

**Tahoe Swiss Village Utility, Inc.
Post Office Box 102
Homewood, CA. 96141**

July 18, 2024

Advice Letter No. 39-W

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

REQUEST

By Advice Letter No. 39-W, Tahoe Swiss Village Utility, Inc. (TSVU) requests approval of the revocation of the Certificate of Public Convenience and Necessity (CPCN) and all TSVU's tariffs due to its sale to the Tahoe City Public Utility District (TCPUD).

TSVU requests authority under General Order 96-B, General Rules 4.2 and 7.6.2; Water Industry Rule 7.3.3(9); and Section 851 of the Public Utilities Code to complete the sale and transfer of service of TSVU to TCPUD.

TSVU hereby submits this filing, the Purchase Agreement between TSVU and TCPUD (Exhibit A) in support of the revocation as well as the sale and transfer of TSVU's Distribution System including all meters, services, customers and service area to the TCPUD. Also attached is a copy of the Public Notice of the Sale and Transfer to TCPUD (Exhibit B).

This filing will not conflict with any other schedule or rule.

BACKGROUND

In the California Public Utilities Commission's (Commission) Decision No. 64091 on August 7, 1962, TSVU had applied and received a CPCN to construct and operate a water utility.

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Tahoe Swiss Village Utility (TSVU) is a Class D investor-owned water utility with a total of 459 service connections. TSVU has 413 service connections (401 unmetered and 12 metered service connections) and Glenridge Park has 46 unmetered service connections. TSVU's service area is located one and a half miles north of the Homewood community in Placer County and Glenridge Park, near Meeks Bay in El Dorado County. TSVU's water distribution system source supply is from the Grand Avenue well and Saint Michael's well with an estimated combined capacity of 380 gallons per minute. TSVU's maximum storage capacity is 93,000 gallons (one 50,000-gallon welded steel tank, a 30,000-gallon bolted steel tank, a 12,000-redwood tank, and 1,000-gallon steel pressure tank). Glenridge Park has an estimated capacity of 50 gallons per minute and a 10,000-gallon tank storage.

TCPUD was formed as a public utility district in 1938 pursuant to California state law. It was initially formed to consolidate and take over the private water system in Tahoe City. TCPUD currently serves 7,800 sewer connections and 5,740 water connections within its 31 square mile territory. TCPUD already provides sewer collection services in the same area, has a dedicated staff of professionals, licensed water distribution and water treatment operators and a robust fleet of vehicles and equipment to provide 24 hour, 7 days a week service and response.

Since 1939, TCPUD has acquired 25 separate and distinct water systems within its service boundaries and has invested over \$50 million in water capital infrastructure in the last ten years alone. TCPUD has a strong financial standing and provides water operations and capital investments using a combination of funding sources such as water rates, property tax, grant funding and low interest loans.

DISCUSSION

Steve Glazer, owner and operator of TSVU, unexpectedly passed away in March of 2024. Mr. Glazer's surviving heirs do not have the experience as well as ability to manage and operate a water utility. Prior to his death, Mr. Glazer had verbally agreed to sell TSVU's assets to TCPUD. The heirs, owning 100% of the shares, want

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to confirm Mr. Glazer's wishes to sell to TCPUD subject to the approval of the Commission. TCPUD is the best option since it is a full-service professional utility with proven experience in providing water and sewer services in the community. The homeowners are already customers of TCPUD. In addition, TCPUD's facilities such as their offices, shop, and yard are adjacent to TSVU. The incorporation of the water system into the TCPUD's greater service area will allow interconnection of both systems. This consolidation will improve reliability and fire protection.

On June 14, 2024, TSVU had agreed to sell assets of TSVU and Glenridge Park Water Company to TCPUD for \$3,000,000. TCPUD is a Special District which is managed by a locally elected Board of Directors. TCPUD's Board had approved the asset sale and acquisition of TSVU in its Board Meeting on January 21, 2024. The sale to TCPUD becomes effective upon approval by the Commission.

The TSVU staff met with the Tahoe Swiss HOA on June 22, 2024, to discuss the sale to TCPUD, the transition process and the proposed rates. The TSVU and TCPUD staff also met with the Tahoe Pines HOA on June 29, 2024, and the Glenridge Park HOA on July 13, 2024, to discuss the same topics.

TIER DESIGNATION AND REQUESTED EFFECTIVE DATE

This AL and enclosed tariffs are submitted pursuant to Water Industry Rule 7.3.3(9) of General Order (GO.) 96-B and this AL is designated as a Tier 3 filing. This advice letter will become effective upon approval through a Commission Resolution. ¹

NOTICE

TSVU shall inform its customers, by mail or electronic mail, of this AL request.²

¹ GO. 96-B, Water Industry Rule 7.3.3

² GO. 96-B, General Rule 4.2

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A copy of this AL has been served to all parties listed on the service list³ 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 PROTEST⁴

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. 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.

³GO. 96-B, General Rule 4.3

⁴ 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 WD 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:

Tariff Unit
Water Division, 3rd Floor
California Public Utilities
Commission
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 WD, the respondent or protestant shall send a copy of the protest to TSVU at:

Mailing Address:

Tahoe Swiss Village Utility, Inc.
PO Box 102
Homewood, CA 96141

Email Address:

tsvutility@gmail.com

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform WD, 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.

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REPLIES

The utility shall reply to each protest and may reply to any response. Each reply must be received by WD 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.⁵

SERVICE LIST

Tahoe Park Water Company
P.O. Box 5627
Tahoe City, CA 96145

Tahoe City Public Utility District
P.O. Box 5309
Tahoe City, CA 96145

CERTIFICATE OF SERVICE

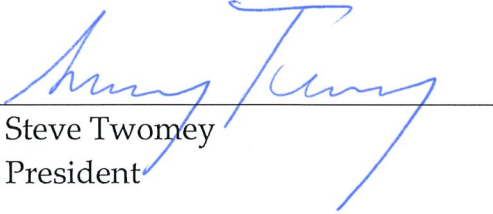
I hereby certify that the service list from Advice Letter #39-W has been served a copy of this AL on July 18, 2024.

⁵GO. 96-B, General Rule 7.4.3

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Executed in Homewood, California on July 18, 2024.

Tahoe Swiss Village Utility, Inc.

By:  7-17-24
Steve Twomey
President

Enclosures