

<b>CALIFORNIA PUBLIC UTILITIES COMMISSION DIVISION OF WATER AND AUDITS Advice Letter Cover Sheet</b>				(Date Filed / Received Stamp by CPUC)				
AL #		Date Mailed to Service List:		Requested Effective Date:		Requested Tier:		
886		April 1, 2011		April 1, 2011		<input type="checkbox"/> Tier 1 <input type="checkbox"/> Tier 2 <input checked="" type="checkbox"/> Tier 3		
Replacing AL#:		Authorized by:		Compliance Filing?		Rate		
		D. 10-06-038		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		\$ \$127,940 % 1.91%		
<u>The public has 20 days from Date Mailed (above) to protest this advice letter. If you chose to protest or respond to the advice letter, send Protest and/or Correspondence within 20 days to:</u>				Director Division of Water and Audits 505 Van Ness Ave. San Francisco, CA 94102				
<u>and if you have email capability, also email to:</u>				<a href="mailto:water_division@cpuc.ca.gov">water_division@cpuc.ca.gov</a>				
<u>Your protest also must be served on the Utility</u>				(see attached advice letter for more information and grounds for protest)				
Company Name: CALIFORNIA AMERICAN WATER						CPUC Utility Number:		
Address: 1033 B AVENUE, SUITE 200						WTA _____		
City, State, Zip: CORONADO, CA 92118						WTB _____		
						WTC _____		
						WTD _____		
						SWR _____		
Contact Name:		Phone No.		Fax No.		Email Address:		
Filer	Suzette Halterman		916-568-4255		916-568-4260		<a href="mailto:Suzette.halterman@amwater.com">Suzette.halterman@amwater.com</a>	
Alternate	Sherrene Chew		916-568-4233		916-568-4260		<a href="mailto:Sherrene.chew@amwater.com">Sherrene.chew@amwater.com</a>	
<b>Description:</b> <i>(In this space or on the back of this form)</i>								
<b>1. Explain justification for requested Tier –</b> Per D. 10-06-038 and GO 96-B								
<b>2. Describe service affected and how it is affected –</b> This AL is requesting an increase in the DSIC Surcharge applied to all bills for water service effective 4/1/2011 (1 <sup>st</sup> Quarter 2011 DSIC Surcharge)								
<b>3. Describe differences from related Advice Letters (Similar service, replacement filing)</b>								
(FOR CPUC USE ONLY)								
WTS Budget/Activity/Type				Process as: <input type="checkbox"/> Tier 1 <input type="checkbox"/> Tier 2 <input type="checkbox"/> Tier 3				
/ /				20th Day		30th Day		
Project Manager:				Suspended on:				
Analyst:				Extended on:				
Due Date:				Resolution No.:				
Completion Date:				AL/Tariff Effective Date:				



CALIFORNIA  
AMERICAN WATER

4701 Beloit Drive  
Sacramento, CA 95838  
www.amwater.com

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

April 1, 2011

ADVICE LETTER NO. 886

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

California American Water Company (U210W) hereby submits for filing the following tariff sheets applicable to its Los Angeles District which are attached hereto:

<u>C.P.U.C. Sheet No.</u>	<u>Title of Sheet</u>	<u>Canceling Sheet No.</u>
6076-W	Schedule No. LA-DSIC Los Angeles District Tariff Area DSIC Rate Tariff	5982-W
6077-W	Table of Contents	6074-W
6078-W	Table of Contents (continued)	6067-W

**Purpose:**

This advice letter filing is being made to update the DSIC Surcharge for the 1<sup>st</sup> Quarter 2011 for California American Water's Los Angeles District as authorized by the California Public Utilities Commission in Decision No. 10-06-038.

**Background:**

On June 29, 2010, The California Public Utilities Commission (CPUC) issued Decision No. 10-06-038. Submission of these tariffs is made per page 29 of this Decision which states:

*"The parties agree that the Distribution System Infrastructure Surcharge should be continued in the Los Angeles District, and that the tariff should be changed to allow the extension. The parties also agree to continue the current 7% general rate case cap and 4% quarterly cap. The proposed Distribution System Infrastructure Surcharge Tariff is Attachment 1 to the settlement and incorporates new annual and case limits and new construction project totals that are also included in the settlement."*

**Rate Impact:**

The total revenue is figured on a quarterly basis. For this filing the total revenue is an increase from \$95,506 filed for in AL 877 (4<sup>th</sup> Quarter 2010 DSIC filing) to \$127,940 filed for in this current AL (AL 886, 1<sup>st</sup> Quarter 2011 DSIC filing).

The total surcharge to be applied to customer bills is figured on a quarterly basis as well. For this filing the total surcharge is an increase from 1.43% filed for in AL 877 (4<sup>th</sup> Quarter 2010 DSIC filing) to 1.91% filed for in this current AL (AL 886, 1<sup>st</sup> Quarter 2011 DSIC filing).

