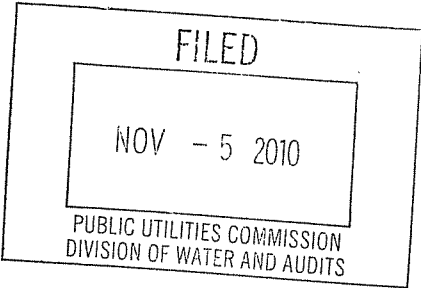




CALIFORNIA WATER SERVICE COMPANY
 1720 NORTH FIRST STREET
 SAN JOSE, CA 95112 • (408) 367-8200 • F (408) 367-8428



November 5, 2010

Advice Letter No. 2013

CALIFORNIA WATER SERVICE COMPANY (U 60 W)

To The Public Utilities Commission of the State of California:

California Water Service Company (Cal Water) hereby transmits for filing the following changes in its tariffs applicable to its VISALIA DISTRICT and four copies of each are attached hereto:

<u>C.P.U.C. Sheet No.</u>	<u>Title of Sheet</u>	<u>Schedule No.</u>	<u>Canceling C.P.U.C. Sheet No.</u>
8480-W	Rule 15, Page 7 of 15		7310-W
8481-W	Table of Contents (page 6)		7343-W
8482-W	Table of Contents (page1)		8479-W

Summary

This advice letter is filed in compliance with D.08-07-008 to modify Rule 15 to include unitized cost based fees for installing transmission backbone (12" mains) in the Visalia District. Cal Water elects to file this advice letter as a Tier 1 advice letter.

Background

In Application 07-07-001 Cal Water requested a "per lot" transmission mains special facilities fees to improve administrative efficiency in developer transactions in the rapidly-growing Visalia District. Cal Water has previously unitized the cost of water supply special facilities. However, the scale and pattern of development in Visalia lends itself to a unitized approach to the cost of off-tract transmission mains. Visalia is laid out in a grid pattern, and Cal Water is constructing the major distribution infrastructure with 12" mains on quarter-section lines. Under the current adopted Rule 15, the first developer advances the entire cost of any 12" transmission main needed to supply the subdivision. Subsequent developers must pay a proportional share of the advanced facilities they use. This arrangement places the burden on Cal Water to collect the correct amount from secondary developments and properly refund the money to the initial development. In addition, there may be disputes over proper share of costs for property served by two or more transmission mains extended by different entities. As shown in Cal Water's Report on the Results of Operation and Prepared Testimony for the Visalia District (Identified as Exhibit 29), pg. 10¹, Cal Water calculates the potential fee as follows:

¹ Attached



CALIFORNIA WATER SERVICE COMPANY

Advice Letter 2013, Rule 15 Modification for Unitized Transmission Backbone (12" Main) Visalia District
Page 2

Residential Lot not to exceed 12,000 square feet: \$1,100
Other development, per acre: \$4,000

Since the proposal only represents a new way of collecting the same facility cost, Cal Water does not believe it will materially affect rates.

In this case, the Commission agreed with Cal Water that it is administratively efficient to charge a uniform fee where the utility has a grid layout and development is occurring rapidly and approved Cal Water's request in D. 08-07-008. In the discussion for Section 6.1 (Per-Lot Special Facilities Fees (Cal Water/DRA) at page 39 the Commission said: "We also approve the standard 12" main fee for Visalia within a half-mile of the existing system. We agree that it is administratively efficient to charge a uniform fee in this case where the utility has a grid layout and development is occurring rapidly."² The Commission further states in Ordering Paragraph 14:

14. Cal Water may modify its Tariff Rule 15 to unitize the costs of installing transmission backbone (12" mains) in the Visalia District. Cal Water shall incorporate limiting language in its tariff that limits the applicability of the unitized transmission fee to new development within a half-mile of the existing system.³

Explanation of Other Tariff Page Changes

For clarification and consistency with other Rule 15 sheets added "Sheet 7 of 11". To complete sentence from page 6 added "applicable are shown below." that was inadvertently omitted on sheet 7310-W. Deleted the following clause: "**For Bakersfield beginning on July 1, 2009 the facilities fee increases to \$2,500 and the multi-family fee increases to \$1,250" and in the Bakersfield row replaced \$2,250 with \$2,500 and replaced \$1,125 with \$1,250. Due to deletion of above clause, removed asterisks from: "Bakersfield (Califarming)**" and "***Califarming's reduced fees apply to the first 2,500 services built in NE Bakersfield."

