

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



April 10, 2026

Proposed Resolution W-5311

Agenda ID: 24128

To: All Interested Persons

Enclosed is Proposed Resolution W-5311 of the Water Division, which authorizes Sierra Water Resources an increase in gross annual revenues of \$103,238, or 72.47%, to be paid by the ratepayers. This increase is phased in over three years, producing an increase in gross annual revenues of \$55,060, or 38.65%, for TY 2026, \$27,530, or 13.94%, for EY 2027, and \$20,648, or 9.17% for EY 2028. Proposed Resolution W-5311 is scheduled to appear on the May 14, 2026, Commission Meeting Agenda (ID# 24128).

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-5311 via email to [Water.Division@cpuc.ca.gov](mailto:Water.Division@cpuc.ca.gov) on or before **April 30, 2026**. Please reference **"Proposed Resolution W-5311" 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, Third Floor  
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-5311."

/s/TERENCE SHIA

Terence Shia, Director  
Water Division

Enclosures: Proposed Resolution W-5311  
Certificate of Service

# PROPOSED RESOLUTION

Resolution W-5311  
WD

Agenda ID # 24128

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

WATER DIVISION

Agenda ID # 24128  
RESOLUTION W-5311  
May 14, 2026

### RESOLUTION

#### Resolution W-5311 Sierra Water Resources General Rate Case

##### PROPOSED OUTCOME:

- Grants Sierra Water Resources (SWR) a general rate increase of \$103,238, or 72.47%, estimated to provide a Rate of Margin (ROM) of 27.50%.
- This rate increase is phased-in over three years: Test Year (TY) 2026, Escalation Year (EY) 2027, and EY 2028.

##### SAFETY CONSIDERATIONS:

- Sierra Water Resources Water System has no major outstanding compliance issues with the State Water Resources Control Board, Division of Drinking Water (SWRCB DDW).

##### ESTIMATED COST:

- Producing an increase in gross annual revenues of \$55,060, or 38.65%, for TY 2026, \$27,530, or 13.94%, for EY 2027, and \$20,648, or 9.17% for EY 2028.

By Advice Letters 55-W, 55-W-A, and 55-W-B, Filed on August 6, 2025, January 22, 2026, and January 29, 2026, respectively.

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## SUMMARY

This Resolution grants Sierra Water Resources, Inc. (SWR) a general rate increase producing additional annual revenues of \$103,238, or 72.47%, estimated to provide a Rate of Margin (ROM) of 27.50%. This increase is to be phased over three years to reduce the impact on the ratepayers. The rate increase will be implemented to produce an increase in gross annual revenues of \$55,060, or 38.65%, for TY 2026, \$27,530, or 13.94%, for EY 2027, and \$20,648, or 9.17% for EY 2028.

## BACKGROUND

By Advice Letter (AL) 55-W filed on August 6, 2025, SWR requested an annual revenue increase of \$86,990, or 60.46%, based on a ROM of 27.50%. This request utilized recorded amounts in SWR's 2024 Annual Report (AR). Subsequently in reviewing AL 55-W, Water Division (WD) staff identified three entry errors in the 2024 AR. These errors were:

1. The purchase price of the utility was used for water plant-in-service instead of original plant values.
2. Omission of grant funded plant in service.
3. Omission of water diversion rights expense.

Consequently, these errors caused other errors in recorded amounts including:

1. An understated depreciation expense in the GRC filing AL 55-W.
2. A reduced revenue requirement calculation.
3. Exclusion of the contribution in aid of construction (CIAC) balance.
4. Inaccurate accumulated depreciation.
5. Inaccurate total utility plant and rate base.
6. Inaccurate rate of return (ROR) utilized in comparison to the ROM.

In order to correct these errors, SWR filed an amended 2024 AR on January 23, 2026. Using this amended report, SWR filed AL 55-W-A which used the corrected 2024 AR amounts and requested a revenue increase of \$101,800, or 70.5%, based on a ROM of 27.50%.

However, upon review of AL 55-W-A, WD staff identified an error in the number of customer service connections. This error resulted in an overstated requested revenue requirement and an understated rate impact. When informed of this error, SWR filed

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supplemental AL 55-W-B on January 29, 2026, requesting an annual revenue increase of \$103,238, or 72.47%, based on a ROM of 27.50% for Test Year 2026.

SWR's last general rate increase became effective June 24, 2021, pursuant to Resolution (Res.) W-5236.<sup>1</sup> The Commission authorized an increase of \$28,003, or 27.42%, for Test Year (TY) 2021, and \$16,493, or 12.67%, for Escalation Year (EY) 2022, based on an authorized ROM of 23.65%. SWR's present rates became effective on April 7, 2025, with the approval of AL No. 54-W, which authorized a Consumer Price Index (CPI) increase of \$4,638 or 2.9%.<sup>2</sup>

SWR is a Class D investor-owned water utility with 127 active metered service connections. SWR, formerly known as RR Lewis Small Water Company, was acquired by SWR on January 25, 2024.<sup>3</sup> SWR is managed by Precision Utility Management Services (PUMS), a California Limited Liability Company, effective February 1, 2024, and continuing until February 2, 2028.<sup>4</sup> SWR's service territory is located northeast of Sierra City, north of the North Yuba River and adjacent to Highway 49 in Sierra County. The median household income (MHI) for Sierra City, California is \$92,543.<sup>5</sup>

SWR's source of supply for the water distribution system is the Anderson Spring and the Wixson Spring. SWR's water system has five active water storage tanks with a total storage capacity of 55,000 gallons. The distribution system is gravity fed by the Anderson Spring and Wixson Spring. The Anderson Spring serves the entire distribution system with a capacity of 133 gallons per minute (GPM). The Wixson Spring does not currently supply water to the water system but is readily available for backup supply with a capacity of 65 GPM.<sup>6</sup> SWR's current maximum day demand (MDD) is 79 GPM.

## NOTICE

In accordance with Section 4 of General Order 96-B, SWR served a copy of AL 55-W to its service list on August 6, 2025, and a copy of the Public Hearing notice on August 22, 2025. SWR served a copy of the supplemental AL 55-W-A on January 22, 2026, to the

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<sup>1</sup> [387922193.PDF](#)

<sup>2</sup> 2024 CPI-U Memo, February 3, 2025

<sup>3</sup> Resolution W-5270 – RR Lewis Sale and Transfer to Sierra Water Resources, Inc. January 25, 2024.

<sup>4</sup> Contract Agreement for Consulting \ Management Services between Precision Utility Management Services and Sierra Water Resources, Inc.

<sup>5</sup> [Sierra City CDP, California - Census Bureau Profile](#)

<sup>6</sup> Sanitary Survey 2025 PWS# 4600017 – State Water Resources Control Board Division of Drinking Water

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service list and notice for the proposed rate increase January 23, 2026. SWR served supplemental AL 55-W-B to the service list on January 29, 2026.

