

PROPOSED RESOLUTION

Resolution W-5309
WD

Agenda ID #24006

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

WATER DIVISION

Agenda ID #24006 Item #17
RESOLUTION W-5309 - Rev. 1
February 26, 2026

RESOLUTION

Resolution W-5309 Cold Springs Water Company General Rate Case

PROPOSED OUTCOME:

- Grants Cold Springs Water Company (CSWC) a general rate increase of \$195,058, or 33.42%, estimated to provide a Rate of Margin (ROM) of 26.79%.
- This rate increase is phased in over three years: Test Year (TY) 2026, Escalation Year (EY) 2027, and EY 2028.

SAFETY CONSIDERATIONS:

- This general rate increase provides additional funding to Cold Springs Water Company to ensure the utility remains current with its infrastructure updates and system repairs.
- Cold Springs Water Company has no major outstanding compliance issues with the State Water Resources Control Board, Division of Drinking Water.

ESTIMATED COST:

- Producing an increase in gross annual revenues of \$65,019, or 11.14%, for TY 2026; \$65,019, or 10.02%, for EY 2027; and \$65,019, or 9.11%, for EY 2028.

By Advice Letter 88-W, Filed on September 24, 2025

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SUMMARY

This Resolution grants Cold Springs Water Company (CSWC) a general rate increase producing an increase in gross annual revenues of \$195,058, or 33.42%, estimated to provide a Rate of Margin (ROM) of 26.79%. This increase is to be phased in over three years: TY 2026, EY 2027, and EY 2028, reducing the impact on the rate payers. The rate increase will be implemented to produce an additional \$65,019, or 11.14%, for TY 2026; \$65,019, or 10.02%, for EY 2027; and \$65,019, or 9.11%, for EY 2028.

BACKGROUND

By Advice Letter (AL) 88-W, filed on September 24, 2025, CSWC requests authority under General Order (GO) 96-B, Rules 1.7 and 7.6.2, Water Industry Rule 7.3.3(5), and Section 454 of the Public Utilities Code to increase its annual revenues by \$259,824, or 44.52%, based on a Rate of Margin (ROM) of 26.79%.¹

CSWC's present rates became effective on May 15, 2025, with the approval of AL 87-W, which authorized a Consumer Price Index (CPI) increase of \$16,495, or 2.90%. CSWC's last General Rate Case (GRC) increase became effective on August 5, 2021, pursuant to Commission Resolution (Res.) W-5240, which authorized a general rate increase of \$123,674, or 32.94%, for TY 2020, estimated to provide a ROM of 22.57%.²

CSWC is a Class C investor-owned water utility with 538 metered service connections that provides service near Cold Springs and the Peter Pam subdivision, located eight miles east of Long Barn, in Tuolumne County.³ The utility's customer base consists of an estimated 483 seasonal residents that own vacation homes within the service area

¹ March 12, 2025 memorandum on the recommended Rates of Return and Rates of Margin for Class C and D Water Utilities: <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/water-division/reports/wd-memorandum/rorandom-classcd2025.pdf>

² March 9, 2020 memorandum on the recommended Rates of Return and Rates of Margin for Class C and D Water Utilities: <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/water-division/reports/wd-memorandum/rorandom-classcd2020.pdf>

³ D. 92-03-093, March 31, 1992, O.P. 6. Class A companies serve over 10,000 service connections, class B 2,001 through 10,000, class C 501 through 2,000. and class D 500 service connections or less.

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and 55 full time residents. The 2023 median household income (MHI) in Lower Lake is \$72,423, according to the US Census Bureau.⁴

CSWC's source of supply consists of the Kerns Creek and one groundwater well, the Peter Pam Well. The Kerns Creek source is a surface water diversion and is the primary source of the utility's water supply. The Peter Pam Well is a hard rock well with a pumping capacity of 43 gallons per minute (gpm) and is the utility's backup source of water supply during the summer when the Kerns Creek supply diminishes.

The utility has a total of six storage tanks (Tanks 1, 2, 3, 4A, 4B, and 5) with a total storage capacity of 839,000 gallons, according to the Department of Drinking Water's (DDW) Sanitary Survey. Tanks 2, 4A, 4B, and 5 are used for storage, while Tank 1 and Tank 3 are used for raw water and clear-well storage, respectively. The Sanitary Survey also estimates a maximum day demand (MDD) of 53 gpm and peak hour demand (PHD) of 79 gpm. CSWC's water system has adequate source capacity to supply the MDD and PHD.

NOTICE

In accordance with GO. 96-B, CSWC served a copy of AL 88-W to its service list on September 24, 2025. A customer notice regarding both the proposed rate increase and public meeting was mailed to each customer and to the general service list on October 13, 2025.

PROTESTS

Advice Letter 88-W was not protested.

Site Visit

Water Division (WD) staff, with the assistance of the manager/operator, Jeff Kerns, inspected the water system on November 6, 2025. Staff observed that the five pump

⁴ More information about Tuolumne County's MHI can be found on this website: [https://data.census.gov/table?q=Cold+Springs+CDP+\(Tuolumne+County\),+California&t=Income+and+Poverty&g=050XX00US06027](https://data.census.gov/table?q=Cold+Springs+CDP+(Tuolumne+County),+California&t=Income+and+Poverty&g=050XX00US06027)

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house facilities were well-maintained and operating with Zn-Ortho and chlorine treatment. To maintain water quality, the active source is switched from the Kerns Creek to Peter Pam well during the winter due to storms causing higher turbidity. Water from the sources is diverted into different tanks which are distributed into their respective pressure zones. A pneumatic system is used to ensure water pressure in residences' homes is about 45 psi. The staff noted that the rest of the water system appeared to be adequately maintained.

Public Meeting

An informal public meeting was held on November 6th, 2025, at 6:00 PM at Long Barn School, located at 25910 Long Barn Road, Long Barn, California. CSWC and WD staff waited until 6:20 PM, but no customers attended the public meeting.

DISCUSSION

In reviewing CSWC's GRC request, the WD conducted an independent analysis of the utility's proposed rate increase and its current operational conditions. Appendix A provides a comparison of CSWC's and the WD's recommended present and proposed Summary of Earnings (SOE), including rates, revenues, expenses, and rate base for TY 2026, EY 2027, and EY 2028.

Operating Revenue

CSWC requested a total revenue requirement of \$843,500, based on a 26.79% ROM. The WD reviewed CSWC's requested return using the authorized ROM and found that CSWC had added income tax into its revenue calculation. Specifically, paragraph 43 in Standard Practice (SP) U-3-SM directs the staff to exclude income tax from the calculation.⁵ Therefore, the WD removed income tax from its recommended operating revenue calculation and CSWC agreed with the WD's recommendation.