**Request:**

California American Water is requesting authorization to update the attached DSIC tariffs and DSIC surcharge as authorized by the CPUC in Decision No. 10-06-038 for California American Water's Los Angeles District.

**Tier Designation:**

These tariffs are submitted pursuant to General Order No. 96-B and this advice letter is designated as a Tier 3 filing.

**Effective Date:**

California American Water requests that the tariffs discussed above, be made effective January 1, 2011

**Service List:**

In accordance with Section 4.3 of General Order 96-B, a copy of this advice letter has been served upon all interested and affected parties as shown in Exhibit A.

**Protest 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 may include the following:

- (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 error 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, 3<sup>rd</sup> floor  
California Public Utilities Commission,  
505 Van Ness Avenue, San Francisco, CA 94102  
water\_division@cpuc.ca.gov

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:

<b>Recipients:</b>	<b>E-Mail:</b>	<b>Mailing Address:</b>
David P. Stephenson <i>Director – Rates &amp; Regulation</i>	dstephen@amwater.com	4701 Beloit Drive Sacramento, CA 95838 Fax: (916) 568-4260
Olivia Para <i>Corporate Counsel</i>	olivia.para@amwater.com	333 Hayes Street San Francisco, CA 94102 Fax: (415) 863-0615
Suzette Halterman <i>Financial Analyst I</i>	suzette.halterman@amwater.com	4701 Beloit Drive Sacramento, CA 95838 Fax: (916) 568-4260
Shirley McCalebb <i>Executive Admin. Asst.</i>	shirley mcalebb@amwater.com	4701 Beloit Drive Sacramento, CA 95838 Fax: (916) 568-4260

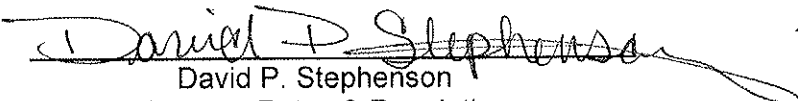
Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform the Water Division, within the 20 day protest period, so that a late filed protest can be entertained. The informing document should include an estimate of the date the proposed protest might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

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.

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

If you have not received a reply to your protest within 10 business days, please contact me at (916) 568-4222.

CALIFORNIA AMERICAN WATER

  
David P. Stephenson  
Director - Rates & Regulation

*By EA*

Schedule No. LA-DSIC

Los Angeles District Tariff Area

DISTRIBUTION SYSTEM INFRASTRUCTURE CHARGE (DSIC)  
RATE TARIFF

APPLICABILITY

The tariff rate specified herein shall be applicable to all bills for water service on or after the effective date noted below for the duration of the pilot authorized in D.10-06-038, June 24, 2010.

PURPOSE

The purpose of this tariff is to provide a mechanism to recover the fixed costs of replacement capital projects completed in the Los Angeles District on or after January 1, 2010. The eligible capital projects to be included in this charge are detailed below.

RATE

DSIC Surcharge Rate is calculated as shown in ELIGIBLE PLANT 8, and is effective when a DSIC advice letter is filed with the Commission, subject to refund when the Commission issues its resolution on the advice letter.

	<u>Percent of Total Water Bill</u>		
	1.91%		(l)

This percentage is applied to all bills for water service on or after the effective date which shall be the date the advice letter is filed with the Commission, and which is noted hereon.

SPECIAL CONDITIONS APPLICABLE TO THE CHARGE

1. The charge is applicable to all water service billed under tariff rate Schedules LA-1, LA-3M and LA-4.
2. The charge above shall be applied to all bills rendered on or after the effective of this tariff.
3. The charge will not be applicable to Special Condition Surcharges.
4. The charge is subject to the PUC reimbursement fee set forth in Schedule No. UF.
5. Any charge in effect as a result of D.10-06-038 will be reset to zero at the time of the approval of new rates from the next Los Angeles District rate case to be filed in July 2010.

DEFINITION OF TERMS

1. DSIC – Distribution System Improvement Charge
2. Mass Property – All items replaced under a general category where the replacement cost is less than \$20,000.