## PROTESTS

Sixteen protests were received by WD regarding SWR's AL 55-W, eleven protests were received in response to AL 55-W-A, and no protests were received for AL 55-W-B. Protests for AL 55-W-A shared similar sentiments to the protests submitted for AL 55-W. The protests raised concerns regarding the following:

Ratepayers raised concerns about notice, the basis and magnitude of the proposed rate increase, service quality, and SWR's financial and operational practices. Several ratepayers stated they did not timely receive AL 55-W or the Public Hearing Notice, and some reported that the local Postmaster allegedly rejected SWR mail for lack of postage. Ratepayers questioned the operating expenses driving the increase, the appropriate rate of return for a Class D utility, the resulting profit margin, and whether the then proposed 60.46% increase requested in AL 55-W is proportionate to the cost of service or too close in time to the prior general rate case (GRC) increase in rates.

Ratepayers also cited service-quality issues, including meters obstructed by pine needles or unreadable during winter months, and asserted that proposed rates exceed average California water bills. Additional concerns included whether SWR explored alternative funding sources, whether improvements were properly approved, and the adequacy of supporting documentation such as contracts, workpapers, and audited financial data. Ratepayers asked how long the increase would remain in effect, expressed concern about the financial burden, and questioned the public benefit of the increase. Some ratepayers also argued that SWR was not required to purchase the RR Lewis Small Water Company and should have anticipated infrastructure costs rather than shifting those costs to ratepayers.

SWR responded to all protests submitted, including those submitted on time and those submitted late, in a timely manner. SWR provided clarification to address the concerns expressed in the protests stating: 1) that it is in compliance with regulatory requirements for notices and having proper postage and 2) the increase in cost of service is to address deferred maintenance to improve the system's reliability and efficiency, cost of leak repairs, and increased regulatory requirements from the State Water Resources Control Board's Division of Drinking Water including increased contract work for water sampling and testing and added requirements for cross-

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connection control compliance and per-and polyfluoroalkly substances (PFAS) testing . SWR states that the rate increase is attributed to the increased operating expenses which are needed to operate a water company in a professional and compliant manner to deliver reliable water service.

The Water Division's GRC review includes an examination of all SWR's requested expenses including professional services, contract work, office salaries, and office services that constitute a majority of the requested annual revenue increase since RR Lewis Small Water Company's last GRC in 2021.

## **Site Visit**

WD staff, with the assistance of the owner and plant operator of SWR, inspected the water system on September 25, 2025. During the visit, SWR demonstrated to WD staff where the water source from Anderson Spring connects to the water system that currently provides all the domestic water. SWR also demonstrated where a leak to the fire suppression system was fixed. WD staff observed the chlorination plant filtering domestic water and inspected five storage tanks for the Anderson Spring water source. Staff also noted that the Wixson Spring water source serves as a contingency to the Anderson Spring water source and has its own chlorination system. Wixson Spring is currently not in use. Overall, WD staff finds that SWR's water system operates adequately.

## **Public Hearing**

An informal public participation meeting was held September 25, 2025, at the Sierra City Community Hall, located in Sierra City, CA. The meeting started at 5:15 PM and ended at approximately 7:20 PM. WD staff recorded 50 customer sign-ins and provided attendees with an opportunity to be added to the service list. WD staff provided an overview of the Commission's GRC process for Class B, C, and D water utilities,<sup>7</sup> and SWR provided an overview of its rate increase request and explained the reasons for the proposed rate increase.

Attending ratepayers raised the same issues noted above in the Protest Section. SWR

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<sup>7</sup> As defined in General order 96-B Water Industry Rules Section 1.2., Class B, C, and D investor-owned water utilities serve 2,001 through 10,000, 501 through 2,000, and less than 500 service connections, respectively

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and WD staff responded to the attending ratepayers' questions.

## DISCUSSION

WD made an independent analysis of SWR's rate increase request. Appendix A provides SWR's and WD's estimated Summary of Earnings (SOE) at present, requested, and recommended rates.

As mentioned above, WD reviewed AL 55-W and identified errors that resulted in an inaccurate revenue requirement calculation. SWR was informed of the differing views in total plant-in-service, depreciation expense, and revenue requirement. SWR filed supplemental AL 55-W-A to correct the errors identified and amend the 2024 annual report.

WD reviewed AL 55-W-A and identified an error in the number of customer service connections used for rate design. This error resulted in an overstated requested revenue requirement and an understated rate impact. SWR filed supplemental AL 55-W-B to correct this error.

SWR filed supplemental AL 55-W-B on January 29, 2026, requesting an annual revenue increase of \$103,238, or 72.47%, based on a ROM of 27.50% for Test Year 2026. SWR requested the rate increase be implemented over a period of three years; TY 2026, EY 2027, and EY 2028 to mitigate the rate impact on SWR's customers.

## Operating Expenses

WD verified SWR's operating expense estimates for TY 2026 by reviewing supporting documents for substantiation and accuracy. SWR based the 2025 operating expenses on actual expenses and estimated expenses by applying a CPI escalation factor of 2.9% to the 2024 operating expenses due to change in ownership. WD included the amounts that were deemed reasonable and prudent for the following operating expenses: purchase power, other volume related expenses, materials, contract work, transportation, other plant maintenance, office salaries, management salaries, employee

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pensions and benefits, office services and rentals, office supplies and expenses, professional services, insurance, regulatory compliance expense, general expenses, and taxes other than income.

WD reviewed the amended 2024 annual report and verified the utilities revised, requested expenses in AL 55-W-B to correct errors and omissions identified by WD. After reviewing AL 55-W-B, WD finds that SWR's requested TY 2026 expenses in AL 55-W-B are consistent with WD's expense estimates that were deemed reasonable and prudent shown in Appendix A.

## Utility Plant and Rate Base

For TY 2026, WD's analysis of SWR's rate base estimate included examining utility plant-in-service, utility plant additions, materials and supplies, working cash, depreciation reserve, and contributions in aid of construction (CIAC). Since SWR's last GRC, SWR incorporated the proposed adjustments recommended in the Utility Audits Branch (UAB) financial review report<sup>8</sup> of its 2022 annual report for plant-in-service, misstatements in CIAC balances, and omitted grant fund contributions. WD identified errors in the 2024 annual report when examining the plant-in-service entries that impacted the requested rates in AL 55-W. These errors included: 1) the omission of the original plant-in-service values, 2) reporting the purchase price of the utility as new plant-in-service values resulting in an understated depreciation expense thereby impacting the requested operating revenue in AL 55-W, and 3) omission of grant funded plant-in-service. Since ROM was determined to yield the greater revenue requirement (see below), the omission of grant funds does not directly impact WD's recommendation, however, it does affect the CIAC balance and understates the accumulated depreciation, total utility plant, rate base, and the rate of return (ROR) calculation used as a comparison to the ROM calculation. The grant funding received from the California Department of Public Health (CDPH) was used for the construction of the chlorination house completed in 2013. UAB found that the grant funding was not reported by RR Lewis, therefore it was corrected in the 2022 Annual Report to include the cost of the treatment plant. WD advised SWR to amend the 2024 annual report to correct the plant-in-service entries. SWR agreed and submitted an amended 2024 Annual Report on January 23, 2026. WD's rate base estimates for TY 2026, EY 2027, and EY 2028 are provided in Appendix A of this resolution.

