

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



May 20, 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. 1201-A (Supplement to Advice Letter No. 1201), filed on February 26, 2019, regarding authorization to recover expenses from the Conservation Rationing Memorandum Account to the Los Angeles Consolidated Expense Balancing Account (CEBA) for the Los Angeles County District.

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

P.U.C.	Sheet No.	Title of Sheet
	8929-W	Schedule No. LA-1 (continued), Los Angeles County District Tariff Area, General Metered Service
	8930-W	Table of Contents, (Page 2)
	8931-W	Table of Contents, (Page 1)

Please contact Jim Boothe at 415-703-1748, 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

P (916)-568-4251
F (916) 568-4260

February 26, 2019

ADVICE LETTER NO. 1201-A

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 all of its districts, which are attached hereto:

<u>C.P.U.C. Sheet No.</u>	<u>Title of Sheet</u>	<u>Canceling Sheet No.</u>
8929-W	Schedule No. LA-1 (continued) Los Angeles County District Tariff Area GENERAL METERED SERVICE	8785-W
8930-W	<u>TABLE OF CONTENTS</u> (Page 2)	8927-W
8931-W	<u>TABLE OF CONTENTS</u> (Page 1)	8928-W

Purpose:

This supplemental advice letter is being filed to comply with Resolution W-5186, authorizing California American Water Company to recover expenses from the Conservation Rationing Memorandum Account to the Los Angeles Consolidated Expense Balancing Account (CEBA).

The purpose of this advice letter is to request authority to recover expenses from March 13, 2014 to July 31, 2017 tracked in the Conservation/Rationing Memorandum Account ("CRMA") due to Rule 14.1 and/or Schedule 14.1 for Voluntary and Mandatory Conservation in the amount of \$298,632 – Baldwin Hills, \$249,223 – Duarte, and \$193,040 – San Marino totaling \$740,895 for the Los Angeles County District. California American Water request to recuperate in expenses from the CRMA for the Los Angeles district into the Consolidated Expense Balancing Account ("CEBA").

Background:

- January 17, 2014 – Governor of State of California declared State of Emergency in California due to severe drought conditions
- August 15, 2014 – In Advice Letter 1047, 1048 and 1049, California American Water requested authority to activate the "Conservation/Rationing Memorandum Account" in all its districts to in accordance with Resolution W-4976 to track incremental costs related to implementing the requirements of Rule 14 and Schedule 14.1. The Commission approved the Advice letters on August 25, 2014, with an effective date of March 13, 2014 for AL 1047 and 1048 and an effective date of August 25, 2014 for AL 1049.

- April 25, 2014 – Governor of State of California issued an Executive Order to strengthen the State’s ability to manage water and habitat effectively in drought conditions, and call on all Californians to redouble their efforts to conserve water.
- May 5, 2015 – the SWRCB issued an Emergency Regulation due to continuing drought conditions with specific water use reductions, by service area, and prohibitions on how end-use customers can use potable water to achieve a statewide 25% reduction in usage as compared with the amount used in 2013 (through February 2016).
- May 21, 2015 – AL 1077-A, filed through Tariff Schedule 14.1,
- November 13, 2015 – Governor of the State of California issued another Executive Order that directed the Water Board to, if drought conditions persist through January 2016, extend until October 31, 2016 restrictions to achieve a statewide reduction in potable water usage.
- On February 2, 2016 – Water Board adopted an extended and revised Emergency Regulation due to continuing drought conditions.
- May 18, 2016 – Water Board approved updated Emergency Regulation that extends emergency regulation through January 2017 with specific modifications, the most significant of these being the creation of a self-certification process for all utilities to identify required reductions based on supply need for a 3 year period.

Discussion:

California American Water has been offering leading conservation programs to its customers to achieve water savings and water wise behaviors and has further expanded its programs during the California drought of 2011 through 2016. In May of 2015 the company activated our Conservation/Rationing Memorandum Account to track all drought related expenses incurred during the drought to help comply with the State’s Drought Emergency Orders.

