

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



September 13, 2018

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. 1212, filed on August 1, 2018, regarding authorization to offset purchased water expenses from the City of San Diego, the water supplier for San Diego County District.

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

<u>P.U.C. Sheet No.</u>	<u>Title of Sheet</u>
8808	Schedule No. SD-1 (Continued) San Diego County District Tariff Area General Metered Service
8809	Table of Contents (Continued) (Page 3)
8810	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  
F (916) 568-4260

August 1, 2018

ADVICE LETTER NO. 1212

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

California-American Water Company (California American Water) (U210W) hereby submits for review this advice letter, including the following tariff sheets applicable to its San Diego County District, which are attached hereto:

<u>C.P.U.C. Sheet No.</u>	<u>Title of Sheet</u>	<u>Canceling Sheet No.</u>
8808-W	Schedule No. SD-1 (Continued) San Diego County District Tariff Area GENERAL METERED SERVICE	8699-W
8809-W	TABLE OF CONTENTS (Continued) (Page 3)	8802-W
8810-W	TABLE OF CONTENTS (Page 1)	8807-W

**Purpose:**

In accordance with Section 7.3.1 of the Water Industry Rules under General Order (GO) 96-B and Section 454 of the Public Utilities Code, California American Water is seeking authority to offset purchased water expenses it incurs from the City of San Diego, the water supplier for its San Diego County District. The City of San Diego increased its wholesale rates to California American Water effective August 1, 2018. California American Water requests that the full increase be offset to account for the annual change in purchased water costs.

In accordance with Section 4.3 of General Order No. 96-B, a copy of this advice letter is being sent to those entities listed in Exhibit A.

**Background:**

California American Water serves approximately 21,100 customers in its San Diego County District. Areas served include Coronado, Imperial Beach, portions of the City of San Diego, and certain areas in San Diego County.

The offset increase is necessitated by the City of San Diego's increase of its wholesale water rates from \$4.32 per hundred cubic feet (ccf) to \$4.49 per ccf. This water rate increase results in a \$807,663 annual increase in purchased water expenses to California American Water, plus a corresponding \$4,823 increase in uncollectibles, for a total expense increase of \$812,486. This increase is directly related to water consumption and thus should be applied to the quantity rate.

The resulting surcharge will increase by \$0.1773 from \$0.9503 to \$1.1276 per ccf, or \$0.1507 per 100 gallons.

The offset requested represents an annual increase of \$812,486 or 2.54% over the latest revenue requirement provided to the Commission in General Rate Case 2015 Decision. In accordance with Rule 4.2 of GO 96-B and Section 3.2 of the Water Industry Rules in GO 96-B for processing expense offset rate increases, California American Water shall include a bill text message providing the amount of the increase, expressed in dollars and percentages, in the first bill that includes the increased surcharge.

**Request:**

California American Water Company requests authorization to implement a purchased water surcharge totaling \$1.1276 per ccf.

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

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

**Tier Designation:**

This advice letter is submitted with a Tier 1 designation.

**Effective Date:**

California American requests an effective date of August 1, 2018.

**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.**

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; 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;
2. The analysis, calculations, or data in the AL contain material error or omissions;
3. The relief requested in the AL is pending before the Commission in a formal proceeding;  
or
4. The relief requested in the AL requires consideration in a formal hearing, or is otherwise inappropriate for the AL process; or
5. 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.

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

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

6. 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:

<b>Email Address:</b> <a href="mailto:Water.Division@cpuc.ca.gov">Water.Division@cpuc.ca.gov</a>	<b>Mailing Address:</b> CA Public Utilities Commission Division of Water and Audits 505 Van Ness Avenue San Francisco, CA 94102
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On the same day the response or protest is submitted to DWA, the respondent or protestant shall send a copy of the protest to California American Water at:

<b>Email Address:</b>  <a href="mailto:Preet.nagra@amwater.com">Preet.nagra@amwater.com</a>  <a href="mailto:sarah.leeper@amwater.com">sarah.leeper@amwater.com</a>  <a href="mailto:ca.rates@amwater.com">ca.rates@amwater.com</a>	<b>Mailing Address:</b>  4701 Beloit Drive Sacramento, CA 95838  555 Montgomery Street, Ste. 816 San Francisco, CA 94111  4701 Beloit Drive Sacramento, CA 95838
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Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform DWA, 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.

CALIFORNIA-AMERICAN WATER COMPANY

*/s/ Preet Nagra*

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Preet Nagra  
Operations Specialist

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



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Sheet 3

**SUBJECT MATTER OF SHEET**

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

RATE SCHEDULES (Continued):

*(Ambler Park, Ralph Lane & Chualar Service Areas)*

MO-ARC-1            General Metered Service    8738-W, 8739-W, 8693-W, 8519-W, 8027-W, 7642-W, 8788-W

*(Toro)*

MO-TO-1            General Metered Service    8740-W, 8775-W, 8019-W, 7644-W

*(Garrapata)*

MO-GA-2F           Flat Rate Service            8741-W, 8170-W

Sacramento District

SC-1                General Metered Service    8726-W, 8799-W, 8781-W, 8028-W, 7635-W

SC-DU-1            General Metered Service    8728-W

SC-DU-1F           Flat Rate Service            8729-W

SC-GY-1            General Metered Service    8730-W

SC-GY-1F           Flat Rate Service            8731-W

SC-MB-1            General Metered Service    8732-W, 8522-W

San Diego County District

SD-1                General Metered Service    8733-W, 8800-W, 8808-W, 8778-W, 8013-W, 7624-W    (C)

Ventura County District

VN-1                General Metered Service    8735-W, 8801-W, 8772-W, 8014-W, 7627-W

VN-9MC            Metered Construction Service    8737-W, 8549-W, 8015-W, 7629-W

(Continued)

(TO BE INSERTED BY UTILITY)

ISSUED BY

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

Advice            1212

J. T. LINAM

Date Filed        08/01/2018

Decision

DIRECTOR - Rates & Regulatory

Effective         08/01/2018

Resolution

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<b><u>SERVICE AREA MAP:</u></b> California-American Water Company	5470-W
Larkfield	6569-W
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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

(Continued)

(TO BE INSERTED BY UTILITY)

ISSUED BY

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

Advice 1212

J. T. LINAM

Date Filed 08/01/2018

Decision

DIRECTOR - Rates & Regulatory

Effective 08/01/2018

Resolution \_\_\_\_\_