

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



October 15, 2019

Jeffrey T. Linam  
Vice President of Rates & Regulatory  
California-American Water Company  
4701 Beloit Drive  
Sacramento, CA 95838-2434

Dear Mr. Linam,

The Commission has approved California-American Water Company's Advice Letter No. 1255, filed on August 23, 2019, regarding Central Satellite District 2018 Interim Rate True Up.

Enclosed are copies of the following revised tariff sheets for the utility's files:

| <b>P.U.C.</b>    |   |
|------------------|---|
| <b>Sheet No.</b> | <b>Title of Sheet</b>   |
| 9221-W           | Schedule No. CEN-SAT (continued)<br>Central Division Tariff Area<br>General Metered Service |
| 9222-W           | Schedule No. CEN-SAT (continued)<br>Central Division Tariff Area<br>General Metered Service |
| 9223-W           | Table Of Contents, Page 3   |
| 9224-W           | Table Of Contents, Page 1   |

Please contact Bradley Leong at 415-703-2307, if you have any questions.

Thank you,

/s/ROBIN BRYANT

Robin Bryant  
Water & Sewer Advisory Branch  
Water Division

Enclosures





4701 Beloit Drive  
Sacramento, CA 95838  
[www.amwater.com](http://www.amwater.com)

P (916)-568-4251  
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August 23, 2019

ADVICE LETTER NO. 1255

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

California-American Water Company (Cal-Am) (U210W) hereby submits for review this advice letter including the following tariff sheets applicable to its Central Satellite District which are attached hereto:

| <u>C.P.U.C.<br/>Sheet No.</u> | <u>Title of Sheet</u>   | <u>Canceling<br/>Sheet No.</u> |
|-------------------------------|---|--------------------------------|
| 9221-W                        | Schedule No. CEN-SAT (continued)<br>Central Division Tariff Area<br>GENERAL METERED SERVICE | 9191-W                         |
| 9222-W                        | Schedule No. CEN-SAT (continued)<br>Central Division Tariff Area<br>GENERAL METERED SERVICE | New                            |
| 9223-W                        | TABLE OF CONTENTS<br>Page 3   | 9219-W                         |
| 9224-W                        | TABLE OF CONTENTS<br>Page 1   | 9220-W                         |

### **PURPOSE**

The purpose of this advice letter filing is to request recovery of the 2016 GRC Interim Rate Memorandum Account for the Central Satellite District in connection with Cal-Am's 2016 General Rate Case ("GRC") in A.16-07-002. This request is in compliance with authorizations of the California Public Utilities Commission as detailed in the Rate Case Plan in D. 07-05-062 ("RCP") and ALJ Ruling issued on September 8, 2017 in A.16-07-002.

### **BACKGROUND**

The Commission granted Cal-Am memorandum accounts to track the difference between interim rates and final rates through Advice Letter 1184, approved on January 22, 2018 with an effective date of January 1, 2018.

Cal-Am hereby submits this filing to recover the balances in the memorandum accounts for the Central Satellite district.

Submission of these tariffs is made in compliance with Ordering Paragraph 4 of D.18-12-021, which states:

*44. The surcharge to true-up the interim rate must comply with Standard Practice U27-W. The tariff implementing the surcharge shall be filed by Tier 2 advice letter after California-American Water Company calculates the revenue difference between the interim rates and the authorized rates but within 45 days after 2019 rates have been implemented. The surcharge shall include differences between interim rates and adopted rates through the 2019 escalation year up to effective date of the 2019 escalation year rates.*

On January 2, 2019, California American Water requested, and on January 28, 2019 was granted, an extension of time from 45 days to 90 days to calculate and file its interim rates true-up surcharge.

On August 2, 2019, California American Water requested, and on August 8, 2019 was granted, an additional extension of two weeks to file for Interim Rates true-up filing. California American Water also requested, and the Commission granted, that the 2018 WRAM/MCBA filings be filed thirty days after the interim rate true-up filing.

#### **REQUEST**

Cal-Am requests the interim rate true-up surcharge totals be rolled into the Consolidated Expense Balancing Account (“CEBA”) as a quantity based surcharge and interim rate true-up surcredit totals rolled into meter credits effective September 22, 2019. The proposed meter credits will be implemented and sent to customers within two months of execution.

The interim rate true-up including the Central Satellite Consolidated Expense Balancing Account (“CEBA”) for the period January 1, 2018 through May 10, 2019, including interest, is (\$270,679).

Customer refunds will be in the form of a meter based surcredit returned over a two-month period. The total amount of the refund for Chualar including interest, is \$3,305.

#### **SERVICE LIST**

Pursuant to Section 4.3 of General Order No. 96-B, a copy of this advice letter is being sent to those entities listed in the attached service list. Copies of the detailed workpapers and the documents supporting this Advice Letter have also been furnished to the Commission Staff.

#### **EFFECTIVE DATE**

Cal-Am submits this as a Tier 2 advice letter per D.18-12-021 and requests an effective date of September 22, 2019.

