

Del Oro Water Company, Inc. – River Island District

Advice Letter No. 551

NOTICE OF PROPOSED SRF SURCHARGE RATE DECREASE AND PROPOSED RATE BASE OFFSET RATE INCREASE

Del Oro Water Company, Inc. (DOWC), filed Advice Letter No. 551 with the California Public Utilities Commission (CPUC) on behalf of its River Island District (DOWCRI), requesting to lower the State Revolving Fund (SRF) Surcharge as well as authorize a Rate Base Offset rate increase to recover costs incurred that were not included in the SRF agreement.

DOWCRI has completed construction of a new water treatment plant funded in part by the Safe Drinking Water State Revolving Fund (SRF) Program, which included a loan and a grant from the State Water Resources Control Board.

What's Changing?

- The original loan amount was \$9,081,826, but the final loan amount has been reduced to \$4,891,522.
- As a result, DOWCRI is requesting to lower the monthly SRF Surcharge from \$78.18 to \$45.51 for most of the Territory One customers. This is a \$32.67 monthly decrease.
- Additionally, DOWCRI is requesting a Rate Base Offset of \$673,055 to include project-related costs that were not funded by the loan or grant.
- This will result in a proposed increase in base water rates to recover a revenue requirement increase of \$98,686 annually, or approximately 12.88%.

How Will This Affect My Bill?

- SRF Surcharge will decrease \$32.67, providing immediate relief to your monthly bill.
- Base water rates will increase to reflect the cost of additional project expenses by 12.88%. A detailed impact to the average customer's monthly bill is provided below.

DOWCRI proposed SRF Surcharge Rates decrease are as follows:

SRF Surcharge	Per Meter, Per Month	
	<u>Present Rates</u>	<u>Proposed Rates</u>
Meters up to 1 inch meter	\$ 78.18	\$ 45.51
1 1/2 inch meter	156.37	91.02
2 inch meter	250.19	145.64
3 inch meter	469.11	273.07
4 inch meter	781.85	455.12
6 inch meter	1,563.69	910.24

The monthly SRF surcharge for Territory One Customers is specifically for the repayment of the State Revolving Fund for the River Island District Treatment Plant as authorized by Resolution W-5245.

DOWCRI proposes to increase water rates as follows:

Residential Meters	<u>Present Rates</u>	<u>Proposed Rates</u>
Quantity Rates: All usage, per 100 cu.ft.		
For all water up to 10,000 cubic feet	\$ 3.200	\$ 3.612
For all water over 10,000 cubic feet	\$ 4.300	\$ 4.854

Readiness to Service Charge:	Per Meter, Per Month	
	<u>Present Rates</u>	<u>Proposed Rates</u>
Meters up to 1 inch meter	\$ 75.00	\$ 84.66
1 1/2 inch meter	154.59	174.50
2 inch meter	247.35	279.21
3 inch meter	463.77	523.50
4 inch meter	772.96	872.52
6 inch meter	1,545.91	1,745.02

Irrigation Meters

Quantity Rates: All usage, per 100 cu.ft.		
For all water up to 2,500 cubic feet	\$ 2.700	\$ 3.048
For all water over 2,500 cubic feet	\$ 4.300	\$ 4.854

Bill Comparison - 1" Service				
(ccf) Usage	Present Rates	Proposed Rates	\$ Increase	% Increase
0	75.00	84.66	9.66	12.88%
25	155.00	174.96	19.96	12.88%
35	187.00	211.09	24.09	12.88%
50	235.00	265.27	30.27	12.88%
60	267.00	301.39	34.39	12.88%

The Service Charge is a Readiness to Serve Charge, which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

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.

California law requires the company to show to the CPUC's satisfaction that an increase is justified before it may raise its rates. Customers who would like to call the CPUC'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 write to the CPUC at the e-mail or address below.

Customers are encouraged to contact Del Oro at (530) 717-2514 with any questions regarding the rate change. In addition, there are two ways to respond to this notice. You may send a protest to the CPUC and, if you do, you must send a copy of the protest to DOWC, or you can send a response to the CPUC.

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.

Both protests and responses 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 **Del Oro Water Co. Treatment Plant Rate Change**.

CPUC, Water Division
505 Van Ness Avenue, Room 3200
San Francisco, California 94102
Fax: (415) 703-2481

and

DOWC, Director of Community Relations
Drawer 5172
Chico, CA 95927
(530) 717-2514 / Fax: (530) 717-2639

E-Mail : water.division@cpuc.ca.gov

E-Mail: communityrelations@corporatecenter.us

E-mail Preferred

Comments must be sent no later than twenty (20) days after the date this notice was sent.

If you have not received a reply to your protest from the utility within ten (10) business days, you may contact DOWC at 530-717-2514. A copy of DOWC's filing may be reviewed at: 426 Broadway, Ste. 303, Chico, CA 95928.

By calling 530-717-2514, you may request a copy to be mailed to you. You will be billed \$0.10 per page for copies. Further information may be obtained from the utility at its business office or from the CPUC at the above address.

Mailed August 26, 2025