

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



January 31, 2018

Jeffrey T. Linam
Director – Rates & Regulation
California-American Water Company
4701 Beloit Dr.
Sacramento, CA 95838-2434

Dear Mr. Linam,

The Commission has approved California-American Water Company's Advice Letter No. 51-S, filed on December 22, 2017, regarding establishing the 2018 Monterey and Dunnigan Waste Water Interim Rates.

Enclosed are copies of the following revised tariff sheets for the utility's files:

<u>P.U.C. Sheet No.</u>	<u>Title of Sheet</u>
214-S	Schedule SA Monterey Waste Water District Tariff Area ACTIVE SEWER SERVICE
215-S	Schedule SA Monterey Waste Water District Tariff Area ACTIVE SEWER SERVICE
216-S	Schedule SP Monterey Waste Water District Tariff Area PASSIVE SEWER SERVICE
217-S	Schedule SP Monterey Waste Water District Tariff Area PASSIVE SEWER SERVICE
218-S	Schedule WW-DU-1 Dunnigan District Sewer Tariff GENERAL FLAT RATE SERVICE
219-S	TABLE OF CONTENTS

Please contact Pui-Wa Li at 415-703-5327, if you have any questions.

Thank you,

/s/ROBIN BRYANT

Robin Bryant
Water & Sewer Advisory Branch
Division of Water and Audits

Enclosures

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

Advice Letter Cover Sheet

Utility Name: California American Water Monterey and Dunnigan	Date Mailed to Service List: December 22, 2017
District: Wastewater	
CPUC Utility #: U210W	Protest Deadline (20th Day): January 12, 2017
Advice Letter #: 51-S	Review Deadline (30th Day): January 22, 2017
Tier <input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> Compliance	Requested Effective Date: January 1, 2017
Authorization A.16-02-007	
Description: 2018 Monterey and Dunnigan Waste Water Interim Rates	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: Kamilah Jones
Phone: 916-568-4232
Email: Kamilah.jones@amwater.com

Utility Contact: Melody Singh
Phone: 916-568-4233
Email: Melody.singh@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WITHDRAWN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: _____



December 22, 2017

SEWER ADVICE LETTER NO. 51-S

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

California-American Water Company (Cal-Am) (U210W) hereby submits for filing the following tariff sheets applicable to its Monterey (Monterey County) and Dunnigan Waste Water District which are attached hereto:

<u>C.P.U.C.</u> <u>Sheet No.</u>	<u>Title of Sheet</u>	<u>Canceling</u> <u>Sheet</u> <u>No.</u>
214-S	Schedule SA Monterey Waste Water District Tariff Area ACTIVE SEWER SERVICE	203-S
215-S	Schedule SA Monterey Waste Water District Tariff Area ACTIVE SEWER SERVICE TO SPCA (Cont'd)	204-S
216-S	Schedule SP Monterey Waste Water District Tariff Area PASSIVE SEWER SERVICE	205-S
217-S	Schedule No WW-LIRA Monterey County Sewer Service LOW-INCOME RATEPAYER ASSISTANCE PROGRAM	206-S
218-S	Schedule WW-DU-1 Dunnigan District Sewer Tariff GENERAL FLAT RATE SERVICE	193-S
219-S	TABLE OF CONTENTS	213-S

Purpose:

The purpose of this advice letter filing is to implement interim rates in connection with Cal-Am's 2016 General Rate Case ("GRC") in A.16-07-002 and establish a 2016 GRC Interim Rate Memorandum Account for the Monterey (Monterey County) and Dunnigan Waste Water District in Application (A.) 16-07-002. This request is in compliance with authorizations of the California Public Utilities Commission as detailed in the Rate Case Plan in D. 07-05-062.

Background:

Cal-Am filed A. 16-07-002 on July 1, 2016 to increase rates for its Monterey (Monterey County) and Dunnigan Waste Water District for 2018.

Submission of these tariffs is made in compliance with Paragraph 1 of Page 11 of the Rate Case Plan Decision (D.) 07-05-062 which states:

“We conclude that companies experiencing a delay in their GRCs under our new RCP may seek a rate modification, subject to refund as set forth below, via and advice letter.⁶ Our adopted procedure is set forth at II(B) of the RCP. Section II(B) also sets forth the procedure for seeking permission to forego a GRC filing. We will not limit the rate changes sought in these filings to the rate of inflation. However, interim rates under Section 455.2(c), when approved, will be subject to refund and shall be adjusted upward or downward back to the effective date of the interim rates upon the adoption of final rates by the Commission at the conclusion of a GRC scheduled under the RCP. This procedure will only apply during our transition to the new RCP when the new RCP plan delays a water utility’s GRC beyond the three-year cycle set forth in Section 455.2(c). We decline to adopt CWA’s suggestion to permit utilities to file applications. Applications will unduly complicate the RCP schedule and create numerous inefficiencies. Furthermore, the advice letter process addresses all of CWA’s concerns.”

