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

Advice Letter Cover Sheet

Date Mailed to Service List: 04/29/24

Protest Deadline (20th Day): 05/20/24

Review Deadline (30th Day): 05/29/23

Requested Effective Date: 04/30/23

Rate Impact: \$72,343

3.4%

Utility Name: CA Utilities (SWR)

 $\boxtimes 1$

Authorization Resolution W-4540

3.4%.

 \square 2

□3

Description: Increase monthly flat rates by 2023 CPI-U of

☐ Compliance

District: n/a

CPUC Utility #: SWR 418

Tier

Date: 11/20/24

Advice Letter #: 90

	ne for this advice letter is 20 days from t section in the advice letter for more info		s mailed to the service list. Please		
Utility Contact:	: Thomas R. Adcock	Utility Contact 2:	Andrew Clarke		
Phone	: (831) 424-0441	Phone 2:	(831) 424-0441		
Email	tom@alcowater.com	Email 2:	andy@alcowater.com		
DWA Contact:	Tariff Unit				
Phone:	(415) 703-1133				
Email:	Water.Division@cpuc.ca.gov				
	DWA USE	ONLY			
DATE	DATE STAFF		COMMENTS		
11/19/24 WT ²	1	Requested rates match CPI increase and p			
		earnings test.			
			_		
⋈ APPROVED	[]WITH	IDRAWN	[] REJECTED		
Signature: /s/W	/ilson Tsai	mments: Approved with effe	ctive date of 4/29/24.		

CALIFORNIA UTILITIES SERVICE, INC.

A California Corporation

Thomas R. Adcock President (831) 424 - 0442 Phone P.O. Box 5100 Salinas, CA 93915 (831) 424 - 0611 Fax

April 29, 2024

ADVICE LETTER NO. 90

CALIFORNIA UTILITIES SERVICE, INC (U 418-S)

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

California Utilities Service, Inc. (CUS) hereby transmits for filing the following tariff schedules, which are attached hereto:

CPUC		CANCELING CPUC
SHEET NO.	TITLE OF SHEET	SHEET NO.
392-SS	Schedule No. 1, General Flat Rate Service	385-SS
393-SS	Schedule No. 2, Inclusion Fees	386-SS
394-SS	Table of Contents	391-SS

The present rates of California Utilities Service, Inc. became effective on April 1, 2023, pursuant to Advice Letter No. 87, which adopted a CPI-U offset of \$129,863. The last general rate increase became effective on August 18, 2010 pursuant to Resolution No.W-4837, which authorized a general rate increase of \$723,777 or 88.4%, and a return based on a rate of margin of 21.7%.

These tariffs are submitted pursuant to Ordering Paragraph No. 1 of Decision No. 92-03-093, dated March 31, 1992, Ordering Paragraph No. 2 of Resolution W-4493, dated September 2, 2004, and Ordering Paragraph No. 1 of Resolution W-4540, dated June 16, 2005. This Decision and two Resolutions authorize Class B, Class C and Class D water and sewer utilities to file once each year by Advice Letter for an increase over the prior year's adopted revenue, based on the most recent year end increase in the Consumer Price Index (CPI). The increased cost is to be passed on to the utility's customers in their quantity as well as service charge rates. The above-referenced Decision and Resolutions authorize California Utilities Service, Inc. to file the attached rate schedules and to concurrently withdraw and cancel its present schedules for such service.

By Advice Letter No. 90, California Utilities Service, Inc. requests permission to increase its present monthly flat rates by \$72,343 or 3.4% annually and inclusion fees by 3.4%, due to the 2023 CPI-U of 3.4% as authorized by the letter from Bruce DeBerry, Program Manager Water Division, dated February 1, 2024 and titled "Rate Adjustments due to CPI-U for 2023." This

increase of projected revenues will not result in a rate of margin which exceeds the authorized rate of margin of 21.7%. Workpapers justifying this increase have been provided to the CPUC Water Division staff.

This filing is made under the provisions of General Order No. 96-B.

This filing will not cause withdrawal of service nor conflict with any other schedule or rule.

