

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

Advice Letter Cover Sheet

Utility Name: California Water Service Company
Palos Verdes subsystem of the Los Angeles

Date Mailed to Service List: 07/28/2020

District: Region

CPUC Utility #: U-60-W

Protest Deadline : 08/30/2020

Advice Letter #: 2387

Review Deadline : 09/30/2020

Tier: 1 2 3 Compliance

Requested Effective Date: 08/27/2020

Authorization:

Rate Impact: \$18.78
Per monthly
avg. use of
19Ccf

Description: Palos Verdes Peninsula Water Reliability
Project (PVPWRP) Rate Base Offset filing

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: Natalie Wales

Utility Contact: Todd Pray

Phone: 408-367-8566

Phone: (408) 367-8250

Email: Nwales@calwater.com

Email: tpray@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WITHDRAWN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

Advice Letter 2387, Palos Verdes Peninsula Water Reliability Project (PVPWRP)

Page 1

July 28, 2020

Advice Letter No. 2387

To the California Public Utilities Commission:

California Water Service Company (“Cal Water”) respectfully submits this Tier 2 advice letter requesting authority to make the changes in its tariff as described below.

Please note that, due to limitations on non-essential travel as a result of the COVID-19 virus, this advice letter will only be distributed electronically to the Water Division and the attached service lists. If applicable, paper copies will be distributed when administrative staff are able to return to company offices.

New/Revised CPUC			Cancelling CPUC
Sheet No.	Title of Sheet	Schedule No.	Sheet No.
xxxxx-W	Table of Contents Page 1	TOC	xxxxx-W
xxxxx-W	Table of Contents Page 2	TOC	xxxxx-W
xxxxx-W	Table of Contents Page 8	TOC	xxxxx-W
xxxxx-W	Residential Metered Service page 1	Schedule No. LAR-1-R	12218-W
New	Residential Metered Service	Schedule No. LAR-1-R-PV	xxxxx-W
xxxxx-W	Nonresidential Metered Service	Schedule No. LAR-1-NR	12216-W
New	Nonresidential Metered Service	PV	xxxxx-W
xxxxx-W	Reclaimed Metered Service	Schedule No. LAR-PV-6	12215-W
New	Water Revenue Adjustment Mechanism / Modified Cost Balancing Account (WRAM/MCBA)	Preliminary Statement M	XXXXX-W

I. Summary

Rate Increase Up to Cap – This advice letter requests approval of the Palos Verdes Peninsula Water Reliability Project (“PV Pipeline” or “Pipeline”) cost up to the Cal Water and Public Advocates Office settlement agreement amount of approximately \$96.1 million. If this advice letter is accepted as filed with the \$96.1 million cost, the typical water bill for residential customers using the average monthly amount of 19 Ccf would experience an increase of up to \$18.78, or 16.7%, when compared to a current typical bill.



Timing of Rate Increase Up to Cap— Cal Water and the Public Advocates Office have proposed that this increase not take effect until no earlier than January 1, 2021.¹ Any cost recovery of 2020 revenue that is delayed will be addressed as a part of the company’s GRC implementation true-up process. To the extent that rates are allowed to go into effect while this advice letter is still under the consideration by the Commission, they are subject to revision and possible refund.

Rate Increase Above Cap – Additionally, this advice letter requests review and approval of the most current cost estimate over and above the current agreed upon cap. The additional incremental costs above the cost cap would not be included until the resolution of Cal Water’s 2021 GRC filing. To the extent that the Commission finds any of these additional costs reasonable and prudent, they would be included in new rates that would likely start in January 2023. If the amount above the cap requested in this advice letter is approved, a residential customer using 19 CCF would see an additional increase of between \$4.63 and \$5.68, or 4.1% and 5.0%, when compared to a current typical bill.

See Appendix A for a breakdown of the costs for which Cal Water is requesting Commission review and approval as reasonable and prudent. As described in Appendix A, included is an estimate of costs related to issues currently in dispute with the project contractor or subcontractors. This filing should not be construed as any admission of liability or responsibility for, in whole or part, cost increases and schedule adjustment requests (e.g. claims, change orders) submitted by the project contractor or subcontractors, and/or estimated by Cal Water, and reflected in this total cost estimate. Cal Water is not waiving its rights to insist upon strict adherence to the terms of its agreement with the project contractor for cost increases and schedule adjustments. Cal Water requests recovery of such costs in the event they are borne by the company under an approved change order or as an adjudicated legal claim.

