

**CALIFORNIA PUBLIC UTILITIES COMMISSION
DIVISION OF WATER AND AUDITS**

Advice Letter Cover Sheet

Utility Name: California American Water	Date Mailed to Service List: January 26, 2017
District: Ventura District	
CPUC Utility #: U210W	Protest Deadline (20th Day): February 16, 2017
Advice Letter #: 1148	Review Deadline (30th Day): February 26, 2017
Tier <input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> Compliance	Requested Effective Date: January 26, 2017
Authorization Expense Offset	
Description: To request purchased water offset for Ventura District from Calleguas Water District	Rate Impact: \$See AL See AL%

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

Utility Contact: Melody Singh
Phone: 916-568-4246
Email: melody.singh@amwater.com

Utility Contact: Todd Pray
Phone: 916-568-4232
Email: todd.pray@amwater.com

DWA Contact: Tariff Unit
Phone: (415) 703-1133
Email: Water.Division@cpuc.ca.gov

DWA USE ONLY

<u>DATE</u>	<u>STAFF</u>	<u>COMMENTS</u>
_____	_____	_____
_____	_____	_____

APPROVED

WITHDRAWN

REJECTED

Signature: _____

Comments: _____

Date: _____



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

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

January 26, 2017

ADVICE LETTER NO. 1148

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 Ventura County (formerly Village) District which are attached hereto:

<u>C.P.U.C. Sheet No.</u>	<u>Title of Sheet</u>	<u>Canceling Sheet No.</u>
8155-W	Schedule No. VN-1 Ventura County District Tariff Area GENERAL METERED SERVICE	8086-W
8156-W	Schedule No. VN-9MC (Continued) Ventura County District Tariff Area METERED CONSTRUCTION SERVICE	8088-W
XXXX-W	TABLE OF CONTENTS (Continued) (Page 3)	XXXX-W
XXXX-W	TABLE OF CONTENTS (Continued) (Page 1)	XXXX-W

Request:

California American Water requests authority under Section 7.3.1 of the Water Industry Rules under General Order (GO) 96-B and Section 454 of the Public Utilities Code to offset purchased water expenses it incurs from the Calleguas Municipal Water District. The Calleguas Municipal Water District increased its rates to California American Water effective January 1, 2017. California American Water has no other source of water and therefore requests that the full increase be offset in base rates to account for the annual change in purchased water costs.

Background:

California American Water serves approximately 21,150 customers in Newbury Park, portions of Thousand Oaks, and area adjacent to Camarillo and Ventura County. The recently approved 2013 GRC (D.15-04-007) reset the purchased water parameters. A purchased water offset was subsequently filed for and approved in Advice Letter 1104-A

California American Water is requesting an offset due to the Calleguas Municipal Water District increasing water rates from \$1,257 to \$1,300 for Tier -1 rates and \$1,391 to \$1,394 for Tier -2 Rates in 2017. Additionally, the "Capacity Reservation Charge" increased while the "Readiness-to-Serve" charge decreased in 2017. This water rate increase resulted in an annual

increase in purchased water expense to California American Water of \$1,276,385 plus a corresponding increase of \$7,623 for uncollectibles for a total expense increase of \$1,284,007. This increase is directly related to water consumption and thus should be applied to the quantity rate. The resulting purchased water surcharge is an increase of \$.1827, from \$0.2266 per hundred cubic feet (Ccf) to \$0.4093, or \$0.0547 per 100 gallons.

The offset requested represents an increase of \$1,284,007 or 3.24% over the latest revenue requirement. In accordance with Section 3.2 of 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 increase, expressed in dollars and percent, in the first bill that includes the increased surcharge.

Tier Designation:

This advice letter is submitted with a Tier 1 designation.

Effective Date:

California American Water requests an effective date of January 26, 2017.

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 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.

