

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



August 16, 2024

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

Dear Ms. Wales,

The Water Division of the California Public Utilities Commission has approved California Water Service Company's Advice Letter No. 2522, filed on July 26, 2024, regarding Customer Protections for Wildfires near Chico and Oroville in the North Valley Region.

Enclosed is a copy of the advice letter with an effective date of July 25, 2024 for the utility's files.

Please contact Mahdi Jahami at MJ4@cpuc.ca.gov, if you have any questions.

Thank you.

Enclosures



CALIFORNIA WATER SERVICE COMPANY

1720 NORTH FIRST STREET
SAN JOSE, CA 95112 • (408) 367-8200

July 26, 2024

Advice Letter No. 2522



To the California Public Utilities Commission:

California Water Service Company (“Cal Water”) respectfully submits this Tier 1 advice letter to comply with Ordering Paragraph 9 of D.19-07-015, *Decision Adopting an Emergency Disaster Relief Program for Electric, Natural Gas, Water and Sewer Utility Customers*, with regard to the impact on Cal Water’s customers of the Park Fire in the Chico service area and the Thompson Fire in the Oroville service area (both in the North Valley Region ratemaking area). ***Please note that this advice letter will only be distributed electronically to the Water Division and the attached service lists.***

Summary

This Tier 1 advice letter confirms Cal Water’s compliance with the emergency customer protections and outreach activities of D.19-07-015 related to the Thompson Fire, which started on July 2, 2024, and affected customers located in Cal Water’s Oroville service area.

This advice letter also informs the Commission that Cal Water is also applying those customer protections to customers in Cal Water’s Chico service area affected by the Park Fire, which started on July 24, 2024, to extent applicable. At this time, no declaration of a state of emergency has been issued. (The North Valley Region ratemaking area is comprised of these two service areas.)

Background

D.19-07-015 requires water and sewer companies to file a Tier 1 advice letter within 15 days after a state of emergency is proclaimed for an event affecting the water or sewer company. The Tier 1 advice letter is intended to affirm to the California Public Utilities Commission that the company is complying with the emergency customer protections and outreach activities as indicated below:

In D.19-07-015, the Commission provided as follows in Ordering Paragraph 9:

9. In the event the Governor of California or the President of the United States declares a state of emergency because a disaster has either resulted in the loss or disruption of the delivery or receipt of utility service and/or resulted in the degradation of the quality of utility service, all Class-A Water utilities ... shall file a Tier 1 Advice Letter within 15 days of the Governor’s or the President of the United States state of emergency proclamation reporting compliance with implementing this Decision’s mandated emergency customer protections and outreach activities.

The Commission also adopted the following Conclusion of Law relevant to Ordering Paragraph 9:



25. It is reasonable to require the water and sewer corporations, as identified in Conclusion of Law 2, to file a Tier 1 advice letter with the Commission's Water Division within 15 days of a governor's state of emergency proclamation and/or a presidential state of emergency demonstrating implementation of the following emergency customer protections: (1) activation of their CEMA [Catastrophic Event Memo Account] effective to the time of the declaration of emergency; (2) make insurance claims on all costs and expenses incurred as a result of the fires, and credit insurance payments to their CEMA; (3) work cooperatively with affected customers to resolve unpaid bills, and minimize disconnections for non-payment; (4) waive reconnection or facilities fees for affected customers and suspend deposits for affected customers who must reconnect to the system; (5) provide reasonable payment options to affected customers; and (5) [sic] waive bills for victims who lost their homes or if their homes are rendered uninhabitable; and (6) [sic] authorize a pro rata waiver of any fixed element of a water bill for the time that the home is uninhabitable, even if the reason for it being uninhabitable is not loss of water service.

Discussion

On July 3, 2024, California Governor Gavin Newsom issued a Proclamation of Emergency regarding the Thompson Fire, which started on July 2, 2024 in Butte County.¹ As a result, approximately 200 customers of Cal Water in its Oroville service area were subject to mandatory evacuation requirements for three days.

On July 24, 2024, the Park Fire started in Butte County north of Cal Water's Chico service area requiring the mandatory evacuation of about 215 largely nonresidential customers for two days. As of the date of this submission, there has not been a Proclamation of Emergency for the Park Fire. Nevertheless, Cal Water is complying with the spirit of D.19-07-015 by triggering the customer protections required by that decision.

Consistent with Ordering Paragraph 9 and Conclusion of Law 25 of D.19-07-015, Cal Water stipulates as follows:

1. Activation of the CEMA (Catastrophic Event Memo Account);
 - For the Thompson Fire, Cal Water is evaluating the costs associated with this event and will activate the CEMA as needed, and provide greater specificity about potential incremental costs, within the 30-day deadline in Preliminary Statement AG (CEMA).

¹ The Thompson Fire occurred while the Rates Department was in the process of finalizing its July 2024 GRC Application, which was originally intended for filing on July 1st but was not actually filed until July 8th. Notwithstanding the late submission of this compliance advice letter, Cal Water provided all customer protections and communications to Oroville customers in a timely manner.