Request:

From 2014 through 2017, California American Water in the Los Angeles District incurred \$740k to help meet statewide implemented water use reduction targets in each service area and to implement the SWRCB’s water use prohibitions. These costs included ongoing drought communications and water use education and the employment of customer service employees (mostly temporary) dedicated to the drought situation.

The California Public Utilities Commission (Commission) adopted Resolution W-4976 on February 27, 2014 which revised the drought procedures for water conservation, rationing and service connection moratoria enumerated in Standard Practice U-40-W. Cal-Am requests to recover \$298,632 – Baldwin Hills, \$249,223 – Duarte, and \$193,040 – San Marino, including interest from the Conservation/Rationing Memorandum Account (CRMA) balance for Los Angeles County, including Baldwin Hills, Duarte and San Marino Service Areas; to their CEBA.

Below is the surcharges for Los Angeles service areas:

Service Area	Consolidated Expense Balance Account Surcharge per 100 gallon	Number of Months Applicable From Effective Date
Baldwin Hills	\$0.0315	24

Duarte	\$0.0139	12
San Marino	\$0.0009	12

Resolution W-4976 states that:

Memorandum accounts to track expenses and monies collected by the utility through water use violation fines must be requested through an advice letter, either in conjunction with an advice letter requesting adding Rule 14.1 or Schedule 14.1, or in a stand-alone advice letter.

Paragraph 37 in Resolution W-4976, states that:

The tracking of lost revenues as a result of conservation efforts in a lost revenue memorandum account is tied to the utility having Rule 14.1 or Schedule 14.1 in its tariffs and having activated either Rule 14.1 or Schedule 14.1.

Tier Designation:

This advice letter is submitted with a Tier 1 designation pursuant to General Order No. 96-B.

Effective Date:

California American requests an effective date of February 26, 2019.

Protests and Responses:

Anyone may respond to or protest this advice letter. A response supports the filing and may contain information that proves useful to the Commission in evaluating the advice letter.

A protest objects to the advice letter in whole or in part and must set forth the specific grounds on which it is based. These grounds are:

- (1) The utility did not properly serve or give notice of the advice letter;
- (2) The relief requested in the advice letter 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 advice letter contain material errors or omissions;
- (4) The relief requested in the advice letter is pending before the Commission in a formal proceeding; or
- (5) The relief requested in the advice letter requires consideration in a formal hearing, or is otherwise inappropriate for the advice letter process;
or

(6) The relief requested in the advice letter is unjust, unreasonable, or discriminatory (provided that such a protest may not be made where it would require relitigating a prior order of the Commission.)

A protest shall provide citations or proofs where available to allow staff to properly consider the protest.

A response or protest must be made in writing or by electronic mail and must be received by the Water Division within 20 days of the date this advice letter is filed. The address for mailing or delivering a protest is:

Tariff Unit, Water Division, 3rd floor
California Public Utilities Commission,
505 Van Ness Avenue, San Francisco, CA 94102
water_division@cpuc.ca.gov

In 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:	E-Mail:	Mailing Address:
Kamilah U Jones <i>Financial Analyst – Rates & Regulatory</i>	Kamilah.Jones@amwater.com	4701 Beloit Drive Sacramento, CA 95838 Fax: (916) 568-4260
Sarah E. Leeper <i>Vice President – Legal, Regulatory</i>	sarah.leeper@amwater.com	333 Hayes Street San Francisco, CA 94102 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.

If you have not received a reply to your protest within 10 business days, contact this person at (916) 568-4232.

CALIFORNIA-AMERICAN WATER COMPANY

/s/ Kamilah Jones

Kamilah Jones
Financial Analyst - Rates & Regulatory

Schedule No. LA-1 (Continued)
Los Angeles County District Tariff Area
GENERAL METERED SERVICE

Sheet 5

SPECIAL CONDITIONS:

Fees and Surcharges: (Continued)

- 4. Water Revenue Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA) Surcharges. (Continued)

c. **San Marino:**

For the San Marino service area, a surcharge is included on each bill to recover the net under-collection in the WRAM and MCBA of \$2,053,964, including interest, as of December 31, 2017. The surcharge is \$0.0513 per 100 gallons and will remain effective for 14 months beginning March 31, 2018.

