

ROLLING GREEN UTILITIES, INC.-WATER

139 Elmcrest Street, Big Pine, CA 93513, 760-938-3311, rollinggreenutilities@gmail.com

May 19, 2020

Advice Letter No. 42-W

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Rolling Green Utilities, Inc. - Water (Rolling Green) hereby transmits for filing one original and one copy of this advice letter 42-W and the following tariff sheets which are enclosed:

<u>NEW SHEET #</u>	<u>TITLE</u>	<u>CANCELLING SHEET #</u>
290-W	Schedule No. 1 - General Metered Service	256-W
291-W	Table of Contents	289-W

REQUEST

By AL 42-W, Rolling Green requests permission to increase its revenues (based on increase to the present monthly quantity rate and service charge) by 2.3%, the Consumer Price Index (CPI) for 2019. The projected revenue increase of \$3,556 will not result in a rate of margin which exceeds the authorized rate of margin of 21.69%. Workpapers justifying this increase are enclosed.

BACKGROUND

The present rates became effective on March 13, 2015, pursuant to Resolution W-5024 which authorized a general rate increase of \$51,788, or 50.4%, and a return of margin of 21.69%.

AL 42-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 42-W is designated as a Tier 1 AL and the enclosed tariff sheets will become effective upon filing.¹

¹ GO. 96-B, Water Industry Rule 7.3.1

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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 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 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.

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

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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

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 Water Division, the respondent or protestant shall send a copy of the protest to Arnold Peterson at: Rolling Green Utilities, Inc. - Water

Email Address:

rollinggreenutilities@gmail.com

Mailing Address:

Rolling Green Utilities, Inc. - Water
139 Elmcrest Street
Big Pine, CA 93513

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

⁶ GO. 96-B, General Rule 7.4.3

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SERVICE LIST

- Recipient 1 County of Inyo
PO Box Q
Independence, CA 93526
merrante@inyocounty.us
- Recipient 2 California American Water
Thomas Brunet
thomas.brunet@amwater.com
- Recipient 3 City of Los Angeles
Department of Water & Power
300 Mandich
Bishop, CA 93514
CENTER@ladwp.com

I hereby certify that the above service list has been served a copy of AL 42-W on May 19, 2020.

Executed in Santa Paula, California on the May 19, 2020.

Rolling Green Utilities, Inc. - Water

By: /s/Frank Brommenschenkel
Arnold Peterson
General Manager

Enclosures

Schedule No. 1
GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Rolling Green Terrace and vicinity, adjacent to Highway No. 395, located approximately one mile northwest of Big Pine, Inyo County.

RATES

Quantity Rate:

All water, per 100 cubic feet..... \$1.38 (I)

Service Charge:

Per Meter
Per Month

For	5/8 x 3/4-inch meter.....	\$ 15.91	(I)
For	3/4-inch meter.....	\$ 23.86	(I)
For	1-inch meter.....	\$ 39.76	(I)

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

SPECIAL CONDITIONS

- 1. All bills are 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. 42-W

Arnie Peterson

Date Filed _____

Decision No. D.92-03-093

Owner/Manager

Effective _____

Resolution No. W-4493, 4540 & 4658

TABLE OF CONTENTS

The following listed tariff sheets contain all effective rates and affecting rates and service of the utility, together with information relating thereto:

<u>Subject matter of Sheet</u>	<u>Cal. P.U.C. Sheet No.</u>
Title page	182-W
Table of Contents	291-W, 265-W (T)
Preliminary Statement	4-W, 5-W, 249-W, 250-W
Service Area Map	6-W
<u>Rate Schedules:</u>	
Schedule No. 1, General Metered Service	290-W (C)
Schedule No. UF, Surcharge to Fund CPUC Reimbursement Fee	267-W
<u>Rules:</u>	
No. 1 Definitions	269-W, 270-W
No. 2 Description of Service	75-W
No. 3 Application for Service	10-W
No. 4 Contracts	11-W
No. 5 Special Information Required on Forms	271-W - 273-W
No. 6 Establishment & Re-establishment of Credit	14-W
No. 7 Deposits	15-W, 84-W
No. 8 Notices	274-W - 276-W
No. 9 Rendering and Payment of Bills	18-W - 20-W
No. 10 Disputed Bills	277-W, 278-W
No. 11 Discontinuance and Restoration of Service	279-W - 288-W
No. 12 Information Available to Public	25-W, 26-W
No. 13 Temporary Service	27-W, 28-W
No. 14 Continuity of Service	29-W
No. 15 Main Extensions	196-W -208-W
No. 16 Service Connections, Meters and Customer's Facilities	209-W- 215-W
No. 17 Measurement of Service	111-W
No. 18 Meter Tests and Adjustment of Bills for Meter Error	48-W - 50-W
No. 19 Service to Separate Premises and Multiple Units; and Resale of Water	140-W, 141-W
No. 20 Fire Protection	52-W

