

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



December 31, 2019

Ronald K. Moore
Senior Regulatory Analyst
Golden State Water Company
630 East Foothill Blvd.
San Dimas, CA 91773

Dear Mr. Moore,

The Commission has approved Golden State Water Company's Advice Letter No. 1797, filed on November 15, 2019, regarding the 2020 Escalation Increase for Arden-Cordova district.

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

P.U.C. Sheet No.	Title of Sheet
8523-W	Schedule No. AC-1, Arden-Cordova District General Metered Service, Page 1
8524-W	Schedule No. AC-2, Arden-Cordova District Flat Rate Water Service, Page 1
8525-W	Table of Contents, Page 2
8526-W	Table of Contents, Page 1

Please contact Jeremy Ho at 415-703-1905, if you have any questions.

Thank you,

/s/ROBIN BRYANT

Robin Bryant
Water & Sewer Advisory Branch
Water Division

Enclosures



November 15, 2019

Advice Letter No. 1797-W

(U 133 W)

California Public Utilities Commission

Golden State Water Company (“GSWC”) hereby transmits one original and three conformed copies of the following tariff sheets applicable to its Arden-Cordova Customer Service Area (“CSA”):

<u>CPUC Sheet No</u>	<u>Title of Sheet</u>	<u>Canceling CPUC Sheet No.</u>
Revised No. 8523-W	Schedule No. AC-1 Arden-Cordova District General Metered Service, Page 1	Revised No. 8297-W
Revised No. 8524-W	Schedule No. AC-2 Arden-Cordova District Flat Rate Water Service, Page 1	Revised No. 8300-W
Revised No. 8525-W	Table of Contents Page 2	Revised No. 8521-W
Revised No. 8526-W	Table of Contents Page 1	Revised No. 8522-W

Subject: 2020 Escalation Year - Arden-Cordova

PURPOSE

This advice letter submittal seeks to implement Escalation Year 2020 water rates, as authorized by the California Public Utilities Commission (“Commission”), for the Arden-Cordova CSA. GSWC’s request is being made pursuant to Decision No. 19-05-044, dated May 30, 2019, for GSWC’s General Rate Case Application (Application No. 17-07-010). Specifically, Ordering Paragraph No. 1 of Decision No. 19-05-044 states,

1. *The joint motion filed on August 15, 2018, for the adoption of the Settlement Agreement, is granted. The Settlement Agreement attached to this decision as Appendix A is adopted.*

Ordering Paragraph No. 4 states,

4. For escalation years 2020 and 2021, Golden State Water Company must file Tier 1 advice letters in conformance with General Order 96-B proposing new revenue requirements and corresponding revised tariff schedules for each ratemaking area in this proceeding. The advice letters must follow the escalation procedures set forth in the Revised Rate Case Plan for Class A Water Utilities adopted in Decision 07-05-062 and must include supporting workpapers. Golden State Water Company must file for rate reduction if the escalation procedures result in a rate reduction due to negative rate base growth, inflation factors, or customer growth. The revised tariff schedule must take effect on January 1, 2020 and January 1, 2021, respectively and apply to services rendered on and after their effective dates. The proposed revised revenue requirements and rates must be reviewed by the Commission's Water Division. The Water Division must inform the Commission if it finds that the revised rates do not conform to the Revised Rate Case Plan, this decision, or other Commission decisions, and if so, reject the filing.

COMPLIANCE

GSWC is filing this advice letter to implement rates for Escalation Year 2020. GSWC is authorized to increase rates in its Arden-Cordova CSA by \$692,792 or 5.08%. Accordingly, GSWC has computed the 2020 Escalation Year using the escalation methodology set forth in the Revised Rate Case Plan, the escalation factors as of September 2019 as published by the Public Advocates Office Energy Cost of Service Branch, and the current CPI-U available at the time of filing.

RATE OF RETURN

The following summary lists the Recorded, Authorized, and Pro-forma rates of return in GSWC's Arden-Cordova CSA for twelve months ending September 2019. The pro forma rate of return is calculated in accordance with guidelines provided by the Water Division.

Recorded	6.73%
Authorized	7.91%
Pro forma	7.77%

As shown above, the Pro-forma return is less than the Authorized rate of return. As such, no earnings adjustment is required for the proposed 2020 water rate increase.