Operating Expenses

⁵ Standard Practice U-03-SM for small water utilities can be found on this website: <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M531/K315/531315973.pdf>

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The WD verified CSWC's operating expense estimates by reviewing supporting documents for substantiation and accuracy, and included the amounts that were deemed reasonable and prudent including: purchased power, other volume related expenses, materials, contract work, other plant maintenance, office salaries, employee pensions and benefits, office services and rentals, office supplies and expenses, professional services, general expenses, depreciation, and taxes other than income. The WD concurs with all CSWC's requested operating expense amounts except for employee labor, transportation expenses, management salaries, uncollectable accounts, insurance, and regulatory commission expense.

Both the WD and CSWC's method of estimating operating expenses were based on the average of the utility's expenses reported in the 2022 to 2024 Annual Reports. These amounts were then escalated to TY 2026. CSWC applied the relevant escalation factors published by the California Public Advocates Office (CPAO) in May 2025, while the Commission applied the relevant escalation factors from CPAO's August 2025 escalation memo.⁶

Employee Labor

CSWC requested \$110,810 for employee labor expense. CSWC's request is based on the 2024 average employee labor expense with the relevant escalation factors applied for 2025 and 2026. The WD reviewed CSWC's calculation and found that CSWC included the management salary for Jeff Kerns into the employee labor expense account. As this expense is a management expense, the WD recommended estimating the manager's salary under management salary expense, resulting in \$42,817 for employee labor expense. CSWC agrees with the WD's recommendation.

Transportation Expenses

CSWC requested \$36,581 for transportation expenses, which was estimated using 2022 to 2024 averaged recorded expenses of \$21,785 plus a recently purchased 2024 Ford F-

⁶ Escalation factor is the rate of inflation for the costs of the utility's purchase of labor and materials. More information on escalation factor can be found on this website: <https://www.cpuc.ca.gov/-/media/cal-advocates-website/files/legacy3/dra-10-bves-escalation-and-ntgf.pdf>

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150 with a monthly lease of \$660.52 per month, for 38 months, and a \$6,839 downpayment with each year's respective escalation factors applied. CSWC had the F-150 for 10 months in 2025, resulting in \$6,605.52 for the annual lease cost in 2025.

In reviewing CSWC's transportation account, WD discovered that the 2022-2024 averaged recorded expenses included a Jeep rental costing \$700 per month that is no longer rented by the utility. Since CSWC replaced the Jeep rental with the F-150, WD recommends removing the rental expense of \$8,400 from its requested transportation expenses. Additionally, WD recommends amortizing the F-150 down payment of \$6,839 and ten lease payments made in 2025 totaling \$6,605, spread evenly over three years, resulting in a recommendation of \$25,793 in annual transportation expenses.

Management Salaries

CSWC requested \$50,656 for management salary expense for Jeff Kerns and Pete Kerns, who manage the office manager and water system operators. CSWC's request is based on the 2024 management salaries which are then escalated by the relevant escalation factors applied for 2025 and 2026. As explained above, CSWC made an error in recording Jeff Kern's management salary in the employee labor expense account. CSWC has acknowledged this error. Therefore, WD's estimate is based on the correct accounting of \$67,881 which were management salaries in employee labor expense plus the amount of \$50,656 recorded for 2024 management salaries, resulting in \$118,537 for management salaries for TY 2026.

Uncollectable Accounts

CSWC requested \$2,000 for uncollectable accounts. This request is based on having an allowance for uncollectable accounts. However, CSWC has not reported any uncollectable account expense in the last three years; therefore, the WD did not recommend any amount for this account.

Insurance

CSWC requested \$46,300 for insurance expense. This request is based on general/excess liability premium of \$41,000 (which includes fire insurance), auto insurance of \$3,500,

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and workers compensation insurance of \$1,800. CSWC's estimates that the general/excess liability insurance rate will increase from \$28,671 in 2025 to \$41,000 in 2026. WD requested documentation of the rate increase, but CSWC stated that the expected increase was based on the current trends of the insurance market. Since CSWC did not provide any quote or documentation for the insurance rate increase, the WD recommends \$35,000 for insurance expense based on CSWC's 2025 recorded insurance expense escalated with the November 2025 CPI-U.⁷

Regulatory Commission Expenses

CSWC requested \$17,035 for regulatory commission expenses. This request is based on \$15,000 of consultant's fee for preparing and filing this GRC and \$2,035 of average regulatory commission expenses from 2022 to 2024. The WD recommends amortizing the consultant's fee of \$15,000 over three years. Therefore, the WD recommends \$7,000 for regulatory commission expenses. CSWC agrees with the WD's estimate.

Utility Plant and Rate Base

The WD's analysis of CSWC's rate base estimate included examining utility plant-in-service, utility plant additions, materials and supplies, working cash, and depreciation reserve, based on the utility's annual reports for 2021 through 2024 and reported 2025 values from the workpapers. The WD and CSWC's methods for estimating rate base were similar except for the values used for average plant, working cash, and average accumulated depreciation.

For TY 2026, CSWC requested a rate base of \$1,062,252. The WD's recommended rate base of \$824,356 differs from CSWC because the utility included \$427,247 of planned plant additions in 2027 and 2028, corrections to accumulated depreciation, and recalculated working cash. There were no details or invoices for CSWC's planned plant additions. Therefore, these additions were not included in the WD's rate base calculation. During the site visit, CSWC highlighted the plant additions that they want to prioritize based on SWRCB's requirements and plant life span. CSWC was informed that it could file for new plant additions when they are deemed used and useful by filing a Tier 3 advice letter.

⁷ US Bureau of Labor Statistics: <https://www.bls.gov/news.release/pdf/cpi.pdf>

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Additionally, while reviewing CSWC's annual reports, the WD found that for 2022, a Class D annual report was submitted instead of a Class C annual report; for 2023, depreciable plant values from Schedule A-1a were mistakenly entered for depreciation reserve values in Schedule A-3a; and for 2024, Schedule A-3a had depreciation expenses for plant items that have fully depreciated, which include the wells, water mains, and hydrants. CSWC confirmed these errors and submitted their depreciation analysis from 2020 to 2024, including a correction that changed the 2024 depreciation expense from \$28,607 to \$25,306. CSWC should submit revised 2022, 2023, and 2024 annual reports to make these corrections.