(continued)

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The following listed tariff sheets contain all effective rates and rules affecting the charges and services of the Utility, together with other pertinent information:

<u>SUBJECT MATTER OF SHEET</u>	<u>C.P.U.C. SHEET NO.</u>
TITLE PAGE	5469-W
TABLE OF CONTENTS	6077-W, 6078-W, 6013-W, 6075-W, (C) 6056-W, 6057-W, 6058-W
PRELIMINARY STATEMENTS	4957-W, 4144-W, 5617-W, 5295-W 5184-W, 4961-W, 4962-W, 5291-W, 5584-W, 5377-W, 4965-W, 5595-W, 5275-W, 5317-W, 5379-W, 5287-W, 5288-W, 5289-W, 5402-W, 5882-W, 5559-W, 5710-W, 5656-W, 5657-W, 5658-W, 5708-W, 5880-W, 5881-W, 5980-W, 6014-W, 6015-W, 6016-W, 6017-W, 6018-W, 6019-W

**SERVICE AREA MAP:**

California-American Water Company	5470-W
Coronado	2235-W
Larkfield	4313-W
Los Angeles	
Baldwin Hills	995 -W, 996-W
Duarte	1633-W, 941-W, 942-W
San Marino	935 -W, 936-W, 937-W, 513-W, 1986-W
Monterey Peninsula	5040-W, 2740-W, 2741-W, 2742-W, 2744-W, 2745-W, 4315-W, 4293-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, 4042-W, 4043-W

(Continued)

(TO BE INSERTED BY UTILITY)	ISSUED BY	(TO BE INSERTED BY C.P.U.C.)
ADVICE LETTER NO. <u>886</u>	<u>D. P. STEPHENSON</u>	DATE FILED <u>                    </u>
DECISION NO. <u>D. 10-06-038</u>	<u>DIRECTOR -- RATES &amp; REGULATION</u>	EFFECTIVE <u>                    </u>
	TITLE	RESOLUTION NO. <u>                    </u>

TABLE OF CONTENTS (Continued)

(Page 2)

<u>SUBJECT MATTER OF SHEET</u>	<u>C.P.U.C. SHEET NO.</u>
SERVICE AREA MAP (Continued)	
Sacramento	4133-W, 4530-W, 4529-W, 4136-W 4137-W, 4138-W, 4139-W, 4140-W 4141-W, 4142-W,
Village	780 -W, 2607-W
RATE SCHEDULES:	
Coronado District Tariff Area	
CO-1 General Metered Service	5905-W, 5965-W
CO-1-LIRA General Metered Service	5906-W, 5946-W, 4764-W, 4886-W 4887-W, 4888-W, 5966-W
CO-4 Private Fire Protection Service	5907-W, 4802-W, 5967-W
CO-4H Private Fire Hydrant Service	5908-W, 4805-W, 5968-W
Larkfield District Tariff Area	
LW-1 General Metered Service	5788 -W, 5789-W, 5790-W
LW-1-LIRA Low Income Ratepayer Assistance Program	5791-W, 5947-W, 4890-W, 4891-W 4892-W, 4893-W, 5792-W, 5793-W 5205-W
LW-4 Private Fire Protection Service	5794 -W, 5795-W
Los Angeles District Tariff Area	
LA-1 General Metered Service	5798-W, 5799-W, 5800-W, 5825-W 5826-W, 5899-W
LA-1-LIRA Low Income Ratepayer Assistance Program	5801-W, 5802-W, 5948-W, 4585-W 5803-W, 5827-W, 5828-W, 5900-W
LA-3M Measured Irrigation Service	5804-W, 2662-W, 5829-W, 5901-W
LA-4 Private Fire Protection Service	5806-W, 2920-W, 5807-W, 5902-W
LA-DSIC DSIC Rate Tariff	6076-W, 4702-W, 4703-W, 4704-W 4705-W, 4706-W, 4707-W
Monterey District Tariff Area (Monterey Main, Hidden Hills, Ryan Ranch, & Bishop Service Areas)	
MO-1 General Metered Service	6000-W, 6001-W, 6002-W, 5625-W 5626-W, 5627-W, 5628-W, 5629-W 5630-W, 5631-W, 5632-W, 5716-W 6062-W, 6063-W
MO-1-LIRA Low Income Ratepayer Assistance Program	6003-W, 6004-W, 5949-W, 5637-W 5638-W, 5639-W, 5640-W, 5641-W 5717-W, 6064-W, 6065-W
MO-4 Private Fire Protection Service	6007-W, 4852-W, 5643-W, 5644-W 5720-W, 5615-W
MO-4B Private Fire Protection Service Bishop Service Area	6009-W, 5649-W, 5722-W
MO-4H Private Fire Hydrant Service	6010-W, 4970-W, 5651-W, 5723-W 5616-W

(C)

(Continued)

(TO BE INSERTED BY UTILITY)	ISSUED BY	(TO BE INSERTED BY C.P.U.C.)
ADVICE LETTER NO. <u>886</u>	D. P. STEPHENSON	DATE FILED _____
	NAME	EFFECTIVE _____
DECISION NO. <u>D. 10-06-038</u>	DIRECTOR -- RATES & REGULATION	RESOLUTION NO. _____
	TITLE	

**EXHIBIT A**  
**CALIFORNIA-AMERICAN WATER COMPANY**  
**LOS ANGELES DISTRICT – SERVICE LIST**  
**ADVICE LETTER 886**

**BY MAIL:**

Christine M. Walwyn – ALJ  
California Public Utility Commission  
505 Van Ness Avenue, Room 5008  
San Francisco, CA 94102-3214