Requested Effective Date

Under General Order 96-B, Water Industry Rule 7.3.1, as modified by Resolution W-4664 this is a Tier 1 advice letter.

Notice

In accordance with General Order 96-B, General Rule 4.3 and 7.2 and Water Industry Rule 4.1, a copy of this advice letter will be mailed or electronically transmitted on November 5, 2010 to competing and adjacent utilities and other utilities or interested parties having requested such notification.

² Attached

³ Attached



CALIFORNIA WATER SERVICE COMPANY

Advice Letter 2013, Rule 15 Modification for Unitized Transmission Backbone (12" Main) Visalia District
Page 3

Response or Protest

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 are:

- (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 error 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 Division of Water and Audits within 20 days of the date this advice letter is filed. The address for mailing or delivering a protest is:

Tariff Unit, Division of Water and Audits, 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 Division of Water and Audits, the respondent or protestant shall send a copy by mail (or e-mail) to us, addressed to:

Darin T. Duncan
California Water Service Company
1720 North First Street,
San Jose, California 95112
Fax 408/367-8430 or
E-mail dduncan@calwater.com

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform the Division of Water and Audits, within the 20 day protest period, so



CALIFORNIA WATER SERVICE COMPANY

Advice Letter 2013, Rule 15 Modification for Unitized Transmission Backbone (12" Main) Visalia District
Page 4

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 advice letter process does not provide for any responses, protests or comments, except for the utility's reply, after the 20 day comment period.

Replies: The utility shall reply to each protest and may reply to any response. Each reply must be received by the Division of Water and Audits within 5 business days after the end of the protest period, and shall be served on the same day to the person who filed the protest or response.

If you have not received a reply to your protest within 10 business days, contact California Water Service Company at 408/367-8200.

CALIFORNIA WATER SERVICE COMPANY

A handwritten signature in cursive script that reads "Darin T. Duncan". The signature is written in black ink and is positioned above a horizontal line.

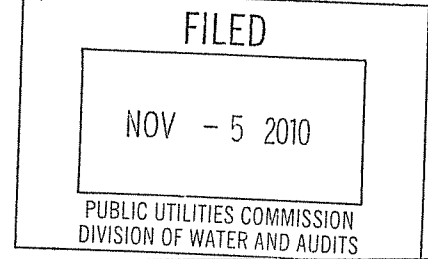
Darin T. Duncan
Manager of Rates

Enclosures

cc: Ting-Pong Yuen, DRA

**CALIFORNIA PUBLIC UTILITIES
COMMISSION
DIVISION OF WATER AND
AUDITS
Advice Letter Cover Sheet**

(Date Filed / Received Stamp by CPUC)



AL #2013	Date Mailed to Service List: November 5, 2010	Requested Effective Date: November 5, 2010	Requested Tier: <input checked="" type="checkbox"/> Tier 1 <input type="checkbox"/> Tier 2 <input type="checkbox"/> Tier 3
-----------------	--	---	--

Replacing AL#:	Authorized by: D.08-07-008	Compliance Filing? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Rate Impact	\$	
				%	

The public has 20 days from Date Mailed (above) to protest this advice letter. If you chose to protest or respond to the advice letter, send Protest and/or Correspondence within 20 days to:

Director
Division of Water and Audits
505 Van Ness Ave.
San Francisco, CA 94102

and if you have email capability, also email to: water_division@cpuc.ca.gov

Your protest also must be served on the Utility (see attached advice letter for more information and grounds for protest)

Company Name: California Water Service Company	CPUC Utility Number: WTA U-60-W
Address: 1720 North First Street	
City, State, Zip: San Jose, CA 95112	

	Contact Name:	Phone No.	Fax No.	Email Address:
Filer	DARIN DUNCAN	408-367-8200	408-367-8340	dduncan@calwater.com
Alternate	JOHN HARNETT	408-367-8220	408-367-8426	jharnett@calwater.com

Description:
In this space or on the back of this form:

1. Explain justification for requested Tier – GO 96-B
2. Describe service affected and how it is affected – no material affect on rates
3. Describe differences from related Advice Letters (Similar service, replacement filing): n/a

(FOR CPUC USE ONLY)

WTS Budget/Activity/Type	Process as: <input type="checkbox"/> Tier 1 <input type="checkbox"/> Tier 2 <input type="checkbox"/> Tier 3		
/ /	20th Day		30th Day
Project Manager:	Suspended on:		
Analyst:	Extended on:		
Due Date:	Resolution No.:		
Completion Date:	AL/Tariff Effective Date:		