Average Plant

CSWC used an average utility plant amount of \$1,608,735 for TY 2026 for its rate base calculation. CSWC's requested average plant includes \$112,738 of non-depreciable plant and \$1,495,997 of depreciable plant. As explained above, CSWC included \$427,257 of planned plant additions in 2027 and 2028 into its rate base calculation. CSWC is planning on completing the addition by 2028. The WD estimates CSWC's current average plant of \$1,395,106 as reported in 2024 annual report. CSWC agrees with WD's estimate.

Working Cash

The WD and CSWC determined working cash by taking the total operating expenses and dividing that amount by twelve (12) per SP U-16-W for Class C Water Companies.⁸ After reviewing WD's estimated operating expenses, CSWC agrees with WD's estimated total operating expenses of \$506,861 resulting in a working cash estimate of \$42,238. This amount is estimated for TY 2026, EY 2027, and EY 2028.

Depreciation

CSWC's requested depreciation expense of \$38,896 was calculated by utilizing the

⁸ Standard Practice U-16-W for Class D Water Companies can be found on this website: <http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M055/K059/55059235.PDF>

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“straight-line remaining life depreciation accruals method” with a 2.60% depreciation rate.⁹ The Utility Audit Branch (UAB) recommended CSWC utilize a 2.60% depreciation rate to depreciate all plant assets for ratemaking purposes in 2017.¹⁰ CSWC applied its depreciation rate to estimated average depreciable plant of \$1,495,997 for TY 2026 to calculate the requested depreciation expense. As discussed above, CSWC’s estimated average depreciable plant included \$427,257 of planned plant addition in 2027 and 2028. Since these plant additions are not in service or used and useful, CSWC should not include the future plant additions to calculate their estimated depreciation expense. Therefore, WD utilized the most recent depreciable plant amount of \$1,282,728 and a depreciation rate of 2.60% for each account item to estimate recommended depreciation expense of \$29,084 for TY 2026, EY 2027, and EY 2028. CSWC agrees with WD’s estimate.

Rate of Return (ROR) vs. Rate of Margin (ROM)

Commission Decision D.92-03-093, effective April 30, 1992, directed the use of both the ROR and ROM methods of ratemaking for Class C and Class D¹¹ water utilities requesting new rates and to recommend the ratemaking method that produces the higher revenue requirement.¹² For Class C water utilities, the WD recommends a ROR range of 12.70% to 13.90% and a ROM of 26.79%, as provided in the Commission’s 2025 memorandum for the recommended ROR and ROM for Class C and D water utilities issued on March 12, 2025.¹³

CSWC, in its general rate increase request, utilized the ROM method with a ROM of 26.79% to determine its requested revenue requirement of \$843,500. WD utilized both

⁹ More information regarding “straight-line remaining life depreciation method” can be found on this website:

<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M042/K177/42177433.PDF>

¹⁰ See attached for UAB’s 2017 audit report on CSWC:

https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/utility-audits--risk--and-compliance-division/reports/water_and_sewer/2017/water_and_sewer_2017-11-09_coldsprings_wa.pdf

¹¹ Per Commission General Order 96-B, a water utility is Class C if it serves 501 through 2,000 service connections and Class D if it serves no more than 500 service connections.

¹² D.92-03-093, Ordering Paragraph 8.

¹³ The ROR/ROM memorandum can be found at <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/water-division/reports/wd-memorandum/rorandom-classcd2025.pdf>

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ROR and ROM methods to determine comparable revenue requirements. The calculations indicate that adopting a ROR of 13.90% produces a revenue requirement of \$695,054, while applying the ROM method with a recommended margin of 26.79% yields a revenue requirement of \$778,734. Since applying the ROM method produces higher revenue, WD utilized the ROM method to estimate the revenue requirement for TY 2026.

Rates and Rate Design

CSWC's rate structure consists of one rate schedule, Schedule No. 1, General Metered Service. The WD's recommended rate design is based on 535 metered customers using a 5/8 x 3/4-inch meter size, 2 customers using 3/4-inch meter size, and 1 customer using 1-inch meter size. The WD's rate design also utilized the 2022 to 2024 average annual water consumption of 8,272 CCF, reported from CSWC's annual reports.

For the rate design of water rates, D.92-03-093 allows Class C water utilities to recover up to 65% of fixed costs through service charge revenues, whereas Class D water utilities may recover up to 100% of fixed costs.¹⁴ As discussed above, CSWC currently serves 538 metered service connections, which is marginally greater than the 500-customer minimum threshold required for a water utility to be classified as Class C. In the last three GRCs for TY 2012, TY 2017, and TY 2021, the Commission adopted an "in-between" rate design for CSWC and authorized 88.10%, 82.50%, and 80.48% fixed cost allocation to the service charge, respectively.¹⁵

CSWC currently serves 55 full-time customers, with the remaining customer base consisting of part-time residents that own vacation homes. The challenge for CSWC's rate design is to balance the interests of the full-time versus the part-time customers, while adopting a rate design that provides adequate fixed cost revenue recovery for CSWC. Recovering more of the fixed costs through the service charge benefits the full-time customers since the resulting increase to quantity rates reduces the amount of the overall bill for the customers that use water service on a year-round basis. Recovering more of the fixed costs through the quantity rate would benefit the part-time customers

¹⁴ D.92-03-093, Ordering Paragraph 6.

¹⁵ Res. W-4941, Res W-5135, and Res. W-5240 authorized the recovery of 88.10%, 82.50% and 80.48% of fixed costs through the service charge, respectively

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who own vacation homes, since they would not be paying the increased quantity rates during periods when their vacation homes are not in use. This results in lower bills for part-time customers which reduces the service charge during those inactive periods. Recovering more costs through the quantity rate would also encourage conservation. If a Class C rate design is used with 65.00% of fixed costs allocated to the service charge, the quantity rate would be \$31.84 per CCF with a monthly service charge of \$59.25 for a 5/8 x 3/4-inch metered size connection. For customers with this meter size using a minimal amount of 3 CCF of water per month, their monthly water bill would increase from \$111.18 to \$159.04, or 43.04% in TY 2026.

In the last GRC for TY 2021, approved by Commission Res. W-5240, the Commission approved a rate design which authorized 80.48% of fixed costs to be allocated to the metered service charge, which represented a mid-point fixed cost allocation between a Class C and D water utility. In this GRC filing, the utility proposes to allocate 90% of fixed costs to the service charge. Recovering 90% of fixed costs through service charges will allow the utility to balance the interests of both full-time and part-time customers and provide CSWC a greater opportunity to recover its fixed costs. To provide a reasonable rate design for both customer groups and CSWC, WD recommends a rate design recovering 90% of fixed charges through the service charge.