Requested Effective Date

This filing is a Tier 1 Advice Letter and may be effective the day it is filed, therefore, CUS respectfully requests that the effective date of this increase be April 30, 2024.

Notice

In compliance with Section 4.3 of General Order No. 96-B, a copy of this advice letter has been mailed to all parties listed on the enclosed service list. In conformance with Resolution W-4664, Ordering Paragraph 3, California Utilities Service, Inc. will provide notice to its customers of the increase in dollar and percentage terms with the first bill that includes the increase.

Protests and Responses:

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 shall provide citations or proofs where available to allow staff to properly consider the protest.

A response or protest must be made in writing or by electronic mail and must be received by the Water Division within 20 days of the date this advice letter is filed. The address for mailing or delivering a protest is:

Tariff Unit, Water Division, 3rd floor California Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94102 water division@cpuc.ca.gov

On the same date the response or protest is submitted to the Water Division, the respondent or protestant shall send a copy of the protest by mail or e-mail to us, addressed to:

California Utilities Service, Inc. 249 Williams Road Salinas, CA 93905 Fax: (831) 424-0611

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform the Water Division, 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 the Division of Water and Audits 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.

California Utilities Service, Inc.

By: /s/ Thomas R. Adcock
Thomas R. Adcock
President

Attachments

Canceling REVISED Cal. P.U.C. Sheet No. 392-SS Cal. P.U.C. Sheet No. 385-SS

Schedule No. 1 GENERAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all sewer service.

TERRITORY

An area midway between the cities of Salinas and Monterey. In the vicinity of and along State Highway 68, Monterey County.

RATES

Per Month

All sewer service rates per each Equivalent Dwelling Unit (EDUs),

except as follows \$ 163.62 (I)

Toro Park School 2,337.01 (I)

Corral de Tierra Country Club 1,586.44 (I)

SPECIAL CONDITIONS

- 1. Bills will be rendered in advance of the period for which service will be provided.
- 2. The above rates for individual-named customers are based upon an equivalent number of EDUs. Customers so classified may appeal the classification to the Commission under the provisions of Rule No. 10, Disputed Bills.
- 3. All bills are subject to the reimbursement fee set forth in Schedule No. UF.
- 4. A late charge will be imposed per Schedule No. LC.
- 5. In accordance with Section 2714 of the Public Utilities Code and PUC Resolution No. 3976, if a tenant in a rental unit leaves owing the utility, service to subsequent tenants in that unit will, at the Utilities option, be furnished on the account of the landlord or property owner.

(To be inserted by utility)	Issued by	(To be inserted by Cal. P.U.C.)
Advice Letter No. 90	Thomas R. Adcock	Date Filed
	NAME	
Decision No	President	Effective
	TITLE	
		Resolution No.

	REVISED	Cal. P.U.C. Sheet No	393-SS
Canceling	REVISED	Cal. P.U.C. Sheet No.	386-SS

Schedule No. 2

INCLUSION FEES

APPLICABILITY

All new sewer connections to the utility's sewer system calculated in EDUs and any increased loading or potential increased loading to the utility's sewer system from an existing sewer connection calculated in EDUs, served by California Utilities Service, Inc. in its service area located midway between the cities of Salinas and Monterey, Monterey County.

INCLUSION FEES

Real Estate Developers, Builders and Individuals

PER EQUIVALENT DWELLING UNIT (EDU)

(I)

\$10,570.29

Individuals owning a single lot within the service area that existed prior to May 13, 1987 and needing only a single residential sewer connection for Single Family Residential

Service \$ 1,134.36 (I)

Real Estate Developer or Builder, for the purposes of these tariffs, shall include, but not be limited to, any person, firm, organization, corporation, company, association, sole proprietorship, partnership, limited liability partnership, limited liability company, trust, institution, municipality, other civic body, their lessees, trustees, receivers or trustees appointed by any court whatsoever that at any time divided a parcel of land within the service area of this utility into two or more portions or that develops property by preparing a site for residential or commercial use.

