

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



January 12, 2021

Natalie Wales
Director of Regulatory Policy & Compliance
California Water Service Co.
1720 North First St
San Jose, CA 95112-4598

Dear Ms. Wales,

The Commission has approved California Water Service Company's Advice Letter No. 2392, filed on December 10, 2020, regarding 2021 Groundwater surcharge for Selma 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
12339-W	Schedule No. SL-1-R, Residential Metered Service
12340-W	Schedule No. SL-1-NR, Non-Residential Metered Service
12341-W	Table of Contents – Page 10
12342-W	Table of Contents – Page 1
Delete	12333-W

Please contact Kevin Truong at VT4@cpuc.ca.gov or 415-703-1353, if you have any questions.

Thank you,

/s/ROBIN BRYANT

Robin Bryant
Water Division

Enclosures

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

Advice Letter Cover Sheet

Utility Name: California Water Service Company	Date Mailed to Service List: 12/10/2020
District: Selma	
CPUC Utility #: U-60-W	Protest Deadline (20th Day): 12/30/2020
Advice Letter #: 2392	Review Deadline (30th Day): 1/09/2021
Tier: X1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> Compliance	Requested Effective Date: 1/1/2021
Authorization: G.O. 96-B, Water Industry Rule 7.3.2(8)	
Description: Groundwater surcharge for 2021	Rate Impact: \$1.27 or 2.29% on monthly bill

The protest or response deadline for this advice letter is 20 days from the date that this advice letter was E-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

[] 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[] WITHDRAWN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

December 10, 2020

Advice Letter No. 2392

To the California Public Utilities Commission:

California Water Service Company ("Cal Water") respectfully submits this Tier 1 advice letter requesting authority to make the following changes to tariffs applicable to Cal Water's Selma district.

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 Sheet No.	Title of Sheet	Schedule No.	Cancelling CPUC Sheet No.
XXXXX-W	Residential Metered Service	SL-1-R	XXXXX-W
XXXXX-W	Non-Residential Metered Service	SL-1-NR	XXXXX-W
DELETE	Residential Flat Rate Service	SL-1-2R	XXXXX-W
XXXXX-W	Table of Contents – Page 10	TOC 10	XXXXX-W
XXXXX-W	Table of Contents – Page 1	TOC 1	XXXXX-W

Summary

Cal Water requests to renew the groundwater surcharge rates for Selma District customers effective January 1, 2021, consistent with D.15-03-003 and Advice Letters 2382 and 2388.

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 sixth year of the agreement (with 2015 being the first year), the City is allowed to increase the recovery from 62.5% to 75% 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. Advice letter 2340 was filed on April 10, 2019. Remittance were sent to the City of Selma within 30 days after the end of each month.

For Year 6, the surcharges are calculated to collect \$379,793 for Selma residents. The Year 6 surcharge was originally scheduled to be implemented April 2020, however Cal Water deferred the change in surcharge until January 1, 2021.

Discussion

Cal Water filed Advice letter 2382 on April 15, 2020 to request deferral of the Year 6 increase to July 2020 as a means to provide stability to water bills during the start of COVID-19. The Advice Letter also proposed to change the start dates of the Year 7 and 8 surcharge from April of each year to January 1st. Cal Water subsequently filed Advice Letter 2388 to request deferral of the Year 6 surcharge to January 1, 2021 due to the continued financial challenges many Selma customers faced as a result of COVID-19.

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.



CALIFORNIA WATER SERVICE COMPANY

Advice Letter 2392 Selma Groundwater Surcharge

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As the attached spreadsheet shows, the total amount of \$379,793 to be calculated for 12 months is the sum of \$108,512 for groundwater recharge fees, and \$271,281 for groundwater replenishment fees (75% of the full amount, for Year 6). The total amount was allocated between metered customers based on annualized 2020 actual sales. For metered customers, this results in a surcharge of \$0.2329 per CCF, an increase of \$0.0750 per CCF over the current rate.

Based on the decision in Cal Water's 2018 GRC, D.20-12-007, there are no projected flat rate customers adopted for 2021, so the total collection amount will be recovered through metered customers.

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 January 1, 2021.

Notice

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

Service List: 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 transmitted ***electronically*** on **December 10, 2020**, to competing and adjacent utilities and other utilities or interested parties having requested such notification, including the Local Agency Formation Commission (LAFCO). ***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***

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



CALIFORNIA WATER SERVICE COMPANY

Advice Letter 2392 Selma Groundwater Surcharge

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(6) The relief requested in the advice letter is unjust, unreasonable, or discriminatory (provided 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 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

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 Cal Water at the following address:

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 requiring Board of Supervisors or Board of Commissioners approval to protest should inform the Water Division within the 20-day protest period so 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 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/

Melody Singh, Rates Analyst

cc: Syreeta Gibbs (Public Advocates Office), PublicAdvocatesWater@cpuc.ca.gov

CALIFORNIA WATER SERVICE COMPANY

1720 North First Street

San Jose, CA 95112

(408) 367-8200

Revised

Cancelling

Cal. P.U.C. Sheet No. 12339-W

Cal. P.U.C. Sheet No. 12331-W

Schedule No. SL-1-R

Page 2

Selma Tariff Area**RESIDENTIAL METERED SERVICE****SPECIAL CONDITIONS (continued)**

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: January 1, 2021 – December 31, 2021): \$0.2329 per CCF** (I)(C)
 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 2392, the collected amounts (C)
 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.

