

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



January 15, 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. 1801, filed on November 15, 2019, regarding the 2020 Escalation Increase for the Santa Maria Customer Service Area.

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

P.U.C.	
Sheet No.	Title of Sheet
8539-W	Schedule No. SM-1-NR, Santa Maria Customer Service Area Non-Residential Metered Service, Page 1
8540-W	Schedule No. SM-1-R, Santa Maria Customer Service Area Residential Metered Service, Page 1
8541-W	Schedule No. SM-3ML, Santa Maria Customer Service Area Limited Metered Irrigation Service, Page 1
8542-W	Table of Contents, Page 3
8543-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. 1801-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 Santa Maria Customer Service Area (“CSA”):

<u>CPUC Sheet No</u>	<u>Title of Sheet</u>	<u>Canceling CPUC Sheet No.</u>
Revised No. 8539-W	Schedule No. SM-1-NR Santa Maria Customer Service Area Non-Residential Metered Service, Page 1	Revised No. 8324-W
Revised No. 8540-W	Schedule No. SM-1-R Santa Maria Customer Service Area Residential Metered Service, Page 1	Revised No. 8327-W
Revised No. 8541-W	Schedule No. SM-3ML Santa Maria Customer Service Area Limited Metered Irrigation Service, Page 1	Revised No. 8519-W
Revised No. 8542-W	Table of Contents Page 3	Revised No. 8520-W
Revised No. 8543-W	Table of Contents Page 1	Revised No. 8538-W

Subject: 2020 Escalation Year -Santa Maria

PURPOSE

This advice letter submittal seeks to implement Escalation Year 2020 water rates, as authorized by the California Public Utilities Commission (“Commission”), for the Santa Maria 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 Santa Maria CSA by \$632,745 or 4.68%. 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 Santa Maria 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	7.95%
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 residential customer on Schedule No. SM-1-R with a 5/8" x 3/4" meter, using 14 Ccfs will increase by \$2.88 or 4.69%.

The monthly bill of a customer on Schedule No. SM-1-NR with a 5/8" x 3/4" meter, using 60 Ccfs will increase by \$9.79 or 4.70%.

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 Santa Maria 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. SM-1-NR
Santa Maria District
Non-Residential Metered Service

APPLICABILITY

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

TERRITORY

Within the established Santa Maria District, San Luis Obispo County and Santa Barbara County and the unincorporated area known as Tract 151, and vicinity, located approximately 2 miles southeast of the community of Oceano, San Luis Obispo County.

RATES

Quantity Rates:

For all water delivered, per 100 cu. Ft	\$ 3.287	(I)
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Service Charges:		
	Per Meter Per Month	

For 5/8 x 3/4-inch meter	\$ 20.86	(I)
For 3/4-inch meter	\$ 31.29	
For 1-inch meter	\$ 52.15	
For 1-1/2 inch meter	\$ 104.30	
For 2-inch meter	\$ 166.88	
For 3-inch meter	\$ 312.90	
For 4-inch meter	\$ 521.50	
For 6-inch meter	\$ 1,043.00	
For 8-inch meter	\$ 1,668.80	
For 10-inch meter	\$ 2,398.90	
Fire Sprinkler 4-inch to 3-inch	\$ 328.55	
Fire Sprinkler 6-inch to 2-inch	\$ 263.25	
Fire Sprinkler 6-inch to 3-inch	\$ 365.26	
Fire Sprinkler 8-inch to 2-inch	\$ 283.28	(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)

(To be inserted by utility)	Issued By	(To be inserted by P.U.C.)
Advice Letter No. <u>1801-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. _____

Schedule No. SM-1-R
Santa Maria District
Residential Metered Service

APPLICABILITY

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

TERRITORY

Within the established Santa Maria District, San Luis Obispo County and Santa Barbara County and the unincorporated area known as Tract 151, and vicinity, located approximately 2 miles southeast of the community of Oceano, San Luis Obispo County.

