STATE OF CALIFORNIA GAVIN NEWSOM, Governor

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298

October 27, 2021



Lakhjit Thind Financial Analyst - Rates & Regulatory California-American Water Company 4701 Beloit Drive Sacramento, CA 95838-2434

Hi Lakhjit,

The Commission has approved California-American Water Company's Advice Letter No. 1348, filed on September 21, 2021, regarding 2021 Larkfield Purchased Water Offset for the Northern Division.

Enclosed are copies of the following revised tariff sheets, effective September 21, 2021, for the utility's files:

P.U.C.	
Sheet No.	Title of Sheet
10115-W	Schedule No. ND-1, Northern Division Tariff Area
	General Metered Services, Sheet 8
10116-W	Table Of Contents, Sheet 3
10117-W	Table Of Contents, Sheet 1

Please contact Bradley Leong at BL4@cpuc.ca.gov or 415-703-2307, if you have any questions.

Thank you,

/s/ROBIN BRYANT

Robin Bryant

Water Division

Enclosures

CALIFORNIA PUBLIC UTILITIES COMMISSION WATER DIVISION

Advice Letter Cover Sheet

The protest or response deadline for this advice letter is 20 days from the date that this advice letter was mailed to the service list. Please

☐ Compliance

Date Mailed to Service List: September 21, 2021

Protest Deadline (20th Day): October 11, 2021

Review Deadline (30th Day): October 21, 2021

Requested Effective Date: September 21, 2021

Rate Impact: \$See AL

See AL%

Utility Name: California American Water

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see the "Response or Protest" section in the advice letter for more information.

Description: 2021 Larkfield Purchased Water Offset

District: Northern Division

CPUC Utility #: U210W

Tier

Authorization D.18-12-021

Advice Letter #: 1348

Utility Contact:	Lakhjit Thind	Utility Contact:	Jonathan Morse
Phone:	916-568-4233	Phone:	916-568-4237
Email:	lakhjit.thind@amwater.com	Email:	Jonathan.morse@amwater.com
DWA Contact:	Tariff Unit		
Phone:	(415) 703-1133		
Email:	Water.Division@cpuc.ca.gov		
	DWA USI	ONLY	
DATE	<u>STAFF</u>	CO	<u>MMENTS</u>
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[] APPROVED	[]WITE	HDRAWN	[] REJECTED
Signature:	Con	mments:	



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

www.amwater.com



September 21, 2021

ADVICE LETTER NO. 1348

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

California-American Water Company ("California American Water") (U210W) hereby submits for filing the following tariff sheets applicable to its Northern Division which are attached hereto:

C.P.U.C. Sheet No.	Title of Sheet	Canceling Sheet No.
XXXX-W	Schedule No. ND-1 (Continued) Northern Division Tariff Area GENERAL METERED SERVICE	10026-W
XXXX-W	TABLE OF CONTENTS (Continued) (Page 3)	10076-W
XXXX-W	TABLE OF CONTENTS (Continued) (Page 1)	10089-W

Purpose:

California American Water requests authority pursuant to General Order (GO) 96-B, Water Industry Rules, Section 7.3.1, and Section 454 of the Public Utilities Code to offset purchased water expenses it incurs from the Sonoma County Water Agency.

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:

<u>Larkfield Service Area</u>

Sonoma County Water Agency increased its rates from \$1,258.55 to \$1,374.1 per acre-foot to California American Water's Larkfield Service Area effective July 1, 2021. California American Water Company requests that the full increase be offset through a surcharge to account for the annual change in purchased water costs.

The rate increase results in a \$35,542 annual increase in purchased water expense to California American Water, plus a corresponding increase of \$183 in uncollectibles, for a total expense increase of \$35,725. This increase is directly related to water consumption and thus should be applied to the quantity rate as a volumetric based surcharge. The resulting incremental increase is \$0.1084 per ccf.

The resulting surcharge will increase by \$0.1084 from \$0.2401 to \$0.3485 per ccf, or \$0.0466 per cgl.

The offset requested represents an increase of \$35,725 or 1.07% over the last authorized revenue requirement.