Each customer or applicant requesting connection to the utility's sewer system shall pay the utility, California Utilities Service, Inc., an Inclusion Fee, as described above, per EDU and any fraction thereof greater than the required minimum of one EDU, as a pro rata share of the estimated cost of sewage treatment plant construction. The number of EDUs to be assessed for the Inclusion Fee per connection shall be determined by the utility using the definitions provided in Tariff Rule No.1 for each type of service to be rendered.

All connections to the utility's sewer system shall be charged a minimum Inclusion Fee of at least one EDU.

(continued)

(To be inserted by Utility)	Issued by	(To be inserted by Cal. P.U.C.)
Advice Letter No. 90	Thomas R. Adcock	Date Filed
	NAME	
Decision No	President	Effective
	TITLE	
		Resolution No.

REVISED Cal. P.U.C. Sheet No. 394-SS 391-SS Canceling REVISED Cal. P.U.C. Sheet 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: Cal. P.U.C. Subject Matter of Sheet Sheet No. Title Page 211-SS **Table of Contents** 391-SS, 361-SS (T) **Preliminary Statement** 212-SS – 213-SS, 286-SS, 290-SS Service Area Map 4-SS Rate Schedules: Schedule No. 1, General Flat Rate Service 392-SS, 364-SS, 390-SS (I) Schedule No. 2. General Inclusion Fees 393-SS, 337-SS (I) Schedule No. UF, Surcharge to Fund PUC Reimbursement Fee 388-SS Schedule No. LC, Late Payment Charge 198-SS Summary List of Contracts and Deviations Rules: No. 1 Definitions 217-SS - 225-SSNo. 2 Description of Service 226-SS No. 3 Applications for Service 11-SS, 160-SS No. 4 Contracts 12-SS 341-SS - 343-SSNo. 5 Special Information Required on Forms No. 6 Establishment and Re-establishment of Credit 230-SS - 231-SSNo. 7 Deposits 232-SS - 233-SSNo. 8 Notices 234-SS - 235-SS236-SS - 239-SS, 289-SSNo. 9 Rendering and Payment of Bills No. 10 Disputed Bills 344-SS, 242-SS No. 11 Discontinuance and Restoration of Service 243-SS - 263-SSNo. 12 Information Available to Public 26-SS, 27-SS No. 13 Temporary Service 264-SS - 265-SSNo. 14 Continuity of Service 266-SS - 269-SS131-SS thru 137-SS, 270-SS, 338-SS, 339-SS, 164-SS No. 15 Main Extension No. 16 Service Connections, Meters and Customer's Facilities 31-SS thru 34-SS No. 17 Measurement of Service 35-SS No. 18 Meter Tests and Adjustment of Bills for Meter Error 36-SS thru 38-SS No. 19 Service to Separate Premises and Multiple Units, and Resale of Sewer Service 39-SS No. 20 Limitation of Wastes Discharged into the Utility's Sewer System 272-SS – 274-SS No. 21 Commercial, Institutional and Industrial Wastes 275-SS - 276-SS

(continued)

Issued by	(To be inserted by Cal. P.U.C.)
Thomas R. Adcock	Date Filed
NAME	
President	Effective
TITLE	
	Resolution No.
	Thomas R. Adcock NAME President

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy via first class United States mail and via E-mail of the following document, California Utilities Service, Inc. Advice Letter No. 90, upon the California Public Utilities Commission as shown on the Service List attached hereto, a copy thereof properly addressed to each party. Additionally, I hereby certify that I have this day served a true copy via United States mail of the following document, California Utilities Service, Inc. Advice Letter No. 90, upon all additional parties as shown on the Service List attached hereto, a copy thereof properly addressed to each party.

Executed in Salinas, California, on the 29th day of April 2024.

