

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



January 6, 2020

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. 1800, filed on November 15, 2019, regarding the 2020 Escalation Increase for Los Osos District.

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

| P.U.C. Sheet No. | Title of Sheet |
|-----------------------------|---|
| 8534-W | Schedule No. LO-1-NR, Los Osos Customer Service Area Non-Residential Metered Service, Page 1 |
| 8535-W | Schedule No. LO-1-R, Los Osos Customer Service Area Residential Metered Service, Page 1 |
| 8536-W | Schedule No. LO-RCW, Los Osos District Non-Residential Recycled Water Service, Page 1 |
| 8537-W | Table of Contents, Page 2 |
| 8538-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

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

Advice Letter Cover Sheet

Utility Name: GOLDEN STATE WATER COMPANY **Date Mailed to Service List:** 11/15/19
District: Los Osos
CPUC Utility #: 133 W **Protest Deadline (20th Day):** 12/4/19
Advice Letter #: 1800-W **Review Deadline (30th Day):** N/A
Tier 1 2 B Compliance **Requested Effective Date:** 1/1/2020
Authorization D.19-05-044 **Rate Impact:** \$112,185
2.88%
Description: 2020 Escalation Increase
Los Osos

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: Ronald Moore
Phone: (909) 394-3600 x 682
Email: rkmoore@gswater.com

Utility Contact: Nguyen Quan
Phone: (909) 394-3600 x 664
Email: Nquan@gswater.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[] APPROVED [] WITHDRAWN [] REJECTED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: _____



November 15, 2019

(U 133 W)

Advice Letter No. 1800-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 Los Osos Customer Service Area ("CSA"):

| <u>CPUC Sheet No</u> | <u>Title of Sheet</u> | <u>Canceling CPUC Sheet No.</u> |
|----------------------|---|---------------------------------|
| Revised No. 8534-W | Schedule No. LO-1-NR Los Osos Customer Service Area Non-Residential Metered Service, Page 1 | Revised No. 8311-W |
| Revised No. 8535-W | Schedule No. LO-1-R Los Osos Customer Service Area Residential Metered Service, Page 1 | Revised No. 8314-W |
| Revised No. 8536-W | Schedule No. LO-RCW Los Osos District Non-Residential Recycled Water Service, Page 1 | Revised No. 8317-W |
| Revised No. 8537-W | Table of Contents Page 2 | Revised No. 8532-W |
| Revised No. 8538-W | Table of Contents Page 1 | Revised No. 8533-W |

Subject: 2020 Escalation Year -Los Osos

PURPOSE

This advice letter submittal seeks to implement Escalation Year 2020 water rates, as authorized by the California Public Utilities Commission ("Commission"), for the Los Osos 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 Los Osos CSA by \$112,185 or 2.88%. Accordingly, GSWC has computed the 2018 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 Los Osos 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 | 8.04% |
| Authorized | 7.91% |
| Pro forma | 7.37% |

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 residential customer on Schedule No. LO-1-R with a 5/8" x 3/4" meter, using 6 Ccfs will increase by \$2.26 or 2.88%.

The monthly bill of a customer on Schedule No. LO-1-NR with a 5/8" x 3/4" meter, using 24 Ccfs will increase by \$7.58 or 2.88%.

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 Los Osos 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. LO-1-NR
Los Osos District
Non-Residential Metered Service

APPLICABILITY

Applicable to all metered water services except those covered under LO-1-R.

TERRITORY

Unincorporated areas south of the city of San Luis Obispo in the vicinity of Los Osos, San Luis Obispo County.

RATES

| | | | |
|---|----|------------------------|-----|
| Quantity Rate: | | | |
| For all water delivered, per 100 cu. Ft | \$ | 9.791 | (I) |
| Service Charges: | | Per Meter Per Month | |
| For 5/8 x 3/4-inch meter | \$ | 35.28 | (I) |
| For 3/4-inch meter | \$ | 52.92 | |
| For 1-inch meter | \$ | 88.20 | |
| For 1-1/2 inch meter | \$ | 176.40 | |
| For 2-inch meter | \$ | 282.24 | |
| For 3-inch meter | \$ | 529.20 | |
| For 4-inch meter | \$ | 882.00 | |
| For 6-inch meter | \$ | 1,764.00 | |
| For 8-inch meter | \$ | 2,822.40 | |
| For 10-inch meter | \$ | 4,057.20 | |
| Fire Sprinkler 6-inch to 3-inch | \$ | 569.42 | (I) |

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is added the charge for water computed at the Quantity Rates.

