

COUNTY OF LASSEN

JAN 23 2017



February 21, 2017

Board of Supervisors

Proposed Resolution W-5134

Agenda ID: 15521

To: All Interested Persons

Enclosed is Proposed Resolution W-5134 of the Water Division, which authorizes Susan River Park Water Company a General Rate Increase to produce additional annual revenue of \$24,890 or 57.62%, for Test Year 2017, to be paid by the Ratepayers and to establishment Tariff Schedule F for Facilities Fees. Proposed Resolution W-5134 is scheduled to appear on the March 23, 2017 Commission Meeting Agenda (ID #15521).

The Commission may act on this resolution or it may postpone action until later. When the Commission acts on a proposed resolution, the Commission may adopt all or part of the proposed resolution, as written, or amend or modify the proposed resolution; or the Commission may set the proposed resolution aside and prepare a different resolution. Only when the Commission acts does the resolution become binding.

Interested persons may submit comments on Proposed Resolution W-5134 via email to [Water.Division@cpuc.ca.gov](mailto:Water.Division@cpuc.ca.gov) on or before **March 13, 2017**. Please reference **"Proposed Resolution W-5134"** in the subject line.

Interested persons must also serve a copy of their comments on the utility on the same date that the comments are submitted to the Water Division. If email is unavailable, please submit comments to:

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

Comments should focus on factual, legal, technical errors, or policy issues in the proposed resolution.

Persons interested in receiving comments submitted may contact the Water Division at [Water.Division@cpuc.ca.gov](mailto:Water.Division@cpuc.ca.gov) or (415) 703-1133. Please reference "Proposed Resolution W-5134."

/s/ RAMI S. KAHLON

Rami S. Kahlon, Director  
Water Division

Enclosures: Proposed Resolution W-5134  
Certificate of Service  
Service List

1952 11 17

*Journal of Management Education* 30(6)

# PROPOSED RESOLUTION

Resolution W-5134  
WD

Agenda ID #15521

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

WATER DIVISION

RESOLUTION W-5134

March 23 , 2017

### RESOLUTION

(RES. W-5134) SUSAN RIVER PARK WATER COMPANY.  
ORDER AUTHORIZING A GENERAL RATE INCREASE  
PRODUCING AN ADDITIONAL ANNUAL REVENUE OF  
\$24,890 OR 57.62%, FOR TEST YEAR 2017 TO BE PAID BY  
THE RATEPAYERS; AND THE ESTABLISHMENT OF  
TARIFF SCHEDULE F FOR FACILITIES FEES.

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### SUMMARY

By Advice Letter 9-W, filed on October 21, 2016, Susan River Park Water Company (SRPWC) seeks a general rate increase producing additional annual revenues of \$34,325, or 79.46%, to recover increased operating expenses and utility plant investments.

This Resolution grants SRPWC an increase in gross annual revenues of \$24,890 or 57.62% for Test Year (TY) 2017, which is estimated to provide a Rate of Return of 11.20%. Although this is a substantial increase, it is the first increase in general rates in 20 years as discussed below.

This Resolution also grants SRPWC the authority to establish Tariff Schedule F for facilities fees in accordance with Commission Resolution W-4110.

### BACKGROUND

SRPWC is a Class D investor-owned water utility with 50 service connections. SRPWC's service area is located approximately four miles east of Susanville in the unincorporated area of Johnstonville in Lassen County. The median household income for Johnstonville is \$67,708.<sup>1</sup> SRPWC's water system has two active water wells

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<sup>1</sup> [http:// www.areavibes.com/ johnstonville-ca/ employment/](http://www.areavibes.com/johnstonville-ca/employment/)

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(numbered 1 and 2) with an estimated combined capacity of 835 gallons per minute and one 3,000 gallon storage tank. SRPWC's water system has the source capacity to meet its maximum day demand (MDD) required by Waterworks Standards (WWS) Section 64554(a).<sup>2</sup> However, SRPWC is not in full compliance with WWS Section 64554(a)2 which requires water systems with less than 1,000 service connections to have the storage capacity equal to or greater than the system's MDD unless the system can demonstrate it has an additional source of supply or an emergency source connection that can meet the MDD requirement. SRPWC can meet this requirement once it addresses the high pressure issue with Well No.2 and designate this well as its secondary source of supply. For now, SRPWC has equipped Well No. 1 with a back-up pump to ensure that the well remains operational in the event the main pump fails.