- 5. Per Advice Letter 1141-A, a surcharge of \$ 1.21 for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.
- 6. Per Advice Letter 1201-A, the under-collected balance in the Los Angeles County District Consolidated Expense Balancing Account (CEBA) will be recovered through a quantity based surcharge, as shown in the below table effective February 26, 2019. The total amount will be recovered from all classes of customers. (C)
(C)

Service Area	Consolidated Expense Balance Account Surcharge per 100 gallon	Number of Months Applicable From Effective Date
Baldwin Hills	\$0.0315	24
Duarte	\$0.0139	12
San Marino	\$0.0009	12

(I)
(I)
(R)

(Continued)

(TO BE INSERTED BY UTILITY)
Advice 1201-A
Decision

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

(TO BE INSERTED BY C.P.U.C.)
Date Filed 02/26/2019
Effective 02/26/2019
Resolution _____

TABLE OF CONTENTS

Sheet 2

<u>SUBJECT MATTER OF SHEET</u>	<u>C.P.U.C. SHEET NO.</u>
<u>SERVICE AREA MAP (Continued):</u>	
Sacramento	8511-W, 6592-W, 6593-W, 8664-W, 6595-W, 8872-W, 7500-W, 8794-W, 6599-W, 6600-W
Sacramento- Dunnigan	8163-W
Sacramento- Geyserville	8321-W
Sacramento - Meadowbrook	8512-W
San Diego County	6601-W, 6602-W
Ventura County	6603-W, 6604-W
<u>RATE SCHEDULES:</u>	
All Districts -- Low Income Ratepayer Assistance Program	
CA-LIRA	California American Water Low Income Ratepayer Assistance Program
	8745-W, 8746-W, 8899-W, 8900-W, 8749-W, 8750-W, 8762-W, 7724-W, 7725-W, 7726-W
CA-4	California American Water Private Fire Protection Service
	8473-W, 8744-W, 7739-W, 7740-W, 7741-W, 8001-W, 8020-W, 8021-W, 7628-W, 7625-W, 7636-W, 7640-W, 7643-W, 7632-W, 7634-W, 8197-W, 8206-W
CA-4H	Private Fire Hydrant Service
	8742-W, 7743-W, 7744-W, 8186-W, 8002-W, 8022-W, 7626-W, 7641-W
Larkfield District	
LK-1	General Metered Service
	8720-W, 8797-W, 8791-W, 8845-W, 8018-W, 7633-W
LK-F	Facilities Fees
	7651-W
Los Angeles County District	
LA-1	General Metered Service
	8722-W, 8723-W, 8798-W, 8784-W, 8929-W, 8852-W, 8016-W, 7630-W
LA-3M	Measured Irrigation Service
	8725-W, 7712, 8547-W, 8853-W, 8017- W, 7631-W
Monterey County District (Monterey Main, Hidden Hills, Ryan Ranch, & Bishop Service Areas)	
MO-1-SF	General Metered Service Single Family Residential Customers
	8811-W, 8813-W, 8814-W, 8815-W, 8839-W, 8920-W, 8399-W, 8888-W, 8023-W, 8812-W
MO-1-MF	General Metered Service Multi-Residential Customers
	8818-W, 8819-W, 8820-W, 8821-W, 8822-W, 8840-W, 8921-W, 8889-W, 8819-W
MO-1C	General Metered Service Non-Residential Customers
	8825-W, 7673-W, 7674-W, 7675-W, 8826-W, 8454-W, 8827-W, 8841-W, 8227-W, 8890-W, 8922-W
MO-1O	General Metered Service Other Customers
	8830-W, 8831-W, 8832-W, 8833-W, 8834-W, 8842-W, 8891-W, 8923-W