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<sup>8</sup> UAB Review of Financial Statements of R.R Lewis Small Water Company 2022 Annual Report, February 15, 2024.

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## Working Cash

SWR and WD determined working cash by taking the total operating expenses and dividing that amount by twelve (12), per Standard Practice U-16-W<sup>9</sup> for Class D Water Companies. Since SWR's requested operating expenses is consistent with WD's recommended total operating expenses, SWR's working cash estimate of \$12,616 is consistent with WD's working cash estimate.

## Depreciation

According to the latest Commission's Utility Audit Branch (UAB) financial review report, SWR computes depreciation on a straight-line rate of 3.18%, which falls within the industry average of 2 percent to 3.5 percent.<sup>10</sup> SWR's depreciable plant is comprised of 8 items; Account 304 - Structure, Account 320 - Water Treatment Plant, Account 330 - Reservoirs, Tanks, and Standpipe, Account 331 - Water Mains, Account 333 - Service and Meter Installations, Account 334 - Meters, Account 335 - Hydrants, and Account 339 - Other Equipment.

As discussed above, SWR calculated an understated depreciation expense of \$9,073, using a composite depreciation rate of 4% for TY 2025, that was based on an incorrect plant-in-service schedule submitted in AL 55-W. SWR corrected the plant-in-service entries and depreciation expense in AL 55-W-A, and remained the same in AL 55-W-B.

SWR used a composite 3.25% depreciation rate to calculate a depreciation expense of \$21,283 for TY 2026. WD also used a 3.25% composite depreciation rate to calculate a depreciation expense of \$21,283. A depreciation rate of 3.25% was used instead of the 3.18% as indicated in the financial review report to account for the adjustments made to the plant-in-service. WD's depreciation study is based on using the latest amended 2022 annual report<sup>11</sup> as the basis of a depreciation study. WD's recommended depreciation expense is \$21,283. SWR's request in AL 55-W-B aligns with WD's recommended depreciation expense.

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<sup>9</sup> More information on working cash calculation can be found on:

<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M055/K059/55059235.PDF>

<sup>10</sup> Utility Audit Branch (UAB) Financial Review Report of R.R Lewis Small Water Company, Page 13.

<sup>11</sup> UAB reviewed SWR, formerly RR Lewis, financial statements in the 2022 annual report.

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

Commission Decision, D.92-03-093, effective April 30, 1992, directed WD to utilize both the Rate of Return (ROR) and Rate of Margin (ROM) methods of ratemaking for Class C and Class D<sup>12</sup> water utilities requesting new rates and to recommend the ratemaking method that produces the higher revenue requirement.<sup>13</sup> WD's current recommended ROM for Class D water utilities is 27.50% and the current recommended ROR for Class D water utilities is 12.80% to 14.30%. WD used an ROR of 12.8% as the basis of comparison to the ROM's estimate.<sup>14</sup>

In this GRC, WD determined that the ROM method produced the higher revenue requirement. WD calculated a revenue requirement of \$245,691 that results in an increase of \$103,238, or 72.74%. In comparison, WD calculated that the ROR method would result in a rate increase of \$59,962 at 12.80% with a recommended revenue requirement of \$199,816. Therefore, WD recommends that the ROM method be used for SWR's TY 2026 GRC.

In accordance with D.14-11-033 and the 2025 WD memorandum regarding ROR and ROM,<sup>15</sup> WD recommends an operating revenue of \$245,691, yielding a ROM of 27.50%, for this GRC and for the rates to be phased in over three years to mitigate the rate impact on SWR customers.

## Rates and Rate Design

SWR's rate structure consists of two rate schedules: Schedule No. 1 – General Metered Service and Schedule No. 2R – Residential Flat Rate Service. At the recommended ROM, the increase in revenues for TY 2026 will be approximately \$55,060, or 38.65%, above current revenues, the increase in revenues for EY 2027 will be approximately \$27,530, or 13.94%, above TY 2026 revenues, and the increase in revenues for EY 2028 will be approximately \$20,648, or 9.17%, above TY 2027 revenues. The rates proposed by the

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<sup>12</sup> 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.

<sup>13</sup> See Ordering Paragraph 8, D.92-03-093.

<sup>14</sup> Division of Water and Audits' 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/rorandrom-classcd2025.pdf>

<sup>15</sup> March 12, 2025 Memorandum, "Rates of Return and Rates of Margin for Class C and D Water and Sewer Utilities."

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WD are shown in Appendix B.

For the rate design of water rates, D.92-03-093 allows Class D water utilities to recover up to 100% of fixed costs through service charge revenues.<sup>16</sup> The challenge for SWR's rate design is to balance the interest of full-time and part-time customers. Recovering more of the fixed costs through the service charge benefits full-time customers since the resulting increase to the quantity rate is reduced, thereby lowering the overall bill increase for 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 since they would not be paying the increased quantity rate on a year-round basis. This results in lower bills for part-time customers due to a lower service charge. Recovering a greater portion of costs through the quantity rate also provides a conservation incentive.

For customers who are metered, WD concurs with SWR's allocation of 90% of the net fixed costs to be recovered in the service charge. In its last GRC, SWR was authorized to recover 80% of fixed costs in the service charge and 20% was recovered in the commodity charge.<sup>17</sup> The primary factor for the differences between the last GRC allocation of 80% of net fixed costs for TY 2021 and EY 2022 and the recommended allocation of 90% for the net fixed costs for TY 2026, EY 2027, and EY 2028 is the change in the average annual water sales. The last GRC used a three-year annual water sales average of 14,243 CCF in the rate design. SWR used actual water sales of 6,121 CCF during the period July 2024 and June 2025 to calculate the requested quantity rate. Given the significant decrease in recent water sales compared to the last GRC, WD recommends 90% of the fixed costs to be recovered in the service charge for TY 2026, EY 2027, and EY 2028. This change provides a greater expectation that SWR will achieve its revenue requirement in TY 2026, EY 2027 and EY 2028.

At the recommended rates shown in Appendix B, the monthly bill for an average metered residential customer with a 5/8 x 3/4-inch size meter with an average monthly water use of 4.02 hundred cubic feet (CCF), will increase from \$89.88 to \$125.39, or 39.51% for TY 2026, and from \$125.39 to \$143.15, or 14.16% for EY 2027, and from \$143.15 to \$156.51, or 9.34% for TY 2028. A comparison of customer bills at present and recommended rates is provided in Appendix C of this resolution.

