

CALIFORNIA PUBLIC UTILITIES COMMISSION WATER DIVISION

Advice Letter Cover Sheet

Utility Name: California Water Service Company
District: Kern River Valley: Kernville Service Area
CPUC Utility #: U-60-W
Advice Letter #: 2337
Tier: ☒ 1 ☐ 2 ☐ 3 ☐ Compliance
Authorization: N/A
Date Mailed to Service List: 3/27/2019
Protest Deadline (20th Day): 4/16/2019
Review Deadline (30th Day): 4/26/2019
Requested Effective Date: 4/15/2019
Rate Impact: surcharge elimination and credits
Description: To eliminate a surcharge, and apply a credit, relating to a DWR loan in the Kernville area.

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: Priya Rawal

Phone: 408-367-8240

Email: prawal@calwater.com

Utility Contact: Wales Natalie

Phone: 408-367-8566

Email: nwales@calwater.com

DWA Contact: Tariff Unit

Phone: (415) 703-1133

Email: Water.Division@cpuc.ca.gov

DWA USE ONLY

DATE

STAFF

COMMENTS

_____	_____	_____
_____	_____	_____

[] APPROVED

[] WITHDRAWN

[] REJECTED

Signature: _____

Comments: _____

Date: _____

**CALIFORNIA WATER SERVICE COMPANY**

1720 NORTH FIRST STREET

SAN JOSE, CA 95112 • (408) 367-8200 • F (408) 367-8428

March 27, 2019

Advice Letter No. 2337**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 tariff schedules applicable to Kernville area of its Kern River Valley District:

C.P.U.C. <u>Sheet No.</u>	<u>Title of Sheet</u>	Schedule <u>No.</u>	Canceling C.P.U.C. <u>Sheet No.</u>
XXXXX-W	Table of Contents (Pg. 1)		XXXXX-W
XXXXX-W	Table of Contents (Pg. 2)		XXXXX-W
XXXXX-W	General Metered Service (Pg.2)	KRV-1	XXXXX-W

Summary

This advice letter seeks to stop the Safe Drinking Water Bond Act (SDWBA) surcharges in the Kernville service area of Kern River Valley District due to excess balances in the fiduciary account associated with the loan. Cal Water is also requesting to use the excess funds to pay off the loan, and refund the remaining funds to customers over six months. Details of the calculations are shown in the work papers.

Historical Background

In 1997, Cal Water entered into a loan agreement E51042 with the State of California Department of Health Services for a \$454,340.62 loan at a 7.40% interest rate for a term of 23.5 years. Cal Water is required to maintain an operating reserve in the SDWBA fiduciary accounts in accordance with loan contracts.

Discussion

In its recent review of current SDWBA loan balances, Cal Water determined that there is a sufficient balance in the fiduciary account associated with the loan to pay off the loan's remaining balance. As of December 31, 2018, the loan balance was \$57,315.48, and the fiduciary account balance was \$73,361.03. Additional revenues of approximately \$11,219.64 will be collected through current surcharges by the end of March 31, 2019.

Based on the number of active customers in the Kernville area as of December 31, 2018, Cal Water calculates that a total refund amount of \$6,892 should be returned to customer (via a fixed monthly credit per connection) as shown below, for a period of six months.

**CALIFORNIA WATER SERVICE COMPANY**

Advice Letter 2337, Kernville DWR Loan Surcharge Elimination and Refund

Page 3

Meter Size	# of Connections as of 12/31/2018	Equivalent Meter Size	Equivalent 5/8x3/4	Monthly Surcredit
5/8 x 3/4- inch	575	1.0	575.0	\$1.68
3/4-inch	0	1.5	0.0	\$2.52
1-inch w-Fire Sprinkler	0	2.5	0.0	\$4.19
1-inch	8	2.5	20.0	\$4.19
1-1/2-inch	2	5.0	10.0	\$8.39
2-inch	10	8.0	80.0	\$13.42
3-inch	0	15.0	0.0	\$25.16
4-inch	0	25.0	0.0	\$41.93
	595		685.0	

Authorization for a Tier 1 Approval

Cal Water submits this advice letter as a Tier 1 filing with the effective date of April 15, 2019 in compliance with General Order 96-B. No customer notice is required. In accordance with General Order 96-B, General Rules 4.3 and 7.2 and Water Industry Rule 4.1, a copy of this advice letter will be mailed or electronically transmitted on March 27, 2019 to competing and adjacent and other utilities or interested parties having requested such notification.