Deadline for Comment – Cal Water also proposes the comment period be extended past the normal twenty days to **August 30, 2020** in order to provide sufficient time for customers to receive their individual mailer notice of this advice letter.

Effective Date for Interim Rate Memo Account Tracking – With regard to Cal Water’s request to delay the rate increase associated with this project until January 1, 2021, the Commission has allowed Cal Water to track the deferred revenues in the company’s “2018 GRC Interim Rate Memorandum Account” (“2018 IRMA”) beginning 30 days after the advice letter request for a rate base offset is submitted.² Accordingly, Cal Water requests an effective date of **August 27, 2020** for the purposes of tracking the revenues associated with this project, up to the current cap of \$96.1 million, in the 2018 IRMA.

¹ Joint Motion of California Water Service Company (U 60 W) and the Public Advocates Office to Defer Rate Increases for Palos Verdes Project and Reopen Record Due to COVID-19 Pandemic, A.18-07-001 (April 28, 2020).

² E-Mail Ruling Granting, in Part, Joint Motion of Applicant and Public Advocates Office Request [for] Permission to Track the Rate Impact of the Palos Verdes Peninsula Water Reliability Project, in A.18-07-001 (May 19, 2020).



II. Background

In Cal Water's 2015 GRC, the PV Pipeline was approved as two advice letters projects, the Crenshaw Ridge Supply Project and the D-500 Pipeline. The projects combined for a cost cap of approximately \$57 million with an estimated completion date of 2019. Cal Water was authorized to seek recovery upon completion by filing a Tier 2 advice letter.

In A.18-07-001, Cal Water's 2018 GRC filing, Cal Water estimated the PV Pipeline would cost an additional \$39.2 million, for a total of approximately \$96.1 million. Cal Water proposed to include the incremental \$39.2 million in the revenue requirement and restructure the Los Angeles County Region tariffs so that the costs of the Pipeline projects are borne by the Palos Verdes customers only.

III. Discussion – Project costs up to the agreed upon cap of \$96.1 million

According to the 2018 GRC Settlement Agreement negotiated between Cal Water and the Public Advocates Office and filed on October 8, 2019,³ the parties agreed to remove the cost from the revenue requirement in the proceeding, extend the sunset on the advice letter, and increase the combined advice letter cap of the PV Pipeline projects to \$96,145,462. Upon the project entering service, Cal Water could file for recovery through a Tier 2 advice letter, subject to refund.⁴

The Parties also agreed that Cal Water will meet with both the Commission's Water Division and the Public Advocates Office at least 30 to 45 days before the advice letter filing to present and discuss the supporting documents that will be submitted with the advice letter. Cal Water met with both the Public Advocates Office and Water Division on May 14, 2020 and had an additional follow up meeting with both parties on June 1, 2020. Due to limitations on gatherings as a result of the COVID-19 pandemic, these meetings occurred online via Zoom conference.

The settlement agreement also stipulated Cal Water prepare a new set of tariffs for Palos Verdes customers alone (a residential tariff, a non-residential tariff, and a recycled water tariff) that will become effective 30 days after filing, while the Commission conducts its review of the advice letter. The tariffs in effect for the Los Angeles County Region at that time will continue to apply to Antelope Valley customers. The revenue requirement included in the rates for the Pipeline would also incorporate the income tax benefits of the "main repair" tax deductions for qualifying portions of the D-500 pipeline, consistent with how the benefit was calculated in Cal Water's GRC Application.

However, with stay-at-home orders in place to slow the spread of the Coronavirus Disease 2019 ("COVID-19") and many California residents facing significant financial uncertainty, Cal Water has been concerned about the additional burden that could result from changing water rates at this time. In order to mitigate those concerns, Cal Water proposed that the Commission defer changing

³ Joint Motion of California Water Service Company (U-60-W) and the Public Advocates Office for Adoption of a Settlement Agreement (October 8, 2019), A.18-07-001, Exhibit A ("Settlement Agreement").

