

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



July 30, 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. 1245, filed on June 12, 2019, regarding the Rio Plaza Transaction Memo Account 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
	9161-W	Preliminary Statement Summary Table
	9162-W	Preliminary Statement (Continued)
	9163-W	Table of Contents (Page 1)

Please contact Bradley Leong at 415-703-2307, if you have any questions.

Thank you,

/s/ROBIN BRYANT

Robin Bryant
Water & Sewer Advisory Branch
Water Division

Enclosures



4701 Beloit Drive
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www.amwater.com

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

June 12, 2019

ADVICE LETTER NO. 1245

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Pursuant to General Order 96-B, California-American Water Company (“Cal-Am”) (U210W) hereby submits for review this advice letter, including the following tariff sheets applicable to its Los Angeles County District, which are attached hereto:

<u>C.P.U.C. Sheet No.</u>	<u>Title of Sheet</u>	<u>Canceling Sheet No.</u>
9161-W	PRELIMINARY STATEMENT Summary Table	9156-W
9162-W	PRELIMINARY STATEMENT (Continued)	NEW
9163-W	TABLE OF CONTENTS (Page 1)	9160-W

PURPOSE

The purpose of this advice letter filing is to request the Rio Plaza Transaction Memorandum Account to track all costs resulting from the purchase of Rio Plaza Water Company, Inc. Examples of such costs include, but are not limited to, outside legal expenses, engineering, surveying, the appraisal, and other professional activities necessary to complete the transaction, including costs associated with the noticing of customers.

BACKGROUND

Cal-Am filed A.17-12-006 requesting approval of the sale of Rio Plaza Water Company, Inc. (“Rio Plaza”) to Cal-Am. The Commission approved transfer of ownership in D.19-04-015. Cal-Am closed the sale on June 4, 2019.

DISCUSSION

Submission of this request is made in compliance with Ordering Paragraph (OP) 11 of D. 19-014-015 which states:

11. California-American Water Company is authorized to file a tier 2 Advice Letter to establish a transaction Memorandum Account consistent with this Decision.

REQUEST

Cal-Am requests the establishment of the Rio Plaza Transaction Memorandum Account to track all costs related to the purchase of Rio Plaza Water Company.

SERVICE LIST

Pursuant to Section 4.3 of General Order No. 96-B, a copy of this advice letter is being sent to those entities listed in the attached service list. Copies of the detailed work papers and the documents supporting this Advice Letter have also been furnished to the Commission Staff.

EFFECTIVE DATE

Cal-Am submits this as a Tier 2 filing and requests an effective date of July 12, 2019 pursuant to D.19-014-015.

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;
4. The relief requested in the AL is pending before the Commission in a formal proceeding;
or
5. The relief requested in the AL requires consideration in a formal hearing, or is otherwise inappropriate for the AL process; or
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 relitigating a prior order of the Commission.

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

The addresses for submitting a response or protest are:

Email Address:

Water.Division@cpuc.ca.gov

Mailing Address:

CA Public Utilities Commission

¹ G.O. 96-B, General Rule 7.4.1

² G.O. 96-B, General Rule 7.4.2

Division of Water and Audits
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 Cal-Am at:

Email Address:

kamilah.jones@amwater.com

sarah.leeper@amwater.com

preet.nagra@amwater.com

Mailing Address:

4701 Beloit Drive
Sacramento, CA 95838

555 Montgomery Street, Suite 816
San Francisco, CA 94111

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.

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) 568-4232.