Additionally, SRPWC is working with the State Water Resources Control Board's (SWRCB) Division of Drinking Water (DDW) to resolve the high pressure issue with Well No. 2 due to the pump size and the auto-pump start system. SRPWC has indicated to the WD and the DDW that it needs to generate the necessary funds to make the required capital improvements (installation of a cycle guard, pressure tank, chlorine injection pump and brine tank for water treatment) to resolve the pressure issue and bring the water system into compliance with the WWS Section 64554(a)2 requirement. SRPWC is therefore planning to use the additional funds generated from this rate increase to make the necessary capital improvements, which it anticipates completing within the next 24-months. Alternatively, SRPWC would be required to add additional storage capacity to the system, a solution that is not cost-effective for a utility the size of SRPWC with only 50 service connections.

SRPWC has requested authority under General Order (GO) 96-B, Water Industry Rule 7.3.3(5), and Section 454 of the Public Utilities Code to increase its water rates by \$34,325, or 79.46% for TY 2017 which is estimated to produce a Rate of Return (ROR) of 11.20%. SRPWC's last general rate case (GRC) was granted on March 13, 1996 by Commission Resolution (Res.) W-3979 which authorized a rate increase in revenues of \$19,948 or 752% for TY 1996. SRPWC's present rates were adopted by Res. W-3979 with an effective date of March 18, 1996.

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<sup>2</sup> State Water Resources Control Board's Division of Drinking Water November 23, 2015 Sanitary Survey Report, pg. 2.

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By AL 9-W, SRPWC also requests Commission authority to establish Schedule F, Facilities Fees Schedule, for facilities fees applicable to new services not previously connected to SRPWC's distribution system, additional service connections to existing premises, and increases in the size of existing service connections. SRPWC proposes a facilities fee of \$2,000 per service connection in addition to the charges for extensions of water mains per the company's Tariff Rule 15 for main extensions.

### **NOTICE AND PROTESTS**

In accordance with GO. 96-B, SRPWC served a copy of the Advice Letter (AL) 9-W to its service list on October 21, 2016, and a notice of the proposed rate increase was mailed to each customer and to the general service list on November 29, 2016.

Three customer letters questioning the magnitude of the rate increase were timely received, and the utility replied. In setting rates for this resolution, we have balanced the financial requirements of SRPWC with the rates concerns of its customers.

### **DISCUSSION**

The WD made an independent analysis of SRPWC's rate increase request and the request for Facilities Fees Schedule F. Appendix A provides SRPWC's and the WD's estimated Summary of Earnings (SOE) at present, requested and recommended rates. SRPWC was informed of the WD's differing views of revenues, expenses, and rate base, and the company agrees with the WD's findings.

#### **Operating Expenses**

The WD reviewed operating revenue and expenses including employee labor, materials, contract work, transportation expenses, other volume related expenses, office and management salaries, office supplies and expenses, insurance, general expense, depreciation, and taxes other than income. The WD verified the operating expenses by reviewing supporting documents for substantiation and accuracy, and included the amounts that were deemed reasonable and prudent.