With the recommended ROM of 26.79%, the increase in revenues is estimated to be \$65,019, or 11.14%, for TY 2026; \$65,019, or 10.02%, for EY 2027; and \$65,019, or 9.11%, for EY 2028. The rates proposed by WD are shown in Appendix B.

With the recommended rates for TY 2026, a *monthly* customer's bill for an average residential customer with a 5/8 x 3/4-inch meter size using 3 CCF will increase from \$111.18 to \$123.03, or 10.66%.

With the recommended rates for EY 2027, a *monthly* customer's bill for an average residential customer with a 5/8 x 3/4-inch meter size using 3 CCF will increase from \$123.03 to \$134.59, or 9.40%.

With the recommended rates for EY 2028, a *monthly* customer's bill for an average residential customer with a 5/8 x 3/4-inch meter size using 3 CCF will increase from \$134.59 to \$146.16, or 8.59%.

A comparison of customer bills at present and recommended rates is provided in

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Appendix C of this resolution. The bill comparison in Appendix C is shown on a *monthly* basis to reflect CSWC' billing cycle.

Affordability of Proposed Rates

As discussed above, recommended rates for TY 2026 will result in, a *monthly* customer's bill of \$123.03 for an average residential customer with a 5/8 x 3/4-inch meter size using 3 CCF. On an annual basis, this is 2.04% of the 2023 MHI of \$72,432 for Cold Springs, CA.

Similarly, the recommended rates for EY 2027, will result in a *monthly* customer bill for an average residential customer of \$134.59 with a 5/8 x 3/4-inch meter size using 3 CCF. On an annual basis, this is 2.23% of the 2023 MHI for Cold Springs, CA.

Applying the recommended rates for EY 2028, will result in a *monthly* customer bill for an average residential customer of \$146.16 with a 5/8 x 3/4-inch meter size using 3 CCF. On an annual basis, this is 2.42% of the 2023 MHI for Cold Springs, CA.

Commission D.20-07-032, adopted in Rulemaking (R.) 18-07-006, defines affordability as the degree to which a representative household can pay for an essential utility service, given its socioeconomic status. D. 20-07-032 also adopts three metrics and supporting methodologies to be used for assessing the affordability of essential electricity, gas, water, and communications utility services in California. The three adopted metrics include: 1) the hours of minimum wage (HM) required to pay for essential utility services, 2) the socioeconomic vulnerability index (SEVI) of various communities in California, and 3) the ratio of essential utility service charges to non-disposable household income—known as the affordability ratio (AR). The affordability criteria were later revised to no longer include SEVI as a metric. Instead, the Commission utilizes the definition of Disadvantaged Community (DAC) under the California Communities Environmental Health Screening Tool, Version 4 (CalEnviroScreen 4.0).

The WD continues to adhere to the Commission's cost-of-service regulatory principles in developing rates for its jurisdictional utilities, and CSWC may also file for subsequent rate increases.

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ENVIRONMENTAL AND SOCIAL JUSTICE

In February 2019, the Commission adopted an Environmental and Social Justice Action Plan (ESJ Action Plan) to serve as a roadmap to expand public inclusion in Commission decision-making processes to targeted communities across California. The ESJ Action Plan establishes a series of goals related to health and safety, consumer protection, program benefits, and enforcement in all the sectors the Commission regulates. On April 7, 2022, the Commission adopted Version 2.0 of the ESJ Action Plan to guide its decisions and make sure its broad regulatory authority continues to advance equity throughout the state. With this Resolution, the Commission addresses Goal #1 of the ESJ Action Plan, “Consistently integrate equity and access considerations throughout Commission regulatory activities,” and Goal #3: “Strive to improve access to high-quality water, communications, and transportation services for ESJ communities.”

The California Communities Environmental Health Screening Tool, Version 4 (CalEnviroScreen 4.0) provided by the California Office of Environmental Health Hazard Assessment (OEHHA), identifies disadvantaged communities (DAC) by collecting multiple metrics and outputting a single value at the census tract scale. CalEnviroScreen 4.0 ranks CSWC in the 17th percentile of the highest scoring census tracts statewide while the census tract also rises into the 86th percentile for Drinking Water and falls to the 35th percentile for Groundwater Threats. Accordingly, CSWC's service area is not identified as a DAC. Given the WD's review of these current definitions and considerations, the proposed rate increase for CSWC is expected to provide improvements for the existing water service conditions within CSWC's service area.

COMPLIANCE

The WD reviewed the utility's compliance with water standards, financial regulations, filing of its annual report, and required User Fee payments to the Commission as part of the GRC analysis. The WD concludes that CSWC complies with all Commission

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regulatory requirements.

DDW Sanitary Survey

CSWC currently complies with the State Water Resources Control Board's (SWRCB) DDW applicable water quality standards and regulations for safe drinking water.

UAB Financial Review

The WD reviewed CSWC's compliance with financial audit reviews conducted by the Commission's UAB. The most recent UAB financial audit was conducted on CSWC's Financial Statements on November 9, 2017, for the year ending December 31, 2016 and 2015. UAB identified thirteen recommendations regarding noncompliance with the Uniform system of Account requirements in 2016 and eleven recommendations in 2015. CSWC implemented all of UAB's recommendations. CSWC also stated that UAB is currently auditing CSWC for the year ending December 31, 2024.

User Fees

Pursuant to Public Utilities Code section 433(a), public utilities are required to pay an annual Public Utilities Reimbursement Fee (annual fee) to the Commission. The WD confirmed with their Fiscal Office that CSWC is current with its annual fee payments.

Annual Reports

CSWC filed its annual reports on time as required by the Commission.

UTILITY SAFETY

The primary utility safety matter for water utilities is that the water be potable, not harmful or dangerous, and comply with State and Federal Standards.¹⁶ CSWC does not

¹⁶ Per General Order 103-A, Section II, (2) Water Quality and Supply Requirements

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continuously treat water produced from its wells; however, this reflects the generally good water quality from the source, which does not currently necessitate continuous treatment. The utility has an Emergency Disinfection Plan (EDP)¹⁷ in place with DDW, which identifies the utility's ability to chlorinate its well and pump-to-waste the water in the well if contamination is present. The discharge piping from its well has the capability to accommodate an injection port if chlorination is required.

CSWC conducts routine water quality monitoring and testing at set intervals as directed by DDW.

COMMENTS

This is an uncontested matter in which the resolution grants the relief requested. Accordingly, pursuant to PU Code 311(g)(3), the otherwise applicable 30-day period for public review and comment is being waived.