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<sup>16</sup> D92-03-093 Page 50 – Conclusions of Law, Paragraph 8

<sup>17</sup> SWR's last GRC, Res. W-5236, was granted on June 24, 2021.

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## Affordability of Proposed Rates

As discussed above, at the recommended rates, a *monthly* water bill for a 5/8 x 3/4 -inch meter connection with an average water usage of 4.02 CCF will increase from \$89.88 to \$125.39, or 39.51%, for TY 2026. This rate increase results in a monthly water bill that is 1.63% of the 2023 median household income (MHI) of \$92,543 on an annual basis for Sierra City, California where SWR's service area is located.<sup>18</sup>

At the recommended rates, a *monthly* water bill for a 5/8 x 3/4 -inch meter connection with an average water usage of 4.02 CCF will increase from \$125.39 to \$143.15, or 14.16%, for EY 2027. This rate increase results in a monthly water bill that is 1.86% of the 2023 MHI for Sierra City, California.

At the recommended rates, a *monthly* water bill for a 5/8 x 3/4 -inch meter connection with an average water usage of 4.02 CCF will increase from \$143.15 to \$156.51, or 9.34%, for EY 2028. This rate increase results in a monthly water bill that is 2.03% of the 2023 MHI for Sierra City, California.

It should be noted that no affordability criteria have been developed and adopted in any Commission Decision or legislation. However, the Commission adheres to cost-of-service regulatory principles in developing rates for its jurisdictional utilities, and WD's recommended rates for SWC are at the minimum required to satisfy the utility's technical, managerial and financial capacity, and operational capability.

## 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 its broad regulatory authority to advance equity throughout the state. With this Resolution, the Commission addresses Goal #1 of the ESJ Action Plan, "Consistently integrate equity and access

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<sup>18</sup> [Sierra City CDP, California - Census Bureau Profile](#)

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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),<sup>19</sup> 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 Sierra City in the 33<sup>rd</sup> percentile of the highest scoring census tracts statewide. Accordingly, SWR’s service area is not a DAC.<sup>20</sup> Given WD’s review of these current definitions and considerations, the proposed rate increase for SWR is expected to provide improvements for the existing water service conditions within SWR’s service area.

## **COMPLIANCE**

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, as discussed below.

### **Division of Drinking Water (DDW) Sanitary Survey Report**

DDW inspected SWR’s domestic water system on April 24, 2025. On September 11, 2025, WD inquired whether SWR resolved the 8 deficiencies noted in the 2025 DDW Sanitary Survey. SWR indicated it addressed 7 of the 8 identified deficiencies. The remaining deficiency pertains to the need to utilize a concrete patch repair kit in areas of significant spalling on concrete tanks. SWR committed to completing this corrective action in January 2026, but due to weather conditions, it has been rescheduled to be completed by the end of March 2026. Accordingly, WD finds that SWR is complying with DDW’s applicable water quality standards and regulations for safe drinking water.

### **UAB Financial Review**

WD reviewed SWR’s compliance with the financial review conducted by the

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<sup>19</sup> <https://oehha.ca.gov/calenviroscreen>.

<sup>20</sup> SB 535 from OHHEA indicates that an area is considered a DAC if they are in the highest 25 percentile, i.e., 75 percentile to 100 percentile.

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Commission's UAB. The most recent UAB financial review was conducted on Financial Statements on February 15, 2024, for the year ending on December 31, 2022. UAB identified 14 recommendations regarding noncompliance with the Uniform System of Account requirements. SWR implemented 13 of 14 of UAB's recommendations. SWR is unable to address one of UAB's recommendations due to missing files from the previous owner. The unaddressed UAB recommendation does not impact WD's analysis, recommendation, and reliance on previously filed annual reports for this GRC.

## User Fees

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

## Annual Reports

SWR files its annual reports on time as required by the Commission.

SWR submitted an amended 2024 Annual Report on January 23, 2026, to correct errors identified by WD during its review of AL 55-W for plant-in-service, accumulated depreciation, depreciation expense, and CIAC balances. The amended and corrected amounts were used in WD's calculations discussed above.

## UTILITY SAFETY

Safety for water utilities consider several 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, SWR currently complies with State Water Resource Control Board DDW's applicable water quality standards for safe drinking water.

## COMMENTS

Public Utilities Code section 311(g)(1) provides that this Resolution must be served on all parties and subject to at least 30 days public review. Any comments are due within 20 days of the date of its mailing and publication on the Commission's website and in

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accordance with any instructions accompanying the notice. Section 311(g)(2) provides that this 30-day review period and 20-day comment period may be reduced or waived upon the stipulation of all parties in the proceeding.

The 30-day review and 20-day comment period for the draft of this resolution was neither waived nor reduced. Accordingly, this draft resolution was mailed to parties for comments and will be placed on the Commission's agenda no earlier than 30 days from today.

## FINDINGS AND CONCLUSIONS

1. By Advice Letter (AL) 55-W-B, submitted January 29, 2026, SWR requests to increase its rates for water service to recover increased operating expenses and earn an adequate return on margin over current rates.
2. SWR is a Class D investor-owned water utility with 127 service connections in a service territory located in an area northeast of Sierra City, north of the North Yuba River and adjacent to Highway 49 in Sierra County.
3. SWR has filed an amended 2024 annual report on January 23, 2026, to correct errors identified in the plant-in-service entries, depreciation expense, and CIAC balance.
4. The Summaries of Earnings (Appendix A) recommended by the Water Division (WD) are reasonable and should be adopted.
5. The rates recommended by WD (Appendix B) are reasonable and should be adopted.
6. The quantities (Appendix D) used to develop WD's recommendations are reasonable and should be adopted.
7. The water rate increase authorized herein is justified and the resulting rates are just and reasonable.
8. SWR should be authorized to file a supplement to Advice Letter No. 55-W-B to incorporate the revised rate schedules (Appendix B) for TY 2026 effective May

## PROPOSED RESOLUTION

Resolution W-5311  
WD

May 14, 2026

20, 2026, and to concurrently cancel its presently effective rate schedules.

9. SWR should be authorized to file a Tier 1 Advice Letter, thirty (30) days before the effective date of May 20, 2027, to implement the revised rates attached to this Resolution as Appendix B for EY 2027.
10. SWR should be authorized to file a Tier 1 Advice Letter, 30 days before the effective date of May 20, 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 Sierra Water Resources to file a supplement to Advice Letter 55-W-B to incorporate the rate schedules for TY 2026 attached to this Resolution as Appendix B and concurrently cancel its presently effective rate schedules. The effective date of the revised schedules shall be May 20, 2026.
2. Sierra Water Resources 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 schedules. The effective date of the revised schedules shall be May 20, 2027.
3. Sierra Water Resources 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 effective rate schedules. The effective date of the revised schedules shall be May 20, 2028.