CALIFORNIA-AMERICAN WATER COMPANY
/s/ Kamilah Jones

Kamilah Jones
Financial Analyst IIB
Rates & Regulatory

³ G.O. 96-B, General Rule 7.4.3

PRELIMINARY STATEMENT
Summary Table

Sheet 2

Reference	Account	Tariff
AC	Water Cost of Capital Adjustment Mechanism	9036-W
AD	Water Contamination Litigation Expense Memorandum Account	9037-W
AE	West Placer Memorandum Account	9038-W
AF	Water Revenue Adjustment Mechanism (WRAM) & Modified Cost Balancing Account (MCBA)	9039-W,9040-W,9041-W, 9042-W
AG	Leak Adjustments Memorandum Account (LAMA)	9043-W
AH	Low Income Customer Data Sharing Memorandum Account	9044-W
AI	Operational Energy Efficiency Program Memorandum Account (OEEPMA)	9045-W, 9046-W
AJ	Purchased Water, Purchased Power, & Pump Tax Balancing Account	9047-W
AK	Temporary Interest Rate Balancing Account (TIRBA)	9048-W
AL	School Lead Testing Memorandum Account	9049-W
AM	The Memorandum Account for Environmental Improvement and Compliance Issues for Acquisitions	9154-W
AN	Dunnigan Consulting Memorandum Account	9051-W
AO	Water-Energy Nexus Program Memorandum Account	9052-W
AP	PCWA SFF Memorandum Account	9053-W
AQ	Monterey District Pre-2015 Residential Water Revenue Adjustment Mechanism/Modified Cost Balancing Account ("WRAM/MCBA") undercollection/recovery Balancing Account	9054-W
AR	Monterey District Pre-2015 Residential Water Revenue Adjustment Mechanism/Modified Cost Balancing Account ("WRAM/MCBA") undercollection/recovery Balancing Account	9055-W
AS	Tax Cuts and Jobs Act Memorandum Account	9056-W
AT	General Rate Case Interim Rate True-up Memorandum Account	9057-W
AU	Cost of Capital Memorandum Account	9058-W
AV	Monterey County District Leak Adjustment Balancing Account	9059-W
AW	Tax Accounting Memorandum Account (TMA)	9060-W
AX	MPWSP Phase 1 Project Cost Memorandum Account (PCMA)	XXXX-W
AY	MPWSP Construction Fund Charge Memorandum Account (CFMA)	XXXX-W
AZ	MPWSP Operations and Maintenance Memorandum Account (MOMMA)	XXXX-W
BA	Credit Card Memorandum Account	9125-W
BB	Groundwater Management Memorandum Account	9155-W
BC	Rio Plaza Transaction Memorandum Account	9162-W

(N)

(Continued)

(TO BE INSERTED BY UTILITY)	ISSUED BY	(TO BE INSERTED BY C.P.U.C.)
Advice 1245	J. T. LINAM	Date Filed 06/12/2019
Decision	DIRECTOR - Rates & Regulatory	Effective 07/12/2019
		Resolution

PRELIMINARY STATEMENT
(Continued)

Sheet 79

BC. Rio Plaza Transaction Memorandum Account

(N)

California-American Water Company (Cal-Am) request to establish a Rio Plaza Transaction Memorandum Account.

1. PURPOSE: The purpose of this advice letter filing is to request the Rio Plaza Transaction Memorandum Account to track all costs resulting from the purchase of Rio Plaza Water Company. Inc. Examples of such costs include, but are not limited to, outside legal expenses, engineering, surveying, the appraisal, and other professional activities necessary to complete the transaction, including costs associated with the noticing of customers.
2. APPLICABILITY: California American Water's Los Angeles District – Rio Plaza Service Area.
3. ACCOUNTING PROCEDUE: California-American Water Company shall maintain the Rio Plaza Transaction Memo Account by making entries at the end of each month as follows:
 - a. A debit entry will be created to capture costs associated with the account.
 - b. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.
 - c. A credit entry will be made to transfer the balances to the appropriate district Consolidated Expense Balancing Account (CEBA) upon Commission approval.
4. RATEMAKING PROCEDURE: There is currently no ratemaking component to the memorandum account. Requests for recovery of any balance are to be processed according to General Order 96-B and Standard Practices or otherwise determined in a Commission decision. Upon Commission review and approval, balances shall be transferred to the appropriate district CEBA's for recovery/refund

(N)

(Continued)

(TO BE INSERTED BY UTILITY)

Advice 1245

Decision

ISSUED BY

J. T. LINAM

DIRECTOR - Rates & Regulatory

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

Date Filed 06/12/2019

Effective 07/12/2019

Resolution

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

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El Monte, CA 91734

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

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