⁴ Settlement Agreement at 150-151.



water rates and implement a freeze on current rates until January 1, 2021 through a joint motion dated April 28, 2020.⁵ The parties proposed the revenues associated with the Pipeline be tracked in the 2018 GRC Interim Rate Memorandum Account (IRMA) and billed with the other GRC changes starting January 1, 2021. In a concurrent motion on the same day, Cal Water also requested the deferral of final rate implementation for the entire GRC until January 1, 2021. Administrative Law Judge (ALJ) Charles Ferguson granted only the portion of the motion requesting permission to track the rate impact of the Pipeline in the company's IRMA on May 19, 2020. The ALJ stated the remainder of the motion will be addressed by the Commission in its final decision.

As of the date of this filing, the Commission has yet to issue a formal decision for Cal Water's application A.18-07-001. While the settlement agreement between the parties addressed many outstanding issues, there are still several disputed items remaining to be addressed in a formal decision. One of the disputed items that affects the possible rates in this letter concerns depreciation expense. As a result, a range of typical bill increases is provided here for information purposes based upon the possible outcome of depreciation in the case. These likely bill impacts will be between \$18.67 and \$18.78 for a residential customer that uses an average monthly amount of 19 Ccf. This is a 16.6% and 16.7% increase, respectively.

It should also be noted there will be other rate changes (base rates and surcharges) resulting from the eventual GRC decision which may affect any overall bill impact range. Assuming Cal Water is granted the ability to defer rate changes in 2020, it is anticipated the company will include the costs of the Pipeline up to the cap in the determination of final rates in the decision. Cost recovery of 2020 revenue that is delayed will also be addressed as a part of the company's GRC implementation true-up process.

IV. Tariffs

As mentioned above, there is still uncertainty with regard to the disputed items in Cal Water's GRC which results in a range of possible rate outcomes. In order to simplify the review of potential rate changes without submitting many redundant tariff sheets, Cal Water consolidated the changes in table format. The possible rate outcome ranges from low to high are shown in **Appendix B and Appendix C**. These rate outcomes assume the settlement rate design. Cal Water anticipates updating the official tariff pages once a formal GRC decision is issued by the Commission.

V. Requested Effective Date

Under General Order 96-B, Water Industry Rule 7.3.3, this is a Tier 2 advice letter. The effectiveness is subject to refund pending the Commission staff's determination that the filing is in compliance and that the calculations are correct. Cal Water requests an effective date of **August 27, 2020** consistent with the settlement agreement and General Order 96-B, Water Industry Rule 7.2.

⁵ Motion of California Water Service Company (U-60-W) for Timely Resolution of Proceeding and Deferral of Rate Changes due to COVID-19 Pandemic, A.18-07-001 (April 28, 2019).



VI. Notice

Customer Notice – Individual customer notice of this advice letter is being sent by separate mailing to customers consistent with GO 96-B, Water Industry Rule 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 supplemental advice letter will be mailed or electronically transmitted on **July 28, 2020**, to competing and adjacent utilities and other utilities or interested parties having requested such notification. ***Please note that, due to limitations on non-essential travel as a result of the COVID-19 virus, this advice letter will only be distributed electronically. If applicable, paper copies will be distributed when administrative staff are able to return to company offices.***

VII. 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 re-litigating 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 no later than **August 30, 2020**. The advice letter process does not provide for any responses, protests or comments, except for the utility's reply, after the 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
water_division@cpuc.ca.gov



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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 408/367-8566
E-mail cwsrates@calwater.com

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform the Water Division, within the 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.