(C)

(Continued)

(TO BE INSERTED BY UTILITY)

Advice 1201-A
Decision

ISSUED BY

J. T. LINAM
DIRECTOR - Rates & Regulatory

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

Date Filed 02/26/2019
Effective 02/26/2019
Resolution _____

TABLE OF CONTENTS

Sheet 1

<u>SUBJECT MATTER OF SHEET</u>	<u>C.P.U.C. SHEET NO.</u>
TITLE PAGE	8662-W
TABLE OF CONTENT	8931-W, 8930-W, 8926-W, 8876-W, (C) 8770-W, 8869-W, 8868-W, 8593-W, 8071-W
PRELIMINARY STATEMENTS	7828-W, 8517-W, 8881-W 7748-W, 7749-W, 7750-W, 7751-W, 7752-W, 7753-W, 7754-W, 7755-W, 7756-W, 7757-W, 8079-W, 7759-W, 7830-W, 7831-W, 7832-W, 7833-W, 7834-W, 7835-W, 7836-W, 7837-W, 7838-W, 7769-W, 7770-W, 7771-W, 7772-W, 7773-W, 7774-W, 7775-W, 7776-W, 7777-W, 7778-W, 7779-W, 7780-W, 7781-W, 7782-W, 7783-W, 7784-W, 7785-W, 7786-W, 7787-W, 7788-W, 7789-W, 7790-W, 7791-W, 7792-W, 7793-W, 7794-W, 7839-W, 7796-W, 7797-W, 7798-W, 7799-W, 7800-W, 7801-W, 7802-W, 7803-W, 7804-W, 8510-W, 8081-W, 8082-W, 8178-W, 8302-W, 8459-W, 8460-W, 8516-W, 8756-W, 8879-W, 8882-W, 8884-W, 8886-W
<u>SERVICE AREA MAP:</u> California-American Water Company	5470-W
Larkfield	6569-W
Los Angeles County Baldwin Hills Duarte San Marino	6570-W 6571-W, 6572-W, 6578-W 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

(Continued)

(TO BE INSERTED BY UTILITY)

ISSUED BY

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

Advice 1201-A

J. T. LINAM

Date Filed 02/26/2019

Decision

DIRECTOR - Rates & Regulatory

Effective 02/26/2019

Resolution W-5186

LOS ANGELES COUNTY DISTRICT SERVICE LIST
CALIFORNIA-AMERICAN WATER COMPANY
ADVICE LETTER 1201-A

BY MAIL:

	Los Angeles Docket Office California Public Utilities Commission 320 West 4th Street, Suite 500 Los Angeles, CA 90013	Hatties Stewart 4725 S. Victoria Avenue Los Angeles, CA 90043
Louis A. Atwell Director of Public Works City of Inglewood One W. Manchester Blvd. Inglewood, CA 90301	Rex Ball SR/WA, Senior Real Property MGMT County of Los Angeles 222 South Hill Street, 3rd Floor Los Angeles, CA 90012	Barbara Delory 4030 Bartlett Avenue Rosemead, CA 91770-1332
City of El Monte Water Department 11333 Valley Blvd. El Monte, CA 91734	City of El Monte Attention M. Helen Lopez, CMC Chief Deputy City Clerk/Rcrds Mgr 11333 Valley Blvd El Monte CA 91731-3293	San Gabriel County Water District P.O. Box 2227 San Gabriel, CA 91776
Michelle Keith City Manager City of Bradbury 600 Winston Avenue Bradbury, CA 91008	City of Monrovia City Clerk 415 South Ivy Ave Monrovia, CA 91016	City of San Gabriel City Clerk 425 S. Mission Drive San Gabriel, CA 91776
City of Arcadia Water Dept. 240 W. Huntington Drive Arcadia, CA 91006	Temple City City Clerk 9701 Las Tunas Dr. Temple City, CA 91780	William M. Marticorena Rutan & Tucker, LLP 611 Anton Blvd., 14th Floor Costa Mesa, CA 92626-1931
Cary Reisman Wallin, Kress, Reisman & Kranitz, LLP 2800 28th Street, Suite 315 Santa Monica, CA 90405	Kenneth D. Rozell Wallin, Kress, Reisman & Krantz, LLP 2800 28TH STREET, SUITE 315 Santa Monica, CA 90405	Lenard G. Weiss Manatt One Embarcadero Center, 30th Floor San Francisco, CA 94111
James L. Markman Richards, Watson & Gershon 355 South Grand Avenue, 40th Floor Los Angeles, CA 90071-3101	B. Tilden Kim Attorney At Law Richards Watson & Gershon 355 South Grand Avenue, 40th Floor Los Angeles, CA 90071 City of Los Angeles Department of Water and Power 111 North Hope Street Los Angeles, CA 90012 Attn: City Attorney	City of Rosemead City Clerk 8838 E. Valley Blvd Rosemead, CA 91770
Marcus Nixon Asst. Public Advisor 320 W. 4th Street, Suite 500 Los Angeles, CA 90013		Sarah E. Leeper California American Water 555 Montgomery St, Suite 816 San Francisco, CA 94111