¹ G.O. 96-B, General Rule 7.4.1

² G.O. 96-B, General Rule 7.4.2

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 Division of Water and Audits 505 Van Ness Avenue San Francisco, CA 94102
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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: melody.singh@amwater.com	Mailing Address: 4701 Beloit Drive Sacramento, CA 95838
sarah.leeper@amwater.com	555 Montgomery Street, Ste. 916 San Francisco, CA 94111
ca.rates@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

/s/ Todd pray

Todd Pray
Senior Manager of Rates & Regulatory

³ G.O. 96-B, General Rule 7.4.3

Schedule No. VN-1 (continued)
Ventura County District Tariff Area
GENERAL METERED SERVICE

SPECIAL CONDITIONS:

General Items:

- 1. Qualifying low-income customers can receive a discount on their bill. Customers must apply with the Company for acceptance into the low-income program. For additional details, please see Tariff Schedule CA-LIRA.
2. Any customer paying for service at a premise where a Residential Fire Sprinkler System (RFSS) is required/requested to be installed by local fire and building codes shall be allowed to have their monthly service charge modified in accordance with the monthly costs for RFSS service charges. Provided, however, that the RFSS rate has been requested by the customer and verified by the Company that the smaller size of meter would be large enough to provide adequate service for the property in absence of the additional demand necessary to supply water to the sprinkler system. The RFSS will not be considered a fire service by the Company, but as an oversized general metered service. As such the rules and conditions of service for general metered service shall apply.

Fees and Surcharges:

- 1. All bills are subject to the reimbursement fee set forth in Schedule No. UF.
2. A surcharge is included on each bill to collect franchise taxes and/or business license fees paid to various municipalities. The amount collected is 2.0% based on gross revenues before taxes and PUC fees for the County of Ventura and the City of Thousand Oaks.
3. Per Advice Letter 1072-B, a surcharge of \$0.0062 per 100 gallons will be applied to each bill to fund conservation efforts. The surcharge will remain in effect until otherwise directed by the Commission.
4. Per Advice Letter 1093, a surcharge of \$1.86 for the Low Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.
5. Per Advice Letter 1109-A, the under-collected balance in the Ventura County District Consolidated Expense Balancing Account (CEBA) will be recovered through a quantity based surcharge of \$0.0315 per 100 gallons over 12 months effective February 1, 2016. The total amount will be recovered from all classes of customers.
6. Per Advice Letter 1148, a surcharge is applied to each bill to offset the increase in purchased water cost imposed by the Calleguas Municipal Water District. This increase results in a needed revenue increase of \$1,284,007 or 3.24%. The surcharge of \$0.0547 per 100 gallons is added to the quantity rate effective January 26, 2017.
7. Water Revenue Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA) Surcharge. A surcharge is included in each bill to recover the net under-collection in the Water Revenue Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA). For the period ending December 31, 2015, the net under-collection totals \$4,944,811 including interest. The surcharge is \$0.0630 per 100 gallons and will remain effective for 18 months beginning March 31, 2016.

(C)
(C)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 1148

ISSUED BY
J. LINAM
NAME

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

DECISION NO. D.15-04-007

DIRECTOR - Rates & Regulatory
TITLE

EFFECTIVE
RESOLUTION

Schedule No. VN-9MC (Continued)
Ventura County District Tariff Area
METERED CONSTRUCTION SERVICE

SPECIAL CONDITIONS:

General Items:

- 1. Construction water service under this schedule will be furnished only when surplus water is available over the requirements for domestic service and under conditions which will not adversely affect domestic service. The utility will be the sole judge as to the availability of such surplus water.
- 2. Applicants for metered construction service will be required to apply for the service at least 48 hours in advance of the time delivery of water is requested and to pay the costs and charges as provided in Rule 13, Temporary Service.

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ISSUED BY

J. LINAM

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

DATE FILED

NAME

EFFECTIVE

DECISION NO.

D.15-04-007

DIRECTOR – Rates & Regulatory

TITLE

RESOLUTION

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<u>SUBJECT MATTER OF SHEET</u>	<u>C.P.U.C. SHEET NO.</u>
<u>RATE SCHEDULES (Continued):</u>	
Monterey County District (Continued)	
<i>(Monterey Main, Hidden Hills, Ryan Ranch, & Bishop Service Areas) (Continued)</i>	
MO-1 MU General Metered Service	8268-W, 7728-W, 7729-W, 7730-W
Residential/Non-Residential Mixed Use	7731-W, 8231-W, 8220-W, 8232-W
	7735-W, 7736-W, 8026-W, 8260-W
<i>(Ambler Park, Ralph Lane & Chualar Service Areas)</i>	
MO-ARC-1 General Metered Service	8271-W, 8119-W, 8120-W, 8236-W,
	8027-W, 7642-W, 8237-W
<i>(Toro)</i>	
MO-TO-1 General Metered Service	8128-W, 8201-W, 8019-W, 7644-W
<i>(Garrapata)</i>	
MO-GA-2 General Flat Rate Service	7693-W, 8170-W
Sacramento District	
SC-1 General Metered Service	8103-W, 8104-W, 8196-W, 8028-W,
	7635-W
SC-DU-1 General Metered Service	8160-W
SC-DU-1F Flat Rate Service	8161-W
San Diego County District	
SD-1 General Metered Service	XXXX-W, XXXX-W, 8184-W, 8013-
	W, 7624-W
Ventura County District	
VN-1 General Metered Service	8084-W, 8085-W, 8190-W, 8014-W,
	7627-W
VN-9MC Metered Construction Water	8087-W, 8191-W, 8015-W, 7629-W