/s/ Andrea Schmitz
Andrea Schmitz, Executive Assistant

CALIFORNIA UTILITIES SERVICE, INC. ADVICE LETTER NO. 90 SERVICE LIST (AS PER SECTION 7.2 OF GENERAL ORDER NO. 96-B)

<u>Via First Class United States Mail and Via E-mail:</u>

Bruce DeBerry
Water Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102
water division@cpuc.ca.gov

Via United States Mail, w/out attachments:

California-American Water Company 4701 Beloit Drive Sacramento, CA 95838-2434

County Clerk County Administrative Office 168 West Alisal Street, 1st Floor Salinas, CA 93901

California Utilities Service, Inc. Advice Letter No. 90 Summary of Earnings Year 2023

	Adopted Res. 4837	CPI Increase 2011-2022* A.L.'s 48, 49, 51, 53, 58, 61, 64, 70, 76, 81, 84, 87	Adopted Rate Base Offset	Total	Actual	CPI Increase	Increased Revenue
Operating Revenues:	1007		1007				
Flat Rate	1,542,182	556,786	28,780	2,127,748	2,216,955	72,343	2,289,298
Metered	-	-	-	-	-	-	-
Other Water Revenue - CPUC Reim Acct					18,115		18,115
•	1,542,182	556,786	28,780	2,127,748	2,235,070	72,343	2,307,413
Operating Expenses							
Purchased Water	_			-	-		
Purchased Power	55,196			55,196	114,089		114,089
Purchased Chemicals	-			-	-		-
Other Volume Related Expenses	6,617			6,617	2,360		2,360
Employee Labor	242,373			242,373	244,614		244,614
Materials	10,810			10,810	29,423		29,423
Contract Work	62,519			62,519	242,484		242,484
Transportation Expense	136,188			136,188	119,911		119,911
Other Plant Maintenance Expense	45,421			45,421	76,354		76,354
Office Salaries	80,311			80,311	225,310		225,310
Management Salaries	35,000			35,000	184,744		184,744
Employee Pension and Benefits	195,435			195,435	307,791		307,791
Uncollectibles	2,622			2,622	-		-
Office Service & Rentals	3,000			3,000	20,929		20,929
Office Supplies & Expenses	37,619			37,619	40,989		40,989
Professional Services	12,595			12,595	170,470		170,470
Insurance	104,746			104,746	108,286		108,286
Regulatory Commission Expense	600			600	18,115		18,115
General Expenses	4,424			4,424	16,113		16,113
Total Operating Expenses	1,035,476			1,035,476	1,921,982		1,921,982
Total Operating Expenses	1,033,170			1,055,170	1,721,702		1,,,,,,,,,
<u>Deductions</u>							
Depreciation	43,424		16,670	60,094	36,806		36,806
Property Tax	21,900		6,368	28,268	20,401		20,401
Payroll Tax	22,907			22,907	38,066		38,066
Taxes Other Than Income	30,844		576	31,420	40,623		40,623
Total Deductions	119,075		23,614	142,689	135,895		135,895
Total Expenses including Deductions	1,154,551		23,614	1,178,165	2,057,877		2,057,877
Net income before taxes	387,631		5,166	392,797	177,193		249,536
State Income Taxes	34,266		320	34,586	16,937		16,937
Federal Income Taxes	120,144		1,230	121,374	36,679		36,679
Net Revenue	233,221		3,616	236,837	123,577		195,920
Achieved Rate of Margin	21.7%			21.7%	6.3%		10.0%
Operating Expenses and Depreciation	1,078,900			1,095,570	1,958,788		1,958,788
Net Income	233,221			236,837	123,577		195,920
Rate of Margin	21.7%			21.7%	6.3%		10.0%

Note: 2011 CPI increase was \$46,263, 2012 CPI increase was \$27,493, 2013 CPI increase was \$24,671, 2014 CPI Increase was \$13,355, 2015 CPI increase was \$11,779, 2016 CPI Increase was \$35,585, 2017 CPI Increase was \$36,332, 2018 CPI Increase was \$33,562, 2019 CPI Increase was \$41,400, 2020 CPI Increase was \$25,780, 2021 CPI Increase was \$130,703, 2022 CPI Increase was \$129,863. CPI Increase was approved by AL's 48, 49, 51, 53, 58, 61, 64, 70, 76, 81, 84, 87 respectively.