FINDINGS AND CONCLUSIONS

1. The Summary of Earnings (Appendix A) recommended by the Water Division (WD) is reasonable and should be adopted.
2. WD found errors in the depreciation reserve values in Schedule A-3a in Cold Springs Water Company's (CSWC) 2022-2024 annual reports. CSWC confirmed the errors noted by WD.
3. CSWC should submit revised annual reports for 2022, 2023, and 2024.
4. The rates recommended by the WD (Appendix B) are reasonable and should be adopted.
5. The quantities (Appendix D) used to develop the WD's recommendations are reasonable and should be adopted.

¹⁷ CSWC submitted its EDP to DDW on October 30, 2013.

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6. The water rate increases authorized herein are justified and the resulting rates are just and reasonable.
7. The water served by Cold Springs Water Company (CSWC) meets all applicable water quality standards set forth by State Water Resources Control Board's Division of Drinking Water.
8. CSWC should be authorized to file a supplement to Advice Letter No. 21-W to incorporate the revised rate schedules (Appendix B) for TY 2026 effective March 1, 2026, and to concurrently cancel its presently effective rate schedules.
9. CSWC should be authorized to file a Tier 1 Advice Letter, 30 days before effective date of March 1, 2027, to implement the revised rates attached to this Resolution as Appendix B for EY 2027.
10. CSWC should be authorized to file a Tier 1 Advice Letter, 30 days before effective date of March 1, 2028, to implement the revised rates attached to this Resolution as Appendix B for EY 2028.

THEREFORE, IT IS ORDERED THAT:

1. Authority is granted under Public Utilities Code Section 454, for Cold Springs Water Company to submit a supplement to Advice Letter 88-W to incorporate the approved TY 2026 rate schedules attached to Res. W-5309 as Appendix B no later than March 15, 2026 for rates effective March 1, 2026 and concurrently cancel its presently effective rate Schedule: Schedule No. 1, General Metered Service.
2. Cold Springs Water Company shall submit a Tier 1 Advice Letter, at least 30 days before the effective date, to implement the revised rates attached to this Resolution as Appendix B for EY 2027 and concurrently cancel its then presently effective rate Schedule No.1 General Metered Service. The effective date of the revised schedules shall be March 1, 2027.
3. Cold Springs Water Company shall submit a Tier 1 Advice Letter, at least 30 days before the effective date, to implement the revised rates attached to this Resolution as Appendix B for EY 2028 and concurrently cancel its then presently

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effective rate Schedule No.1 General Metered Service. The effective date of the revised schedules shall be March 1, 2028.

4. Cold Springs Water Company shall submit revised annual reports for 2022, 2023, and 2024 to correct the errors stated in paragraph 3 of the Utility Plant and Rate Base section of this resolution.

This Resolution is effective today.

The foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held February 26, 2026; the following Commissioners voting favorably thereon:

PROPOSED RESOLUTION

Resolution W-5309

February 26, 2026

WD

APPENDIX A

Cold Springs Water Company

Summary of Earnings

TY 2026

	Cold Springs Water System		Water Division	
	Present Rates	Requested Rates	Present Rates	Test Year (2026)
Operating Revenues				
Metered Revenue	\$ 583,676	\$ 843,500	\$ 583,676	\$ 648,695
Flat Rates	\$ -	\$ -	\$ -	\$ -
Private Fire Protection	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 583,676	\$ 843,500	\$ 583,676	\$ 648,695
Operating Expenses				
610 Purchased Water	\$ -	\$ -	\$ -	\$ -
615 Purchased Power	\$ 33,429	\$ 33,388	\$ 33,429	\$ 33,388
618 Other Volume Related Expenses	\$ 18,258	\$ 16,017	\$ 18,258	\$ 16,017
630 Employee Labor	\$ 108,766	\$ 110,810	\$ 108,766	\$ 42,817
640 Materials	\$ 2,366	\$ 8,516	\$ 2,366	\$ 8,516
650 Contract Work	\$ 17,880	\$ 32,209	\$ 17,880	\$ 32,209
660 Transportation Expenses	\$ 20,769	\$ 36,581	\$ 20,769	\$ 25,793
664 Other Plant Maintenance	\$ 24,345	\$ 16,511	\$ 24,345	\$ 16,511
670 Office Salaries	\$ 77,513	\$ 71,341	\$ 77,513	\$ 71,341
671 Management Salaries	\$ 50,200	\$ 50,656	\$ 50,200	\$ 118,537
674 Employee Pensions and Benefits	\$ 39,196	\$ 44,645	\$ 39,196	\$ 44,645
676 Uncollectable Accounts	\$ -	\$ 2,000	\$ -	\$ -
678 Office Services and Rentals	\$ 16,518	\$ 19,811	\$ 16,518	\$ 19,811
681 Office Supplies and Expenses	\$ 20,828	\$ 19,629	\$ 20,828	\$ 19,629
682 Professional Services	\$ 9,790	\$ 12,191	\$ 9,790	\$ 12,191
684 Insurance	\$ 18,020	\$ 46,300	\$ 18,020	\$ 35,000
688 Regulatory Commission Expense	\$ 4,390	\$ 17,035	\$ -	\$ 7,000
689 General Expenses	\$ 3,793	\$ 3,457	\$ 3,793	\$ 3,457
Expenses Subtotal	\$ 466,061	\$ 541,097	\$ 461,671	\$ 506,861
403 Depreciation	\$ 28,607	\$ 38,896	\$ 38,896	\$ 29,084
408 Taxes Other Than Income	\$ 30,127	\$ 36,741	\$ 30,127	\$ 34,166
409 State Income Taxes (S-Corp 1.5%)	\$ 4,698	\$ 800	\$ 834	\$ 1,179
410 Federal Income Taxes	\$ -	\$ -	\$ -	\$ -
Interest	\$ 3,251			
Tax Expenses	\$ 66,683	\$ 76,437	\$ 69,857	\$ 64,429
Net Revenue	\$ 50,932	\$ 225,966	\$ 52,148	\$ 77,405
Rate Base				
Average Plant	\$ 1,395,106	\$ 1,608,735	\$ 1,395,106	\$ 1,395,106
Average Accumulated Depreciation	\$ 553,557	\$ 587,308	\$ 553,557	\$ 611,963
Net Plant	\$ 841,550	\$ 1,021,427	\$ 841,550	\$ 783,143
Less:				
Advances	\$ 4,539	\$ 3,385	\$ 4,539	\$ 3,385
Contributions in Aid of Construction	\$ -	\$ -	\$ -	\$ -
Deferred Income Tax	\$ -	\$ -		
Plus:				
Unamortized Investment	\$ -	\$ -	\$ -	\$ -
Construction Work in Progress	\$ -	\$ -	\$ -	\$ -
Working Cash	\$ 38,838	\$ 41,850	\$ 38,473	\$ 42,238
Materials and Supplies	\$ 2,360	\$ 2,360	\$ 2,360	\$ 2,360
Rate Base	\$ 878,209	\$ 1,062,252	\$ 877,843	\$ 824,356
Rate of Margin	10.09%	26.88%	9.08%	12.11%