VISALIA DISTRICT

**ADVICE LETTER FILING MAILING LIST
PER SECTION III (G) OF GENERAL ORDER NO. 96-A**

Municipalities and Governmental Agencies

City of Visalia
c/o Dooley, Herr, Carlson & Peltzer
100 Willow Plaza, Suite 300
Visalia, CA 93291
Attn: Kenneth Richardson
559-636-5600 Fax 559-636-9759
559-636-5601 Email: kenr@dhlaw.net

Adjacent Private and Public Utilities

Bedel Water Company
Attn: Glen Lublin
2536 E. College Ave
Visalia, CA 93292
559-713-0794

Service Area Maps

Tulare County Resource Management Agency
LAFCO
Executive Officer
5961 S. Mooney Blvd.
Visalia, CA 93277
559-733-6291 Fax 559-730-2653

Fire Chief
City of Visalia
707 West Acequia Street
Visalia, CA 93291

Rule No. 15

Sheet 7 of 11

MAIN EXTENSIONS

(continued)

C. Extensions to Serve Subdivisions, Tracts, Housing Projects, Industrial Developments, Commercial Buildings, or Shopping Centers (continued)

1. Advances (continued)

applicable are shown below.

(T)

<u>District</u>	<u>Facilities Fee</u>	<u>Multi-family Fee</u>	<u>District</u>	<u>Facilities Fee</u>	<u>Multi-family Fee</u>
Bakersfield	\$2,250	\$1,125	(T) Marysville	\$450	\$225
Bakersfield (Califarming)*	\$1,050	\$525	(T) Salinas	\$1,200	\$600
Chico	\$1,000	\$500	Selma	\$1,500	\$750
Dixon	\$1,500	\$750	Visalia	\$1,100	\$550
King City	\$1,500	\$750	Willows	\$1,500	\$750

This fee is per equivalent 1-inch service and is applicable to all subdivisions requiring a main extension except those extensions serving four or fewer residential lots or equivalent single-family dwelling units.

The following factors are used to determine equivalents for larger service connections:

<u>Service Size</u>	<u>Factor</u>	<u>Service Size</u>	<u>Factor</u>
1-inch	1.0	6-inch	20.0
2-inch	3.2	8-inch	32.0
4-inch	10.0	10-inch	46.0

*Califarming's reduced fees apply to the first 2,500 services built in NE Bakersfield.

(D)
(T)

1.a. Advances - Transmission Backbone Installations

(N)

<u>District</u>	<u>Unitized Transmission Fee</u>
Visalia*	\$1,100 Per residential lot not to exceed 12,000 square feet
Visalia*	\$4,000 Other development, per acre

*Applicable to all subdivisions within a half-mile of the existing system, except those extensions serving four or fewer residential lots or equivalent single-family dwelling units. This fee is in addition to the source of supply fee in Section C.1. above. It is for the installation of 12" transmission main in 1/4 section roads in the Visalia District.

(N)

2. Refunds

- a. The amount advanced under Section C.1.a., C.1.b. and C.1.c. shall be subject to refund by the utility, in cash, without interest, to the party or parties entitled thereto as set forth in the following two paragraphs. The total amount so refunded shall not exceed the total of the amount advanced and for a period not to exceed 40 years after the date of the contract.
- b. Payment of refunds shall be made not later than June 30 of each year, beginning the year following execution of contract, or not later than 6 months after the contract anniversary date if on an anniversary basis.
- c. Whenever costs of main extensions and/or special facilities have been advanced pursuant to Section C.1.a., C.1.b. or C.1.c., the utility shall annually refund to the contract holders an amount equal to 2½ percent percent of the advances until the principal amounts of the contracts have been fully repaid.

Whenever costs of special facilities have been advanced pursuant to Section C.1.a., C.1.b. or C.1.c., the amount so advanced shall be divided by the number of lots (or living units, whichever is greater) which the special facilities are designed to serve, to obtain an average advance per lot (or living unit) for special facilities. When another builder applies for a main extension to serve any lots for which the special facilities extension to serve any lots for which the special facilities are to be used, the new applicant shall, in addition to the costs of his proposed main extension, also advance an amount for special facilities. This amount shall be the average advance per lot for special facilities for each lot to be used less 2½ percent of the average advance for each year in which refunds have been due and payable on the original contract, prorated to June 30 on a monthly basis.