(Continued)

| | | |
|---|--|---|
| (To be inserted by utility) Advice Letter No. <u>1800-W</u> Decision No. <u>19-05-044</u> | Issued By R. J. Sprowls President | (To be inserted by P.U.C.) Date Filed <u>November 15, 2019</u> Effective <u>January 1, 2020</u> Resolution No. _____ |
|---|--|---|

Schedule No. LO-1-R
Los Osos District
Residential Metered Service

APPLICABILITY

Applicable to all residential metered water services provided to single-family residential customers.

TERRITORY

Unincorporated areas south of the city of San Luis Obispo in the vicinity of Los Osos, San Luis Obispo County.

RATES

Quantity Rates:

| | | | |
|------------------------------------|----|--------|-----|
| First 800 cu. ft., per 100 cu. ft | \$ | 9.791 | (I) |
| Next 600 cu. ft., per 100 cu. ft | \$ | 11.260 | (I) |
| Over 1,400 cu. ft., per 100 cu. ft | \$ | 12.949 | (I) |

| | | | |
|------------------|--|------------------|--|
| Service Charges: | | <u>Per Meter</u> | |
| | | <u>Per Month</u> | |

| | | | |
|--|----|--------|-----|
| For 5/8 x 3/4-inch meter | \$ | 22.18 | (I) |
| For 3/4-inch meter | \$ | 33.27 | |
| For 1-inch meter | \$ | 55.45 | |
| For 1-1/2 inch meter | \$ | 110.90 | |
| For 2-inch meter | \$ | 177.44 | |
| Fire Sprinkler 1-inch to 5/8x 3/4-inch | \$ | 23.07 | |
| Fire Sprinkler 1-inch to 3/4-inch | \$ | 33.60 | |
| Fire Sprinkler 1 1/2-inch to 3/4-inch | \$ | 37.93 | |
| Fire Sprinkler 2-inch to 3/4-inch | \$ | 39.59 | |
| Fire Sprinkler 1 1/2-inch to 1-inch | \$ | 59.89 | |
| Fire Sprinkler 2-inch to 1-inch | \$ | 61.55 | |

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is added the charge for water computed at the Quantity Rates.

(Continued)

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|---------------------------------|----------------------|-------------------------------------|
| (To be inserted by utility) | | (To be inserted by P.U.C.) |
| Advice Letter No. <u>1800-W</u> | <i>Issued By</i> | Date Filed <u>November 15, 2019</u> |
| Decision No. <u>19-05-044</u> | R. J. Sprowls | Effective <u>January 1, 2020</u> |
| | <i>President</i> | Resolution No. _____ |

Schedule No. LO-RCW
Los Osos District
Non-Residential Recycled Water Service

APPLICABILITY

Applicable to all metered recycled (non-potable) water service for irrigation use, except those covered under LO-1-R.

TERRITORY

Unincorporated areas south of the city of San Luis Obispo in the vicinity of Los Osos, San Luis Obispo County.

RATES

| | | | |
|---|----|------------------------|-----|
| Quantity Rate: | | | |
| For all water delivered, per 100 cu. Ft | \$ | 8.812 | (I) |
| Service Charges: | | Per Meter Per Month | |
| For 5/8 x 3/4-inch meter | \$ | 35.28 | (I) |
| For 3/4-inch meter | \$ | 52.92 | |
| For 1-inch meter | \$ | 88.20 | |
| For 1-1/2 inch meter | \$ | 176.40 | |
| For 2-inch meter | \$ | 282.24 | |
| For 3-inch meter | \$ | 529.20 | |
| For 4-inch meter | \$ | 882.00 | |
| For 6-inch meter | \$ | 1,764.00 | |
| For 8-inch meter | \$ | 2,822.40 | |
| For 10-inch meter | \$ | 4,057.20 | (I) |

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

(Continued)

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|---------------------------------|----------------------|-------------------------------------|
| (To be inserted by utility) | <i>Issued By</i> | (To be inserted by P.U.C.) |
| Advice Letter No. <u>1800-W</u> | R. J. Sprowls | Date Filed <u>November 15, 2019</u> |
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| | | Resolution No. _____ |