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 Water Division within 20 days of the date this advice letter is filed. The advice letter



CALIFORNIA WATER SERVICE COMPANY

Advice Letter 2337, Kernville DWR Loan Surcharge Elimination and Refund
Page 4

process does not provide for any responses, protests or comments, except for the utility's reply, after the 20-day comment period. The address for mailing or delivering a protest is:

Tariff Unit, Water Division, 3rd floor
California Public Utilities Commission,
505 Van Ness Avenue, San Francisco, CA 94102
waterdivision@cpuc.ca.gov

On the same date the response or protest is submitted to the Water Division, the respondent or protestant shall send a copy by mail (or e-mail) to us, addressed to:

Natalie Wales
California Water Service Company
1720 North First Street,
San Jose, California 95112
E-mail nwales@calwater.com

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.

Replies

The utility shall reply to each protest and may reply to any response. Each reply must be received by the Water Division 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

/s/

Priya Rawal
Rates Analyst

Enclosures

cc: Ting-Pong Yuen, ORA

cc: Ramon Go, Water Division, California Public Utilities Commission

Table of Contents - Page 1

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>Sheet</u>	<u>Subject Matter</u>	<u>Service Area</u>	<u>Schedule No.</u>	<u>CPUC Sheet No.</u>
	Title Page			5613-W
	Table of Contents			
Page 1	Table of Contents			11825-W (C)
Page 2	Preliminary Statements			11817-W
Page 3	Preliminary Statements			11824-W
Page 4	Preliminary Statements			11668-W
Page 5	Rate Schedules - All Districts			11810-W
Page 6	Rate Schedules - District Specific			11792-W
Page 7	Rate Schedules - District Specific			11816-W (C)
Page 8	Rate Schedules - District Specific			11790-W
Page 9	Rate Schedules - District Specific			11789-W
Page 10	Rate Schedules - District Specific			11823-W
Page 11	Service Area Maps			11618-W
Page 12	Rules			11621-W
Page 13	Rules			11643-W
Page 14	Sample Forms			11681-W
Page 15	Sample Forms			2926-W-W

(continued)

(To be inserted by utility)
Advice Letter No. 2337
Decision No.

Issued by
GREG A. MILLEMAN
Name
Vice President
TITLE

(To be inserted by CPUC)
Date Filed
Effective
Resolution No.

Table of Contents - Page 7

<u>Sheet Subject Matter</u>	<u>Rate Schedules Service Area</u>	<u>Schedule No.</u>	<u>CPUC Sheet No.</u>
<u>Rate Schedules: (continued)</u>			
DIXON DISTRICT			
Residential Metered Service		DX-1-R	11778-W
Nonresidential Metered Service		DX-1-NR	11777-W
DOMINGUEZ DISTRICT			
Residential Metered Service		DOM-1-R	11776-W
Nonresidential Metered Service		DOM-1-NR	11775-W
Recycled Water Service		DOM-RC-1	11774-W
EAST LOS ANGELES DISTRICT			
Residential Metered Service		EL-1-R	11815-W
Nonresidential Metered Service		EL-1-NR	11814-W
Reclaimed Water Service		EL-6	11813-W
GRAND OAKS DISTRICT			
Residential Metered Service-		GO-R-1	7437-W
HERMOSA-REDONDO DISTRICT			
Residential Metered Service		HR-1-R	11770-W
Nonresidential Metered Service		HR-1-NR	11769-W
Public Fire Hydrant Service		HR-5	3446-W
Reclaimed Water Service		HR-6	11768-W
KERN RIVER VALLEY DISTRICT			
General Metered Service		KRV-1 (Pg 1 of 2)	11767-W
		KRV-1 (Pg 2 of 2)	11596-W (C)
Interruptible Public Authority Irrigation Service	Kernville	KRV-KD-2	10307-W

(continued)

(To be inserted by utility)
 Advice Letter No. 2337
 Decision No.