PROPOSED RESOLUTION

Resolution W-5309

February 26, 2026

WD

APPENDIX A

Cold Springs Water Company

Summary of Earnings

EY 2027

	Cold Springs Water System		Water Division	
	Present Rates	Requested Rates	TY 2026	EY 2027
Operating Revenues				
Metered Revenue	\$ 583,676	\$ 843,500	\$ 648,695	\$ 713,715
Flat Rates	\$ -	\$ -	\$ -	\$ -
Private Fire Protection	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 583,676	\$ 843,500	\$ 648,695	\$ 713,715
Operating Expenses				
610 Purchased Water	\$ -	\$ -	\$ -	\$ -
615 Purchased Power	\$ 33,429	\$ 33,388	\$ 33,388	\$ 33,388
618 Other Volume Related Expenses	\$ 18,258	\$ 16,017	\$ 16,017	\$ 16,017
630 Employee Labor	\$ 108,766	\$ 110,810	\$ 42,817	\$ 42,817
640 Materials	\$ 2,366	\$ 8,516	\$ 8,516	\$ 8,516
650 Contract Work	\$ 17,880	\$ 32,209	\$ 32,209	\$ 32,209
660 Transportation Expenses	\$ 20,769	\$ 36,581	\$ 25,793	\$ 25,793
664 Other Plant Maintenance	\$ 24,345	\$ 16,511	\$ 16,511	\$ 16,511
670 Office Salaries	\$ 77,513	\$ 71,341	\$ 71,341	\$ 71,341
671 Management Salaries	\$ 50,200	\$ 50,656	\$ 118,537	\$ 118,537
674 Employee Pensions and Benefits	\$ 39,196	\$ 44,645	\$ 44,645	\$ 44,645
676 Uncollectable Accounts	\$ -	\$ 2,000	\$ -	\$ -
678 Office Services and Rentals	\$ 16,518	\$ 19,811	\$ 19,811	\$ 19,811
681 Office Supplies and Expenses	\$ 20,828	\$ 19,629	\$ 19,629	\$ 19,629
682 Professional Services	\$ 9,790	\$ 12,191	\$ 12,191	\$ 12,191
684 Insurance	\$ 18,020	\$ 46,300	\$ 35,000	\$ 35,000
688 Regulatory Commission Expense	\$ 4,390	\$ 17,035	\$ 7,000	\$ 7,000
689 General Expenses	\$ 3,793	\$ 3,457	\$ 3,457	\$ 3,457
Expenses Subtotal	\$ 466,061	\$ 541,097	\$ 506,861	\$ 506,861
403 Depreciation	\$ 28,607	\$ 38,896	\$ 29,084	\$ 29,084
408 Taxes Other Than Income	\$ 30,127	\$ 36,741	\$ 34,166	\$ 34,166
409 State Income Taxes (S-Corp 1.5%)	\$ 4,698	\$ 800	\$ 1,179	\$ 2,154
410 Federal Income Taxes	\$ -	\$ -	\$ -	\$ -
Interest	\$ 3,251			
Tax Expenses	\$ 66,683	\$ 76,437	\$ 64,429	\$ 65,404
Net Revenue	\$ 50,932	\$ 225,966	\$ 77,405	\$ 141,449
Rate Base				
Average Plant	\$ 1,395,106	\$ 1,608,735	\$ 1,395,106	\$ 1,395,106
Average Accumulated Depreciation	\$ 553,557	\$ 611,963	\$ 611,963	\$ 641,047
Net Plant	\$ 841,550	\$ 996,772	\$ 783,143	\$ 754,059
Less:				
Advances	\$ 4,539	\$ 3,385	\$ 3,385	\$ 3,385
Contributions in Aid of Construction	\$ -	\$ -	\$ -	\$ -
Deferred Income Tax	\$ -	\$ -	\$ -	\$ -
Plus:				
Unamortized Investment	\$ -	\$ -	\$ -	\$ -
Construction Work in Progress	\$ -	\$ -	\$ -	\$ -
Working Cash	\$ 38,838	\$ 41,850	\$ 42,238	\$ 42,238
Materials and Supplies	\$ 2,360	\$ 2,360	\$ 2,360	\$ 2,360
Rate Base	\$ 878,209	\$ 1,037,597	\$ 824,356	\$ 795,272
Rate of Margin	10.09%	26.88%	12.11%	20.12%