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 increases, 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 \$0.3485 per ccf (\$0.0466 per 100 gallons) for Larkfield Service Area customers.

Copies of the detailed workpapers and the documents supporting this Advice Letter have been furnished to the Commission Staff.

Tier Designation:

This advice letter is submitted with a Tier 1 designation.

Effective Date:

California American Water requests an effective date of September 21, 2021.

RESPONSE OR PROTEST¹

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 grounds² 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;
- The relief requested in the AL is pending before the Commission in a formal proceeding;
- 5. The relief requested in the AL requires consideration in a formal hearing, or is otherwise inappropriate for the AL process; or

¹ G.O. 96-B, General Rule 7.4.1

² G.O. 96-B, General Rule 7.4.2

- 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.
- 7. 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 (<u>or</u> postal mail) within 20 days of the date the AL is filed. When submitting a response or protest, <u>please include the utility name and</u> advice letter number in the subject line.

The addresses for submitting a response or protest are:

Email Address: Mailing Address:

Water.Division@cpuc.ca.gov CA Public Utilities Commission

Water Division

505 Van Ness Avenue San Francisco, CA 94102

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:

Email Address: Mailing Address:

jonathan.morse@amwater.com 4701 Beloit Drive

Sacramento, CA 95838

<u>sarah.leeper@amwater.com</u> 555 Montgomery Street, Ste. 916

San Francisco, CA 94111

lakhjit.singh@amwater.com 4701 Beloit Drive

Sacramento, CA 95838

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.

REPLIES³

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

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³ G.O. 96-B, General Rule 7.4.3

Advice Letter No. 1348 September 21, 2021 Page 4 of 4

/s/ Lakhjit Thind

Lakhjit Thind Financial Analyst

Attachme	ent 1
Advice	1348

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
10115-W	Schedule No. ND-1 Northern Division Tariff Area GENERAL METERED SERVICES Sheet 8	10026-W
10116-W	TABLE OF CONTENTS Sheet 3	10112-W
10117-W	TABLE OF CONTENTS Sheet 1	10114-W

655 W. Broadway, Suite 1410 San Diego, CA 92101

Revised Cancelling Revised Cal. P.U.C. Sheet No. Cal. P.U.C. Sheet No.

10115-W 10026-W

Schedule No. ND-1 Northern Division Tariff Area GENERAL METERED SERVICES

Sheet 8

Fees and Surcharges SACRAMENTO TARIFF AREA

1. A surcharge/surcredit is included in each bill to recover the net under/over-collection in the Water Revenue Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA). For the period ending December 31, 2020, the net over-collection totals \$3,263,755 including interest. The meter surcredit is set to recover the over-collection over a 12-month period at a rate equal to 15% of the authorized revenue requirement as approved by D.18-12-021.

Meter Size	Surcredit	
5/8 x 3/4	\$ 3.10	
3/4	\$ 4.64	
1	\$ 7.74	
1 1/2	\$ 15.48	
2	\$ 24.76	
3	\$ 46.43	
4	\$ 77.38	
6	\$ 154.76	
8	\$ 247.61	
10	\$ 355.94	

LARKFIELD TARIFF AREAS

- 1. D.18-12-021 authorized a three-year conservation budget of \$45,700 for 2018-2020 for the Larkfield Tariff Area. Effective November 23, 2020, the conservation surcharge will be removed from customer bills.
- 2. Per Advice Letter 1252, the under-collected balance in the Larkfield District Consolidated Expense Balancing Account (CEBA) will be recovered through a quantity based surcharge of \$0.0617 per 100 gallons over 36 months effective September 22, 2019. The total amount will be recovered from all classes of customers.
- 3. A surcharge/surcredit is included in each bill to recover the net under/over-collection in the Water Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA). For the period ending December 31, 2020, the net under-collection totals \$76,853 including interest. The surcharge of \$0.0312 per 100 gallons is set to recover the under-collection at a rate equal to 15% of the authorized revenue requirement as approved by D.18-12-021.
- 4. Per Advice Letter 1347, a surcharge is applied to each bill to offset increases in purchased water costs imposed by the Sonoma County Water Agency. This offset results in a needed increase of \$35,725 or 1.07%. The surcharge of \$0.0466 per cgl is added to the quantity rate beginning September 21, 2021.

