

Lake Alpine Water Company Customer Notice of Rate Change

In 2003, Lake Alpine Water Company (LAWC) secured a low interest loan from the state Safe Drinking Water (SDW) fund to upgrade the water treatment plant. In January 2006, a surcharge was added to the invoices to begin repayment of that loan. Each year, LAWC submits calculations to the state to report the amount of surcharge being collected and paid to the state. All surcharges are remitted to a bank serving as our fiscal agent and that bank then submits the semiannual payments directly to the state.

The surcharge amounts are adjusted every few years to adequately meet the semiannual payments and the required 10% reserve. We previously adjusted rates in January 2013. Due to changes in the type and number of customers and to comply with the state's requirements, we need to increase the surcharge by 10.7%.

The current surcharge for single family homes and condominium residential units is \$24.30 per month. The revised residential surcharge will be \$26.91 per month. We expect this change to take place in December, 2016 or January, 2017 depending on the timing of the California Public Utilities Commission's review.

Lake Alpine Water Company will continue to submit calculations to the state and the amount may be revised up or down again in future years. The final payments on the loan will be made to the state in 2028.

Response or Protest

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 response or protest must be made in writing or by electronic mail and must be received by the CPUC and LAWC within 20 days of the date this advice letter is filed.

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