# PROPOSED RESOLUTION

Resolution W-5311  
WD

May 14, 2026

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 on May 14, 2026; the following Commissioners voting favorably thereon:

# PROPOSED RESOLUTION

Resolution W-5311  
WD

May 14, 2026

## APPENDIX A Sierra Water Resources Summary of Earnings Test Year 2026

	Sierra Water Resources, Inc.		Water Division		
	Present Rates	Requested Rates	Present Rates	Requested Rates	Recommended Rates
<b>Operating Revenues</b>					
General Metered Sales	\$ 139,853	\$ 243,091	\$ 139,853	\$ 243,091	\$ 194,913
Public Fire Protection	\$ -	\$ -	\$ -	\$ -	\$ -
Other Revenues	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600
<b>Total Revenue</b>	<b>\$ 142,453</b>	<b>\$ 245,691</b>	<b>\$ 142,453</b>	<b>\$ 245,691</b>	<b>\$ 197,513</b>
<b>Operating Expenses</b>					
610 Purchased Water	\$ -	\$ -	\$ -	\$ -	\$ -
615 Purchased Power	\$ 763	\$ 763	\$ 763	\$ 763	\$ 763
618 Other Volume Related Expenses	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600
630 Employee Labor	\$ -	\$ -	\$ -	\$ -	\$ -
640 Materials	\$ 4,294	\$ 4,294	\$ 4,294	\$ 4,294	\$ 4,294
650 Contract Work	\$ 29,710	\$ 29,710	\$ 29,710	\$ 29,710	\$ 29,710
660 Transportation Expenses	\$ 7,150	\$ 7,150	\$ 7,150	\$ 7,150	\$ 7,150
664 Other Plant Maintenance	\$ 2,109	\$ 2,109	\$ 2,109	\$ 2,109	\$ 2,109
670 Office Salaries	\$ 11,525	\$ 11,525	\$ 11,525	\$ 11,525	\$ 11,525
671 Management Salaries	\$ 16,800	\$ 16,800	\$ 16,800	\$ 16,800	\$ 16,800
674 Employee Pensions and Benefits	\$ 10,684	\$ 10,684	\$ 10,684	\$ 10,684	\$ 10,684
676 Uncollectable Accounts	\$ -	\$ -	\$ -	\$ -	\$ -
678 Office Services and Rentals	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000
681 Office Supplies and Expenses	\$ 1,245	\$ 1,245	\$ 1,245	\$ 1,245	\$ 1,245
682 Professional Services	\$ 39,500	\$ 39,500	\$ 39,500	\$ 39,500	\$ 39,500
684 Insurance	\$ 8,244	\$ 8,244	\$ 8,244	\$ 8,244	\$ 8,244
688 Regulatory Compliance Expense	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
689 General Expenses	\$ 2,763	\$ 2,763	\$ 2,764	\$ 2,763	\$ 2,764
Capitalized Non-Payroll Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal</b>	<b>\$ 151,387</b>	<b>\$ 151,387</b>	<b>\$ 151,387</b>	<b>\$ 151,387</b>	<b>\$ 151,387</b>
403 Depreciation	\$ 21,283	\$ 21,283	\$ 21,283	\$ 21,283	\$ 21,283
408 Taxes Other Than Income	\$ 5,451	\$ 5,451	\$ 5,451	\$ 5,451	\$ 5,451
409 State Income Taxes	\$ 800	\$ 5,973	\$ 800	\$ 5,973	\$ 1,714
410 Federal Income Taxes	\$ -	\$ 12,935	\$ -	\$ 12,935	\$ 3,712
<b>Total Operating Revenue Deductions</b>	<b>\$ 27,534</b>	<b>\$ 45,642</b>	<b>\$ 27,534</b>	<b>\$ 45,643</b>	<b>\$ 32,161</b>
<b>Net Revenue</b>	<b>\$ (36,468)</b>	<b>\$ 48,662</b>	<b>\$ (36,468)</b>	<b>\$ 48,661</b>	<b>\$ 13,965</b>
<b>Rate Base</b>					
Average Plant	\$ 963,019	\$ 963,019	\$ 963,015	\$ 963,019	\$ 963,015
Average Accumulated Depreciation	\$ 628,989	\$ 628,989	\$ 628,990	\$ 628,989	\$ 628,990
<b>Net Plant</b>	<b>\$ 334,030</b>	<b>\$ 334,030</b>	<b>\$ 334,025</b>	<b>\$ 334,030</b>	<b>\$ 334,025</b>
<b>Less:</b>					
Advances	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in Aid of Construction	\$ 219,551	\$ 219,551	\$ 219,551	\$ 219,551	\$ 219,551
Deferred Income Tax	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Plus:</b>					
Unamortized Investment	\$ -	\$ -	\$ -	\$ -	\$ -
Construction Work in Progress	\$ -	\$ -	\$ -	\$ -	\$ -
Working Cash	\$ 12,616	\$ 12,616	\$ 12,616	\$ 12,616	\$ 12,616
Materials and Supplies	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Rate Base</b>	<b>\$ 127,095</b>	<b>\$ 127,095</b>	<b>\$ 127,089</b>	<b>\$ 127,095</b>	<b>\$ 127,089</b>
<b>Rate of Return (ROR)</b>	-28.69%	38.29%	-28.69%	38.29%	10.99%
<b>Rate of Margin (ROM)</b>	-25.04%	27.50%	-25.04%	27.50%	9.82%