LOS ANGELES COUNTY DISTRICT SERVICE LIST
CALIFORNIA-AMERICAN WATER COMPANY
ADVICE LETTER 1201-A

BY E-MAIL:

	Office of Ratepayer Advocates California Public Utilities Commission dra_water_al@cpuc.ca.gov	Richard Rauschmeier California Public Utilities Commission ORA - Water Branch, Rm 4209 505 Van Ness Ave San Francisco, CA 94102 rra@cpuc.ca.gov
Ms. Lisa Bilir California Public Utilities Commission Division of Ratepayer Advocates 505 Van Ness Avenue San Francisco, CA 94102 lwa@cpuc.ca.gov	City of Inglewood City Hall One W. Manchester Blvd. Inglewood, CA 90301 brai@cityofinglewood.org	San Gabriel Valley Water Company 11142 Garvey Blvd. El Monte, CA 91734 dadellosoa@sgvwater.com
Laura L. Krannawitter California Public Utilities Commission Executive Division, Rm 5303 505 Van Ness Avenue San Francisco, CA 94102 llk@cpuc.ca.gov	East Pasadena Water Company 3725 Mountain View Pasadena, CA 91107 larry@epwater.com	Mary Martin 4611 Brynhurst Ave. Los Angeles, CA 90043 Marymartin03@aol.com
Jame Polanco, Rates Clerk California Water Service Company 1720 North First Street San Jose, CA 95112 jpolanco@calwater.com	David E. Morse 1411 W. Covell Blvd., Suite 106-292 Davis, CA 95616-5934 demorse@omsoft.com	John K. Hawks Executive Director California Water Association 601 Van Ness Avenue, Suite 2047 San Francisco, CA 94102-3200 jhawks_cwa@comcast.net
City of Irwindale City Clerk 5050 North Irwindale Avenue Irwindale, CA 91706 lindak@ci.irwindale.ca.us	Bernardo R. Garcia PO Box 37 San Clemente, CA 92674-0037 uwua@redhabanero.com	Lori Ann Dolqueist Manatt One Embarcadero Center, 30th Floor San Francisco, CA 94111-3719 ldolqueist@manatt.com
Sunnyslope Water Company 1040 El Campo Drive Pasadena, CA 91109 sswc01_jcobb@sbcglobal.net	Kristen Winters Utility Services of Alaska 3691 Cameron Street, Suite 201 Fairbanks, AK 99709 kristen@akwater.net	Veronica Ruiz, City Clerk City of San Marino 2200 Huntington Drive, 2nd floor San Marino, CA 91108 vrui@cityofsanmarino.org
City of Duarte City Clerk 1600 Huntington Drive Duarte, CA 91010 akanam@accessduarte.com	Audrey Jackson Golden State Water Company 630 E. Foothill Blvd. San Dimas, CA 91773 afjackson@gswater.com	