(To be inserted by utility)

Advice Letter 2392

Decision

Issued By

Greg A. MillemanVice President

(To be inserted by CPUC)

Date Filed 12/10/2020Effective 01/01/2021

Resolution _____

CALIFORNIA WATER SERVICE COMPANY

1720 North First Street

San Jose, CA 95112

(408) 367-8200

Revised

Cancelling

Cal. P.U.C. Sheet No. 12340-W

Cal. P.U.C. Sheet No. 12332-W

Schedule No. SL-1-NR

Page 2

Selma Tariff Area**NONRESIDENTIAL METERED SERVICE****SPECIAL CONDITIONS (continued)**

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: January 1, 2021 - December 31, 2021): \$0.2329 per CCF** (I)(C)
- 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 2392, 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)

(To be inserted by utility)

Advice Letter 2392

Decision

Issued By

Greg A. MillemanVice President

(To be inserted by CPUC)

Date Filed 12/10/2020Effective 01/01/2021

Resolution _____

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<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 (sheet 1)		SL-1-R	12273-W
Residential Metered Service (sheet 2)		SL-1-R	12339-W (C)
Nonresidential Metered Service (sheet 1)		SL-1-NR	12275-W
Nonresidential Metered Service (sheet 2)		SL-1-NR	12340-W (C)
Residential Flat Rate Service (sheet 1)		SL-2R	12277-W
Residential Flat Rate Service (sheet 1)		SL-2R	(D)
STOCKTON DISTRICT			
Residential Metered Service		ST-1-R	12200-W
Nonresidential Metered Service		ST-1-NR	12199-W
TRAVIS DISTRICT			
Potable Water Service		ST-1-R	12079-W
VISALIA DISTRICT			
Residential Metered Service		VS-1-R	12198-W
Nonresidential Metered Service		VS-1-NR	12197-W
WESTLAKE DISTRICT			
Residential Metered Service		WK-1-R	12194-W
Nonresidential Metered Service		WK-1-NR	12193-W
Reclaimed Water Service		WK-6	12192-W
WILLOWS DISTRICT			
Residential Metered Service		WL-1-R	12196-W
Nonresidential Metered Service		WL-1-NR	12195-W
FIRE FLOW TESTING CHARGE		FF	8597-W

(continued)

(To be inserted by utility)
 Advice Letter No. 2392
 Decision No. _____

Issued by
GREG A. MILLEMAN
 Name
Vice President
 TITLE

(To be inserted by CPUC)
 Date Filed 12/10/2020
 Effective 01/01/2021
 Resolution No. _____

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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			12342-W (C)
Page 2	Preliminary Statements			12255-W
Page 3	Preliminary Statements			12245-W
Page 4	Preliminary Statements			12314-W
Page 5	Rate Schedules - All Districts			12329-W
Page 6	Rate Schedules - District Specific			12244-W
Page 7	Rate Schedules - District Specific			12243-W
Page 8	Rate Schedules - District Specific			12254-W
Page 9	Rate Schedules - District Specific			12241-W
Page 10	Rate Schedules - District Specific			12341-W (C)
Page 11	Service Area Maps			12337-W
Page 12	Rules			12307-W
Page 13	Rules			12271-W
Page 14	Sample Forms			12311-W
Page 15	Sample Forms			2926-W

(continued)

(To be inserted by utility)
Advice Letter No. 2392
Decision No.

Issued by
GREG A. MILLEMAN
Name
Vice President
TITLE

(To be inserted by CPUC)
Date Filed 12/10/2020
Effective 01/01/2021
Resolution No.



Selma District

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

BUD TICKEL, INTERIM ASSISTANT
DIRECTOR
**City of Fresno, Department of Public
Utilities**
2600 Fresno St, Room 4019
Fresno, CA 93721
bud.tickel@fresno.gov

DAVID WEISSER, PUBLIC WORKS
DIRECTOR
City of Fowler
128 S 5th St
Fowler, CA 93625
dweisser@ci.fowler.ca.us

TERESA GALLAVAN, CITY MANAGER
City of Selma, City Hall
1710 Tucker Street
Selma, CA 93662
teresag@cityofselma.com

MAY ALBIANI, EXECUTIVE ASSISTANT
**City of Fresno, Department of Public
Utilities**
2600 Fresno St, Room 4019
Fresno, CA 93721
may.albiani@fresno.gov

MICHAEL CARBAJAL, DIRECTOR
**City of Fresno, Department of Public
Utilities**
2600 Fresno St, Room 4019
Fresno, CA 93721
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