VIII. 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, and ask for the Rates Department.

CALIFORNIA WATER SERVICE COMPANY

/s/

Natalie Wales
Director of Regulatory Policy & Compliance

cc: Ting-Pong Yuen, Public Advocates Office
Hani Moussa, Public Advocates Office



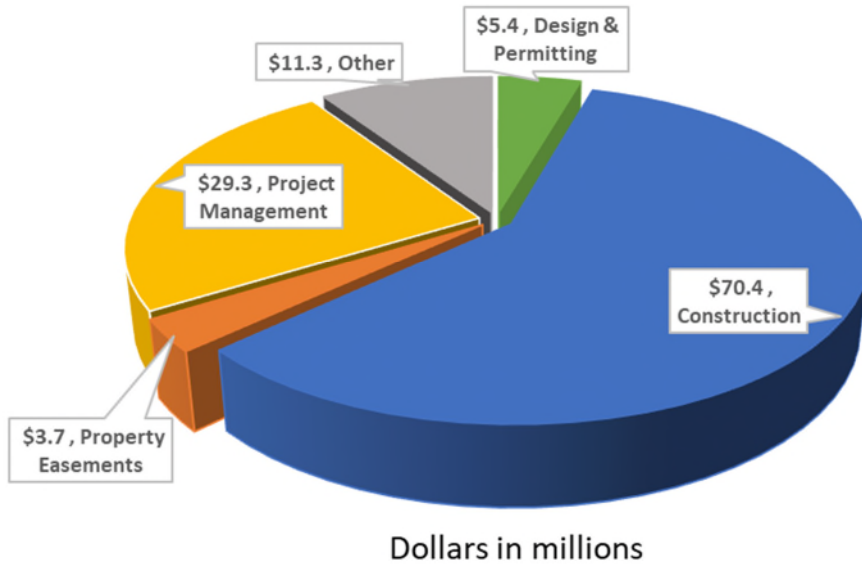
Appendix A

Discussion – Project cost differences from the cap for an additional \$24M

The estimate from the 2018 GRC was prepared over two years ago when the bulk of the construction work was just beginning. As a result of the substantial activity that has occurred since the original estimate was developed, current costs are now projected to be approximately \$120 million, an approximate increase of \$24 million. Cal Water respectfully requests the Commission also review these additional costs per the following paragraph from page 151 of the settlement agreement:

If the Commission determines in its review of the Tier 2 advice letter that the reasonable and prudent costs for the projects are lower than those proposed by Cal Water in its Tier 2 filing, Cal Water will permanently remove those costs from rate base, will decrease its rates accordingly, and will provide Palos Verdes customers with bill credits to offset amounts previously charged. Alternatively, if the total cost of the Pipeline projects exceeds the new cap of \$96.1 million and the Commission’s Water Division finds the costs to be reasonable and prudent, the exceedance can be incorporated into the beginning plant balance in Cal Water’s next GRC.

The total anticipated costs are summarized in the following pie chart -



Cal Water’s forecasted increase of \$24 million represents approximately \$12.7 million of costs that are largely quantifiable for estimation purposes and approximately \$11.3 million of costs that are relatively uncertain. The additional costs of \$12.7 million are the result of changes that occurred in construction since Cal Water estimated the \$96 million. This added \$12 million is based on actual claims and change orders that have been submitted by our contractor. These additional costs are primarily a result of identified or



CALIFORNIA WATER SERVICE COMPANY

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anticipated claims by the project contractor that require additional substantiation. Some of these contractor claims have been provided and others are still pending and have been estimated internally by Cal Water solely for purposes of this filing.

The remaining \$11.3 million are relatively uncertain⁶ as of the filing of this advice letter and are reflected in the "Other" category in the above pie chart. The \$11.3 million of costs are primarily driven by Cal Water's estimates for additional contingency, other contractor delay claims, and potential COVID impacts.

At this time, for many of the submitted and potential contractor claims, Cal Water has no knowledge or belief that it has an obligation to pay any of these claims or the estimated amounts. This filing should not be construed as any admission of liability or responsibility for, in whole or part, cost increases and schedule adjustment requests (e.g. claims, change orders) submitted by the project contractor or subcontractors. Cal Water is not waiving its rights to insist upon strict adherence to the terms of its agreement with the project contractor for cost increases and schedule adjustments. Cal Water includes these claims for review and approval as reasonable and prudent costs in the event they are borne by the company under an approved change order or as an adjudicated legal claim.

Based on the above, assuming the full cost difference is approved, the typical bill impact could be between an additional \$4.63 and \$5.68 or 4.1% and 5.0%, respectively. This increase, when compared to a current typical bill, would occur no earlier than January 1, 2023.