PROPOSED RESOLUTION

Resolution W-5309

February 26, 2026

WD

APPENDIX A

Cold Springs Water Company

Summary of Earnings

EY 2028

	Cold Springs Water System		Water Division	
	Present Rates	Requested Rates	EY 2027	EY 2028
Operating Revenues				
Metered Revenue	\$ 583,676	\$ 843,500	\$ 713,715	\$ 778,734
Flat Rates	\$ -	\$ -	\$ -	\$ -
Private Fire Protection	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 583,676	\$ 843,500	\$ 713,715	\$ 778,734
Operating Expenses				
610 Purchased Water	\$ -	\$ -	\$ -	\$ -
615 Purchased Power	\$ 33,429	\$ 33,388	\$ 33,388	\$ 33,388
618 Other Volume Related Expenses	\$ 18,258	\$ 16,017	\$ 16,017	\$ 16,017
630 Employee Labor	\$ 108,766	\$ 110,810	\$ 42,817	\$ 42,817
640 Materials	\$ 2,366	\$ 8,516	\$ 8,516	\$ 8,516
650 Contract Work	\$ 17,880	\$ 32,209	\$ 32,209	\$ 32,209
660 Transportation Expenses	\$ 20,769	\$ 36,581	\$ 25,793	\$ 25,793
664 Other Plant Maintenance	\$ 24,345	\$ 16,511	\$ 16,511	\$ 16,511
670 Office Salaries	\$ 77,513	\$ 71,341	\$ 71,341	\$ 71,341
671 Management Salaries	\$ 50,200	\$ 50,656	\$ 118,537	\$ 118,537
674 Employee Pensions and Benefits	\$ 39,196	\$ 44,645	\$ 44,645	\$ 44,645
676 Uncollectable Accounts	\$ -	\$ 2,000	\$ -	\$ -
678 Office Services and Rentals	\$ 16,518	\$ 19,811	\$ 19,811	\$ 19,811
681 Office Supplies and Expenses	\$ 20,828	\$ 19,629	\$ 19,629	\$ 19,629
682 Professional Services	\$ 9,790	\$ 12,191	\$ 12,191	\$ 12,191
684 Insurance	\$ 18,020	\$ 46,300	\$ 35,000	\$ 35,000
688 Regulatory Commission Expense	\$ 4,390	\$ 17,035	\$ 7,000	\$ 7,000
689 General Expenses	\$ 3,793	\$ 3,457	\$ 3,457	\$ 3,457
Expenses Subtotal	\$ 466,061	\$ 541,097	\$ 506,861	\$ 506,861
403 Depreciation	\$ 28,607	\$ 38,896	\$ 29,084	\$ 29,084
408 Taxes Other Than Income	\$ 30,127	\$ 36,741	\$ 34,166	\$ 34,166
409 State Income Taxes (S-Corp 1.5%)	\$ 4,698	\$ 800	\$ 2,154	\$ 3,129
410 Federal Income Taxes	\$ -	\$ -	\$ -	\$ -
Interest	\$ 3,251			
Tax Expenses	\$ 66,683	\$ 76,437	\$ 65,404	\$ 66,380
Net Revenue	\$ 50,932	\$ 225,966	\$ 141,449	\$ 205,494
Rate Base				
Average Plant	\$ 1,395,106	\$ 1,608,735	\$ 1,395,106	\$ 1,395,106
Average Accumulated Depreciation	\$ 553,557	\$ 641,047	\$ 641,047	\$ 670,131
Net Plant	\$ 841,550	\$ 967,688	\$ 754,059	\$ 724,975
Less:				
Advances	\$ 4,539	\$ 3,385	\$ 3,385	\$ 3,385
Contributions in Aid of Construction	\$ -	\$ -	\$ -	\$ -
Deferred Income Tax	\$ -	\$ -	\$ -	\$ -
Plus:				
Unamortized Investment	\$ -	\$ -	\$ -	\$ -
Construction Work in Progress	\$ -	\$ -	\$ -	\$ -
Working Cash	\$ 38,838	\$ 45,091	\$ 42,238	\$ 42,238
Materials and Supplies	\$ 2,360	\$ 2,360	\$ 2,360	\$ 2,360
Rate Base	\$ 878,209	\$ 1,011,754	\$ 795,272	\$ 766,188
Rate of Margin	10.09%	26.88%	20.12%	26.79%

END OF APPENDIX A

PROPOSED RESOLUTION

Resolution W-5309

WD

February 26, 2026

APPENDIX B Cold Springs Water Company TY 2026

Schedule No. 1 (C)

GENERAL METERED SERVICE (C)

APPLICABILITY

Applicable to all metered service.

TERRITORY

Applicable to all services as shown in the Service Area Map

RATES

Quantity Rate: (C)

All water, per 100 cubic feet.....	\$13.35	(I)
------------------------------------	---------	-----

Monthly Service Charge:

Per Meter Monthly (C)

For 5/8 x 3/4-inch meter.....	\$82.99	(I)
For 3/4- inch meter	\$124.49	(I)
For 1-inch meter	\$207.49	(I)
For 1- 1/2inch meter	\$414.97	(I)
For 2-inch meter	\$663.95	(I)

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 rate.

PROPOSED RESOLUTION

Resolution W-5309
WD

February 26, 2026

APPENDIX B Cold Springs Water Company EY 2027

Schedule No. 1 (C)

GENERAL METERED SERVICE (C)

APPLICABILITY

Applicable to all metered service.

TERRITORY

Applicable to all services as shown in the Service Area Map

RATES

Quantity Rate: (C)

All water, per 100 cubic feet.....	\$14.24	(I)
------------------------------------	---------	-----

Monthly Service Charge: Per Meter Monthly (C)

For 5/8 x 3/4-inch meter.....	\$91.88	(I)
For 3/4- inch meter	\$137.82	(I)
For 1-inch meter	\$229.70	(I)
For 1- 1/2inch meter	\$459.41	(I)
For 2-inch meter	\$735.05	(I)

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 rate.

PROPOSED RESOLUTION

Resolution W-5309
WD

February 26, 2026

APPENDIX B Cold Springs Water Company EY 2028

Schedule No. 1 (C)

GENERAL METERED SERVICE (C)

APPLICABILITY

Applicable to all metered service.

TERRITORY

Applicable to all services as shown in the Service Area Map

RATES

Quantity Rate: (C)

All water, per 100 cubic feet.....	\$15.13	(I)
------------------------------------	---------	-----

Monthly Service Charge:

Per Meter Monthly (C)

For 5/8 x 3/4-inch meter.....	\$100.77	(I)
For 3/4- inch meter	\$151.15	(I)
For 1-inch meter	\$251.92	(I)
For 1- 1/2inch meter	\$503.84	(I)
For 2-inch meter	\$806.14	(I)

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 rate.

END OF APPENDIX B

PROPOSED RESOLUTION

Resolution W-5309
WD

February 26, 2026

APPENDIX C

Cold Springs Water Company

Comparison of Rates

TY 2026

Comparison of Rates						
<u>Metered:</u>		<u>Per Meter Per Monthly</u>				
		<u>Present</u>	<u>Recommended</u>		<u>Percent</u>	
		<u>Rates</u>	<u>Rates</u>		<u>Increase</u>	
Service Charge:						
	For 5/8 x 3/4-inch meters	\$ 73.44	\$ 82.99		13.01%	
	For 3/4-inch meters	\$ 110.15	\$ 124.49		13.02%	
	For 1-inch meters	\$ 183.59	\$ 207.49		13.02%	
	For 1-1/2 inch meters	\$ 367.18	\$ 414.97		13.02%	
	For 2-inch meters	\$ 587.49	\$ 663.95		13.02%	
Quantity Charge:						
	All use, per 100 cu. ft.	\$ 12.58	\$ 13.35		6.1%	

