

PRELIMINARY STATEMENT
(Continued)

Sheet 1

AN. Public Safety Power Shut-Off Memorandum Account (PSPSMA)

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1. **PURPOSE:**

The purpose of the PSPSMA is to record the incremental Operation and Maintenance (O&M) expenses and carrying costs of the new facilities costs, that are not otherwise covered in California American Water's revenue requirement, to address public safety needs in the event of a proposed or declared Public Safety Power Shut-Off (PSPS) event by any of the electric utilities that provide electric service to California American Water's ratemaking areas, including advanced preparation costs.

2. **APPLICABILITY:**

Incremental O&M costs California American Water expect to incur include, but are not limited to the following:

- Purchased fuel for generators;
- Service contracts for generator maintenance, inspection and repair

Incremental plant investment California American Water expects to make include, but are not limited to the following:

- Generator costs;
- Automatic transfer switch costs;
- SCADA integration costs (i.e. programming to incorporate generator into SCADA system for remote monitoring and data acquisition);
- Equipment installation costs;
- Generator site preparation costs (i.e. cabling, hook ups, electrical box panel switches, and ancillary equipment to properly operator generators);
- Engineering and design costs;
- Project Management costs;
- Permitting costs

The PSPSMA shall only be used to track costs associated with potential and declared Public Safety Power Shut-off events. Costs that are duplicative or requested in a general rate case shall not be recorded.

3. **RATES:**

The memorandum account currently has no rate component.

4. **ACCOUNTING PROCEDURE:**

Expenditure Entries:

- a. A debit entry shall be made to the PSPSMA to record all PSPS-related costs including but not limited, purchased fuel for generators and service contracts.

(L)

(Continued)

(TO BE INSERTED BY UTILITY)

ISSUED BY

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

Advice 1280-A

J. T. LINAM

Date Filed 06/22/2020

Decision

DIRECTOR - Rates & Regulatory

Effective 02/10/2020

Resolution _____

