

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



April 26, 2022

Mr. David Morisoli
General Manager
Little Bear Water Company, Inc.
51201 Pine Canyon Road, Space # 125
King City, CA 93930

Notice of Non-Compliance – Little Bear Water Company, Inc. has not filed its Annual Report for the year ended December 31, 2020

Dear Mr. Morisoli:

The purpose of this letter is to inform you that Little Bear Water Company, Inc. (LBWC) must file its 2020 Annual Report to comply with California Public Utilities (PU) Code Sections 581, 582, 584, 587 and the directives of the California Public Utilities Commission (CPUC).

PU Code Sections 581, 582, 584, 587 and CPUC's General Order (G.O.) 104-A grant authority to the CPUC to require all public utilities doing business in California to file reports as specified by the CPUC. On January 26, 2021, CPUC's Water Division (WD) issued a memorandum requiring all water and sewer utilities to file their Annual Reports by April 30, 2021. Pursuant to PU Code Section 314.5, the CPUC has statutory responsibility to review or audit the books and records of your company, including but not limited to LBWC's regulatory basis financial statements contained in the Annual Report required to be filed with the CPUC.

On March 16, 2022, the Utility Audits Branch (UAB) issued a letter notifying you that LBWC has been selected for review. UAB's letter indicated that "...If LBWC does not file its 2020 Annual Report by March 30, 2022, UAB will issue a non-compliance notice to LBWC and post the report on the CPUC's public website...." As of the date of this letter, our records indicate that LBWC has not filed its 2020 Annual Report, nor obtained CPUC's permission to file an extension. LBWC's failure to file its 2020 Annual Report constitutes a limitation on our review scope. Therefore, UAB will publish this non-compliance letter on our public website at [Audit Reports by Industry \(ca.gov\)](https://www.cpuc.ca.gov/AuditReportsbyIndustry). This letter also serves to meet the intention of the audit requirements specified in PU Code Section 314.5.

The CPUC reserves the right for further regulatory actions if LBWC continues to be non-compliant. Pursuant to Resolution W-4799, CPUC has the authority to take prompt actions, including issuing citations and imposing fines, against any water or sewer utility that fails to correct the non-compliance or violation in a timely manner. A complete copy of the Resolution can be accessed at https://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_RESOLUTION/109215.PDF.

If LBWC has filed its 2020 Annual Report with the CPUC prior to the date of this letter, please provide us the proof of LBWC's filing; and we will be pleased to correct our records.

Mr. David Morisoli
General Manager
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Please contact us at UtilityAudits@cpuc.ca.gov if you have any questions.

Sincerely,

Angie Williams

Angie Williams, Director
Utility Audits, Risk and Compliance Division

cc: Rachel Peterson, Executive Director, CPUC
Kristin Stauffacher, Deputy Executive Director, Office of the Commission, CPUC
Terence Shia, Director, Water Division, CPUC
Masha Vorobyova, Assistant Director, UAB, CPUC
Bruce DeBerry, Program Manager, Water Division, CPUC
Raymond Yin, Program and Project Supervisor, UAB, CPUC