⁶ A terminated subcontractor has filed a lawsuit against the project contractor along with Cal Water. See Steve P. Rados, Inc. v. Black & Veatch Construction, Inc., et al., County of Los Angeles, Case No. 205TCVI5277



Appendix B

Residential Metered Service Rates –

<u>Quantity Rates</u>	<u>Low</u>	<u>High</u>
For 1 - 17 CCF, per CCF	\$ 4.8851	\$ 4.9311
For 18 to 25 CCF, per CCF	\$ 6.0986	\$ 6.1599
For over 25 CCF, per CCF	\$ 9.1398	\$ 9.2392
 <u>Service Charge</u>		
5/8 x 3/4 - inch meter	\$ 29.43	\$ 30.19
3/4 - inch meter	\$ 44.15	\$ 45.29
Fire Sprinkler with 1 - inch meter	\$ 30.39	\$ 31.18
1 - inch meter	\$ 73.58	\$ 75.48
1-1/2 - inch meter	\$ 147.15	\$ 150.95
2 - inch meter	\$ 235.44	\$ 241.52
3 - inch meter	\$ 441.45	\$ 452.85
4 - inch meter	\$ 735.75	\$ 754.75
6 - inch meter	\$ 1,471.50	\$ 1,509.50
8 - inch meter	\$ 2,354.40	\$ 2,415.20
10 - inch meter	\$ 3,384.45	\$ 3,471.85
12 - inch meter	\$ 4,855.95	\$ 4,981.35
14 - inch meter	\$ 6,621.75	\$ 6,792.75

Non-Residential Metered Service Rates –

<u>Quantity Rates:</u>	<u>Low</u>	<u>High</u>
per CCF	\$ 6.4853	\$ 6.5116
 <u>Service Charge:</u>		
5/8 x 3/4 - inch meter	\$ 25.82	\$ 26.49
3/4 - inch meter	\$ 38.72	\$ 39.73
1 - inch meter	\$ 64.54	\$ 66.22
1-1/2 - inch meter	\$ 129.08	\$ 132.43
2 - inch meter	\$ 206.52	\$ 211.88
3 - inch meter	\$ 387.23	\$ 397.28
4 - inch meter	\$ 645.38	\$ 662.14
6 - inch meter	\$ 1,290.76	\$ 1,324.28
8 - inch meter	\$ 2,065.21	\$ 2,118.84
10 - inch meter	\$ 2,968.74	\$ 3,045.84
12 - inch meter	\$ 4,259.50	\$ 4,370.12
14 - inch meter	\$ 5,808.41	\$ 5,959.25



CALIFORNIA WATER SERVICE COMPANY

Advice Letter 2387, Palos Verdes Peninsula Water Reliability Project (PVPWRP)

Reclaimed Metered Service Rates -

	<u>Low</u>	<u>High</u>
<u>Quantity Rates:</u>		
per CCF	\$ 4.2674	\$ 4.3061
 <u>Service Charge:</u>		
5/8 x 3/4 - inch meter	\$ 34.43	\$ 35.32
3/4 - inch meter	\$ 49.79	\$ 51.10
1 - inch meter	\$ 82.98	\$ 85.16
1-1/2 - inch meter	\$ 165.95	\$ 170.30
2 - inch meter	\$ 265.52	\$ 272.48
3 - inch meter	\$ 497.85	\$ 510.90
4 - inch meter	\$ 829.75	\$ 851.50
6 - inch meter	\$ 1,659.50	\$ 1,703.00
8 - inch meter	\$ 2,655.20	\$ 2,724.80
10 - inch meter	\$ 3,816.85	\$ 3,916.90
12 - inch meter	\$ 5,476.35	\$ 5,619.90
14 - inch meter	\$ 7,467.75	\$ 7,663.50



Appendix C

M. PRELIMINARY STATEMENT M (WRAM/MCBA – LOS ANGELES COUNTY REGION AREA – Palos Verdes Only)

WRAM - High
 Monthly Details
 (In Thousands of Dollars)