- For the Park Fire, Cal Water cannot activate the CEMA because there has been no declaration of a state of emergency by the Governor of California or the President of the United States.
2. Make insurance claims on all costs and expenses incurred as a result of the event, and credit insurance payments to CEMA;
 - For the Thompson Fire, if Cal Water determines that there have been losses related to this event, Cal Water will file insurance claims as appropriate. Any funds received as a result of such insurance claims will be credited to the CEMA.
 - For the Park Fire, if Cal Water determines that there have been losses related to this event, Cal Water will file insurance claims as appropriate. Any funds received will be applied to the relevant expense accounts, which will be subject to the usual forecasting methodology in Cal Water's next GRC.
 3. Work cooperatively with affected customers to resolve unpaid bills and minimize disconnections for non-payment;
 - Cal Water works cooperatively with all customers who have difficulty paying their bills to address overdue balances.
 4. Waive reconnection or facilities fees for affected customers and suspend deposits for affected customers who must reconnect to the system;
 - For customers who may have difficulty paying their bills as a result of the wildfire, Cal Water will waive reconnection fees. Cal Water does not require customer deposits.
 5. Provide reasonable payment options to affected customers; and
 - Cal Water has various payment options available to all customers, and will ensure that those plans are offered and adjusted as needed to take into account the needs of customers affected by this event.
 6. Waive bills for victims who lost their homes or if their homes were rendered uninhabitable.
 - No homes were lost or rendered uninhabitable as a result of either the Thompson Fire or the Park Fire.
 7. Authorize a pro rata waiver of any fixed element of a water bill for the time the home is uninhabitable, even if the reason for it being uninhabitable is not loss of water service.
 - Cal Water is providing a pro rata credit to customers impacted by the mandatory evacuation triggered by these events.
 8. Customer outreach regarding emergency disaster relief program.



- Cal Water is providing information about its emergency relief protections to customers in compliance with Commission requirements.²

For the **Thompson Fire**, Cal Water will submit the required follow-up advice letters twelve months after the event. Since D.19-07-015 is not formally triggered by the **Park Fire**, Cal Water does not intend to submit those follow-up letters. However, Cal Water will take measures to ensure the customer protections are in place for the entire twelve months in both affected areas.

Requested Effective Date

This is being submitted pursuant to General Order 96-B, Water Industry Rule 7.3.1(3), as modified by Resolution W-4664, is a Tier 1 advice letter. This compliance filing does not require any changes to Cal Water's tariffs, so an effective date is not requested.

Notice

Customer Notice – This is a Tier 1 compliance filing under Water Industry Rule 7.3.1(3) of General Order 96-B. Water Industry Rule 3.2 indicates that this kind of Tier 1 filing does not require customer notice.

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 electronically transmitted on **July 26, 2023**, to competing and adjacent utilities and other utilities or interested parties having requested such notification.

Please note that this advice letter will only be distributed electronically to the Water Division and the attached service lists.

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

² In compliance with D.19-07-015, Cal Water submitted and received approval for its Emergency Disaster Relief Program in Advice Letter 2351-A (



CALIFORNIA WATER SERVICE COMPANY

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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
E-mail: cwsrates@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/

Natalie D. Wales
Director of Rates

Enclosures

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



Chico District (North Valley Region)

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

JENNIFER MACARTHY, DEPUTY CITY
MANAGER

City of Chico

P.O.Box 3420

Chico, CA 95927

Jennifer.macarthy@chicoca.gov

SCOTT DOWELL

City of Chico

P.O.Box 3420

Chico, CA 95927

scott.dowell@chicoca.gov

MARK SORENSON, CITY MANAGER

City of Chico

P.O. Box 3420

Chico, CA 95927

Mark.Sorensen@chicoca.gov

BARBARA MARTIN, ADMINISTRATIVE
SERVICES DIRECTOR

City of Chico

P.O. Box 3420

Chico, CA 95927

Barbara.martin@chicoca.gov

ONLY FOR SERVICE AREA MAPS:

STEPHEN LUCAS, EXECUTIVE OFFICER

Butte County LAFCO

1453 Downer St, Suite C

Oroville, CA 95965

slucas@buttecounty.net

GARRETT SJOLUND, FIRE CHIEF

Butte County Fire Rescue

176 Nelson Ave

Oroville, CA 95965



Oroville District (North Valley Region)

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

RUTH WRIGHT

City of Oroville

1735 Montgomery St
Oroville, CA 95965

wrightr@cityoforoville.org

JAYME BOUCHER

Thermalito Irrigation District

410 Grand Ave
Oroville, CA 95965

jboucher@twsd.info

RATH MOSELEY, GENERAL MANAGER

South Feather Water & Power

2310 Oroville Quincy Hwy
Oroville, CA 95966

rmoseley@southfeather.com

ONLY FOR SERVICE AREA MAPS:

STEPHEN LUCAS, EXECUTIVE OFFICER

Butte County LAFCO

1453 Downer St, Suite C
Oroville, CA 95965

slucas@buttecounty.net

FIRE CHIEF

City of Oroville

1735 Montgomery St
Oroville, CA 95965