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| Utility Fee Surcharge | UF | 8248-W | |
| Private Fire Service | AA-4 | 4801-W, 3285-W | |
| Public Fire Service | AA-5 | 2931-W | |
| Cross Connection Control Fee | CCCF | 7506-W | |
| Fire Flow Testing Charge | FF | 7659-W | |
| California Alternate Rates for Water | LI | 8310-W, 8287-W | |
| Arden-Cordova District | | | |
| General Metered Service | AC-1 | 8523-W, 8497-W, 8299-W, 8421-W | (P) |
| Flat Rate Service | AC-2 | 8524-W, 8498-W, 8422-W | (P) |
| Bay Point District | | | |
| Residential Metered Service | BY-1-R | 8528-W, 8500-W, 8426-W | (P) |
| Non-Residential Metered Service | BY-1-NR | 8527-W, 8499-W, 8425-W | (P) |
| Clearlake District | | | |
| General Metered Service | CL-1 | 8531-W, 8501-W, 8460-W* | (P) |
| Los Osos District | | | |
| Residential Metered Service | LO-1-R | 8535-W, 8503-W, 8462-W* | (C) |
| Non-Residential Metered Service | LO-1-NR | 8534-W, 8502-W, 8432-W, 8461-W* | (C) |
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| Metropolitan District | | | |
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| Non-Residential Metered Service | ME-1-NR | 8410-W, 8505-W, 8386-W, 8446-W, 8464-W* | |
| Reclaimed Water Service | ME-3 | 8414-W, 8507-W, 8466-W* | |

(Continued)

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|------------------------------------|----------------------|-------------------------------------|
| (To be inserted by utility) | <i>Issued By</i> | (To be inserted by P.U.C.) |
| Advice Letter No. <u>1800-W</u> | R. J. Sprowls | Date Filed <u>November 15, 2019</u> |
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| | | Resolution No. _____ |

Table of Contents

The following tariff sheets contain all effective rates and rules affecting rates and service of the utility, together with information relating thereto:

| <u>Subject Matter of Sheet</u> | <u>Sheet No.</u> | |
|--|--------------------------------|-----|
| Title Page | 4905-W | |
| Table of Contents | 8538-W, 8537-W, 8520-W, 8402-W | (T) |
| Preliminary Statements: 8370-W, 7005-W, 3140-W, 3141-W, 3142-W, 6940-W, 5096-W*, 5097-W*, 5102-W, 5223-W, 5322-W, 6477-W, 6478-W, 6479-W, 7075-W, 7076-W, 5607-W, 5848-W, 5937-W, 6101-W, 6103-W, 6123-W, 6225-W, 6475-W, 6559-W, 6652-W, 6858-W, 7129-W, 6938-W, 7368-W, 7441-W, 7442-W, 7451-W, 7481-W, 7728-W, 7730-W, 7747-W, 7748-W, 7749-W, 7750-W, 7756-W, 7994-W, 8007-W, 8246-W, 8365-W, 8366-W, 8367-W, 8418-W, 8419-W, 8494-W, 8495-W | | (P) |
| Tariff Area Maps: | | |
| Arden - Cordova | | |
| Arden | 6837-W | |
| Cordova | 6838-W | |
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| Clearlake | 6839-W | |
| Claremont | 8487-W | (P) |
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| South San Gabriel | 8005-W | |
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| Sisquoc | 5257-W | |
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| Nipomo | 5259-W | |
| Simi Valley | 8190-W | |
| Wrightwood | 6428-W | |

(Continued)

| | | |
|------------------------------------|----------------------|-------------------------------------|
| (To be inserted by utility) | <i>Issued By</i> | (To be inserted by P.U.C.) |
| Advice Letter No. <u>1800-W</u> | R. J. Sprowls | Date Filed <u>November 15, 2019</u> |
| Decision No. <u>19-05-044</u> | President | Effective <u>January 1, 2020</u> |
| | | Resolution No. _____ |

GOLDEN STATE WATER COMPANY

DISTRIBUTION LIST

LOS OSOS DISTRICT

Arroyo Grande Municipal Water Dept.
P.O. Box 550
Arroyo Grande, CA 93420
(805) 489-1303
STaylor@ArroyoGrande.org

Cambria Community Services District
1316 Tamson Drive, Suite 201
P.O. Box 65
Cambria, CA 93428

Morro Bay City Water (City Hall)
595 Harbor Blvd.
Morro Bay, CA 93442
(805) 772-1214

San Luis Obispo City Water
879 Morro Street
San Luis Obispo, CA 93403
(805) 549-7132

S & T Mutual Water Co.
P.O. Box 6391
Los Osos, CA 93412
STMutualWater@gmail.com

Utilities Department
Los Osos Community Services District
P O Box 6064
Los Osos, CA 93412

County Clerk
County of San Luis Obispo
1055 Monterey St - #D-120
San Luis Obispo, CA 93408

County Counsel
County of San Luis Obispo
County Government Center - #D-320
San Luis Obispo, CA 93408

LAFCO
1042 Pacific Street, Suite A
San Luis Obispo, CA 93401
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MSomogy@goodinmacbride.com