And in compliance with Appendix A, Section II. B. of the Rate Case Plan (page A-2):

“A water utility that experiences a delay beyond three-years in filing a GRC application due to the transition to the RCP schedule may seek to implement an interim rate change via an advice letter.

Such filing will not excuse a utility from filing its future GRCs according to the RCP schedule. These interim rates, when approved, will be subject to refund and shall be adjusted upward or downward back to the effective date of the interim rates with the adoption of final rates by the Commission at the conclusion of a GRC scheduled under the RCP.

The procedures herein will only apply during our transition to the RCP in instances when the RCP schedule delays a GRC for any water utility beyond the three-year cycle set forth in Section 455.2.”

To garner authority to implement interim rates and the corollary memorandum account the Administrative Law Judge (“ALJ”) in the subject proceeding must issue a Ruling approving such a request. In compliance with the Ruling requirement and in response to Cal-Am’s motion for interim rate relief filed on June 6, 2017 the ALJ in A.16-07-002 issued a Ruling on September 8, 2017 granting Cal-Am’s request:

“IT IS RULED

1. *In accordance with Public Utilities Code Section 455.2, California-American Water is authorized to file with the Commission, by Tier 1 Advice Letter, a tariff implementing interim rates for its service territories and establishing a memorandum account to track the difference between the interim rates and the final rates adopted by the Commission in this proceeding.*
2. *The interim rates may increase rates by an amount equal to the rate of inflation as compared to existing rates.*
3. *The interim rates may become effective no sooner than January 1, 2018.”*

Request:

Cal-Am requests authorization to establish interim rates in the Monterey (Monterey County) and Dunnigan Waste Water District by filing tariffs that increase present rates by 2.2% as set by the Consumer Price Index for All Urban Consumers (CPI-U) as of November, 2017 provided by the U.S. Bureau of Labor Statistics.

Tier Designation:

These tariffs are submitted pursuant to General Order No. 96-B and this advice letter is designated as a Tier 1 filing.

Effective Date:

Cal-Am requests that the tariffs discussed above be made effective January 1, 2018.

Service List:

In accordance with Section 4.3 of General Order No. 96-B, a copy of this advice letter is being sent to those entities listed 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 errors 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, 3rd 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:

Recipients:	E-Mail:	Mailing Address:
Jeffrey T. Linam <i>Director – Rates & Regulation</i>	Jeffrey.Linam@amwater.com	4701 Beloit Drive Sacramento, CA 95838 Fax: (916) 568-4260
Sarah Leeper <i>Vice President – Legal, Regulatory</i>	sarah.leeper@amwater.com.....	333 Hayes Street San Francisco, CA 94102 Fax: (415) 863-0615
Kamilah Jones..... <i>Financial Analyst – Rates & Regulatory</i>	Kamilah.jones@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.

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

CALIFORNIA-AMERICAN WATER COMPANY

Jeffrey T. Linam
Director - Rates & Regulation

Schedule SA
 Monterey Waste Water District Tariff Area
ACTIVE SEWER SERVICE

Sheet 1

APPLICABILITY

Applicable to all Active Sewer Services.

TERRITORY

The systems at Las Palmas, Pasadera, Carmel Valley Ranch and Indian Springs

RATES

<u>Las Palmas:</u>	<u>Per Service Per Month</u>
Service Charge Residential	\$118.15
Service Charge for School (5 EDUs).....	\$590.77
Service Charge for Small Office Park (6 EDUs)	\$708.93
Service Charge for Golf Course (4 EDUs)	\$472.63
<u>Pasadera:</u>	
Service Charge Residential	\$118.15
<u>Carmel Valley Ranch:</u>	
Service Charge Residential	\$118.15
Service Charge for Hotel (144 EDUs).....	\$17,014.39
<u>Indian Springs:</u>	
Service Charge for Residential and Small Commercial	\$118.15

(I)
 |
 (I)

SPECIAL CONDITIONS

FEES & SURCHARGES

1. All bills are subject to the Public Utilities Commission Reimbursement Fee set forth on Schedule No. UF.
2. Per Advice Letter 40-S-A, the under-collected balance in the Monterey Waste Water Consolidated Expense Balancing Account will be recovered through a monthly connection surcharge of \$1.10 over 12 months effective May 7, 2015.
3. Per Advice Letter 47-S-A, a surcharge of \$1.21 for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

