

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

Advice Letter Cover Sheet

Utility Name: [Sonora Water Resources](#)

Dated Mailed to Service List: [7/24/2024](#)

District: [N/A](#)

CPUC Utility #: [WTD-184](#)

Protest Deadline (20th Day): [8/13/2024](#)

Advice Letter #: [86-W](#)

Review Deadline (30th Day): [8/23/2024](#)

Tier: 1 2 3 Compliance

Requested Effective Date: [ASAP](#)

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

Rate Impact: \$ [11,040](#)
[3.4%](#)

Description: [2023 CPI-U \(3.4%\)](#)

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: [Lawrence M. Morales](#)

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

Phone: [909-727-0760](#)

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

Email: larry@calwaterresources.org

Email: chris@paocpas.com

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>
_____	_____	_____
_____	_____	_____
_____	_____	_____

APPROVED

WITHDRAWN

REJECTED

Signature: _____ Comments: _____

Date: _____

Sonora Water Resources

140 N. Harvard Ave, Unit 100

Claremont, CA 91711

Telephone: 909-727-0760

Email: larry@calwaterresources.org

July 24, 2024

Advice Letter No.: 86-W

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Sonora Water Resources (WTD-184) 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>
409-W	Schedule No. 1A, Monthly Metered Service	405-W
410-W	Schedule No. 4, Private Fire Protection Service	406-W
411-W	Schedule No. F, Facilities Fees	407-W
412-W	Table of Contents	408-W

REQUEST

By AL 86-W, Sonora Water Resources 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 \$11,040 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 March 22, 2023 with Advice Letter No. 84-W pursuant to D.92-03-093 (2022 CPI).

The last informal general rate increase became effective on February 20, 2022, pursuant to GO 96-B, which authorized a general rate increase of \$86,385 or 36.55%.

AL 86-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.

Sonora Water Resources

140 N. Harvard Ave, Unit 100
Claremont, CA 91711
Telephone: 909-727-0760
Email: larry@calwaterresources.org

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.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 serviced 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 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.

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

Sonora Water Resources

140 N. Harvard Ave, Unit 100
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Telephone: 909-727-0760
Email: larry@calwaterresources.org

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

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:

larry@calwaterresources.org

Mailing Address:

[Sonora Water Resources](#)
[140 N. Harvard Ave, Unit 100](#)
[Claremont, CA 91711](#)

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.⁶

Sonora Water Resources

By: /s/ Lawrence M. Morales

Lawrence M. Morales
CEO

⁶ GO. 96-B, General Rule 7.4.3

Sonora Water Resources

140 N. Harvard Ave, Unit 100
Claremont, CA 91711
Telephone: 909-727-0760
Email: larry@calwaterresources.org

SERVICE LIST

Jamestown Sanitary District
18351 Main Street
Jamestown, CA 95327

Tuolumne County
Department of Environmental Health
48 W. Yaney Street
Sonora, CA 95370

Tuolumne Utilities District
18/885 Nugget Blvd.
Sonora, CA 95370

I hereby certify that the above service list has been served a copy of AL 86-W on 7/24/2024.

Executed in Claremont, California on 7/24/2024.

Sonora Water Resources

By: /s/ Lawrence M. Morales

Lawrence M. Morales

CEO

Schedule No. 1A
MONTHLY METERED SERVICE

APPLICABILITY

Applicable to all water service furnished on a metered basis.

TERRITORY

Fairway Acres and vicinity, located approximately one mile east of Jamestown in Tuolumne County.

RATES

Quantity Rates:

For all water used, per 100 cu. ft _____ \$ 5.30 (I)

Monthly Service Charges:

	Total Rate Per <u>Meter/Mo</u>	Per Meter <u>Annually</u>
For 5/8 x 3/4-inch meter _____	\$ 55.80	\$ 669.60 (I)
For 3/4-inch meter _____	83.70	1,004.40 (I)
For 1-inch meter _____	139.51	1,674.12 (I)
For 1-1/2-inch meter _____	279.02	3,348.24 (I)
For 2-inch meter _____	446.43	5,357.16 (I)
For 3-inch meter _____	837.06	10,044.72 (I)
For 4-inch meter _____	1,395.11	16,741.32 (I)

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

SPECIAL CONDITIONS

- (1) All bills are subject to the reimbursement fee set forth in Schedule No. UF.
- (2) A late charge will be imposed per Schedule No. LC.

(continued)

(To be inserted by utility)

Issued By

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

Advice Letter No. 86-W _____ Lawrence M. Morales _____ Date Filed _____
Name _____
Decision No. D. 92-03-093 _____ CEO _____ Effective _____
Title _____ Resolution No. _____

Schedule No. 4
PRIVATE FIRE PROTECTION SERVICE

APPLICABILITY

Applicable to all water service furnished to privately owned fire protection systems.

TERRITORY

Fairway Acres and vicinity, located approximately one mile east of Jamestown in Tuolumne County.

RATES

For each inch of diameter of service connection: \$ 15.15 (I)

SPECIAL CONDITIONS

- (1) The fire protection service connection shall be installed by the utility and the cost paid by the applicant. Such payment shall not be subject to refund.
- (2) The minimum diameter for the private service connection shall be four inches and the maximum diameter shall not be more than the diameter of the water 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 cost will 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 are installed according to 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 Underwriters for protection against theft, leakage, or waste of water and with cost paid by the applicant. Such payment shall not be subject to refund.