Danilo E. Sanchez  
California Public Utility Commission  
Room 3200  
505 Van Ness Avenue  
San Francisco, CA 94102-3214

Maxine Harrison  
California Public Utilities Commission  
Executive Division  
320 West 4<sup>th</sup> Street Suite 500  
Los Angeles, CA 90013

B. Tilden Kim  
Attorney At Law  
Richards Watson & Gershon  
355 South Grand Avenue, 40<sup>th</sup> Floor  
Los Angeles, CA 90071

Glenn Kau  
Director of Public Works  
City of Inglewood  
One W. Manchester Blvd.  
Inglewood, CA 90301

Judy Dunlap  
City Council Member, Dist. #2  
City of Inglewood  
One W. Manchester Blvd.  
Inglewood, CA 90301

Cary Reisman  
Wallin, Kress, Reisman & Krantz, LLP  
2800 28<sup>th</sup> Street, Suite 315  
Santa Monica, CA 90405

Kenneth D. Rozell  
Wallin, Kress, Reisman & Krantz, LLP  
2800 28TH STREET, SUITE 315  
Santa Monica, CA 90405

William M. Marticorena  
Rutan & Tucker, LLP  
611 Anton Blvd., 14<sup>th</sup> Floor  
Costa Mesa, CA 92626-1931

James L. Markman  
Richards, Watson & Gershon  
355 South Grand Avenue, 40<sup>th</sup> Floor  
Los Angeles, CA 90071-3101

Patricia A. Schmiege  
Law Office of Patricia A. Schmiege  
705 Mission Avenue, Suite 200  
San Rafael, CA 94901

Lenard G. Weiss  
Manatt  
One Embarcadero Center, 30<sup>th</sup> Floor  
San Francisco, CA 94111

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

Rex Ball  
SR/WA, Senior Real Property MGMT  
County of Los Angeles  
222 South Hill Street, 3<sup>rd</sup> Floor  
Los Angeles, CA 90012

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

Marcus Nixon  
Asst. Public Advisor  
320 W. 4<sup>th</sup> Street, Suite 500  
Los Angeles, CA 90013

City of Arcadia Water Dept.  
240 W. Huntington Drive  
Arcadia, CA 91006

Temple City  
City Clerk  
9701 Las Tunas Dr.  
Temple City, CA 91780

City of San Gabriel  
City Clerk  
425 S. Mission Drive  
San Gabriel, CA 91776

San Gabriel County Water District  
725 N. Azusa Avenue  
Azusa, CA 91702

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

**EXHIBIT A**  
**CALIFORNIA-AMERICAN WATER COMPANY**  
**LOS ANGELES DISTRICT – SERVICE LIST**  
**ADVICE LETTER 886**

Los Angeles Docket Office  
California Public Utilities Commission  
320 West 4<sup>th</sup> Street, Suite 500  
Los Angeles, CA 90013

Hatties Stewart  
4725 S. Victoria Avenue  
Los Angeles, CA 90043

Barbara Delory  
4030 Bartlett Avenue  
Rosemead, CA 91770-1332

Ms. Lisa Bilir  
California Public Utilities Commission  
Division of Ratepayer Advocates  
505 Van Ness Avenue  
San Francisco, CA 94102

---

**BY E-MAIL:**

Audrey Jackson  
Golden State Water Company  
630 E. Foothill Blvd.  
San Dimas, CA 91773  
afjackson@gswater.com

Veronica Ruiz, City Clerk  
City of San Marino  
2200 Huntington Drive, 2<sup>nd</sup> floor  
San Marino, CA 91108  
vruiz@cityofsanmarino.org

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  
dadelloa@sgvwater.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

Diana Brooks  
California Public Utility Commission  
Room 4102  
505 Van Ness Avenue  
San Francisco, CA 94102-3214  
dsb@cpuc.ca.gov

City of Inwindale  
City Clerk  
5050 North Inwindale Avenue  
Inwindale, CA 91706  
lindak@ci.inwindale.ca.us

Bernardo R. Garcia  
PO Box 37  
San Clemente, CA 92674-0037  
uwua@redhabanero.com

Lori Ann Doiqueist  
Manatt  
One Embarcadero Center, 30<sup>th</sup> 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

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 Duarte  
City Clerk  
1600 Huntington Drive  
Duarte, CA 91010  
akanam@accessduarte.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

**EXHIBIT A**  
**CALIFORNIA-AMERICAN WATER COMPANY**  
**LOS ANGELES DISTRICT – SERVICE LIST**  
**ADVICE LETTER 886**

Division of Ratepayer Advocates  
California Public Utilities Commission  
dra\_water\_ai@cpuc.ca.gov

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