by utility)

Issued By

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

Advice Letter No. 63-W

Daniel E. West

Date Filed _____

Decision No. 92-03-093

President

Effective _____

Resolution No. _____

Schedule No. 2

GENERAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat water service furnished on annual basis.

TERRITORY

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

RATES:

	<u>Per Service</u>		
	<u>Per Year</u>	<u>Per Month</u>	
For a single -family residence, business establishment, or manager's quarters of a motel or trailer park, including premises	\$686.00	\$57.17	(I)
For additional buildings on the same premises and served from the same service connection			
(1) each residence, cabin or trailer with housekeeping accommodations	\$287.02	\$23.92	(I)
(2) each hotel or motel room with bathroom facilities only	\$144.40	\$12.03	(I)
(3) each trailer facility with partial plumbing	\$101.13	\$ 8.43	(I)
1-inch service	\$1,028.99	\$ 85.75	(I)
1 ½-inch service	\$1,577.77	\$131.48	(I)
2-inch service	\$2,195.12	\$182.93	(I)
4-inch service	\$4,012.96	\$334.41	(I)

(continued)

(To be inserted by utility)

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Daniel E. West

President

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

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Schedule No. 2S

SEASONAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat water service furnished on annual basis.

TERRITORY

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

RATES:

	<u>Per Service</u>		
	<u>Per Year</u>	<u>Per Month</u>	
For a single -family residence, business establishment, or manager's quarters of a motel or trailer park, including premises	\$651.19	\$81.40	(I)
For additional buildings on the same premises and served from the same service connection:			
(1) each residence, cabin or trailer with housekeeping accommodations	\$272.12	\$34.01	(I)
(2) each hotel or motel room with bathroom facilities only	\$136.12	\$17.01	(I)
(3) each trailer facility with partial plumbing	\$ 95.20	\$11.90	(I)

SPECIAL CONDITIONS

1. The above flat rates apply to service connections no larger than 3/4-inch diameter.
2. The established billing cycle for service is every two months.
3. The seasonal service charge applies to service during the 8 -month period commencing March 16 and ending November 15.
4. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
5. In the event that a customer terminates service under this schedule and reinstates service at the same location within 12 months, there will be a reconnection charge equal to the minimum charge which would have billed had the customer not terminated service.
6. For service covered by the above classification, if the utility so elects, a meter shall be installed and service provided under Schedule No 1, General Metered Service, effective as of the first day of the following calendar month. Where the flat rate charge for a period has been paid in advance, a refund of the prorated difference between such flat rate payment and the minimum metered charge for the same period shall be made on or about that same day.

(continued)

(To be inserted by utility)

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Schedule No. 4

PRIVATE FIRE PROTECTION SERVICE

APPLICABILITY

Applicable to all water furnished for private fire protection systems.

TERRITORY

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

RATES

For each inch of diameter of service	<u>Per Month</u> \$5.15	(I)
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SPECIAL CONDITIONS

1. The fire protection service shall be installed by the utility and the cost paid for by the applicant. Such payment shall not be subject to refund.
2. The minimum diameter for fire protection services shall not be less than six inches and the maximum diameter shall not be more than the diameter of the main to which the service is connected.
3. 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 payment shall not be subject to refund.
4. Service hereunder is for private fire protection systems to which no connections for other than fire protection purposes are allowed, and which are regularly inspected by the underwriters having jurisdiction. Said systems shall be installed according to the specifications of the utility and are maintained to the satisfaction of the utility. The utility may install the standard detector type meter approved by the Board of Fire Underwriters for protection against theft, leakage or waste of water and the cost paid by the applicant. Such payment shall not be subject to refund.

(continued)

(To be inserted by utility)

Advice Letter No. 63-W

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Daniel E. West

President

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

Date Filed _____

Effective _____

Resolution No. _____

Schedule No. 5

PUBLIC FIRE PROTECTION SERVICE

APPLICABILITY

Applicable to all fire hydrant service furnished to municipalities, duly organized or incorporated fire districts or other political subdivisions of the State.

TERRITORY

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

RATES

For each hydrant	<u>Per Month</u> \$12.60	(I)
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SPECIAL CONDITIONS

1. For water delivered for other than fire protection purposes, charges shall be made at the quantity rate under Schedule No.1, General Metered Service.
2. Relocation of any fire hydrant shall be at the expense of the party requesting relocation.
3. Fire hydrants shall be attached to the utility's distribution mains upon receipt of proper authorization from the appropriate public authority. Such authorization shall designate the specific location at which each is to be installed.
4. The utility will supply only such water at such pressure as may be available from time to time as a result of its normal operations for the system.
5. The established billing cycle for service is every two months.
6. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
7. In the event that a customer terminates service under this schedule and reinstates service at the same location within 12 months, there will be a new reconnection charge equal to the minimum charge which would have been billed had the customer not terminated service.

(continued)

(To be inserted by utility)

Issued By

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

Advice Letter No. 63-W

Daniel E. West

Date Filed _____

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President

Effective _____

Resolution No. _____

Schedule No. 6

SEASONAL FLAT RATE IRRIGATION SERVICE

APPLICABILITY

Applicable to all flat rate water furnished to outside irrigators with service connections larger than 3/4 inch on a seasonal basis.

TERRITORY

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

RATES:

	<u>Per Service</u>		
	<u>Per Year</u>	<u>Per Month</u>	
1-inch service	\$ 686.01	\$ 85.75	(I)
1 1/2-inch service	\$ 1,113.61	\$ 139.20	(I)
2-inch service	\$ 1,551.23	\$ 193.90	(I)
4-inch service	\$ 2,849.71	\$ 356.21	(I)
Feather River Park Golf Course	\$11,043.04	\$1,380.38	(I)

SPECIAL CONDITIONS

1. The utility may, at its discretion, interrupt service to irrigation customers during the following periods: (Memorial Day Weekend, July Fourth Weekend, or Labor Weekend); with such interruptions only to be used in the case that service to other customers would be impacted by continued irrigation. No service should be interrupted for more than four days. No punitive action under Rule 15 should be triggered by excessive use of irrigation water for one week before and one week after any service interruption.
2. The seasonal service charge applies to service during the 8 - month period commencing March 16 and ending November 15.
3. The established billing cycle for service is every two months.
4. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
5. In the event that a customer terminates service under this schedule and reinstates service at the same location within 12 months, there will be a reconnection charge equal to the minimum charge which would have been billed had the customer not terminated service.
6. For service covered by the above classification, if the utility so elects, a meter shall be installed and service provided under Schedule No 1, General Metered Service, effective as of the first day of the following calendar month. Where the flat rate charge for a period has been paid in advance, a refund of the prorated difference between such flat rate payment and the minimum metered charge for the same period shall be made on or about that same day.

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TABLE OF CONTENTS

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