# PROPOSED RESOLUTION

Resolution W-5311  
WD

May 14, 2026

## APPENDIX A Sierra Water Resources Summary of Earnings Escalation Year 2027

	Sierra Water Resources, Inc.		Water Division		
	Present Rates	Requested Rates	TY 2026 Rates	Requested Rates	Recommended Rates
<b>Operating Revenues</b>					
General Metered Sales	\$ 139,853	\$ 243,091	\$ 194,913	\$ 243,091	\$ 222,443
Public Fire Protection	\$ -	\$ -	\$ -	\$ -	\$ -
Other Revenues	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600
<b>Total Revenue</b>	<b>\$ 142,453</b>	<b>\$ 245,691</b>	<b>\$ 197,513</b>	<b>\$ 245,691</b>	<b>\$ 225,043</b>
<b>Operating Expenses</b>					
610 Purchased Water	\$ -	\$ -	\$ -	\$ -	\$ -
615 Purchased Power	\$ 763	\$ 763	\$ 763	\$ 763	\$ 763
618 Other Volume Related Expenses	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600
630 Employee Labor	\$ -	\$ -	\$ -	\$ -	\$ -
640 Materials	\$ 4,294	\$ 4,294	\$ 4,294	\$ 4,294	\$ 4,294
650 Contract Work	\$ 29,710	\$ 29,710	\$ 29,710	\$ 29,710	\$ 29,710
660 Transportation Expenses	\$ 7,150	\$ 7,150	\$ 7,150	\$ 7,150	\$ 7,150
664 Other Plant Maintenance	\$ 2,109	\$ 2,109	\$ 2,109	\$ 2,109	\$ 2,109
670 Office Salaries	\$ 11,525	\$ 11,525	\$ 11,525	\$ 11,525	\$ 11,525
671 Management Salaries	\$ 16,800	\$ 16,800	\$ 16,800	\$ 16,800	\$ 16,800
674 Employee Pensions and Benefits	\$ 10,684	\$ 10,684	\$ 10,684	\$ 10,684	\$ 10,684
676 Uncollectable Accounts	\$ -	\$ -	\$ -	\$ -	\$ -
678 Office Services and Rentals	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000
681 Office Supplies and Expenses	\$ 1,245	\$ 1,245	\$ 1,245	\$ 1,245	\$ 1,245
682 Professional Services	\$ 39,500	\$ 39,500	\$ 39,500	\$ 39,500	\$ 39,500
684 Insurance	\$ 8,244	\$ 8,244	\$ 8,244	\$ 8,244	\$ 8,244
688 Regulatory Compliance Expense	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
689 General Expenses	\$ 2,763	\$ 2,763	\$ 2,764	\$ 2,763	\$ 2,764
Capitalized Non-Payroll Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal</b>	<b>\$ 151,387</b>	<b>\$ 151,387</b>	<b>\$ 151,387</b>	<b>\$ 151,387</b>	<b>\$ 151,387</b>
403 Depreciation	\$ 21,283	\$ 21,283	\$ 21,283	\$ 21,283	\$ 21,283
408 Taxes Other Than Income	\$ 5,451	\$ 5,451	\$ 5,451	\$ 5,451	\$ 5,451
409 State Income Taxes	\$ 800	\$ 5,973	\$ 1,714	\$ 5,973	\$ 4,148
410 Federal Income Taxes	\$ -	\$ 12,935	\$ 3,712	\$ 12,935	\$ 8,983
<b>Total Operating Revenue Deductions</b>	<b>\$ 27,534</b>	<b>\$ 45,642</b>	<b>\$ 32,161</b>	<b>\$ 45,643</b>	<b>\$ 39,865</b>
<b>Net Revenue</b>	<b>\$ (36,468)</b>	<b>\$ 48,662</b>	<b>\$ 13,965</b>	<b>\$ 48,661</b>	<b>\$ 33,791</b>
<b>Rate Base</b>					
Average Plant	\$ 963,019	\$ 963,019	\$ 963,015	\$ 963,019	\$ 963,015
Average Accumulated Depreciation	\$ 628,989	\$ 628,989	\$ 628,990	\$ 628,989	\$ 657,978
<b>Net Plant</b>	<b>\$ 334,030</b>	<b>\$ 334,030</b>	<b>\$ 334,025</b>	<b>\$ 334,030</b>	<b>\$ 305,037</b>
<b>Less:</b>					
Advances	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in Aid of Construction	\$ 219,551	\$ 219,551	\$ 219,551	\$ 219,551	\$ 211,847
Deferred Income Tax	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Plus:</b>					
Unamortized Investment	\$ -	\$ -	\$ -	\$ -	\$ -
Construction Work in Progress	\$ -	\$ -	\$ -	\$ -	\$ -
Working Cash	\$ 12,616	\$ 12,616	\$ 12,616	\$ 12,616	\$ 12,616
Materials and Supplies	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Rate Base</b>	<b>\$ 127,095</b>	<b>\$ 127,095</b>	<b>\$ 127,089</b>	<b>\$ 127,095</b>	<b>\$ 105,806</b>
<b>Rate of Return (ROR)</b>	-28.69%	38.29%	10.99%	38.29%	31.94%
<b>Rate of Margin (ROM)</b>	-25.04%	27.50%	9.82%	27.50%	20.85%

# PROPOSED RESOLUTION

Resolution W-5311  
WD

May 14, 2026

## APPENDIX A Sierra Water Resources Summary of Earnings Escalation Year 2028

	Sierra Water Resources, Inc.		Water Division		
	Present Rates	Requested Rates	EY 2027 Rates	Requested Rates	Recommended Rates
<b>Operating Revenues</b>					
General Metered Sales	\$ 139,853	\$ 243,091	\$ 222,443	\$ 243,091	\$ 243,091
Public Fire Protection	\$ -	\$ -	\$ -	\$ -	\$ -
Other Revenues	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600
<b>Total Revenue</b>	<b>\$ 142,453</b>	<b>\$ 245,691</b>	<b>\$ 225,043</b>	<b>\$ 245,691</b>	<b>\$ 245,691</b>
<b>Operating Expenses</b>					
610 Purchased Water	\$ -	\$ -	\$ -	\$ -	\$ -
615 Purchased Power	\$ 763	\$ 763	\$ 763	\$ 763	\$ 763
618 Other Volume Related Expenses	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600
630 Employee Labor	\$ -	\$ -	\$ -	\$ -	\$ -
640 Materials	\$ 4,294	\$ 4,294	\$ 4,294	\$ 4,294	\$ 4,294
650 Contract Work	\$ 29,710	\$ 29,710	\$ 29,710	\$ 29,710	\$ 29,710
660 Transportation Expenses	\$ 7,150	\$ 7,150	\$ 7,150	\$ 7,150	\$ 7,150
664 Other Plant Maintenance	\$ 2,109	\$ 2,109	\$ 2,109	\$ 2,109	\$ 2,109
670 Office Salaries	\$ 11,525	\$ 11,525	\$ 11,525	\$ 11,525	\$ 11,525
671 Management Salaries	\$ 16,800	\$ 16,800	\$ 16,800	\$ 16,800	\$ 16,800
674 Employee Pensions and Benefits	\$ 10,684	\$ 10,684	\$ 10,684	\$ 10,684	\$ 10,684
676 Uncollectable Accounts	\$ -	\$ -	\$ -	\$ -	\$ -
678 Office Services and Rentals	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000
681 Office Supplies and Expenses	\$ 1,245	\$ 1,245	\$ 1,245	\$ 1,245	\$ 1,245
682 Professional Services	\$ 39,500	\$ 39,500	\$ 39,500	\$ 39,500	\$ 39,500
684 Insurance	\$ 8,244	\$ 8,244	\$ 8,244	\$ 8,244	\$ 8,244
688 Regulatory Compliance Expense	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
689 General Expenses	\$ 2,763	\$ 2,763	\$ 2,764	\$ 2,763	\$ 2,764
Capitalized Non-Payroll Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal</b>	<b>\$ 151,387</b>	<b>\$ 151,387</b>	<b>\$ 151,387</b>	<b>\$ 151,387</b>	<b>\$ 151,387</b>
403 Depreciation	\$ 21,283	\$ 21,283	\$ 21,283	\$ 21,283	\$ 21,283
408 Taxes Other Than Income	\$ 5,451	\$ 5,451	\$ 5,451	\$ 5,451	\$ 5,451
409 State Income Taxes	\$ 800	\$ 5,973	\$ 4,148	\$ 5,973	\$ 5,973
410 Federal Income Taxes	\$ -	\$ 12,935	\$ 8,983	\$ 12,935	\$ 12,935
<b>Total Operating Revenue Deductions</b>	<b>\$ 27,534</b>	<b>\$ 45,642</b>	<b>\$ 39,865</b>	<b>\$ 45,643</b>	<b>\$ 45,643</b>
<b>Net Revenue</b>	<b>\$ (36,468)</b>	<b>\$ 48,662</b>	<b>\$ 33,791</b>	<b>\$ 48,661</b>	<b>\$ 48,661</b>
<b>Rate Base</b>					
Average Plant	\$ 963,019	\$ 963,019	\$ 963,015	\$ 963,019	\$ 963,015
Average Accumulated Depreciation	\$ 628,989	\$ 628,989	\$ 657,978	\$ 628,989	\$ 686,965
<b>Net Plant</b>	<b>\$ 334,030</b>	<b>\$ 334,030</b>	<b>\$ 305,037</b>	<b>\$ 334,030</b>	<b>\$ 276,050</b>
<b>Less:</b>					
Advances	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in Aid of Construction	\$ 219,551	\$ 219,551	\$ 211,847	\$ 219,551	\$ 204,143
Deferred Income Tax	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Plus:</b>					
Unamortized Investment	\$ -	\$ -	\$ -	\$ -	\$ -
Construction Work in Progress	\$ -	\$ -	\$ -	\$ -	\$ -
Working Cash	\$ 12,616	\$ 12,616	\$ 12,616	\$ 12,616	\$ 12,616
Materials and Supplies	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Rate Base</b>	<b>\$ 127,095</b>	<b>\$ 127,095</b>	<b>\$ 105,806</b>	<b>\$ 127,095</b>	<b>\$ 84,523</b>
<b>Rate of Return (ROR)</b>	-28.69%	38.29%	31.94%	38.29%	57.57%
<b>Rate of Margin (ROM)</b>	-25.04%	27.50%	20.85%	27.50%	27.50%