(Continued)

(To be inserted by utility)

Issued by

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

Advice Letter No. 42-WArnie Peterson

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Rolling Green Utilities, Inc. - Water Division

Summary of Earnings

Advice Letter 42-W

19-May-20

Category	Res. W-5024 3/13/2015	Recorded 2019	2019 CPI-U 2.3%	Authorized 2020
<u>Operating Revenues:</u>				
Unmetered Water Revenue				
Metered Water Revenue	\$ 154,590	\$ 150,274	\$ 3,556	\$ 153,830
Other Water Revenue				\$ -
Total Operating Revenues	\$ 154,590	\$ 150,274	\$ 3,556	\$ 153,830
<u>Operating Expenses:</u>				
Purchased Water				
Purchased Power	\$ 12,504	\$ 8,403		\$ 8,403
Other Vol. Rel. Exp.				\$ -
Employee Labor	\$ 13,419	\$ 29,198		\$ 29,198
Materials	\$ 7,725	\$ 8,627		\$ 8,627
Contract Work	\$ 6,695	\$ 255		\$ 255
Transportation	\$ 5,959	\$ 5,937		\$ 5,937
Other Plant Maintenance Expenses	\$ 954	\$ 3,530		\$ 3,530
Office salaries	\$ 7,432	\$ 7,705		\$ 7,705
Management	\$ 24,774	\$ 23,742		\$ 23,742
Employee Pension & Benefits	\$ 10,000	\$ 12,057		\$ 12,057
Uncollectable Accounts Expense	\$ 1,166	\$ -		\$ -
Office Services & Rentals	\$ 3,554	\$ 2,615		\$ 2,615
Office Supplies & Expense	\$ 1,314	\$ 3,400		\$ 3,400
Professional Services	\$ 4,542	\$ 3,299		\$ 3,299
Insurance	\$ 5,768	\$ 3,548		\$ 3,548
Regulatory Commission Expense	\$ 1,800	\$ 1,866		\$ 1,866
General Expenses	\$ 4,120	\$ 3,523		\$ 3,523
Total Operating Expenses	\$ 111,726	\$ 117,705		\$ 117,705
<u>Deductions:</u>				
Depreciation Expense	\$ 5,139	\$ 5,970		\$ 5,970
Property Tax		\$ 1,782		\$ 1,782
Payroll Tax		\$ 12,618		\$ 12,618
Taxes Other Than Income	\$ 5,011	\$ 1,485		\$ 1,485
Interest Expense				\$ -
Total Deductions	\$ 10,150	\$ 21,855		\$ 21,855
Total Expenses Including Deductions	\$ 121,876	\$ 139,560		\$ 139,560
Net Income Before Taxes	\$ 32,714	\$ 10,714		\$ 14,270
State Income Tax		\$ 800		\$ 800
Federal Income Tax	\$ 7,365	\$ 2,258		\$ 2,258
Net Revenue	\$ 25,349	\$ 7,656		\$ 11,212
<u>Rate Base:</u>				
Average Plant	\$ 209,676	\$ 251,101		\$ 251,101
Average Depreciation Reserve	\$ 168,784	\$ 173,965		\$ 173,965
Net Plant	\$ 40,892	\$ 77,136		\$ 77,136
Less Advances/Contributions				
Add: Materials and Supplies	\$ 400	\$ 1,000		\$ 1,000
Add: Working Cash	\$ 9,310	\$ 10,702		\$ 10,998
Rate Base	\$ 50,603	\$ 88,838		\$ 89,134
Rate of Return	50.09%	8.62%		12.58%
Rate of Margin	21.69%	7.13%		9.28%

Rolling Green Utilities, Inc. - Water Division

AL 42-W CPI-U

Schedule 1

General Metered Service

5/19/2020

	Current	Proposed
		2.30%
Quantity Rate	\$1.35	\$1.38

Service Charge

5/8 x 3/4 inch meter	\$ 15.55	\$ 15.91
3/4 inch meter	\$ 23.32	\$ 23.86
1 inch meter	\$ 38.87	\$ 39.76