

# Lukins Brothers Water Company, Inc.

## NOTICE OF PROPOSED RATE INCREASE AND PUBLIC MEETING WITH THE PUBLIC UTILITIES COMMISSION STAFF

By Advice Letter No. 79-W, Lukins Brothers Water Company, Inc. (LBWC) will request authority from the CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC) to increase its water rates by \$430,988 or 53.89% in test year 2019 over present rates, which have been in effect since February 19, 2019 which authorized a Consumer Price Index increase. The last general rate increase became effective March 26, 2015 pursuant to Resolution No. W-5026. The increase is necessary to offset increased operating expenses and to provide an adequate rate of return.

The CPUC staff will hold a public meeting on May 20, 2019 at 6:00 PM at  
 City of South Lake Tahoe Chambers  
 1901 Airport Road,  
 South Lake Tahoe, CA

The CPUC, at its discretion, may authorize LBWC an interim rate increase. This interim increase would be subject to refund pending the final resolution of the general rate increase request. The company proposes to increase rates as follows:

### COMPARISON OF PRESENT & INCREASED RATES

#### METERED RATE SERVICE

##### SCHEDULE No.1A Monthly Metered Service

#### COMMODITY CHARGE

| Per 100 cu. ft | Old Rate | New Rate | % Incr (Decr.) |
|----------------|----------|----------|----------------|
|                | \$1.94   | \$5.70   | 193.81%        |

#### SERVICECHARGE per meter per month

| Meter Size | Old Rate | New Rate    | % Incr (Decr.) |
|------------|----------|-------------|----------------|
| 1"         | 38.16    | \$ 49.06    | 28.56%         |
| 1-1/2"     | 76.33    | \$ 98.12    | 28.55%         |
| 2"         | 122.14   | \$ 156.99   | 28.53%         |
| 3"         | 229.00   | \$ 294.35   | 28.54%         |
| 4"         | 381.67   | \$ 490.58   | 28.54%         |
| 6"         | 763.76   | \$ 981.00   | 28.44%         |
| 8"         | 1,221.59 | \$ 1,589.60 | 30.15%         |
| 10"        | 1,755.89 | \$ 2,256.30 | 28.50%         |

The Service Charge is a readiness-to-serve charge, which is applicable to all metered service and to which is added the utility charge computed at the Quantity Rates.

#### FLAT RATE SERVICE

##### SCHEDULE 2A Flat Rate

| Service per Quarter                                   | Old Rate | New Rate | Incr%  |
|---|----------|----------|--------|
| Single Family Residential                             | \$712.84 | \$997.98 | 40.00% |
| Additional Single Family Residential                  | \$427.69 | \$598.77 | 40.00% |
| Hotels, Motels and Apartments, first room             | \$712.84 | \$997.98 | 40.00% |
| For each additional room or unit on the same premises | \$356.43 | \$499.00 | 40.00% |
| For each market, store or office                      | \$712.84 | \$997.98 | 40.00% |

**SCHEDULE NO. 4, PRIVATE FIRE PROTECTION SERVICE**, is increased from \$164.36 to \$225.82 per inch diameter of service connection.

**A monthly bill comparison for a customer with a 1-inch meter is shown below:**

| <u>Usage</u><br><u>100 cu. ft.</u> | <u>Present</u><br><u>Rates</u> | <u>Recommended</u><br><u>Rates</u> | <u>Amount</u><br><u>Increase</u> | <u>Percent</u><br><u>Increase</u> |
|------------------------------------|--------------------------------|------------------------------------|----------------------------------|-----------------------------------|
| 0                                  | 38.16                          | 49.06                              | 10.90                            | 28.56%                            |
| <b>6</b>                           | <b>49.80</b>                   | <b>83.26</b>                       | <b>33.46</b>                     | <b>67.19%</b>                     |
| 10                                 | 57.56                          | 106.06                             | 48.50                            | 84.26%                            |
| 15                                 | 67.26                          | 134.56                             | 67.30                            | 100.06%                           |
| 20                                 | 76.96                          | 163.06                             | 86.10                            | 111.88%                           |
| 30                                 | 96.36                          | 220.06                             | 123.70                           | 128.37%                           |

The CPUC staff will make a thorough investigation of the utility's request. Following the investigation, the CPUC may grant the utility's request in whole or in part or may deny it. It may also order the utility to charge rates different from those shown in this notice.

The public meeting is informal and affords customers the opportunity to ask questions and express their views. LBWC will have representatives there to explain the reasons for the proposed increase. Likewise, there will be a CPUC staff representative who will conduct the meeting and explain how the staff will analyze the proposed rates and fee increases.

California law requires the company to show to the Commission's satisfaction that an increase is justified before it may raise its rates. Customers who would like to call the Commission's attention to any problems concerning their water service, or who would like to provide any other information or comments regarding this requested increase should do so at the public meeting and/or should write to the Commission.

If you choose to respond to this notice, you may send a response or protest to the CPUC with a copy of the correspondence to the utility.

**Protests and Responses**

A protest is a document objecting to the granting in whole or in part of the authority sought in this advice letter filing. A response is a document that does not object to the authority sought, but nevertheless presents information that the party tendering the response believes would be useful to the CPUC in acting on the request.

A protest must be mailed within 20 days of the date of this notice. A protest must state the facts constituting the grounds for the protest, the effect that approval of the advice letter might have on the protestant and the reasons the protestant believes the advice letter or part of it is not justified. If the protest requests an evidentiary hearing, the protest must state the facts the protestant would present at an evidentiary hearing to support its request for whole or partial denial of the advice letter.

All protests or responses to this filing should be sent to both of the following addresses and should mention that they pertain to **Lukins Brothers Water Co., Inc. 2019 General Rate Case**.

CA Public Utilities Commission,  
Water Division  
505 Van Ness Avenue  
San Francisco, California 94102  
E-Mail : [water\\_division@cpuc.ca.gov](mailto:water_division@cpuc.ca.gov)

**and**

Jennifer Lukins  
Lukins Brothers Water Co., Inc.  
2031 West Way  
South Lake Tahoe, CA 96150  
Tel.: (530) 541-2606  
E-Mail: [jennifer@lukinswater.com](mailto:jennifer@lukinswater.com)

Comments must be sent no later than twenty (20) days after the date this notice was sent. If you do not receive a reply to your protest from the utility within 10 business days, contact Jennifer Lukins at (530) 541-2606.

A copy of the Lukins Brothers Water Company, Inc. filing may be inspected in the business office at 2031 West Way, South Lake Tahoe, CA 96150. Or by calling (530) 541-2606, you may request a copy to be mailed to you. You will be billed for the copies at \$0.10 per page. Further information may be obtained from the utility at its business office or from the CPUC at the above address.

**NOTE: THE MEETING PLACE IS ACCESSIBLE TO THE HANDICAPPED**