RATES

Quantity Rates:

First 1,500 cu. ft., per 100 cu. ft.	\$ 3.287	(I)
Next 1,200 cu. ft., per 100 cu. ft.	\$ 3.780	(I)
Over 2,700 cu. ft., per 100 cu. ft.	\$ 4.347	(I)

Per Meter
Per Month

Service Charges:

For 5/8 x 3/4-inch meter	\$ 18.19	(I)
For 3/4-inch meter	\$ 27.29	
For 1-inch meter	\$ 45.48	
For 1-1/2 inch meter	\$ 90.95	
For 2-inch meter	\$ 145.52	
Fire Sprinkler 1-inch to 5/8x 3/4-inch	\$ 19.28	
Fire Sprinkler 1-inch to 3/4-inch	\$ 27.83	
Fire Sprinkler 1 1/2-inch to 3/4-inch	\$ 32.47	
Fire Sprinkler 2-inch to 3/4-inch	\$ 34.38	
Fire Sprinkler 1 1/2-inch to 1-inch	\$ 50.48	
Fire Sprinkler 2-inch to 1-inch	\$ 52.30	(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)

(To be inserted by utility)

Advice Letter No. 1801-W
 Decision No. 19-05-044

Issued By
R. J. Sprowls
President

(To be inserted by P.U.C.)

Date Filed November 15, 2019
 Effective January 1, 2020
 Resolution No. _____

Schedule No. SM-3ML
Santa Maria District
Limited Metered Irrigation Service

APPLICABILITY

Applicable to metered irrigation water service.

TERRITORY

The unincorporated area known as Lake Marie Ranches located in the former Lake Marie Service.

RATES

Quantity Charge:	<u>Per Meter Per Month</u>	
For all water, per 100 cubic feet (Ccf)	\$ 2.269	(I)
Monthly Service Charge:		
For 3/4-inch meter	\$ 86.10	
For 1 - inch meter	\$ 96.80	
For 3 - inch meter	\$ 227.67	(I)

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

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
2. A customer desiring to obtain water deliveries under this schedule must first obtain a written permit from the utility, with service limited to existing customers as of December 31, 1986. All outdoor irrigation must occur before 8 am or after 7 pm on specified watering day.
3. The utility will supply only such water pressure as may be available from time to time as a result of its normal operations.
4. Pursuant to Decision No. 19-05-044, a surcharge of \$0.136 per Ccf will be applied to all metered customer bills excluding customers that are receiving the CARW credit. This surcharge will offset the CARW credits and CARW administrative program costs recorded in the CARW Balancing Account.
5. Pursuant to D.13-05-011, to recover the Santa Maria Water Rights Litigation post expense balance as of December 31 2005 a surcharge of \$0.137 per Ccf is to be added to the quantity rate and is subject to recalibration annually until May 21, 2023 or until the SMWRMA is fully recovered, whichever is sooner. (P)
6. As authorized by the California Public Utilities Commission, an amount of \$0.033 per Ccf based on a 18-month amortization period, is to be added to the Quantity Rate, beginning on the effective date of Advice letter 1766-W, which is March 29, 2019. The surcharge may be recalibrated annually, if necessary. This surcharge will recover the under-collection in the MCBA balances. (P)

(Continued)

(To be inserted by utility) Advice Letter No. <u>1801-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. _____
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Table of Contents