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ISSUED BY
J. T. LINAM
NAME
DIRECTOR – Rates & Regulatory
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(TO BE INSERTED BY C.P.U.C.)
DATE FILED _____
EFFECTIVE _____
RESOLUTION _____

DECISION NO. _____

TABLE OF CONTENTS

(Page 1)

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	7052-W
TABLE OF CONTENTS	XXXX-X, XXXX-X, XXXX-X, XXXX-X (C) X, 8075-W, 8068-W, 8069-W, 8070-W, 8071-W
PRELIMINARY STATEMENTS	7828-W, 8078-W, 8003-W, 7748-W, 7749-W, 7750-W, 7751-W, 7752-W, 7753-W, 7754-W, 7755-W, 7756-W, 7757-W, 8079-W, 7759-W, 7830-W, 7831-W, 7831-W, 7833-W, 7834-W, 7835-W, 7836-W, 7837-W, 7838-W, 7769-W, 7770-W, 7771-W, 7772-W, 7773-W, 7774-W, 7775-W, 7776-W, 7777-W, 7778-W, 7779-W, 7780-W, 7781-W, 7782-W, 7783-W, 7784-W, 7785-W, 7786-W, 7787-W, 7788-W, 7789-W, 7790-W, 7791-W, 7792-W, 7793-W, 7794-W, 7795-W, 7796-W, 7797-W, 7798-W, 7799-W, 7800-W, 7801-W, 7802-W, 7803-W, 7804-W, 7806-W, 8080-W, 8081-W, 8082-W
<u>SERVICE AREA MAP:</u> California-American Water Company	5470-W
Larkfield	6569-W
Los Angeles County Baldwin Hills Duarte San Marino	6570-W 6571-W, 6572-W, 6578-W 6573-W, 6574-W, 6575-W, 6576-W, 6577-W
Monterey County	7053-W, 6580-W, 6581-W, 6582-W, 6583-W, 6584-W, 6585-W, 6586-W, 6587-W, 6588-W, 6589-W, 6590-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, 7054-W

(Continued)

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DATE FILED _____

DECISION NO. _____

DIRECTOR – Rates & Regulatory
TITLE

EFFECTIVE _____
RESOLUTION _____

VENTURA COUNTY DISTRICT SERVICE LIST
CALIFORNIA-AMERICAN WATER COMPANY
ADVICE LETTER 1148

BY MAIL:

California Water Service
P.O. Box 49062
San Jose, CA 95161-9062

Ventura County Waterworks District
7150 Walnut Canyon Road
P.O. Box 250
Moorpark, CA 93020

City of Camarillo
601 Carmen Drive
Camarillo, CA 93010

Sarah E. Leeper
California American Water
333 Hayes Street, Suite 202
San Francisco, CA 94102

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

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

Danilo Sanchez
California Public Utilities Commission
Division of Ratepayer Advocates
505 Van Ness Avenue, Room 3200
San Francisco, CA 94102

County of Ventura
800 South Victoria Avenue
Ventura, CA 93009

City of Thousand Oaks Water Dept.
2100 E. Thousand Oaks Blvd.
Thousand Oaks, CA 91362

Division of Ratepayer Advocates
California Public Utilities Commission
dra_water_al@cpuc.ca.gov

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City Engineer
City of Thousand Oaks
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Thousand Oaks, CA 91363
jspurgin@toaks.org

California Dept of Health Services
Division of Drinking Water &
Environmental Management
PO Box 997416
Sacramento, CA 95899-7413

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California Public Utilities Commission
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Marcus Nixon
Asst. Public Advisor
320 W. 4th Street, Suite 500
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Lenard G. Weiss
Manatt
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Barry Gabrielson
bdgabriel1@aol.com