

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



January 28, 2021

Jeffrey T. Linam
Vice President of Rates & Regulatory
California-American Water Company
4701 Beloit Drive
Sacramento, CA 95838-2434

Dear Mr. Linam,

The Commission has approved California-American Water Company's Advice Letter No. 1319, filed on December 28, 2020, regarding implementation of 2021 Consumption Adjustment Mechanism.

Enclosed is a copy of the advice letter with an effective date of January 1, 2021 for the utility's files.

Please contact Bradley Leong at BL4@cpuc.ca.gov or 415-703-2307, 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 American Water

Date Mailed to Service List: December 28, 2020

District: Monterey Service Area

CPUC Utility #: U210W

Protest Deadline (20th Day): January 17, 2021

Advice Letter #: 1319

Review Deadline (30th Day): January 27, 2021

Tier 1 2 3 Compliance

Requested Effective Date: January 1, 2021

Authorization D.18-05-027

Rate Impact: \$See AL

Description: Implementation of 2021 Consumption
Adjustment Mechanism

See AL%

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: Kamilah Jones

Utility Contact: Jonathan Morse

Phone: 916-568-4232

Phone: 916-568-4237

Email: Kamilah.Jones@amwater.com

Email: Jonathan.Morse@amwater.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[] WITHDRAWN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: _____

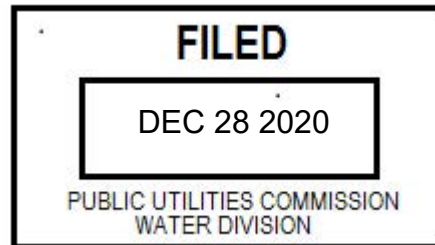
Comments: _____

Date: _____



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December 28, 2020

ADVICE LETTER NO. 1319

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

California-American Water Company (U210W) submits this advice letter applicable to its Monterey Service Area water customers.

Purpose:

This advice letter filing is to comply with Decision (D). 18-05-027, which adopted the Phase 3A Settlement Agreement. Pursuant to the Phase 3A Settlement Agreement, California-American Water is required to file a Tier 1 advice letter to implement new rates applicable to Monterey District customers. The rates will be effective January 1, 2021.

Background:

On May 31, 2018, the Commission adopted the *Phase 3A Settlement Agreement* between California-American Water Company, the Office of Ratepayer Advocates, Monterey Peninsula Water Management District, and Coalition of Peninsula Businesses in Decision D.18-05-027.

The Settlement Agreement established a process for California-American water to adjust Monterey District rates annually based on updated consumption and production data using the ACP/ACAM pilot program. A summary of the process is outlined on page 8 of D.18-05-027:

- b. Process: Applicant will file a Tier 2 advice letter on or before November 15. The advice letter will provide actual recorded monthly consumption by classification and by tier from October 1 of the prior year through September 30 of the current year, along with the legal and court ordered production limitations, covered by the ACP/ACAM for the applicable Monterey Main system customers. Upon approval of the Tier 2 advice letter, Applicant will file a Tier 1 advice letter to implement new rates January 1 of the subsequent year. The approved data will then replace the adopted quantities beginning January 1 of the subsequent year and be used for future rate adjustments during that year.

Through the filing of 1318-A - 2021 Interim Rates on December 18th, 2020, California American Water incorporates the quantity rates contained in Advice Letter 1315, its 2020 Annual Consumption Adjustment Mechanism ("ACAM") filing for its Monterey service area. The tariffs included in that filing reflected both the ACAM rates and the interim rates for Monterey. The Monterey ACAM rates are also effective January 1, 2021.

In compliance with section 2.1.b of Decision D.18-05-027, California-American Water filed a Tier 2 advice letter (AL1315) on November 13, 2020 to provide actual recorded consumption as well as legal and court ordered production limitations to the Commission. Following the Water Division's review and approval on December 22, 2020 of the Tier 2 advice letter, California American Water is now authorized to file this Tier 1 advice letter, for information purposes only.

Request:

Based on the results of the ACP/CAM true-up mechanism, this advice letter requests implementation of adjusted rates to all Monterey District customers effective January 1, 2021. California American Water requests this effective date per a request from Water Division.

Tier Designation:

This advice letter is submitted pursuant to General Order No. 96-B and D.18-05-027 and is designated as a Tier 1 filing.

Effective Date:

California American requests an effective date of January 1, 2021.

RESPONSE OR PROTEST¹

Anyone may submit a response or protest for this AL. 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 AL. A **protest** objects to the AL in whole or in part and must set forth the specific grounds on which it is based. These grounds² are:

- (1) The utility did not properly serve or give notice of the AL;
- (2) The relief requested in the AL 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 AL contain material error or omissions;
- (4) The relief requested in the AL is pending before the Commission in a formal proceeding; or
- (5) The relief requested in the AL requires consideration in a formal hearing, or is otherwise inappropriate for the AL process; or
- (6) The relief requested in the AL 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 may not rely on policy objections to an AL where the relief requested in the AL follows rules or directions established by statute or Commission order applicable to the utility. A protest shall provide citations or proofs where available to allow staff to properly consider the protest.

DWA must receive a response or protest via email (**or** postal mail) within 20 days of the date the AL is filed. When submitting a response or protest, **please include the utility name and advice letter number in the subject line.**

¹ G.O. 96-B, General Rule 7.4.1

² G.O. 96-B, General Rule 7.4.2

Kamilah Jones
Financial Analyst III - Rates & Regulatory

MONTEREY COUNTY DISTRICT SERVICE LIST
CALIFORNIA-AMERICAN WATER COMPANY
ADVICE LETTER 1319

BY MAIL:

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Ann Camel City Clerk City of Salinas 200 Lincoln Avenue Salinas, CA 93901	City of Sand City City Hall California & Sylvan Avenues Sand City, CA 93955 Attn: City Clerk	Deborah Mall, City Attorney City of Monterey 512 Pierce Street Monterey, CA 93940
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MONTEREY COUNTY DISTRICT SERVICE LIST
CALIFORNIA-AMERICAN WATER COMPANY
ADVICE LETTER 1319

By E-MAIL:

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