Month	Quantity Charge Revenue for WRAM	Service Charge and other Non-WRAM Revenue	Total Revenue	Purchased Water	Pump Tax	Purchased Power	Total Production Cost
JAN	\$440.7	\$176.6	\$617.3	\$0.00	\$0.00	\$0.00	\$0.00
FEB	\$384.9	\$176.6	\$561.5	\$0.00	\$0.00	\$0.00	\$0.00
MAR	\$417.6	\$176.6	\$594.2	\$0.00	\$0.00	\$0.00	\$0.00
APR	\$446.1	\$176.6	\$622.8	\$0.00	\$0.00	\$0.00	\$0.00
MAY	\$533.7	\$176.6	\$710.3	\$0.00	\$0.00	\$0.00	\$0.00
JUN	\$668.0	\$176.6	\$844.6	\$0.00	\$0.00	\$0.00	\$0.00
JUL	\$753.1	\$176.6	\$929.8	\$0.00	\$0.00	\$0.00	\$0.00
AUG	\$735.6	\$176.6	\$912.3	\$0.00	\$0.00	\$0.00	\$0.00
SEP	\$792.0	\$176.6	\$968.6	\$0.00	\$0.00	\$0.00	\$0.00
OCT	\$665.5	\$176.6	\$842.1	\$0.00	\$0.00	\$0.00	\$0.00
NOV	\$570.4	\$176.6	\$747.0	\$0.00	\$0.00	\$0.00	\$0.00
DEC	\$491.9	\$176.6	\$668.6	\$0.00	\$0.00	\$0.00	\$0.00
12 Month Total	\$6,899.5	\$2,119.8	\$9,019.3	\$0.00	\$0.00	\$0.00	\$0.00

WRAM - Low
 Monthly Details
 (In Thousands of Dollars)

Month	Quantity Charge Revenue for WRAM	Service Charge and other Non-WRAM Revenue	Total Revenue	Purchased Water	Pump Tax	Purchased Power	Total Production Cost
JAN	\$440.6	\$172.6	\$613.1	\$0.00	\$0.00	\$0.00	\$0.00
FEB	\$384.8	\$172.6	\$557.3	\$0.00	\$0.00	\$0.00	\$0.00
MAR	\$417.5	\$172.6	\$590.1	\$0.00	\$0.00	\$0.00	\$0.00
APR	\$446.0	\$172.6	\$618.6	\$0.00	\$0.00	\$0.00	\$0.00
MAY	\$533.6	\$172.6	\$706.1	\$0.00	\$0.00	\$0.00	\$0.00
JUN	\$667.8	\$172.6	\$840.4	\$0.00	\$0.00	\$0.00	\$0.00
JUL	\$752.9	\$172.6	\$925.5	\$0.00	\$0.00	\$0.00	\$0.00
AUG	\$735.5	\$172.6	\$908.0	\$0.00	\$0.00	\$0.00	\$0.00
SEP	\$791.8	\$172.6	\$964.3	\$0.00	\$0.00	\$0.00	\$0.00
OCT	\$665.3	\$172.6	\$837.9	\$0.00	\$0.00	\$0.00	\$0.00
NOV	\$570.3	\$172.6	\$742.8	\$0.00	\$0.00	\$0.00	\$0.00
DEC	\$491.8	\$172.6	\$664.4	\$0.00	\$0.00	\$0.00	\$0.00
12 Month Total	\$6,897.8	\$2,070.7	\$8,968.6	\$0.00	\$0.00	\$0.00	\$0.00

CALIFORNIA WATER SERVICE COMPANY

1720 North First Street
 San Jose, CA 95112
 (408) 367-8200

Revised Cal. P.U.C. Sheet No. XXXXX-W
 Cancelling Cal. P.U.C. Sheet No. 12218-W

Schedule No. LAR-1-R
Los Angeles County Region Tariff Area
RESIDENTIAL METERED SERVICE

Page 1

Note: On January 1, 2017, the rates of the Antelope Valley District and the Palos Verdes District were consolidated. The resulting district is the "Los Angeles County Region."

APPLICABILITY

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

TERRITORY

~~Palos Verdes Water Service Area:~~

~~Palos Verdes Estates, Rolling Hills, Rolling Hills Estates, Lomita, Rancho Palos Verdes, and vicinity, Los Angeles County.~~

(D)
(D)

Antelope Valley Water Service Area:

A portion of the community of Leona Valley and vicinity, Los Angeles County

A portion of the community of Lancaster and vicinity, Los Angeles County.

The community of Fremont Valley, Kern County and Lake Hughes and vicinity, Los Angeles County.