For purchased power costs, the WD is recommending \$3,288 for TY 2017, based on the SRPWC's annual purchased power costs and energy usage during the August 2015

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through August 2016 time period, plus a 2.0% non-labor escalation factor for 2017.<sup>3</sup> The WD recommended amount for purchased power is lower than SRPWC's cost estimate because the company's estimate was based on the averaged purchased power costs for the 2013 through 2015 time period, plus a 2.3% escalation rate. Based on the WD's review of the company's operations, the energy usage and costs during 2013 and 2014 are not reflective of the company's current operations and energy usage, since SRPWC experienced higher energy usage and costs during these years because it was operating Well No. 1 with an old and inefficient pump and motor which it has since replaced. The WD therefore found that the energy usage data the company provided for the August 2015 through August 2016 time period to be more reflective of the company's current operations.

The WD's recommended amount of \$4,377 for contract work (expense account 650) for TY 2017 is higher than SRPWC's requested amount of \$3,177 because the WD's recommended amount includes \$1,200 for contract work associated with the system operator, which SRPWC incorrectly booked to the professional services account (expense account 682). Accordingly, the WD debited the \$1,200 from SRPWC's professional services expense account 682.

The WD recommends \$7,507 for SRPWC's other plant maintenance expense for TY 2017 based on the company's 2014 and 2015 other plant maintenance expenses of \$9,665 and \$5,055, respectively, averaged over the two year period, plus a 2.0% non-labor escalation factor for 2017.<sup>4</sup> The WD's recommended amount is lower than the company's requested amount of \$10,970 because the WD adjusted the company's other plant maintenance expenses by \$3,100 and \$3,626 for 2014 and 2015, respectively, for labor expenses the company charged to this account for labor performed by the company's manager. The WD excluded the manager's labor expenses from other plant maintenance expense estimate for TY 2017, since the manager is receiving a management salary as part of the company's operating expenses as discussed below.

The WD recommends \$13,519 for management salaries for TY 2017, based on the management salaries paid during 2013 through 2015 averaged over the three years, plus 1.30% labor escalation rate for 2017.<sup>5</sup> The WD's recommended amount for management

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<sup>3</sup> Escalation rate is from Office of Ratepayer Advocates: Estimates of Non-labor and Wage Escalation Rates for 2016 through 2020 from November 2016 HIS Global Insight U.S. Economic Outlook.

<sup>4</sup> Id.

<sup>5</sup> Id.

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salaries is slightly higher than the company's requested amount of \$12,000 to provide additional compensation for the manager's labor that was accounted for as other plant maintenance, as previously discussed.

The WD recommends \$5,425 for professional services for TY 2017, based on the company's 2014 and 2015 average accounting expense amount of \$3,925, plus an additional \$1,500 for other professional consulting services. The WD excluded from this expense account \$1,200 for expenses associated with the water system operator which has been allocated to contract work (expense account 650), as previously discussed.

The WD's recommended amount of \$1,285 for SRPWC's insurance expense for TY 2017 is based on the current insurance costs for the water utility.

### Utility Plant and Rate Base

For TY 2017, the WD's analysis of SRPWC's rate base estimate included examining utility plant-in-service and plant additions, materials and supplies, working cash, and depreciation reserve. Based on this examination, the WD computed a rate base estimate of \$116,437 which is lower than the company's estimate of \$130,642. The difference in WD's rate base estimate is due to utility plant adjustments the WD made to plant additions the company included for 2013 and 2014. The WD excluded \$3,100 and \$9,520 from utility plant for labor expenses the company capitalized as utility plant (expensed to pumping equipment account 311) during 2013 and 2014, respectively, that were not supported as capital plant additions. Accordingly, SRPWC should adjust its recorded utility plant by \$3,100 and \$9,520 for 2013 and 2014, respectively, in Schedule B, Water Plant In Service (expense account 311) of its annual reports to reflect these plant exclusions.

The WD's average accumulated depreciation amount of \$11,869 reflects the 2013 and 2014 utility plant adjustments. Additionally, the WD's working cash amount is lower than SRPWC's due to a lower recommended amount for operating expenses. The WD's and SRPWC's rate base estimates for TY 2017 are provided in Appendix A of this resolution.

