

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

Advice Letter Cover Sheet

Utility Name: California Water Service Company	Date Mailed to Service List: 04/10/2019
District: Selma	
CPUC Utility #: U-60-W	Protest Deadline (20th Day): 04/30/2019
Advice Letter #: 2340	Review Deadline (30th Day): 05/10/2019
Tier: <input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> Compliance	Requested Effective Date: 04/15/2019
Authorization: D 15-03-003	

Rate Impact: Surcharge
increase of
\$0.0141 per
CCF

Description: Selma Groundwater Surcharge Increase for
2019

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: Melody Singh
Phone: (916) 329-1856
Email: msingh@calwater.com

Utility Contact: Natalie Wales
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

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☐ 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☐ WITHDRAWN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

April 10, 2019

Advice Letter No. 2340

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:

New/Revised C.P.U.C. Sheet No.	Title of Sheet	Schedule No.	Cancelling C.P.U.C. Sheet No.
xxxxx-W	Residential Metered Service	SL-1-R	xxxxx-W
xxxxx-W	Nonresidential Metered Service	SL-1-NR	xxxxx-W
xxxxx-W	Residential Flat Rate Service	SL-2R	xxxxx-W
xxxxx-W	Table of Contents (Page 1)	Not Applicable	xxxxx-W
xxxxx-W	Table of Contents (Page 10)	Not Applicable	xxxxx-W

Summary

Cal Water requests to renew the groundwater surcharge rates for Selma District customers effective April 15, 2019, consistent with D.15-03-003.

Background

In January 2014, Cal Water and the City of Selma ("the City") jointly filed an application to apply groundwater surcharges to customers in the Selma District. The requested surcharges are the result of a Cooperative Agreement between the City and the Consolidated Irrigation District ("CID") resolving litigation and establishing the funds that would be collected from Selma residents, and other towns in the Upper Kings River Basin, to replenish the overdrafted basin.

The Cooperative Agreement establishes two different fees payable to CID – "groundwater recharge (baseline) fees" at \$0.069 per CCF, and "groundwater



replenishment fees” at \$0.23 per CCF – but allows the groundwater replenishment fees to be ramped up over an 8-year period. For the fifth year of the agreement (with 2015 being the first year), the City is allowed to increase the recovery from 50% to 62.5% of the calculated Replenishment Fees.

The Settlement Agreement allows groundwater surcharges to be applied to customer bills in the Selma District on a permanent basis to fund the full amount of the fee payable by the Ordinance adopted by the Selma Municipal Code.

For Year 1, the surcharges were calculated to collect \$160,810 from Selma residents and Advice Letters 2165 & 2165-A were filed in April 15, 2015. Remittance was sent to the City of Selma on January 22, 2016.

For Year 2, the calculated surcharges was \$158,970 and Advice Letters 2214 & 2214-A were filed in April 6, 2016. Remittance were sent to the City of Selma within 30 days after the end of each month.

For Year 3, the surcharges are calculated to collect \$189,529 from Selma residents. Advice Letters 2275 were filed in March 24, 2017. Remittance were sent to the City of Selma within 30 days after the end of each month.

For Year 4, the surcharges are calculated to collect \$235,254 from Selma residents. Advice letter 2302 was filed on April 4, 2018. Remittance were sent to the City of Selma within 30 days after the end of each month.

For Year 5, the surcharges are calculated to collect \$274,887 from Selma residents.

Discussion

Attachment A to D.15-03-003 provides a one-page spreadsheet with the formulas for calculating the volumetric surcharge for metered customers, and the fixed surcharge for flat-rate customers. The formula takes into account the previous year’s actual production, which determines the total amount to be collected from all Selma residents, and the previous year’s actual sales, which is used to calculate the surcharge rates for a 12-month period.



As the attached spreadsheet shows, the total amount of \$274,887 to be calculated for 12 months is the sum of \$89,153 for groundwater recharge fees, and \$185,734 for groundwater replenishment fees (62.5% of the full amount, for Year 5). The total amount was allocated between metered and flat-rate customers based on the 2018 Escalation & SRM usage proportions adopted in AL 2332-A. For metered customers, this results in a surcharge of \$0.1579 per CCF, an increase of \$0.0141 per CCF over the current rate.

To calculate the fixed monthly surcharges for flat-rate customers, the revenues to be collected were first allocated to lot size categories according to the relative percentage of flat-rate revenues collected from each lot size.¹ For each lot size, fixed monthly surcharges were calculated, with larger lots receiving higher monthly surcharges. For customer with a lot size of 0-6000 feet, the monthly fixed charge is increased by \$2.97 from \$3.50 to \$6.47.

Tier Designation

Pursuant to D.15-03-003, Ordering Paragraph 1, Cal Water submits this as a Tier 1 advice letter.