#### **RESPONSE OR PROTEST<sup>1</sup>**

Anyone may submit a response or protest for this AL. When submitting a response or protest, **please include the utility name and advice letter number in the subject line.**

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<sup>1</sup> G.O. 96-B, General Rule 7.4.1

A **response** supports the filing and may contain information that proves useful to the Commission in evaluating the AL. A **protest** objects to the AL in whole or in part and must set forth the specific grounds on which it is based. These grounds<sup>2</sup> are:

1. The utility did not properly serve or give notice of the AL;
2. The relief requested in the AL would violate statute or Commission order, or is not authorized by statute or Commission order on which the utility relies;
3. The analysis, calculations, or data in the AL contain material error or omissions;
4. The relief requested in the AL is pending before the Commission in a formal proceeding; or
5. The relief requested in the AL requires consideration in a formal hearing, or is otherwise inappropriate for the AL process; or
6. The relief requested in the AL is unjust, unreasonable, or discriminatory, provided that such a protest may not be made where it would require re-litigating a prior order of the Commission.

A protest may not rely on policy objections to an AL where the relief requested in the AL follows rules or directions established by statute or Commission order applicable to the utility. A protest shall provide citations or proofs where available to allow staff to properly consider the protest.

DWA must receive a response or protest via email (**or** postal mail) within 20 days of the date the AL is filed. When submitting a response or protest, **please include the utility name and advice letter number in the subject line.**

The addresses for submitting a response or protest are:

**Email Address:**  
[Water.Division@cpuc.ca.gov](mailto:Water.Division@cpuc.ca.gov)

**Mailing Address:**  
CA Public Utilities Commission  
Division of Water and Audits  
505 Van Ness Avenue  
San Francisco, CA 94102

On the same date the response or protest is submitted to the Water Division, the respondent or protestant shall send a copy by mail (or e-mail) to us, addressed to:

**Recipients:**  
Kamilah Jones  
*Financial Analyst IIB*

**E-Mail:**  
Kamilah.Jones@amwater.com  
.....

**Mailing Address:**  
4701 Beloit Drive  
Sacramento, CA 95838  
Fax: (916) 568-4232

Sarah E. Leeper  
*Vice President – Legal,  
Regulatory*

sarah.leeper@amwater.com  
.....

555 Montgomery Street,  
Ste. 816  
San Francisco, CA 94111

---

<sup>2</sup> G.O. 96-B, General Rule 7.4.2

Fax: (415) 863-0615

ca.rates.....

ca.rates@amwater.com

4701 Beloit Drive  
Sacramento, CA 95838  
Fax: (916) 568-4260

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform the Water Division, within the 20-day protest period, so that a late filed protest can be entertained. The informing document should include an estimate of the date the proposed protest might be voted on.

**REPLIES**<sup>3</sup>

The utility shall reply to each protest and may reply to any response. Any reply must be received by DWA within five business days after the end of the protest period, and shall be served on the same day on each person who filed the protest or response to the AL.

The actions requested in this advice letter are not now the subject of any formal filings with the California Public Utilities Commission, including a formal complaint, nor action in any court of law.

If you have not received a reply to your protest within 10 business days, contact this person at (916) 568-4209.

This filing will not cause the withdrawal of service, nor conflict with other schedules or rules.

CALIFORNIA-AMERICAN WATER COMPANY

*/s/ Kamilah Jones*

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Kamilah Jones  
Financial Analyst IIB

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<sup>3</sup> G.O. 96-B, General Rule 7.4.3

Schedule No. CEN-SAT (Continued)  
Central Division Tariff Area  
GENERAL METERED SERVICE

Sheet 4

**SPECIAL CONDITIONS**

**Fees and Surcharges (continued):**

ALL CENTRAL DIVISION TARIFF AREA (Continued)

- 5. Per Advice Letter 1255, the under-collected balance in the Central Division Consolidated Expense Balancing Account will be recovered through a quantity based surcharge of \$0.0708 per 100 gallons over 36 months effective September 22, 2019. This total amount will be recovered from all classes of customers except for Chualar Customers. (C)  
|  
(C)
- 6. Water Revenue Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA) Surcharge  
  
D.18-12-021 authorized consolidation of Ambler, Garrapata, Ralph, Lane, and Toro into the Central Division. From January 1, 2018 Central Division has its own WRAM/MCBA. D. 18-12-021 raised the cap on WRAM/MCBA surcharges to 25% of the authorized revenue requirement.
- 7. Per D.18-12-021 a meter based bill credit for the Excess Non-Plant Accumulated Deferred Income Tax will be refunded to customers over the 24-month period beginning August 1, 2019.

| Meter Size | Refunds by Meter Equivalents |
|------------|------------------------------|
| 5/8 x 3/4  | \$0.87                       |
| 3/4        | \$1.30                       |
| 1          | \$2.17                       |
| 1 1/2      | \$4.33                       |
| 2          | \$6.93                       |
| 3          | \$13.00                      |
| 4          | \$21.66                      |
| 6          | \$43.32                      |
| 8          | \$69.32                      |
| 10         | \$99.65                      |

(Continued)

(TO BE INSERTED BY UTILITY)

Advice 1255  
Decision

ISSUED BY

J. T. LINAM  
DIRECTOR - Rates & Regulatory

(TO BE INSERTED BY C.P.U.C.)