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### Rate of Return

In accordance with Commission ratemaking policies adopted for Class C and D water utilities by Decision (D.) 92-03-09, two rate of return methods can be used for ratemaking, the ROR and Rate Of Margin (ROM).<sup>6</sup> D. 92-03-09 directs the WD to calculate the company's rates and revenue requirement using both of these methods and to recommend the ratemaking method resulting in the greater revenues.<sup>7</sup> SRPWC's rate increase request was based on a ROR of 11.20%, the company's last authorized ROR. In this instance, the WD determined that the ROR method produced the higher revenue requirement. The WD's current recommended ROR range for Class D water utilities is from 10.20% to 11.20%.<sup>8</sup> Using a ROR of 11.20%, the WD calculates a revenue requirement of \$68,090 for TY 2017. By comparison, the revenue requirement would be \$66,310 using the recommended ROM of 22.75% for Class D water utilities. Therefore, the WD recommends that the ROR method be used for SRPWC's TY 2017 GRC.

### Rates and Rate Design

SRPWC's rate structure consists of one rate schedule: Schedule No. 2R, Residential Flat Rate Service. At the recommended ROR, the increase in revenues will be \$24,890 or 57.62% for TY 2017. The rates proposed by the WD are shown in Appendix B. At the recommended rates for TY 2017, a monthly customer's bill will increase from \$72.00 to \$113.48 or 57.62%. A comparison of customer bills at present and recommended rates is provided in Appendix C of this resolution.

Although this increase in customer bills is substantial, as discussed above this is the first GRC for SRPWC in 20 years.

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<sup>6</sup>The revenue requirement and rates under the ROR method are based on company's rate base and under the ROM method the revenue requirement is based on the company's overall expenses which include operating and maintenance and depreciation expenses and other taxes, and an operating margin percentage.

<sup>7</sup>D. 92-03-093, Ordering Paragraph 8.

<sup>8</sup>Division of Water and Audits' March 28, 2016 memorandum on the recommended Rates of Return and Rates of Margin for Class C and D Water Utilities:  
<http://www.cpuc.ca.gov/General.aspx?id=1404>.



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### Facilities Fees Tariff Schedule

By AL 9-W, SRPWC requested Commission authority to establish tariff Schedule F for facilities fees for new service connections and set the fee at \$2,000 per connection. Commission Res. W-4110 grants all Class C and D water utilities the authority for establishing tariff Schedule F for facilities fees for new service connections for the purpose of generating funds to build new plant or replace deteriorated plant.<sup>9</sup> Res. W-4110 adopts the following policy guidelines for facilities fees: 1) the fees should be set by meter size in proportion to the demand the customer(s) places on the water system, 2) the fees should apply to new customers requesting service to premises not previously served and to additional and increased sized connections to presently-served premises, 3) the fees are in addition to charges for any main extension or connection fees required under Rule 15 of the utilities' tariffs; and 4) the fees can only be used by the utility to build new plant or replace deteriorated plant and must be treated as contributed plant for ratemaking purposes.<sup>10</sup>

The WD finds SRPWC's request for authority to establish a tariff Schedule F for facilities fees reasonable and consistent with the Commission's policy guidelines adopted by Res. W-4110. The WD also finds SRPWC's proposed fixed amount of \$2,000 for the facility fee reasonable since all of the company's service connections are flat rate service and the amount is consistent with the amounts charged by other Class D water utilities for the standard 5/8 x 3/4-inch service connection.<sup>11</sup> Accordingly, the WD recommends granting SRPWC's request to establish Tariff Schedule F for facilities fees, as provided in Appendix B.

### COMPLIANCE

SRPWC has no outstanding compliance orders and has been filing annual reports as required. SRPWC is in compliance with the SWRCB's DDW applicable water quality standards and regulations for safe drinking water.

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<sup>9</sup> Res. W-4110 pg. 1.

<sup>10</sup> Res. W-4110 pg. 2 and Ordering Paragraph 3.