END OF APPENDIX A

# PROPOSED RESOLUTION

Resolution W-5311  
WD

May 14, 2026

## APPENDIX B Sierra Water Resources Test Year 2026

Schedule No. 1

### GENERAL METERED SERVICE

#### APPLICABILITY

Applicable to all metered water service. (C)

#### TERRITORY

The area northeast of Sierra City north of the North Yuba River adjacent to Highway 49 in Sierra County.

#### RATES

##### Quantity Rate: (C)

All water, per 100 cubic feet..... \$ 4.33 (I)

##### Monthly Service Charge: Total Rate Per Meter Per Month (I)

For 5/8 x 3/4- inch meter .....	\$ 108.00	(I)
For 3/4- inch meter .....	\$ 161.90	(I)
For 1-inch meter .....	\$ 269.90	(I)
For 1- 1/2-inch meter .....	\$ 539.80	(I)
For 2-inch meter .....	\$ 863.60	(I)
For 3-inch meter .....	\$ 1,619.30	(I)
For 4-inch meter .....	\$ 2,698.90	(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.

#### SPECIAL CONDITIONS

- 1 All bills are subject to the reimbursement fee set forth in Shedule No. UF.

# PROPOSED RESOLUTION

Resolution W-5311  
WD

May 14, 2026

## APPENDIX B Sierra Water Resources Test Year 2026

Schedule No. 2R

### RESIDENTIAL FLAT RATE SERVICE

#### APPLICABILITY

Applicable to all metered water service furnished for private fire protection.

#### TERRITORY

The area northeast of Sierra City north of the North Yuba River adjacent to Highway 49 in Sierra County.

#### RATES

Per Service  
connection  
Per Month

For a single-family residential unit, including premises	\$ 287.92	(I)
For each additional single-family residential unit or small business	\$ 287.92	(I)

#### SPECIAL CONDITIONS

- 1 The residential rates apply to a service connection not larger than one in in diameter.
- 2 If the utility so elects, a meter shall be installed and service provided under Schedule No. 1, General Metered Service.
- 3 All bills are subject to the reimbursement fee set forth in Shedule No. UF.

# PROPOSED RESOLUTION

Resolution W-5311  
WD

May 14, 2026

## APPENDIX B Sierra Water Resources Escalation Year 2027

Schedule No. 1

### GENERAL METERED SERVICE

#### APPLICABILITY

Applicable to all metered water service. (C)

#### TERRITORY

The area northeast of Sierra City north of the North Yuba River adjacent to Highway 49 in Sierra County.

#### RATES

##### Quantity Rate: (C)

All water, per 100 cubic feet..... \$ 5.91 (I)

##### Monthly Service Charge: Total Rate Per Meter Per Month (I)

For 5/8 x 3/4- inch meter .....	\$ 119.40	(I)
For 3/4- inch meter .....	\$ 179.10	(I)
For 1-inch meter .....	\$ 298.50	(I)
For 1- 1/2-inch meter .....	\$ 597.00	(I)
For 2-inch meter .....	\$ 955.10	(I)
For 3-inch meter .....	\$ 1,790.90	(I)
For 4-inch meter .....	\$ 2,984.80	(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.

#### SPECIAL CONDITIONS

- 1 All bills are subject to the reimbursement fee set forth in Shedule No. UF.

# PROPOSED RESOLUTION

Resolution W-5311  
WD

May 14, 2026

## APPENDIX B Sierra Water Resources Escalation Year 2027

Schedule No. 2R

### RESIDENTIAL FLAT RATE SERVICE

#### APPLICABILITY

Applicable to all metered water service furnished for private fire protection.

#### TERRITORY

The area northeast of Sierra City north of the North Yuba River adjacent to Highway 49 in Sierra County.

#### RATES

Per Service  
connection  
Per Month

For a single-family residential unit, including premises	\$ 318.32	(I)
For each additional single-family residential unit or small business	\$ 318.32	(I)

#### SPECIAL CONDITIONS

- 1 The residential rates apply to a service connection not larger than one in in diameter.
- 2 If the utility so elects, a meter shall be installed and service provided under Schedule No. 1, General Metered Service.
- 3 All bills are subject to the reimbursement fee set forth in Shedule No. UF.

# PROPOSED RESOLUTION

Resolution W-5311  
WD

May 14, 2026

## APPENDIX B Sierra Water Resources Escalation Year 2028

Schedule No. 1

### GENERAL METERED SERVICE

#### APPLICABILITY

Applicable to all metered water service. (C)

#### TERRITORY

The area northeast of Sierra City north of the North Yuba River adjacent to Highway 49 in Sierra County.