Date Filed 08/23/2019  
Effective 09/22/2019  
Resolution \_\_\_\_\_

Schedule No. CEN-SAT (Continued)  
 Central Division Tariff Area  
GENERAL METERED SERVICE

Sheet 6

**SPECIAL CONDIDITONS (continued):**  
**Fees and Surcharges**

(N)

CHULAR SERVICE ARE ONLY

- Per D.18-12-021 a meter based bill credit for 2016 GRC Interim Rate True-up will be refunded to customers over a two month period.

| Meter Size       | Refunds by Meter Equivalentents |
|------------------|---------------------------------|
| 5/8-Inch Meter   | \$6.31                          |
| 3/4-Inch Meter   | \$9.46                          |
| 1-Inch Meter     | \$15.77                         |
| 1 1/2-Inch Meter | \$31.54                         |
| 2-Inch Meter     | \$50.46                         |
| 3-Inch Meter     | \$94.62                         |
| 4-Inch Meter     | \$157.70                        |
| 6-Inch Meter     | \$315.40                        |
| 8-Inch Meter     | \$504.64                        |
| 10-Inch Meter    | \$725.42                        |

(N)

(Continued)

(TO BE INSERTED BY UTILITY)  
 Advice 1255  
 Decision

ISSUED BY  
 J. T. LINAM  
 DIRECTOR - Rates & Regulatory

(TO BE INSERTED BY C.P.U.C.)  
 Date Filed 08/23/2019  
 Effective 09/22/2019  
 Resolution \_\_\_\_\_



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**SUBJECT MATTER OF SHEET**

**C.P.U.C. SHEET NO.**

RATE SCHEDULES (Continued):

|                             |                              |  |          |
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| Central Satellite           |                              |  |          |
| CEN-1                       | General Metered Service      | 9110-W, 9111-W, 8974-W, 9221-W, 9173-W, 9222-W                                 | (C), (N) |
| Northern District           |                              |  |          |
| ND-1                        | General Metered Service      | 9086-W, 9087-W, 9088-W, 9089-W, 9164-W, 9209-W, 8941-W, 9210-W, 9167-W, 9211-W |          |
| San Diego County District   |                              |  |          |
| SD-1                        | General Metered Service      | 8904-W, 8992-W, 9133-W, 9214-W   |          |
| Ventura County District     |                              |  |          |
| VN-1                        | General Metered Service      | 8896-W, 8897-W, 9134-W, 9217-W   |          |
| VN-9MC                      | Metered Construction Service | 9180-W, 9181-W, 9218-W   |          |
| <b>Schedule No. CA-Fees</b> | Schedule No. CA-Fees         | 9003-W   |          |

(Continued)

(TO BE INSERTED BY UTILITY)

ISSUED BY

(TO BE INSERTED BY C.P.U.C.)

Advice 1255

J. T. LINAM

Date Filed 08/23/2019

Decision

DIRECTOR - Rates & Regulatory

Effective 09/22/2019

Resolution \_\_\_\_\_

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| <b><u>SERVICE AREA MAP:</u></b><br>California-American Water Company | 5470-W   |
| Larkfield  | 6569-W   |
| Los Angeles County   | 9157-W, 9158-W   |
| Baldwin Hills  | 6571-W, 6572-W,  |
| Duarte   | 6578-W   |
| San Marino   | 6573-W, 6574-W, 6575-W, 6576-W, 8211-W   |
| Monterey County  | 7053-W, 6580-W, 6581-W, 6582-W, 6583-W, 6584-W, 6585-W, 6586-W, 6587-W, 6588-W, 6589-W, 6590-W, 944-W, 945-W, 947-W, 948-W, 949-W, 950-W, 951-W, 952-W, 953-W, 954-W, 955-W, 957-W, 958-W, 959-W, 960-W, 961-W, 962-W, 963-W, 964-W, 966-W, 967-W, 968-W, 969-W, 971-W, 972-W, 973-W, 974-W, 975-W, 976-W, 977-W, 978-W, 979-W, 980-W, 981-W, 982-W, 983-W, 984-W, 7054-W  |

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|                                    |                               |                                     |
|------------------------------------|-------------------------------|-------------------------------------|
| <u>(TO BE INSERTED BY UTILITY)</u> | <u>ISSUED BY</u>              | <u>(TO BE INSERTED BY C.P.U.C.)</u> |
| Advice      1255                   | J. T. LINAM                   | Date Filed <u>08/23/2019</u>        |
| Decision                           | DIRECTOR - Rates & Regulatory | Effective <u>09/22/2019</u>         |
|                                    |                               | Resolution      _____               |

**MONTEREY COUNTY DISTRICT SERVICE LIST**  
**CALIFORNIA-AMERICAN WATER COMPANY**  
**ADVICE LETTER 1255**

---

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**MONTEREY COUNTY DISTRICT SERVICE LIST**  
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**ADVICE LETTER 1255**

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**MONTEREY COUNTY DISTRICT SERVICE LIST**  
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**ADVICE LETTER 1255**

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