RATES

1 CCF is 100 cubic feet (748 gallons)

Quantity Rates:

For 1 - 15 CCF, per CCF	\$4.7555
For 16 to 35 CCF, per CCF	\$5.0462
For over 35 CCF, per CCF	\$6.0504

Service Charge:

	<u>Per Meter</u>
	<u>Per Month</u>
For 5/8 x 3/4 - inch meter	\$21.17
For 3/4 - inch meter	\$31.76
For Fire Sprinkler with 1 - inch meter	\$22.23
For 1 - inch meter	\$52.93
For 1-1/2 - inch meter	\$105.85
For 2 - inch meter	\$169.36
For 3 - inch meter	\$317.55
For 4 - inch meter	\$529.25
For 6 - inch meter	\$1,058.50
For 8 - inch meter	\$1,693.60
For 10 - inch meter	\$2,434.55
For 12 - inch meter	\$3,493.05
For 14 - inch meter	\$4,763.25

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. Qualifying low-income individually metered residential customers are eligible for credits as shown on Schedule LIRA.
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. **Fire sprinkler rate:** 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.

(Continued)

(To be inserted by utility)	Issued By	(To be inserted by CPUC)
Advice Letter <u>2387</u>	<u>Greg A. Milleman</u>	Date Filed <u>July 28, 2020</u>
Decision	<u>Vice President</u>	Effective _____
		Resolution _____

Schedule No. LAR-PV-1-R
Los Angeles County Region Tariff Area
RESIDENTIAL METERED SERVICE

APPLICABILITY

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

TERRITORY

Palos Verdes Water Service Area:

Palos Verdes Estates, Rolling Hills, Rolling Hills Estates, Lomita, Rancho Palos Verdes, and vicinity, Los Angeles County.

RATES

1 CCF is 100 cubic feet (748 gallons)

(N)

See Appendix B for the range of rates

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. Qualifying low-income individually metered residential customers are eligible for credits as shown on Schedule LIRA.
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. **Fire sprinkler rate:** 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.
4. **Water Expense Increase:** Beginning on or after February 1, 2020, an increase in purchased water costs of \$0.0451/CCF for Tier 1 usage, \$0.0478/CCF for Tier 2 usage, and \$0.0573/CCF for Tier 3 usage, and an associated increase in total revenue of 0.6% (relative to the costs and revenues approved in AL 2347) are being tracked in a balancing account as required by Section 792.5 of the Public Utilities Code.

(N)

(Continued)

(To be inserted by utility)	Issued By	(To be inserted by CPUC)
Advice Letter <u>2387</u>	<u>Greg A. Milleman</u>	Date Filed <u>July 28, 2020</u>
Decision	<u>Vice President</u>	Effective _____
		Resolution _____

CALIFORNIA WATER SERVICE COMPANY

1720 North First Street
San Jose, CA 95112
(408) 367-8200

Revised Cal. P.U.C. Sheet No. XXXXX-W
Cancelling Cal. P.U.C. Sheet No. 12216-W

Schedule No. LAR-1-NR
Los Angeles County Region Tariff Area
NONRESIDENTIAL METERED SERVICE

APPLICABILITY

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

TERRITORY

~~Palos Verdes Water Service Area:~~

~~Palos Verdes Estates, Rolling Hills, Rolling Hills Estates, Lomita, Rancho Palos Verdes, and vicinity, Los Angeles County.~~

(D)

Antelope Valley Water Service Area:

A portion of the community of Leona Valley and vicinity, Los Angeles County

A portion of the community of Lancaster and vicinity, Los Angeles County.

The community of Fremont Valley, Kern County and Lake Hughes and vicinity, Los Angeles County.

RATES

1 CCF is 100 cubic feet (748 gallons)

Quantity Rates:

Per CCF \$5.1046

Service Charge:

Per Meter
Per Month

For	5/8 x 3/4 - inch meter	\$18.57
For	3/4 - inch meter	\$27.85
For	1 - inch meter	\$46.42
For	1-1/2 - inch meter	\$92.85
For	2 - inch meter	\$148.55
For	3 - inch meter	\$278.54
For	4 - inch meter	\$464.23
For	6 - inch meter	\$928.46
For	8 - inch meter	\$1,485.54
For	10 - inch meter	\$2,135.46
For	12 - inch meter	\$3,063.92
For	14 - inch meter	\$4,178.07