(Continued)

(TO BE INSERTED BY UTILITY)		ISSUED BY	(TO BE INSERTED BY C.P.U.C.)	
Advice	51-S	J. T. LINAM	Date Filed	December 22, 2017
Decision		DIRECTOR - Rates & Regulatory	Effective	1-1-2018
			Resolution	

Schedule SA
Monterey Waste Water District Tariff Area
ACTIVE SEWER SERVICE

Sheet 2

APPLICABILITY

Applicable to the Society for the Prevention of Cruelty to Animals for Monterey County, Inc. ("SPCA") Sewer Service in the Pasadera area.

TERRITORY

The point of service connection between California American Water and SPCA in the Pasadera area.

RATES

<u>Contracted Property:</u>	<u>Service Charge per Month</u>	
SPCA (25 EDUs).....	\$2,953.63	(I)

SPECIAL CONDITIONS

1. All bills are subject to the Public Utilities Commission Reimbursement Fee set forth on Schedule No. UF.
2. Per Advice Letter 45-S-A, the over-collected balance in the Monterey Waste Water Consolidated Expense Balancing Account will be recovered through a monthly connection surcredit of \$2.21 over 12 months effective March 29, 2016.
3. Per Advice Letter 47-S-A, a surcharge of \$1.21 for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

(Continued)

(TO BE INSERTED BY UTILITY)

Advice 51-S
Decision

ISSUED BY

J. T. LINAM
DIRECTOR - Rates & Regulatory

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

Date Filed December 22, 2017
Effective 1-1-2018
Resolution _____

Schedule SP
 Monterey Waste Water District Tariff Area
PASSIVE SEWER SERVICE

Sheet 3

APPLICABILITY

Applicable to all Passive Sewer Services.

TERRITORY

The systems at White Oaks, Spreckels, Village Green and Oak Hills

RATES

<u>Oak Hills:</u>	<u>Per Service Per Month</u>	
Service Charge for Residential and Small Commercial	\$53.06	(1)
<u>Spreckels:</u>		
Service Charge for Residential and Small Commercial	\$53.06	
Service Charge for School	\$79.56	
Service Charge for Large Commercial (4 or more Employees).....	\$106.09	
Service Charge for Industrial	\$318.29	
<u>White Oaks:</u>	<u>Per Service Per Month</u>	
Service Charge for Residential	\$53.06	
<u>Village Green:</u>		
Service Charge for Residential	\$53.06	(1)

SPECIAL CONDITIONS

FEES & SURCHARGES

1. All bills are subject to the Public Utilities Commission Reimbursement Fee set forth on Schedule No. UF.
2. Per Advice Letter 45-S, the over-collected balance in the Monterey Waste Water Consolidated Expense Balancing Account will be recovered through a monthly connection surcredit of \$2.21 over 12 months effective March 29, 2016.
3. Per Advice Letter 47-S-A, a surcharge of \$1.21 for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

(Continued)

(TO BE INSERTED BY UTILITY)
 Advice 51-S
 Decision

ISSUED BY
 J. T. LINAM
 DIRECTOR - Rates & Regulatory

(TO BE INSERTED BY C.P.U.C.)
 Date Filed December 22, 2017
 Effective 1-1-2018
 Resolution _____

Schedule No. WW-LIRA
 Monterey County Sewer Service
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

APPLICABILITY

Applicable to all Active and Passive Sewer Services.

TERRITORY

The systems of Las Palmas, Pasadera, Carmel Valley Ranch, Indian Springs, White Oaks, Spreckels, Village Greens, and Oak Hills.

RATES

Active Sewer Service

<u>Las Palmas:</u>	<u>Per Service Per Month</u>	
Service Charge Residential.....	\$94.52	(I)
<u>Pasadera:</u>		
Service Charge Residential.....	\$94.52	
<u>Carmel Valley Ranch:</u>		
Service Charge Residential.....	\$94.52	
<u>Indian Springs:</u>		
Service Charge for Residential	\$94.52	(I)

Passive Sewer Service

<u>Oak Hills:</u>	<u>Per Service Per Month</u>	
Service Charge for Residential.....	\$42.45	(I)
<u>Spreckels:</u>		
Service Charge for Residential	\$42.45	
<u>White Oaks:</u>		
Service Charge for Residential	\$42.45	
<u>Village Greens:</u>		
Service Charge for Residential.....	\$42.45	(I)

(Continued)

<u>(TO BE INSERTED BY UTILITY)</u>	<u>ISSUED BY</u>	<u>(TO BE INSERTED BY C.P.U.C.)</u>
Advice 51-S	J. T. LINAM	Date Filed <u>December 22, 2017</u>
Decision	DIRECTOR - Rates & Regulatory	Effective <u>1-1-2018</u>
		Resolution _____

Schedule WW-DU-1
Dunnigan District Sewer Tariff Area
GENERAL FLAT RATE SERVICE

Sheet 5

APPLICABILITY

Applicable to all sewer service.