<sup>11</sup> See for example, Res. W-5015, appendix B, Schedule F, Facilities Fees.

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## UTILITY SAFETY

Safety for water utilities considers a number of factors such as water quality, system design, operation and maintenance, and service. One of the highest safety priorities for the Commission is ensuring that water utilities serving water for human consumption provide water that is not harmful or dangerous to health. As previously noted, SRPWC is in compliance with the SWRCB's applicable water quality standards for safe drinking water. The WD will also monitor SRPWC's progress in addressing the pressure issue with its water system's Well No. 2 to ensure the company has a secondary source of supply for its system and complies with WWS Section 64554(a)2 requirement. Based on the WD review of the company's operation, the WD finds that SRPWC is operating and maintaining its water system in a manner that provides safe water service for its customers.

## COMMENTS

Public Utilities Code section 311(g)(1) requires that a proposed resolution be served on all parties, and be subject to a public review and comment period of 30 days or more, prior to a vote of the Commission on the resolution.

Accordingly, this proposed resolution was mailed to the utility and its service list, and made available for public comment on February 21, 2017.

## FINDINGS

1. The Summary of Earnings (Appendix A) recommended by the Water Division (WD) is reasonable and should be adopted.
2. The rates recommended by the WD (Appendix B) are reasonable and should be adopted.
3. The quantities (Appendix C) used to develop the WD's recommendations are reasonable and should be adopted.
4. The water rate increase authorized herein is justified and the resulting rates are just and reasonable.

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5. Susan River Park Water Company's (SRPWC's) request to establish Schedule F for facilities fees for new service connections is reasonable and in accordance with the authority granted by Commission Res. W-4110 for establishing tariff Schedule F for facilities fees for Class C and D water utilities.
6. SRPWC's proposed tariff Schedule F (Appendix B) for facilities fees is reasonable and should be adopted.
7. The water served by SRPWC meets all applicable primary water quality standards set forth by the State Water Resources Control Board, Division of Drinking Water.
8. SRPWC should be allowed to file a supplement to Advice Letter No. 9-W to incorporate the revised rate schedule (Appendix B) and to concurrently cancel its presently effective rate Schedule.

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### THEREFORE, IT IS ORDERED THAT:

1. Authority is granted under Public Utilities Code Section 454 for Susan River Park Water Company to file a supplemental Advice Letter with the revised rate schedule attached to this Resolution as Appendix B, and concurrently cancel its presently effective rate Schedule: Schedule No. 2R, Residential Flat Rate Service. The effective date of the revised schedules shall be five days after the date of filing.
2. Susan River Park Water Company's tariff Schedule F, for facilities fees in Appendix B is approved.

This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held March 23, 2017; the following Commissioners voting favorably thereon:

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TIMOTHY J. SULLIVAN  
Executive Director

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## APPENDIX A Susan River Park Water Company Summary of Earnings Test Year 2017