The amount advanced to the utility by the new applicant shall be immediately refunded to the holder of the original contract, which included the cost of the special facilities and the

(continued)

Table of Contents
(continued)

<u>Sheet Subject Matter</u>	<u>Cal. P.U.C. Sheet No.</u>
<u>LIST OF CONTRACTS AND DEVIATIONS:</u>	2521, 2522, and 2523, & 5242-W
<u>RULES:</u>	
No. 1 Definitions	2983 & 2984-W
No. 2 Descriptions of Services	1485-W
No. 3 Application for Service	250 & 5065-W
No. 4 Contracts	642-W
No. 5 Special Information Required of Forms	5384 & 5385-W
No. 6 Establishment and Re-establishment of Credit	643-W
No. 7 Deposits	5386 & 5654-W
No. 8 Notices	5294 & 5387-W
No. 9 Rendering and Payment of Bills	6760 to 6763-W
No. 10 Disputed Bills	5389 & 2989-W
No. 11 Discontinuance and Restoration of Service	5390 to 5394-W
No. 12 Information Available to the Public	5614 & 4340-W
No. 13 Temporary Service	3892 & 3893-W
No. 14 Continuity of Service	3894-W
No. 14.1 Water Conservation and Rationing Plan	7340 to 7342-W
No. 15 Water Main Extensions	4803 to 4807, 5376, 8480, 5378, 4811 to 4813-W (C)
No. 16 Service Connections, Meters & Customer's Facilities	3940, 3941, 5395, 3943, 3946, 4637-4640-W
No. 17 Standard for Measurement of Service	3895-W
No. 18 Meter Tests & Adjustments of Bills for Meter Error	3896 to 3898-W
No. 19 Service to Separate Premises, Multiple Units and Resale of Water	3899 & 3900-W
No. 20 Water Conservation	3901-W
No. 21 Military Family Relief Program	6477 & 6478-W

(continued)

Table of Contents

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

<u>Subject Matter of Sheet</u>	<u>Cal. P.U.C. Sheet No.</u>
Title Page	5613-W
Table of Contents	8482-8464-8436-8469-8478-8481-8009-2926-W (C)
<u>Cal. P.U.C. Sheet No.</u>	
Preliminary Statement A 8211-8212-W	Preliminary Statement M 7345-8372-8185-8186-8326-8347-8189-8429-8350-8435-W
Preliminary Statement B-D 610-W	Preliminary Statement M 8193-8194-8353-8356-8197-8359-8321-8441-8201-W
Preliminary Statement E 6175-W	Preliminary Statement M 8202-8203-8362-8205-8336-8250-8366-8245-8210-W
Preliminary Statement F 8312-W	Preliminary Statement N 7315-7316-W
Preliminary Statement G 6479-W	Preliminary Statement O 7318-W
Preliminary Statement H 6686-W	Preliminary Statement P 7446-W
Preliminary Statement I 6757-W	Preliminary Statement Q 7901-W
Preliminary Statement J 6759-W	Preliminary Statement R 8011-W
Preliminary Statement K 7313-W	Preliminary Statement S 8013-W
Preliminary Statement L 7107-W	Preliminary Statement T 8017-W
	Preliminary Statement U 8446-W
	Preliminary Statement V 8154-W
	Preliminary Statement W 8156-W
	Preliminary Statement X 8314-W
	Preliminary Statement Y 8316-W

Service Area Maps:

General Location of Districts	3027-W
Bakersfield District	5648-W
Bear Gulch District	7336-W
Chico - Hamilton City District	6869-W
Dixon District	4633-W
East Los Angeles District	6174-W
Grand Oaks District	6824-W
Hermosa-Redondo District	6821-W
King City District	8444-W
Kern River Valley District	
Mountain Shadows Service Area.....	6321-W
Ponderosa Pines Service Area.....	6418-W
Livermore District	6141-W
Los Altos District	3510-W
Marysville District	1689-W
Mid-Peninsula District	5233-W
Oroville District	3477-W
Palos Verdes District	6898-W
Redwood Valley District	
Coast Springs Service Area	5781-W
Salinas District	8152-W
Las Lomas Service Area	3820-W
Oak Hills Service Area	3821-W
Selma District	6755-W
South San Francisco District	3368-3245-W
Stockton District	6145-W
Visalia District	6147-W
Westlake District	3294-W
Willows District	3235-W

(continued)

(To be inserted by utility)

Advice Letter No. 2013

Decision No. 08-07-008

Issued by

THOMAS F. SMEGAL
NAME
 Vice President
TITLE

Date Filed

Effective

Resolution No.

NOV - 3 2010
 NOV - 5 2010