TERRITORY

Dunnigan, along both sides of Interstate 5, between County Roads 2 on the north and County Road 9 on the south, Yolo County.

RATES

Per Service Connection
Per Month

For each Mobile Home residential unit	\$29.43	(l)
For each Recreational Vehicle unit	\$29.43	(l)
For Commercial Business Unit	\$29.43	(l)

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth in Schedule No. UF.
2. A late charge will be imposed per Schedule CA-FEES.
3. Bills will be rendered in advance of the period for which service will be provided.
4. In accordance with Section 2714 of the Public Utilities Code and Commission Resolution No. 3976, if a tenant in a rental unit leaves owing the utility, service to subsequent tenants in that unit will, at the Utility's option, be furnished on the account of the landlord or property owner.

(Continued)

(TO BE INSERTED BY UTILITY)

Advice 51-S
Decision

ISSUED BY

J. T. LINAM
DIRECTOR - Rates & Regulatory

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

Date Filed December 22, 2017
Effective 1-1-2018
Resolution _____

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Sheet 6

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

<u>SUBJECT MATTER OF SHEET</u>	<u>C.P.U.C. SHEET NO.</u>	
<u>RATE SCHEDULES (Continued):</u>		
Title Page	192-S	
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Preliminary Statement	176-S, 4-S, 5-S, 78-S, 177-S, 178-S, 179-S, 180-S	
Service Area Maps	6-S, 64-S, 65-S, 8-S, 57-S, 58-S, 9-S, 59-S, 194-S	
<u>Rate Schedules:</u>		
Schedule No. SP – Passive Sewer Service	216-S	(C)
Schedule No. SA – Active Sewer Service	214-S, 215-S	(C)
Schedule No. UF	212-S	
Schedule No. WW-LIRA	217-S, 210-S, 171-S, 172-S, 199-S	(C)
Schedule No. WW-DU	218-S	(C)
<u>FEES, CONTRACTS & DEVIATIONS</u>		
<u>Rules:</u>		
No. 1 Definitions	158-S	
No. 2 Description of Service	89-S, 13-S	
No. 3 Application for Service	14-S	
No. 4 Contracts	15-S, 90-S	
No. 5 Special Information Required on Forms	16-S	
No. 6 Establishment and Reestablishment of Credit	17-S, 18-S, 19-S	
No. 7 Deposits	20-S	
No. 8 Notices	21-S, 22-S	
No. 9 Rendering and Payment of Bills	23-S	
No. 10 Disputed Bills	24-S, 25-S, 26-S, 175-S	
No. 11 Discontinuance and Restoration of Service	27-S, 28-S	
No. 12 Information Available to Public	29-S, 30-S, 31-S	
No. 13 Temporary Service	32-S, 33-S	
No. 14 Continuity of Service	34-S	
No. 15 Main Extensions	35-S	
No. 16 Service Connections, Meters, and Customer's Facilities	36-S	
No. 17 Measurement of Service	37-S, 38-S, 39-S, 40-S	
No. 18 Meter Tests and Adjustment of Bills for Meter Error	41-S	
No. 19 Service to Separate Premises and Multiple Units and Resale of Sewer Service	42-S, 43-S, 44-S, 45-S	
No. 20 Limitation on Wastes Discharged into the Utility's Sewer System	46-S	
No. 21 Commercial, Institutional and Industrial Wastes	47-S	
No. 22 The Military Family Financial Relief Act	48-S	
	74-S, 75-S	
<u>Sample Forms:</u>		
No. 1 Application for Sewer Service	49-S	
No. 2 Customer's Deposit Receipt	50-S	
No. 3 Bill for Service	51-S, 52-S	
No. 4 Main Extension Contract	53-S, 54-S	
No. 5 Main Extension Contract (Individuals)	55-S	

(Continued)

(TO BE INSERTED BY UTILITY)

Advice 51-S
 Decision

ISSUED BY

J. T. LINAM
 DIRECTOR - Rates & Regulatory

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

Date Filed December 22, 2017
 Effective 1-1-2018
 Resolution