

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



December 16, 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. 1831, filed on November 16, 2020, regarding the 2021 Escalation Increase for the Clearlake District.

Enclosed are copies of the following revised tariff sheets, effective January 1, 2021, for the utility's files:

| P.U.C. | |
|------------------|---|
| Sheet No. | Title of Sheet |
| 8740-W | Schedule No. CL-1, Clearlake Customer Service Area General Metered Service, Page 1 |
| 8741-W | Schedule No. CL-1, Clearlake Customer Service Area General Metered Service, Page 2 |
| 8742-W | Table of Contents Page 2 |
| 8743-W | Table of Contents Page 1 |

Please contact Jeremy Ho at JRY@cpuc.ca.gov or 415-703-1905, if you have any questions.

Thank you,

/s/ROBIN BRYANT

Robin Bryant
Water Division

Enclosures



November 16, 2020

Advice Letter No. 1831-W

(U 133 W)

California Public Utilities Commission

Golden State Water Company ("GSWC") hereby transmits the following tariff sheets applicable to its Clearlake Customer Service Area ("CSA"):

| <u>CPUC Sheet No</u> | <u>Title of Sheet</u> | <u>Canceling CPUC Sheet No.</u> |
|----------------------|---|-------------------------------------|
| Revised No. 8740-W | Schedule No. CL-1 Clearlake Customer Service Area General Metered Service, Page 1 | Revised No. 8531-W |
| Revised No. 8741-W | Schedule No. CL-1 Clearlake Customer Service Area General Metered Service, Page 2 | Revised No. 8501-W |
| CANCEL | Schedule No. CL-1 Clearlake Customer Service Area General Metered Service, Page 3 | Revised No. 8460-W |
| Revised No. 8742-W | Table of Contents Page 2 | Revised No. 8726-W |
| Revised No. 8743-W | Table of Contents Page 1 | Revised No. 8739-W |

Subject: 2021 Escalation Year increase for Clearlake

PURPOSE

This advice letter submittal seeks to implement Escalation Year 2021 water rates, as authorized by the California Public Utilities Commission ("Commission"), for the Clearlake CSA. GSWC's request is being made pursuant to Decision No. ("D.") 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 D.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 2021. GSWC is authorized to increase rates in its Clearlake CSA by \$134,945 or 5.35%. Accordingly, GSWC has computed the 2021 Escalation Year using the escalation methodology set forth in the Revised Rate Case Plan, the escalation factors as of September 2020, as published by the Public Advocates Office Energy Cost of Service Branch, and the September 2020 CPI-U.

RATE OF RETURN

The following summary lists the Recorded, Authorized, and Pro-forma rates of return in GSWC's Clearlake CSA for twelve months ending September 2020. The pro forma rate of return is calculated in accordance with guidelines provided by the Water Division.

| | |
|-------------------|--------------|
| Recorded | 6.31% |
| Authorized | 7.91% |
| Pro forma | 6.83% |

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 2021 water rate increase.

Detailed workpapers supporting the proposed rate increase and rate calculations are being supplied to the Commission Staff.

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, 2021.

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 each customer's first bill after the increase goes into effect to inform its Clearlake 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
Jeremy Ho, CPUC- Water Division
Richard Rauschmeier, CPUC- Water Branch, Cal PAO
Victor Chan, CPUC- Water Branch, Cal PAO

Schedule No. CL-1
Clearlake District
General Metered Service

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
2. Non-residential Sprinkler rates can be added as needed utilizing the multiplication factors identified in Appendix F of D. 17-03-001, applied to the 5/8" meter charge.
3. 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.

(D)

(D)

(D)

(To be inserted by utility)
Advice Letter No. 1831-W
Decision No. _____

Issued By
R. J. Sprowls
President

(To be inserted by P.U.C.)
Date Filed November 16, 2020
Effective January 1, 2021
Resolution No. _____

Table of Contents

| <u>Subject Matter of Sheet</u> | <u>Schedule Number</u> | <u>CPUC Sheet No.</u> | |
|--------------------------------------|------------------------|---|-----|
| Rate Schedules: | | | |
| All Districts | | | |
| Utility Fee Surcharge | UF | 8725-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, 8680-W | |
| Arden-Cordova District | | | |
| General Metered Service | AC-1 | 8523-W, 8641-W, 8642-W, 8643-W | |
| Flat Rate Service | AC-2 | 8524-W, 8644-W, 8645-W | |
| Bay Point District | | | |
| Residential Metered Service | BY-1-R | 8690-W, 8500-W, 8691-W | |
| Non-Residential Metered Service | BY-1-NR | 8688-W, 8499-W, 8689-W | |
| Clearlake District | | | |
| General Metered Service | CL-1 | 8531-W, 8501-W | (C) |
| Los Osos District | | | |
| Residential Metered Service | LO-1-R | 8566-W, 8648-W, 8649-W | |
| Non-Residential Metered Service | LO-1-NR | 8565-W, 8646-W, 8647-W | |
| Recycled Water Service | LO-RCW | 8567-W, 8650-W, 8651-W | |
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| Metropolitan District | | | |
| Residential Metered Service | ME-1-R | 8715-W, 8617-W, 8716-W | |
| Non-Residential Metered Service | ME-1-NR | 8713-W, 8615-W, 8714-W | |
| Reclaimed Water Service | ME-3 | 8717-W, 8619-W, 8718-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>1831-W</u> | R. J. Sprowls | Date Filed <u>November 16, 2020</u> |
| Decision No. _____ | President | Effective <u>January 1, 2021</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 | 8743-W, 8742-W, 8738-W, 8682-W (I) |
| Preliminary Statements: 8370-W, 7005-W, 3140-W, 3141-W, 3142-W, 6940-W, 5096-W, 5223-W, 6477-W, 6478-W, 6479-W, 7075-W, 7076-W, 5607-W, 5848-W, 5937-W, 6101-W, 8685-W, 8686-w, 6123-W, 6225-W, 6559-W, 6652-W, 6858-W, 6938-W, 7368-W, 7441-W, 7442-W, 7451-W, 7481-W, 7730-W, 7747-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, 8721-W | |
| Tariff Area Maps: | |
| Arden - Cordova | |
| Arden | 6837-W |
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| Nipomo | 8637-W |
| Simi Valley | 8731-W |
| Wrightwood | 6428-W |

(To be inserted by utility)
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Schedule No. CL-1
Clearlake District
General Metered Service

SPECIAL CONDITIONS

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(To be inserted by utility)

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GOLDEN STATE WATER COMPANY

SERVICE LIST

CLEARLAKE DISTRICT

Highlands Water Company
14580 Lakeshore Drive
Clearlake, CA 95422

Konocti County Water District
15844 – 35th Street
Clearlake, CA 95422
kcwd@mchsi.com

City Clerk
City of Clearlake
14050 Olympic Drive
Clearlake, CA 95422
mswanson@clearlake.ca.us

City Attorney
City of Clearlake
14050 Olympic Drive
Clearlake, CA 95422

Local Agency Formation Commission
P. O. Box 2694
Granite Bay, CA 95746
j.benoit4@icloud.org

Fred G. Yanney
Yanney Law Office
17409 Marquardt Ave., Unit C-4
Cerritos CA 90703
FredYanney@gmail.com

Megan Somogyi
Goodin, MacBride, Squeri & Day, LLP
505 Sansome Street, Suite 900
San Francisco, CA 94111
MSomogy@goodinmacbride.com