(continued)

(To be inserted by utility)

Issued By

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

Advice Letter No. 86-W

Lawrence M. Morales

Date Filed _____

Name

Effective _____

Decision No. D. 92-03-093

CEO

Title

Resolution No. _____

Schedule No. F
FACILITIES FEES

APPLICABILITY

Applicable to all customers applying for service from the Utility in the territory served for premises 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 New Service Connection:

For	5/8 x 3/4-inch meter	\$ 2,243.78 (I)
For	3/4-inch meter	3,330.51 (I)
For	1-inch meter	5,550.51 (I)
For	1-1/2-inch meter	11,099.99 (I)
For	2-inch meter	17,759.98 (I)

SPECIAL CONDITIONS

- (1) Facility fees 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.

(To be inserted by utility)

Issued By

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

Advice Letter No. 86-W

Lawrence M. Morales

Date Filed _____

Name

Effective _____

Decision No. D. 92-03-093

CEO

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 F, Facilities Fees	411-W (I)
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No. 6 Establishment and Re-establishment of Credit	17-W
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No. 8 Notices	252-W, 253-W
No. 9 Rendering and Payment of Bills	235-W, 236-W
No. 10 Disputed Bills	317-W, 318-W
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No. 19 Service to Separate Premises and Multiple Units, and Resale of Water	160-W, 161-W
No. 20 Fire Protection	55-W
No. 21 Water Conservation	190-W

(continued)

(To be inserted by utility)

Issued By

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

Advice Letter No. 86-W

Lawrence M. Morales

Date Filed _____

Name

Effective _____

Decision No. D. 92-03-093

CEO

SONORA WATER RESOURCES
ATTACHMENT TO ADVICE LETTER 86-W
SUMMARY OF EARNINGS
2023

	(A)	(B)	(C) = (A) * 3.4%	(D) = (B) + (C)
CATEGORY	ADOPTED GRC W-5249	(PER ANN RPT) ACTUAL 2023	CPI INCREASE @ 3.4%	AFTER INCREASED REVENUES
Operating Revenues:				
Metered	323,048	323,298	10,984	334,282
Private Fire Protection	1,652	1,740	56	1,796
Other Revenue	-	-	-	-
Total Operating Revenue	324,700	325,038	11,040	336,078
Operating Expenses:				
Purchased Water	178,000	126,432	-	126,432
Power	-	-	-	-
Other Volume Related Expenses	-	-	-	-
Employee Labor	-	-	-	-
Materials	-	-	-	-
Contract Work	-	19,657	-	19,657
Water Testing	-	-	-	-
Transportation Expense	3,464	274	-	274
Other Plant Maintenance	20,413	55,561	-	55,561
Office Salaries	-	-	-	-
Management Salaries	28,044	13,200	-	13,200
Employee Pensions & Benefits	-	-	-	-
Uncollectible Accounts Expense	1,000	-	-	-
Office Services & Rentals	-	-	-	-
Office Supplies & Expense	9,220	4,895	-	4,895
Professional Services	6,117	37,012	-	37,012
Insurance	2,562	2,461	-	2,461
Regulatory Commission Expense	758	4,333	-	4,333
General Expenses	6,871	532	-	532
Expenses Capitalized	-	-	-	-
Total Operating Expenses	256,449	264,357	-	264,357
Other Deductions:				
Depreciation	6,025	6,502	-	6,502
Taxes Other Than Income	2,370	1,574	-	1,574
Bad Debts	-	-	-	-
Penalties	-	-	-	-
Total Operating Expenses & Other Deductions	264,844	272,433	-	272,433
Net Income Before Taxes	59,856	52,605	-	63,645
State Income Tax	800	800	-	800
Federal Income Tax	-	-	-	-
Net Revenue	59,056	51,805	-	62,845
Rate Base	164,134			132,369
Rate of Return (on Rate Base)				47.48%
Rate of Margin	22.23%			18.94%

PASS

Based on adopted revenues

SONORA WATER RESOURCES
 CPI INCREASE IN RATES
 ADVICE LETTER NO. 86-W
 2023

In Dollars

DESCRIPTION	CURRENT RATES (AL 84)	INCREASE OF 3.4%	PROPOSED RATES
Metered Service:			
Service Charge: (per month)			
5/8 x 3/4 " Meter	53.97	1.83	55.80
3/4 " Meter	80.95	2.75	83.70
1 " Meter	134.92	4.59	139.51
1 1/2 " Meter	269.85	9.17	279.02
2 " Meter	431.75	14.68	446.43
3 " Meter	809.54	27.52	837.06
4 " Meter	1,349.24	45.87	1,395.11
Quantity Rate :			
All water used per 100 cubic feet	5.13	0.17	5.30
Private Fire Protection Service:	14.65	0.50	15.15
Facilities Fees:			
5/8 x 3/4 " Meter	2,170.00	73.78	2,243.78
3/4 " Meter	3,221.00	109.51	3,330.51
1 " Meter	5,368.00	182.51	5,550.51
1 1/2 " Meter	10,735.00	364.99	11,099.99
2 " Meter	17,176.00	583.98	17,759.98

SONORA WATER RESOURCES
 ATTACHMENT TO ADVICE LETTER 86-W
 ESTIMATE OF RATE BASE
 2023

DESCRIPTION	SOURCE	RATE BASE BEG	RATE BASE END	AVG RATE BASE
Utility Plant	PUC rpt, Sch A1	223,466	225,854	224,660
Accumulated Depreciation	PUC rpt, Sch A2	(82,149)	(88,651)	(85,400)
Net Utility Plant		141,317	137,203	139,260
Materials & Supplies	PUC rpt, Sch A	-	-	-
Working Cash		-	-	-
Advances for Construction	PUC rpt, Sch A	(6,891)	(6,891)	(6,891)
Net Contributions in Aid of Construction	PUC rpt, Sch A	-	-	-
		-	-	-
RATE BASE		134,426	130,312	132,369