



NOTICE OF GENERAL RATE CASE APPLICATION FILED BY CALIFORNIA AMERICAN WATER FOR AN INCREASE IN WATER RATES NORTHERN DIVISION (APPLICATION NO. A.19-07-004)

California American Water has filed a General Rate Case (GRC) application with the California Public Utilities Commission (CPUC) to increase customers' rates beginning January 1, 2021. This GRC will cover the years 2021-2023.

THE APPLICATION

The CPUC requires California American Water to file a GRC every three years. On July 1, 2019, California American Water filed a GRC requesting revenue increases of \$25,999,900 (or 10.60%) for 2021, \$9,752,500 (or 3.59%) for 2022, and \$10,754,500 (or 3.82%) for 2023. If approved by the CPUC, the total revenue increase for all three years, for the Northern Division, would be \$13,560,300 (or 20.28%). The GRC includes revenue requirement information, the anticipated cost to run the water company's systems, new infrastructure investments, a request to increase rates to cover anticipated costs and other requests the water company deems necessary to run its business.

CUSTOMER IMPACT

The proposed revenue increases for each district in the Northern Division are shown below.

Northern Division-Proposed Revenue Increase (Includes Service Areas in Sacramento, Dunnigan, Geyserville, Larkfield, Meadowbrook, Dunnigan Wastewater, and the Proposed Acquisitions of Fruitridge Vista and Hillview.)							
CUSTOMER CLASS	2021		2022		2023		Total \$ Increase
	\$ Increase	% Increase	\$ Increase	% Increase	\$ Increase	% Increase	
Residential	\$3,153,776	8.18%	\$2,401,593	5.75%	\$2,203,455	4.99%	\$7,758,824
Commercial	\$1,507,030	7.76%	\$1,203,012	5.73%	\$1,106,123	4.99%	\$3,816,165
Industrial	\$(15,734)	-0.96%	\$111,544	6.90%	\$86,170	4.99%	\$181,980
Public Authority	\$262,679	7.40%	\$225,397	5.90%	\$201,849	4.99%	\$689,925
Other	\$126	30.00%	\$34	6.23%	\$29	4.99%	\$189
Residential Fire Protection Service	\$30,708	8.36%	\$24,920	5.71%	\$23,018	4.99%	\$78,646
Private Fire Protection Service	\$342,842	26.81%	\$3,419	0.21%	\$81,040	4.99%	\$427,301
Residential Flat	\$302,455	18.81%	\$171,936	9.00%	\$103,839	4.99%	\$578,230
Mobile Home Residential (Sewer)	\$4,064	8.36%	\$3,008	5.71%	\$2,778	4.99%	\$9,850
Commercial (Sewer)	\$69	8.45%	\$50	5.64%	\$47	4.99%	\$166
TOTAL	\$5,588,015		\$4,144,913		\$3,808,347		\$13,541,275

If California American Water's General Rate Case is approved, a typical residential customer's monthly water bills (with a 5/8-inch meter size) would resemble those below. **Rate impacts may vary due to pending proposed changes in rate design. Amounts shown include fees, taxes, and surcharges.**

Sacramento District (including service areas in Sacramento County, Geyserville, and Dunnigan) Average Residential Bill							Larkfield District Average Residential Bill						
YEAR	Meter Size	Avg Use (CGL) ¹	Current Bill	\$ Increase	Proposed Bill	% Increase	YEAR	Meter Size	Avg Use (CGL) ¹	Current Bill	\$ Increase	Proposed Bill	% Increase
2021	5/8-inch	85.65	\$58.30	\$6.72	\$65.02	11.53%	2021	5/8-inch	65.83	\$97.11	\$(5.53)	\$91.58	-5.70%
2022	5/8-inch	85.65	\$65.02	\$3.71	\$68.73	5.71%	2022	5/8-inch	65.83	\$91.58	-	\$91.58	0.00%
2023	5/8-inch	85.65	\$68.73	\$3.43	\$72.16	4.99%	2023	5/8-inch	65.83	\$91.58	-	\$91.58	0.00%
Meadowbrook District Average Residential Bill							Dunnigan WW Average Residential Bill						
YEAR	Meter Size	Avg Use (CGL) ¹	Current Bill	\$ Increase	Proposed Bill	% Increase	YEAR	Meter Size	Avg Use (CGL) ¹	Current Bill	\$ Increase	Proposed Bill	% Increase
2021	5/8-inch	129.4	\$58.59	\$10.57	\$69.16	18.04%	2021	N/A	N/A	\$34.48	\$3.18	\$37.66	9.22%
2022	5/8-inch	129.4	\$69.16	\$3.95	\$73.11	5.71%	2022	N/A	N/A	\$37.66	\$2.15	\$39.81	5.71%
2023	5/8-inch	129.4	\$73.11	\$3.65	\$76.75	4.99%	2023	N/A	N/A	\$39.81	\$1.99	\$41.79	4.99%

1: CGL= 100 gallons

PRIMARY DRIVERS OF RATE INCREASE

There is an ongoing need to invest in the infrastructure that provides safe reliable water for our customers. The proposed rate increases will:

- sustain new infrastructure investments
- allow higher depreciation
- support increased labor costs
- fund centralized services including information technology and laboratory costs

OBTAINING A COPY OF THE APPLICATION

A copy of California American Water's proposed GRC application and related exhibits may be reviewed at California American Water's offices at the locations below:

- Sacramento Area – 4701 Beloit Drive, Sacramento, CA 95838
- Sonoma County – 4787 Old Redwood Highway, Santa Rosa, CA 95403

Copies of the proposed application are also available to review at the CPUC's Central Files Office in San Francisco by appointment. For more information, please contact them at aljcentralfilesid@cpuc.ca.gov or (415) 703-2045.

CPUC PROCESS

This application will be assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related documents necessary for the CPUC to establish a record upon which to base its decision. Evidentiary hearings may be held where utilities, consumer advocacy groups, and other entities which have been given official status as "parties" will present their testimony and may be subject to cross-examination by other parties. These evidentiary hearings are open to the public, but only those who are parties may participate. The hearings and documents submitted in the proceeding become part of the formal record that the Judge relies upon when writing a proposed decision to present to the Commissioners for their consideration.

After considering all proposals and all evidence presented during the formal hearing process, the Judge will issue a proposed decision determining whether to adopt California American Water's request, modify it, or deny it. Any of the CPUC's Commissioners may sponsor an alternate decision. The proposed decision and any alternate decisions will be discussed and voted upon at a scheduled Commission Voting Meeting.

The Public Advocates Office (Cal PA) may review this application. Cal PA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. Cal PA has a multi-disciplinary staff with expertise in economics, finance, accounting, and engineering. For more information about Cal PA, please call (415) 703-1584, e-mail PublicAdvocatesOffice@cpuc.ca.gov, or visit Cal PA's website at <http://www.publicadvocates.cpuc.ca.gov/>

STAY INFORMED

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If you would like to learn how you can participate in the proceeding, have informal comments, or have questions about the CPUC's processes, you may access the CPUC's Public Advisor's webpage at <http://consumers.cpuc.ca.gov/pao/>. You may also contact the Public Advisor as follows:

Email: public.advisor@cpuc.ca.gov

Write: Public Advisor's Office, 505 Van Ness Avenue, San Francisco, CA 94102.

Call: Toll free 1-866-849-8390; TTY toll free 1-866-836-7825

Please reference **California American Water's GRC Application No. 19-07-004** in any communications you have with the CPUC regarding this matter. All public comments will become part of the public correspondence file for this proceeding and be made available for review for the assigned Judge, the Commissioners, and appropriate CPUC staff.