	<u>SRPWC</u>		<u>Water Division</u>	
	Present Rates	Requested Rates	Present Rates	Recommended Rates
<b>Operating Revenues</b>				
Flat	\$ 43,200	\$ 77,525	\$ 43,200	\$ 68,090
<b>Total Revenue</b>	<b>\$ 43,200</b>	<b>\$ 77,525</b>	<b>\$ 43,200</b>	<b>\$ 68,090</b>
<b>Operating Expenses</b>				
610 Purchased Water	\$ -	\$ -	\$ -	\$ -
615 Purchased Power	\$ 4,108	\$ 4,108	\$ 3,288	\$ 3,288
618 Other Volume Related Expenses	\$ -	\$ -	\$ -	\$ -
630 Employee Labor	\$ -	\$ -	\$ -	\$ -
640 Materials	\$ 1,542	\$ 1,542	\$ 1,542	\$ 1,542
650 Contract Work	\$ 3,177	\$ 3,177	\$ 4,377	\$ 4,377
660 Transportation Expenses	\$ 2,664	\$ 2,664	\$ 2,664	\$ 2,664
664 Other Plant Maintenance	\$ 10,970	\$ 10,970	\$ 7,507	\$ 7,507
670 Office Salaries	\$ -	\$ -	\$ -	\$ -
671 Management Salaries	\$ 12,000	\$ 12,000	\$ 13,519	\$ 13,519
674 Employee Pensions and Benefits	\$ -	\$ -	\$ -	\$ -
676 Uncollectable Accounts	\$ 3,360	\$ 3,360	\$ 1,551	\$ 1,551
678 Office Services and Rentals	\$ 808	\$ 808	\$ 808	\$ 808
681 Office Supplies and Expenses	\$ 571	\$ 571	\$ 571	\$ 571
682 Professional Services	\$ 8,015	\$ 8,015	\$ 5,425	\$ 5,425
684 Insurance	\$ 2,703	\$ 2,703	\$ 1,285	\$ 1,285
688 Regulatory Commission Expense	\$ 907	\$ 907	\$ 907	\$ 907
689 General Expenses	\$ 3,559	\$ 3,559	\$ 3,559	\$ 3,559
<b>Subtotal</b>	<b>\$ 54,384</b>	<b>\$ 54,384</b>	<b>\$ 47,003</b>	<b>\$ 47,003</b>
403 Depreciation	\$ 3,125	\$ 3,125	\$ 3,125	\$ 3,125
408 Taxes Other Than Income	\$ 1,131	\$ 1,131	\$ 1,131	\$ 1,131
409 State Income Taxes	\$ 800	\$ 1,669	\$ 800	\$ 1,488
410 Federal Income Taxes	\$ -	\$ 2,582	\$ -	\$ 2,301
<b>Total Expenses</b>	<b>\$ 59,440</b>	<b>\$ 62,891</b>	<b>\$ 52,059</b>	<b>\$ 55,049</b>
<b>Net Revenue</b>	<b>\$ (16,240)</b>	<b>\$ 14,634</b>	<b>\$ (8,859)</b>	<b>\$ 13,041</b>
<b>Rate Base</b>				
Average Plant	\$ 136,004	\$ 136,004	\$ 123,384	\$ 123,384
Average Accumulated Depreciation	\$ 12,014	\$ 12,014	\$ 11,869	\$ 11,869
<b>Net Plant</b>	<b>\$ 123,990</b>	<b>\$ 123,990</b>	<b>\$ 111,515</b>	<b>\$ 111,515</b>
<b>Less:</b>				
Advances	\$ -	\$ -	\$ -	\$ -
Contributions in Aid of Construction	\$ -	\$ -	\$ -	\$ -
<b>Plus:</b>				
Construction Work in Progress	\$ -	\$ -	\$ -	\$ -
Working Cash	\$ 5,647	\$ 5,647	\$ 3,917	\$ 3,917
Materials and Supplies	\$ 1,005	\$ 1,005	\$ 1,005	\$ 1,005
<b>Rate Base</b>	<b>\$ 130,642</b>	<b>\$ 130,642</b>	<b>\$ 116,437</b>	<b>\$ 116,437</b>
<b>Rate of Return</b>	<b>-12.43%</b>	<b>11.20%</b>	<b>-7.61%</b>	<b>11.20%</b>

END OF APPENDIX A

# PROPOSED RESOLUTION

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## APPENDIX B

Susan River Park Water Company

### SCHEDULE NO. 2R

#### RESIDENTIAL FLAT RATE SERVICE

#### APPLICABILITY

Applicable to all flat rate residential water service.

#### TERRITORY

The area known as Susan River Park Nos. 1, 2 and 3, and vicinity, located approximately 4 miles southeast of Susanville, Lassen County

#### RATES

	Per Service Connection	<u>Per Month</u>
For each single-family residential unit	\$ 113.48	(I)

#### SPECIAL CONDITIONS

1. The above flat rates apply to service connections not larger than 1-inch in diameter.
2. All bills are subject to the reimbursement fee set forth in Schedule No. UF.