Requested Effective Date

Pursuant to General Order 96-B, General Rule 7.3.1, which allows Tier 1 advice letters to be effective pending disposition, Cal Water requests that this advice letter become effective on April 15, 2019.

Notice

Customer Notice – Customer notice of Tier 1 advice letters is not required under General Order 96-B, General Rule 7.3.1.

Service Lists – 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 **April 10, 2019**, to competing and adjacent utilities and other utilities or interested parties having requested such notification.

¹ The number of customers per lot size is based upon the actual services adopted in the Advice Letter 2287-A.



Response or Protest

Anyone may respond to or protest this advice letter.

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 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 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



CALIFORNIA WATER SERVICE COMPANY

AL 2340 – Selma Groundwater Surcharge for 2019

Page 5 of 6

water_division@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
Fax 408/367-8430 or
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/

Natalie Wales
Director of Regulatory Policy

Enclosures

cc: Ting-Pong Yuen, Public Advocates Office

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			XXXXX-W (C)
Page 2	Preliminary Statements			12048-W
Page 3	Preliminary Statements			12054-W
Page 4	Preliminary Statements			12017-W
Page 5	Rate Schedules - All Districts			12020-W
Page 6	Rate Schedules - District Specific			12041-W
Page 7	Rate Schedules - District Specific			12035-W
Page 8	Rate Schedules - District Specific			12047-W
Page 9	Rate Schedules - District Specific			12023-W
Page 10	Rate Schedules - District Specific			XXXXX-W (C)
Page 11	Service Area Maps			12029-W
Page 12	Rules			11860-W
Page 13	Rules			11643-W
Page 14	Sample Forms			11859-W
Page 15	Sample Forms			2926-W

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(To be inserted by utility)
Advice Letter No. 2340
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 10

<u>Sheet Subject Matter</u>	<u>Service Area</u>	<u>Schedule No.</u>	<u>CPUC Sheet No.</u>
<u>Rate Schedules: (continued)</u>			
SELMA DISTRICT			
Residential Metered Service		SL-1-R	XXXXX-W (C)
Nonresidential Metered Service		SL-1-NR	XXXXX-W (C)
Residential Flat Rate Service		SL-2R	XXXXX-W (C)
STOCKTON DISTRICT			
Residential Metered Service		ST-1-R	11968-W
Nonresidential Metered Service		ST-1-NR	11967-W
VISALIA DISTRICT			
Residential Metered Service		VS-1-R	XXXXX-W
Nonresidential Metered Service		VS-1-NR	XXXXX-W
WESTLAKE DISTRICT			
Residential Metered Service		WK-1-R	11964-W
Nonresidential Metered Service		WK-1-NR	11963-W
Reclaimed Water Service		WK-6	11962-W
WILLOWS DISTRICT			
Residential Metered Service		WL-1-R	11961-W
Nonresidential Metered Service		WL-1-NR	11960-W
FIRE FLOW TESTING CHARGE		FF	8597-W

(continued)

(To be inserted by utility)
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Schedule No. SL-1-R
Selma Tariff Area
RESIDENTIAL METERED SERVICE

APPLICABILITY

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

TERRITORY

Selma and vicinity, Fresno County.

RATES

1 CCF is 100 cubic feet (748 gallons)

Quantity Rates:

For 1 - 12 CCF, per CCF	\$1.7958
For 13 to 34 CCF, per CCF	\$1.8317
For over 34 CCF, per CCF	\$1.9627

Service Charge:

	<u>Per Meter</u>	<u>Per Month</u>
For 5/8 x 3/4 - inch meter	\$21.65	
For 3/4 - inch meter	\$32.48	
For Fire Sprinkler with 1 - inch meter	\$23.17	
For 1 - inch meter	\$41.81	
For 1-1/2 - inch meter	\$73.73	
For 2 - inch meter	\$104.52	
For 3 - inch meter	\$193.23	
For 4 - inch meter	\$288.11	
For 6 - inch meter	\$528.73	
For 8 - inch meter	\$817.57	
For 10 - inch meter	\$2,489.75	
For 12 - inch meter	\$3,572.25	
For 14 - inch meter	\$4,871.25	

The service charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the quantity rates.

SPECIAL CONDITIONS

1. New service connections may be subject to a facilities fee as detailed under Rule 15.
2. Qualifying low-income individually metered residential customers are eligible for credits as shown on **Schedule LIRA**.
3. All bills are subject to the following tariff schedules: **Schedule UF** (CPUC reimbursement fee) and applicable surcharges and surcredits on **Schedule RSF** (Rate Support Fund), **Schedule LIRA** (Low-Income Ratepayer Assistance), and **Schedule AS** (Additional Surcharges and Surcredits).
4. **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/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.