(C)

(Continued)

(TO BE INSERTED BY UTILITY) ISSUED BY (TO BE INSERTED BY C.P.U.C.) 09/21/2021 Advice 1348 J. T. LINAM Date Filed Decision **DIRECTOR - Rates & Regulatory** 09/21/2021 Effective Resolution

655 W. Broadway, Suite 1410

San Diego, CA 92101

Revised Revised

C.P.U.C. SHEET NO.

Cal. P.U.C. Sheet No. Cal. P.U.C. Sheet No.

10116-W 10112-W

(C)

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SUBJECT MATTER OF SHEET

RATE SCHEDULES (Continued):

Los Angeles County District

LA-1 General Metered Service 9886-W, 9887-W, 9888-W, 9968-W, 10086-W, 10055-W,

10056-W

LA-3M Measured Irrigation Service 9889-W, 9588-W, 9969-W, 10087-W, 10058-W

LA-RP-1 General Metered Service 9970-W, 99971-W

Monterey County District

(Monterey Main, Hidden Hills, Ryan Ranch, & Bishop Service Areas)

MO-1-SF General Metered Service 9895-W, 9896-W, 9972-W, 9770-W, 9973-W, 9933-W,

Single Family Residential 10018-W, 10059-W, 9612-W, 9850-W, 9922-W

Customers

MO-1-MF General Metered Service 9897-W, 9898-W, 9974-W, 9778-W, 9975-W, 9934-W,

Multi-Residential Customers 10020-W, 10060-W, 9613-W, 9851-W, 9923-W

MO-1C General Metered Service 9899-W, 9784-W, 9785-W, 9786-W, 9788-W,

Non-Residential Customers 9976-W, 9935-W, 10061-W, 10062-W, 9614-W, 9852-W,

9924-W

MO-1O General Metered Service 9900-W, 9901-W, 9794-W, 9795-W, 9977-W, 9936-W,

Other Customers 10063-W, 10064-W, 9615-W, 9853-W, 9925-W

Central Satellite

CEN-1 General Metered Service 9902-W, 9903-W, 9978-W, 10011-W, 10065-W, 10012-W

Northern District

ND-1 General Metered Service 9891-W, 9892-W, 9893-W, 9894-W, 9979-W, 10066-W,

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San Diego County District

SD-1 General Metered Service 9904-W, 9905-W, 10032-W, 10070-W, 10071-W

Ventura County District

VN-1 General Metered Service 9906-W, 9907-W, 10035-W, 10072-W, 10073-W

VN-9MC Metered Construction 9908-W, 10002-W, 10074-W, 10075-W

Service

(Continued)

(TO BE INSERTED BY UTILITY)

Advice 1348

J. T. LINAM

Date Filed 09/21/2021

Decision

DIRECTOR - Rates & Regulatory

Resolution

CALIFORNIA-AMERICAN WATER COMPANY

655 W. Broadway, Suite 1410 San Diego, CA 92101

Revised Cancelling Revised

Cal. P.U.C. Sheet No. Cal. P.U.C. Sheet No.

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(Continued)

(TO BE INSERTED BY UTILITY) ISSUED BY (TO BE INSERTED BY C.P.U.C.) Advice 1348 J. T. LINAM Date Filed 09/21/2021 Decision DIRECTOR - Rates & Regulatory 09/21/2021 Effective Resolution

LARKFIELD DISTRICT SERVICE LIST CALIFORNIA-AMERICAN WATER COMPANY ADVICE LETTER 1348

BY MAIL:

Mario Gonzalez 111 Marwest Commons circle

Santa Rosa, CA 95403

California Water Service Co Redwood Valley District 14034 Armstrong Woods Rd Guerneville 95446

Maria D. Duddy 2184 Teakwood Ct. Hollister, CA 95023 Penngrove/Kenwood Water Co 4984 Sonoma Hwy Santa Rosa 95409

BY E-MAIL:

Richard Rauschmeier California Public Utilities Commission DRA - Water Branch, Rm 4209 505 Van Ness Ave San Francisco, CA 94102 rra@cpuc.ca.gov

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