BILL IMPACT

The monthly bill of a customer on Schedule No. AC-1 with a 5/8" x 3/4" meter, using 13 Ccfs will increase by \$1.90 or 5.41%.

The monthly bill of a single unit residential customer on Schedule No. AC-2 will increase by \$1.05 or 1.33%.

Two copies of detailed workpapers supporting the proposed rate increase and rate calculations are being supplied to the Commission Staff under a separate cover.

TIER DESIGNATION

This advice letter is submitted with a Tier 1 designation.

EFFECTIVE DATE

As directed, the effective date of these revised tariffs shall be January 1, 2020.

NOTICE

Customer Notice: This is a Tier 1 advice letter that does not require customer notification, as provided in Water Industry Rule 7.3.1 of General Order 96-B. GSWC will include a bill message on the customer's first bill after the increase goes into effect to inform its Arden Cordova customers of this rate increase.

RESPONSE OR PROTEST

Anyone may submit a response or protest for this Advice Letter (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 advice letter. A **protest** objects to the AL in whole or in part and must set forth the specific grounds on which it is based. These grounds 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.

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
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 Golden State Water Company at:

Email Address:

regulatoryaffairs@gswater.com

Mailing Address:

Golden State Water Company
Ronald Moore
630 East Foothill Blvd.
San Dimas, CA 91773

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.

REPLIES

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.

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.

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.

No individuals or utilities have requested notification of filing of tariffs. Distribution of this advice letter is being made to the attached service list in accordance with General Order No. 96-B.

Sincerely,

/s/ Ronald Moore

Ronald Moore

Regulatory Affairs Department

Golden State Water Company

c: Jim Boothe, CPUC- Water Division
Pat Ma, CPUC- Water Branch, Cal PAO
Richard Smith, CPUC- Water Branch, Cal PAO

Schedule No. AC-2
Arden-Cordova District
Flat Rate Service

APPLICABILITY

Applicable to all flat rate water service. This schedule is closed to new installations.

TERRITORY

Arden Manor area located approximately six miles northeast of Sacramento and Rancho Cordova and vicinity, Sacramento County.

RATES

	Per Service Connection Per Month	
For a single unit of occupancy, including premises not exceeding 12,000 sq. ft. in area	\$ 80.25	(I)
For a duplex including premises not exceeding 12,000 sq. ft. in area	\$ 148.05	
a. For each additional detached unit of occupancy on the same premises and served from the same service connection	\$ 76.38	
b. For each swimming pool equipped with a re-circulating filter system, on the same premises and served from the same service connection	\$ 19.30	(I)

(Continued)

<p>(To be inserted by utility)</p> <p>Advice Letter No. <u>1797-W</u></p> <p>Decision No. <u>19-05-044</u></p>	<p>Issued By</p> <p>R. J. Sprowls</p> <p>President</p>	<p>(To be inserted by P.U.C.)</p> <p>Date Filed <u>November 15, 2019</u></p> <p>Effective <u>January 1, 2020</u></p> <p>Resolution No. _____</p>
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Public Fire Service	AA-5	2931-W	
Cross Connection Control Fee	CCCF	7506-W	
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California Alternate Rates for Water	LI	8310-W, 8287-W	
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The following tariff sheets contain all effective rates and rules affecting rates and service of the utility, together with information relating thereto:

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		Resolution No. _____

GOLDEN STATE WATER COMPANY

SERVICE LIST

ARDEN-CORDOVA DISTRICT

Sacramento Suburban Water District
3701 Marconi Avenue, Suite 100
Sacramento, CA 95821
HHernandez@sswd.org
DYork@sswd.org

California-American Water Co.
4701 Beloit Drive
Sacramento, CA 95838
ca.rates@amwater.com

Fair Oaks Water District
10317 Fair Oaks Blvd.
Fair Oaks, CA 95628

City of Folsom
50 Natoma Street
Folsom, CA 95630

County Clerk
County of Sacramento
P. O. Box 839
Sacramento, CA 95812-0839

Director
Sacramento County Water Agency
827 7th Street, Room 301
Sacramento, CA 95814
DWRexecsecretary@saccounty.net

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505 Sansome Street, Suite 900
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7837 Fair Oaks Blvd.
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Citrus Heights Water District
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Orange Vale, CA 95662
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2729 Prospect Drive
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