<u>Subject Matter of Sheet</u>	<u>Schedule Number</u>	<u>CPUC Sheet No.</u>	
Rate Schedules:			
Region 3 Customer Service Areas			
Residential Metered Service	R3-1-R	8346-W, 8509-W, 8468-W*	
Non-Residential Metered Service	R3-1-NR	8343-W, 8344-W, 8508-W, 8467-W*	
Irrigation Service- Forest Lawn	R3-3	8348-W, 8469-W*	
Region 3 Claremont Customer Service Areas			
Limited Metered Service	R3-CM-7ML	8350-W, 8510-W, 8470-W*	
Measured Irrigation Service	R3-CMH-3M	8511-W, 8471-W*	
Metered Irrigation Service	R3-CMP-3M	5966-W	
Region 3 Desert Customer Service Area			
Haulage Flat Rate Service - Morongo	R3-DEM-2H	8472-W*	
Region 3 Orange County Customer Service Area			
Metered Irrigation Service	R3-OC-3M	8355-W, 8512-W, 8473-W*	
Region 3 San Gabriel Customer Service Area			
Recycled Water Service	R3-RCW	8358-W, 8513-W, 8474-W*	
Region 3 San Dimas Customer Service Area			
Measured Irrigation Service	R3-SD-3	8514-W, 8475-W*	
Santa Maria District			
Residential Metered Service	SM-1-R	8540-W, 8518-W, 8479-W*	(C)
Non-Residential Metered Service	SM-1-NR	8539-W, 8517-W, 8326-W, 8478-W*	(C)
Limited Metered Irrigation Service	SM-3ML	8541-W, 8331-W, 8480-W*	(C)
Water Conservation	14.1-CPR	7382-W, 7383-W, 7384-W, 7385-W, 7386-W, 7387-W	
Water Conservation	14.1-NPM	7247-W, 7248-W, 7249-W, 7250-W, 7251-W, 7252-W	
Simi Valley District			
Residential Metered Service	SI-1-R	8322-W, 8516-W	
Non-Residential Metered Service	SI-1-NR	8320-W, 8515-W, 8476-W*	
Contracts and Deviations		7803-W	

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Decision No. <u>19-05-044</u>	President	Effective <u>January 1, 2020</u>
		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	8543-W, 8532-W, 8542-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	
Barstow	5560-W	
Bay	8189-W	
Calipatria-Niland	6846-W	
Clearlake	6839-W	
Claremont	8487-W	(P)
Morongo Valley	8223-W, 6427-W	
Apple Valley North	5802-W	
Apple Valley South	8221-W	
Desert View	8222-W	
Lucerne Valley	5805-W	
Los Osos		
Edna Road	8198-W	
Los Osos	5253-W	
Metropolitan		
Artesia	8292-W	
Norwalk	7732-W	
Bell-Bell Gardens	6675-W	
Florence-Graham	8294-W	
Hollydale	8295-W	
Culver City	8293-W	
Southwest	8196-W	
Willowbrook	6842-W	
Orange County		
Bolsa Chica	4381-W	
Cowan Heights	8251-W	
Cypress-Los Alamitos-Stanton	8252-W	
Placentia-Yorba Linda	6844-W	
San Dimas	8226-W	
San Gabriel Valley		
South Arcadia	8004-W	
South San Gabriel	8005-W	
Santa Maria		
Cypress Ridge	8254-W	
Lake Marie	5705-W	
Orcutt	5558-W	
Sisquoc	5257-W	
Tanglewood	7429-W	
Nipomo	5259-W	
Simi Valley	8190-W	
Wrightwood	6428-W	

(Continued)

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GOLDEN STATE WATER COMPANY

SERVICE LIST

SANTA MARIA DISTRICT

City of Santa Maria
2065 East Main Street
Santa Maria, CA 93454
lmelong@ci.santa-maria.ca.us

Nipomo Community Services Dist.
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Nipomo, CA 93444
Mike@shipseyandseitz.com
miglesias@ncsd.ca.gov

County Counsel
105 East Anapamu Street, Rm. 201
Santa Barbara, CA 93101

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

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

City Clerk & City Attorney
City of Santa Maria
110 East Cook Street
Santa Maria, CA 93454
rgarietz@ci.santa-maria.ca.us
psinco@cityofsantamaria.org – City Interim Attorney

City Clerk & City Attorney
City of Guadalupe
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Santa Barbara LAFCO
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Santa Barbara, CA 93101
lafco@sblafco.org

Cypress Ridge Owner's Association
Attn: President
1400 Madonna Road
San Luis Obispo, CA 93405
Cory.Bauer@managementtrust.com

County Government Center
1050 Monterey Street – Room 207
San Luis Obispo, CA 93408

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