#### RATES

##### Quantity Rate: (C)

All water, per 100 cubic feet..... \$ 7.10 (I)

##### Monthly Service Charge: Total Rate Per Meter Per Month (I)

For 5/8 x 3/4- inch meter .....	\$ 128.00	(I)
For 3/4- inch meter .....	\$ 192.00	(I)
For 1-inch meter .....	\$ 319.90	(I)
For 1- 1/2-inch meter .....	\$ 639.90	(I)
For 2-inch meter .....	\$ 1,023.80	(I)
For 3-inch meter .....	\$ 1,919.60	(I)
For 4-inch meter .....	\$ 3,199.30	(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.

#### SPECIAL CONDITIONS

- 1 All bills are subject to the reimbursement fee set forth in Shedule No. UF.

# PROPOSED RESOLUTION

Resolution W-5311  
WD

May 14, 2026

## APPENDIX B Sierra Water Resources Escalation Year 2028

Schedule No. 2R

### RESIDENTIAL FLAT RATE SERVICE

#### APPLICABILITY

Applicable to all metered water service furnished for private fire protection.

#### TERRITORY

The area northeast of Sierra City north of the North Yuba River adjacent to Highway 49 in Sierra County.

#### RATES

Per Service  
connection  
Per Month

For a single-family residential unit, including premises	\$ 341.24	(I)
For each additional single-family residential unit or small business	\$ 341.24	(I)

#### SPECIAL CONDITIONS

- 1 The residential rates apply to a service connection not larger than one in in diameter.
- 2 If the utility so elects, a meter shall be installed and service provided under Schedule No. 1, General Metered Service.
- 3 All bills are subject to the reimbursement fee set forth in Shedule No. UF.

**END OF APPENDIX B**

# PROPOSED RESOLUTION

Resolution W-5311  
WD

May 14, 2026

## APPENDIX C Sierra Water Resources Comparison of Rates

### Test Year 2026

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

<u>Usage</u> <u>Per 100 cu. ft.</u>	<u>Present</u> <u>Rates</u>	<u>Recommended</u> <u>Rates</u>	<u>Amount</u> <u>Increase</u>	<u>Percent</u> <u>Increase</u>
0	\$ 79.88	\$ 108.00	\$ 28.12	35.20%
2	\$ 84.86	\$ 116.66	\$ 31.80	37.47%
6	\$ 94.82	\$ 133.98	\$ 39.16	41.30%
12.5	\$ 111.01	\$ 162.12	\$ 51.11	46.05%
15	\$ 117.23	\$ 172.94	\$ 55.71	47.53%
20	\$ 129.68	\$ 194.59	\$ 64.91	50.06%
30	\$ 154.58	\$ 237.89	\$ 83.31	53.89%

### Escalation Year 2027

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

<u>Usage</u> <u>Per 100 cu. ft.</u>	<u>Present</u> <u>Rates</u>	<u>Recommended</u> <u>Rates</u>	<u>Amount</u> <u>Increase</u>	<u>Percent</u> <u>Increase</u>
0	\$ 108.00	\$ 119.40	\$ 11.40	10.56%
2	\$ 116.66	\$ 131.22	\$ 14.57	12.49%
6	\$ 133.98	\$ 154.87	\$ 20.90	15.60%
12.5	\$ 162.12	\$ 193.30	\$ 31.18	19.23%
15	\$ 172.94	\$ 208.08	\$ 35.14	20.32%
20	\$ 194.59	\$ 237.64	\$ 43.05	22.12%
30	\$ 237.89	\$ 296.76	\$ 58.88	24.75%

### Escalation Year 2028

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

<u>Usage</u> <u>Per 100 cu. ft.</u>	<u>Present</u> <u>Rates</u>	<u>Recommended</u> <u>Rates</u>	<u>Amount</u> <u>Increase</u>	<u>Percent</u> <u>Increase</u>
0	\$ 119.40	\$ 128.00	\$ 8.60	7.20%
2	\$ 131.22	\$ 142.20	\$ 10.97	8.36%
6	\$ 154.87	\$ 170.59	\$ 15.72	10.15%
12.5	\$ 193.30	\$ 216.74	\$ 23.44	12.12%
15	\$ 208.08	\$ 234.48	\$ 26.40	12.69%
20	\$ 237.64	\$ 269.98	\$ 32.34	13.61%
30	\$ 296.76	\$ 340.97	\$ 44.21	14.90%

END OF APPENDIX C

# PROPOSED RESOLUTION

Resolution W-5311  
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## APPENDIX D Sierra Water Resources Adopted Quantities Test Year 2026

### 1. Purchase Power (Electric)

Vendor: Pacific Gas & Electric Company  
Total Cost: \$ 762.44

### 2. Service Connections

<u>Meter Size</u>	<u>Metered Customers</u>
5/8" x 3/4"	123
3/4"	3
1"	1
1-1/2"	0
2"	0
3"	0
4"	0
6"	0
<b>Total</b>	<b>127</b>

3. Annual Water Sales 6,121 CCF

# PROPOSED RESOLUTION

Resolution W-5311  
WD

May 14, 2026

## APPENDIX D Sierra Water Resources Adopted Quantities Escalation Year 2027

### 1. Purchase Power (Electric)

Vendor: Pacific Gas & Electric Company  
Total Cost: \$ 762.44

### 2. Service Connections

<u>Meter Size</u>	<u>Metered Customers</u>
5/8" x 3/4"	123
3/4"	3
1"	1
1-1/2"	0
2"	0
3"	0
4"	0
6"	0
<b>Total</b>	<b>127</b>

3. Annual Water Sales 6,121 CCF

# PROPOSED RESOLUTION

Resolution W-5311  
WD

May 14, 2026

## APPENDIX D Sierra Water Resources Adopted Quantities Escalation Year 2028

### 1. Purchase Power (Electric)

Vendor: Pacific Gas & Electric Company  
Total Cost: \$ 762.44

### 2. Service Connections

<u>Meter Size</u>	<u>Metered Customers</u>
5/8" x 3/4"	123
3/4"	3
1"	1
1-1/2"	0
2"	0
3"	0
4"	0
6"	0
<b>Total</b>	<b>127</b>

3. Annual Water Sales 6,121 CCF

END OF APPENDIX D

# PROPOSED RESOLUTION

Resolution W-5311  
WD

May 14, 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-5211 on all parties in these filings or their attorneys as shown on the attached lists.

Dated April 10, 2026, at San Francisco, California.

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-5311  
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May 14, 2026

## Sierra Water Resources Advice Letter No. 55-W-B

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## PROPOSED RESOLUTION

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## PROPOSED RESOLUTION

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## PROPOSED RESOLUTION

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May 14, 2026

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## PROPOSED RESOLUTION

Resolution W-5311  
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May 14, 2026

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