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## APPENDIX B

Susan River Park Water Company

### SCHEDULE F

### FACILITIES FEES

#### APPLICABILITY

Applicable to all customers applying for service from Susan River Park Water Company for premises not previously connected to its distribution mains, for additional service connections to existing premises, and increases in size of service connections to existing premises.

(N)

#### TERRITORY

The area known as Susan River Park Nos. 1, 2 and 3, and vicinity, located approximately 4 miles southeast of Susanville, Lassen County

#### RATES

Initial Fee for each Service Connection	\$2,000	(N)
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#### 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. These fees are not subject to the Public Utility Commission Reimbursement Fee surcharge in schedule UF.
3. These fees shall be used only for the repair and replacement or the installation of new infrastructure.
4. These fees shall be deposited in a separate trustee account and used only upon permission of the Water Division or its successor.

(N)

(N)

END OF APPENDIX B

## PROPOSED RESOLUTION

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### APPENDIX C

Susan River Park Water Company  
Adopted Quantities  
Test Year 2017

1. Purchased Power \$3,288  
Total kWh 19,563  
Estimated Average Cost Per kWh \$0.1648  
Energy Provider Lassen Municipal Utility District  
Energy Tariff Schedule Small Commercial
2. Flat Rate Service Connections 50
3. Monthly bill comparison of present and recommended rates is shown below:

Flat Rate Service:

	<u>Present Rate</u>	<u>Proposed Rate</u>	<u>Percent Increase</u>
<u>Per month</u> .....	\$ 72.00	\$ 113.48	57.62%

Tax Calculations

TY 2017

Operating Revenues	\$ 68,090
Operating Expenses	\$ 47,003
Taxes Other than Income	\$ 1,131
Depreciation	\$ 3,125
Taxable Income for State	\$ 16,831
State Taxes	\$ 1,488
Taxable Income for Federal	\$ 15,343
Federal Income Taxes	\$ 2,301

END OF APPENDIX C



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### CERTIFICATE OF SERVICE

I certify that I have by either electronic mail or postal mail, this day, served a true copy of Proposed Resolution No. W-5134 on all parties in these filings or their attorneys as shown on the attached lists.

February 21, 2017, at San Francisco, California.

/s/ JENNIFER PEREZ

Jennifer Perez

Parties should notify the Water Division, Third Floor, California Public Utilities Commission, 505 Van Ness Avenue, San Francisco, CA 94102, of any change of address to ensure that they continue to receive documents. You must indicate the Resolution number on which your name appears.

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## SUSAN RIVER PARK WATER COMPANY ADVICE LETTER 9-W SERVICE LIST

### **By Mail:**

Russ Brown  
Public Works Department  
City of Susanville  
66 North Lassen  
Susanville CA 96130

Department of Public Health  
Chico District Office  
126 Mission Ranch Blvd.  
Chico, CA 95926

Board of Supervisors  
Lassen County  
221 South Roop St. Ste. 4  
Susanville, CA 96130

Mr. and Mrs. Hunter  
704-435 Anita Dr.  
Susanville, CA 96130

### **By Email:**

Katie Connaughton  
State Water Resources Control Board  
Division of Drinking Water  
[Katie.connaughton@waterboards.ca.gov](mailto:Katie.connaughton@waterboards.ca.gov)

Mr. and Mrs. Maxfeldt  
704-400 Anita Dr.  
Susanville, CA 96130  
[Maxfeldt3@outlook.com](mailto:Maxfeldt3@outlook.com)

Mike Herman  
Susan River Water Co.  
[mherman530@gmail.com](mailto:mherman530@gmail.com)

Mandy McGarva  
[mandymcgarvacpa@gmail.com](mailto:mandymcgarvacpa@gmail.com)

Lauren Espindola  
[Lecalie10@gmail.com](mailto:Lecalie10@gmail.com)