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. 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).
2. 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**.
1. **Water Expense Increase:** Beginning on or after February 1, 2020, an increase in purchased water costs of \$0.0484/CCF, an associated increase in total revenue of 0.6% (relative to the costs and revenues approved in AL 2347) are being tracked in a balancing account as required by Section 792.5 of the Public Utilities Code.
2. **Bi-monthly Billing:** The established billing cycle for the following areas is **bi-monthly (every other month)**:
Community of Fremont Valley, Kern County
Community of Lake Hughes and vicinity, Los Angeles County

(To be inserted by utility)	Issued By	(To be inserted by CPUC)
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CALIFORNIA WATER SERVICE COMPANY

1720 North First Street
San Jose, CA 95112
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Revised Cal. P.U.C. Sheet No. NEW
Cancelling Cal. P.U.C. Sheet No. XXXXX-W

Schedule No. LAR-PV-1-NR
Los Angeles County Region Tariff Area
NONRESIDENTIAL METERED SERVICE

Page 1

APPLICABILITY

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

TERRITORY

Palos Verdes Water Service Area:

Palos Verdes Estates, Rolling Hills, Rolling Hills Estates, Lomita, Rancho Palos Verdes, and vicinity, Los Angeles County.

(N)

RATES

1 CCF is 100 cubic feet (748 gallons)

Quantity Rates:

Per CCF

See Appendix B for the range of rates

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. 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).
2. 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**.
3. **Water Expense Increase:** Beginning on or after February 1, 2020, an increase in purchased water costs of \$0.0484/CCF, an associated increase in total revenue of 0.6% (relative to the costs and revenues approved in AL 2347) are being tracked in a balancing account as required by Section 792.5 of the Public Utilities Code.

(N)

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		Resolution _____

CALIFORNIA WATER SERVICE COMPANY

1720 North First Street
San Jose, CA 95112
(408) 367-8200

Revised
Cancelling

Cal. P.U.C. Sheet No. XXXXX-W
Cal. P.U.C. Sheet No. 12215-W

Schedule No. LAR-PV-6
Los Angeles County Region Tariff Area
RECLAIMED METERED SERVICE

Page 1

APPLICABILITY

Applicable to all reclaimed water customers that have signed a contract with the West Basin Municipal Water District (West Basin) for repayment of the conversion costs from potable to reclaimed water service will be charged the potable quantity rates while the contract is in effect. The Company will pay West Basin a percentage of the quantity rate revenues collected from reclaimed water customers billed at potable water rates. The percentage refunded represents the difference between the current West Basin wholesale potable water rate and the wholesale reclaimed water rate.

TERRITORY

Palos Verdes Water Service Area:
Palos Verdes Estates, Rolling Hills, Rolling Hills Estates, Lomita, Rancho Palos Verdes, and vicinity, Los Angeles County.

RATES

1 CCF is 100 cubic feet (748 gallons)

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(I)
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See Appendix B for the range of rates

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. Recycled water will be supplied **only** as available from West Basin Municipal Water District.
2. As a condition of service under this schedule, all customers are required to comply with the Company's Rule 16, Section D, Reclaimed Water Service.
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. **Water Expense Increase:** Beginning on or after February 1, 2020, an increase in purchased water costs of \$0.0350/CCF, an associated increase in total revenue of 0.6% (relative to the costs and revenues approved in AL 2347) are being tracked in a balancing account as required by Section 792.5 of the Public Utilities Code.

(To be inserted by utility)

Advice Letter 2387
Decision

Issued By

Greg A. Milleman
Vice President

(To be inserted by CPUC)

Date Filed July 28, 2020
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Resolution _____

CALIFORNIA WATER SERVICE COMPANY

1720 North First Street
San Jose, CA 95112
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Revised Cal. P.U.C. Sheet No. NEW
Cancelling Cal. P.U.C. Sheet No. XXXXX-W

Preliminary Statement

M. PRELIMINARY STATEMENT M (WRAM/MCBA – LOS ANGELES COUNTY REGION AREA – Palos Verdes Only) (N)

Note: On January 1, 2017, the rates of the Antelope Valley District and the Palos Verdes District were consolidated. The resulting district is the "Los Angeles County Region."

See Appendix C for the range of values

(N)

(Continued)

(To be inserted by utility)
Advice Letter 2387
Decision

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Vice President

(To be inserted by CPUC)
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Effective _____
Resolution _____



Palos Verdes District

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

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