5. **Groundwater surcharge (Year Five: April 15, 2019 - April 14, 2020): \$0.1579 per CCF**
Under the Cooperative Agreement between the City of Selma and the Consolidated Irrigation District, the surcharge identified above will be applied to bills on a monthly basis. Authorized by Decision 15-03-003 and Advice Letter 2340, the collected amounts will be provided to the City of Selma for groundwater replenishment activities. The total annual groundwater fees due under the Cooperative Agreement will be increased over the first 8 years.

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(C)

(To be inserted by utility)
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Decision No.

Issued by
GREG A. MILLEMAN
NAME
Vice President
TITLE

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

Schedule No. SL-1-NR
Selma Tariff Area
NONRESIDENTIAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service except that provided to single-family residential customers.

TERRITORY

Selma and vicinity, Fresno County.

RATES

1 CCF is 100 cubic feet (748 gallons)

Quantity Rates:

Per CCF

\$1.7389

Service Charge:

Per Meter

Per Month

For	5/8 x 3/4 - inch meter	\$17.44
For	3/4 - inch meter	\$23.31
For	1 - inch meter	\$29.96
For	1-1/2 - inch meter	\$53.24
For	2 - inch meter	\$76.14
For	3 - inch meter	\$140.93
For	4 - inch meter	\$212.03
For	6 - inch meter	\$392.15
For	8 - inch meter	\$608.35
For	10 - inch meter	\$1,786.31
For	12 - inch meter	\$2,562.94
For	14 - inch meter	\$3,494.91

The service charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the quantity rates.

SPECIAL CONDITIONS

1. New service connections may be subject to a facilities fee as detailed under Rule 15.
2. All bills are subject to the following tariff schedules: **Schedule UF** (CPUC reimbursement fee) and applicable surcharges and surcredits on **Schedule RSF** (Rate Support Fund), **Schedule LIRA** (Low-Income Ratepayer Assistance), and **Schedule AS** (Additional Surcharges and Surcredits).
3. Qualifying non-profit group living facilities, agricultural employee housing facilities, and migrant farm worker housing centers are eligible for credits as shown on **Schedule LIRA**.
4. **Groundwater surcharge (Year Five: April 15, 2019 - April 14, 2020): \$0.1579 per CCF** (C) (I)
Under the Cooperative Agreement between the City of Selma and the Consolidated Irrigation District, the surcharge identified above will be applied to bills on a monthly basis. Authorized by Decision 15-03-003 and Advice Letter 2340, the collected amounts will be provided to the City of Selma for groundwater replenishment activities. The total annual groundwater fees due under the Cooperative Agreement will be increased over the first 8 years. (C)

Schedule No. SL-2R
Selma Tariff Area
RESIDENTIAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate residential water service.

TERRITORY

Selma and vicinity, Fresno County.

RATES

For a single-family residential unit, including premises having the following areas:	Per Service Connection Per Month
6,000 sq. ft., or less	\$60.30
6,001 to 10,000 sq. ft.	\$73.29
10,001 to 16,000 sq. ft.	\$90.64
16,001 to 25,000 sq. ft.	\$115.12
For each additional single-family residential unit on the same premises and served from the same service connection	\$45.20

SPECIAL CONDITIONS

1. The above flat rates apply to service connections not larger than one inch in diameter.
2. All service not covered by the above classifications shall be furnished only on a metered basis.
3. For service covered by the above classifications, if the utility or the customer so elects, a meter shall be installed and service provided under Schedule No. SL-1-R, Residential Metered Service.
4. This Schedule is closed to all new connections as of January 20, 1992, the effective date of Tariff Sheet 4338-W.
5. All bills are subject to the following tariff schedules: **Schedule UF** (CPUC reimbursement fee) and applicable surcharges and surcredits on **Schedule RSF** (Rate Support Fund), **Schedule LIRA** (Low-Income Ratepayer Assistance), and **Schedule AS** (Additional Surcharges and Surcredits).
6. Qualifying low-income flat rate residential customers are eligible for credits as shown on **Schedule LIRA**.

7 Groundwater surcharge (Year Five: April 15, 2019 - April 14, 2020)

(C) (I)

Under the Cooperative Agreement between the City of Selma and the Consolidated Irrigation District, the surcharge identified above will be applied to bills on a monthly basis. Authorized by Decision 15-03-003 and Advice Letter 2340, the collected amounts will be provided to the City of Selma for groundwater replenishment activities. The total annual groundwater fees due under the Cooperative Agreement will be increased over the first 8 years.

(C)

Lot Size:	Monthly Surcharge:	
0-6000 sq. ft.	\$ 6.47	(I)
6001-10,000 sq. ft.	\$ 7.87	(I)
10,001-16,000 sq. ft.	\$ 9.73	(I)
16,001-25,000 sq. ft.	\$ 12.36	(I)

(To be inserted by utility)
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Selma District

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

ANNA LAROQUE
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alaroque@conservice.com

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bud.tickel@fresno.gov

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