PROPOSED RESOLUTION

Resolution W-5309
WD

February 26, 2026

APPENDIX C Cold Springs Water Company Comparison of Rates EY 2027

Cold Springs Water Company Escalation Year 2027 Comparison of Rates					
<u>Metered:</u>		Per Meter Per Monthly			
		Present <u>Rates</u>	Recommended <u>Rates</u>	Percent <u>Increase</u>	
Service Charge:					
	For 5/8 x 3/4-inch meters	\$ 82.99	\$ 91.88	10.71%	
	For 3/4-inch meters	\$ 124.49	\$ 137.82	10.71%	
	For 1-inch meters	\$ 207.49	\$ 229.70	10.71%	
	For 1-1/2 inch meters	\$ 414.97	\$ 459.41	10.71%	
	For 2-inch meters	\$ 663.95	\$ 735.05	10.71%	
Quantity Charge:					
	All use, per 100 cu. ft.	\$ 13.35	\$ 14.24	6.7%	

A Monthly bill comparison for a customer with a 5/8 x 3/4-inch meter is shown below:

	Usage <u>Per 100 cu. ft.</u>	Present		Recommended		Amount		Percent		Annual		
		Present <u>Rates</u>		Recommended <u>Rates</u>		Amount <u>Amount</u>		Percent <u>Increase</u>		Annual <u>Total</u>		
		0	\$ 82.99	\$ 91.88	\$ 8.89	10.71%	\$ 1,102.57	1.5	\$ 103.01	\$ 113.24	\$ 10.23	9.93% \$ 1,358.85
Average	3	\$ 123.03		\$ 134.59	\$ 11.56	9.40%	\$ 1,615.13	4.5	\$ 143.05	\$ 155.95	\$ 12.90	9.02% \$ 1,871.41
	6	\$ 163.07		\$ 177.31	\$ 14.24	8.73%	\$ 2,127.69					

PROPOSED RESOLUTION

Resolution W-5309
WD

February 26, 2026

APPENDIX C Cold Springs Water Company Comparison of Rates EY 2028

Cold Springs Water Company Escalation Year 2028 Comparison of Rates						
<u>Metered:</u>		Per Meter Per Monthly				
		Present <u>Rates</u>	Recommended <u>Rates</u>	Percent <u>Increase</u>		
Service Charge:						
	For 5/8 x 3/4-inch meters	\$ 91.88	\$ 100.77		9.67%	
	For 3/4-inch meters	\$ 137.82	\$ 151.15		9.67%	
	For 1-inch meters	\$ 229.70	\$ 251.92		9.67%	
	For 1-1/2 inch meters	\$ 459.41	\$ 503.84		9.67%	
	For 2-inch meters	\$ 735.05	\$ 806.14		9.67%	
Quantity Charge:						
	All use, per 100 cu. ft.	\$ 14.24	\$ 15.13		6.3%	
A Monthly bill comparison for a customer with a 5/8 x 3/4-inch meter is shown below:						
Usage		Present Present	Recommended Recommended	Amount Amount	Percent Percent	Annual
Per 100 cu. ft.		<u>Rates</u>	<u>Rates</u>	<u>Increase</u>	<u>Increase</u>	<u>Total</u>
Average	0	\$ 91.88	\$ 100.77	\$ 8.89	9.67%	\$ 1,209.22
	1.5	\$ 113.24	\$ 123.46	\$ 10.23	9.03%	\$ 1,481.55
	3	\$ 134.59	\$ 146.16	\$ 11.56	8.59%	\$ 1,753.89
	4.5	\$ 155.95	\$ 168.85	\$ 12.90	8.27%	\$ 2,026.23
	6	\$ 177.31	\$ 191.55	\$ 14.24	8.03%	\$ 2,298.57

END OF APPENDIX C

PROPOSED RESOLUTION

Resolution W-5309
WD

February 26, 2026

APPENDIX D Cold Springs Water company Adopted Quantities TY 2026

1. Purchased Power (Electric):

Vendor:	Pacific Gas & Electric
Total Cost:	\$33,388

2. Service Connections:

Meter Size:

5/8 x 3/4-inch	535
3/4-inch	2
1-inch	1
1-1/2-inch	0
2-inch	0
Total:	538

3. Metered Water Sales (CCF): 8272

4. Tax Calculations

<u>Category</u>	<u>TY 2026</u>
Operating Revenues	\$648,695
Operating Expenses	\$506,861
Taxes Other than Income	\$34,166
Depreciation	\$29,084
Taxable Income for State	\$78,584
State Taxes (Corporate rate 1.50%)	\$1,179

PROPOSED RESOLUTION

Resolution W-5309
WD

February 26, 2026

APPENDIX D Cold Springs Water company Adopted Quantities EY 2027

1. Purchased Power (Electric):

Vendor:	Pacific Gas & Electric
Total Cost:	\$33,388

2. Service Connections:

Meter Size:

5/8 x 3/4-inch	535
3/4-inch	2
1-inch	1
1-1/2-inch	0
2-inch	0
Total:	538

3. Metered Water Sales (CCF): 8272

4. Tax Calculations

<u>Category</u>	<u>EY 2027</u>
Operating Revenues	\$713,715
Operating Expenses	\$506,861
Taxes Other than Income	\$34,166
Depreciation	\$29,084
Taxable Income for State	\$143,603
State Taxes (Corporate rate 1.50%)	\$2,154

PROPOSED RESOLUTION

Resolution W-5309
WD

February 26, 2026

APPENDIX D Cold Springs Water company Adopted Quantities EY 2028

1. Purchased Power (Electric):

Vendor:	Pacific Gas & Electric
Total Cost:	\$33,388

2. Service Connections:

<u>Meter Size:</u>	
5/8 x 3/4-inch	535
3/4-inch	2
1-inch	1
1-1/2-inch	0
2-inch	0
Total:	538

3. Metered Water Sales (CCF): 8272

4. Tax Calculations

<u>Category</u>	<u>EY 2028</u>
Operating Revenues	\$775,727
Operating Expenses	\$506,861
Taxes Other than Income	\$34,166
Depreciation	\$29,084
Taxable Income for State	\$208,623
State Taxes (Corporate rate 1.50%)	\$3,129

END OF APPENDIX D

PROPOSED RESOLUTION

Resolution W-5309
WD

February 26, 2026

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-5309 on all parties in these filings or their attorneys as shown on the attached lists.

Dated February 5, 2026, at San Francisco, California.

/s/ LEVI GOLDMAN

Levi Goldman

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.

PROPOSED RESOLUTION

Resolution W-5309
WD

February 26, 2026

COLD SPRINGS WATER COMPANY ADVICE LETTER 21-W SERVICE LIST

Del Oro Water Company
Attn: Bob Fortino
robert@corporatecenter.us

State Water Resources Control Board
Yosemite District Engineer
Dwpdist28@waterboards.ca.gov

Tuolumne Utilities District
Attn: Don Perkins
dperkins@tudwater.com