Issued by
GREG A. MILLEMAN
 Name
Vice President
 TITLE

(To be inserted by CPUC)
 Date Filed
 Effective
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Schedule No. KRV-1
Kern River Valley Tariff Area
GENERAL METERED SERVICE

(Page 2)

SPECIAL CONDITIONS (continued):

3. **Fire sprinkler rates:** A single-family residence with a meter size that has a "fire sprinkler" rate (listed above) is eligible for that rate if: (a) the customer is paying for service where a residential fire sprinkler system is required or requested to be installed by local fire or building codes; (b) a smaller meter would be large enough to provide adequate service in the absence of the additional demand needed to supply water to the system; (c) the sprinkler system is served through the meter providing residential water service; and (d) the customer requests the "fire sprinkler" rate. The Company may seek verification that the above criteria are met. This service will be considered a general metered service and not a fire service, so the rules and conditions for general metered service shall apply.

4. The established billing cycle for the following areas is **bi-monthly** (every other month).
Bodfish Water Service Area, Lakeland Water Service Area, South Lake Water Service Area

5. The **SDWBA (Safe Drinking Water Bond Act) surcharge** is in addition to the water bill. This surcharge must be identified on each bill. This surcharge is specifically for the repayment of the California SDWBA loan as authorized by the specified decision for the following areas:

(Kernville Water Service Area - D.85-04-021 - surcharges terminated as of April 15, 2019) (C)
Lakeland Water Service Area - D.94-09-024
Squirrel Mountain Water Service Area - D.94-07-022

<u>SDWBA Monthly Surcharges</u>		<u>Kernville</u>	<u>Lakeland</u>	<u>Squirrel Mtn</u>	(T)
For	5/8 x 3/4 - inch meter	(D)	\$11.00	\$9.81	
For	3/4 - inch meter	(D)	\$16.50	\$14.72	
For	Fire Sprinkler with 1 - inch meter	(D)	\$27.51	\$24.53	
For	1 - inch meter	(D)	\$27.51	\$24.53	
For	1-1/2 - inch meter	(D)	\$55.01	\$49.05	
For	2 - inch meter	(D)	\$88.02	\$78.48	
For	3 - inch meter	(D)	\$165.04	\$147.15	
For	4 - inch meter	(D)	\$275.06	\$245.25	

6. Bodfish Water Service Area:
In the event that a customer terminates service under this schedule and reinstates service at the same location within 12 months, there will be a reconnection charge equal to the minimum charge which would have been billed had the customer not terminated service. (T)

7. Kernville Service Area: (N)
The following monthly surcredits, per service size, are to be added to each bill for 6 months beginning April 15, 2019, the effective date of Advice Letter 2337, to refund the remaining balances in the Safe Drinking Water Bond Act fiduciary account. The credit is calculated based on the number of active customers as of December 31, 2018. (N)

<u>Meter Size</u>	<u>Monthly Surcredit</u>	(N)
5/8 x 3/4 - inch meter	\$1.68	(N)
3/4 - inch meter	\$2.52	(N)
1-inch w-Fire Sprinkler	\$4.19	(N)
1 - inch meter	\$4.19	(N)
1-1/2 - inch meter	\$8.39	(N)
2 - inch meter	\$13.42	(N)
3 - inch meter	\$25.16	(N)
4 - inch meter	\$41.93	(N)

(To be inserted by utility)

Advice Letter No. 2337
Decision No. _____

Issued by

GREG A. MILLEMAN

Name

Vice President

Title

(To be inserted by CPUC)

Date Filed _____

Effective _____

Resolution No. _____



Kern River Valley District

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

DARLENE STUDDARD, COMMITTEE

MEMBER

Residents Against Water Rates RAW

P.O.Box 3701

Wofford Heights, CA 93285

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Department of Water Resources Safe

Drinking Water Program

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