

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



September 27, 2023

Jonathan Morse
Sr. Manager Rates & Regulatory
California-American Water Company
520 Capitol Mall Ste. 630
Sacramento, CA 95814

Dear Mr. Morse,

The Water Division of the California Public Utilities Commission has approved California-American Water Company's Advice Letter No. 1417, filed on July 28, 2023, regarding 2023 Northern Division Production Expense Offset.

Enclosed are copies of the following revised tariff sheets, effective August 27, 2023, for the utility's files:

P.U.C.	
Sheet No.	Title of Sheet
10857-W	Schedule No. ND-1, Northern Division Tariff Area General Metered Services, Sheet 8
10858-W	Schedule No. ND-1, Northern Division Tariff Area General Metered Services, Sheet 9
10859-W	Schedule No. ND-1, Northern Division Tariff Area General Metered Services, Sheet 10
10860-W	Table Of Contents, Sheet 3
10861-W	Table Of Contents, Sheet 1

Please contact Bradley Leong at BL4@cpuc.ca.gov or 415-703-2307, if you have any questions.

Thank you.

Enclosures

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

Advice Letter Cover Sheet

Utility Name: California American Water

Date Mailed to Service List: July 28, 2023

District: Northern Division

CPUC Utility #: U210W

Protest Deadline (20th Day): August 17, 2023

Advice Letter #: 1417

Review Deadline (30th Day): August 27, 2023

Tier 1 2 3 Compliance

Requested Effective Date: August 27, 2023

Authorization

Description: 2023 Northern Division Production Expense Offset

Rate Impact: \$See AL
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: Chase Grady

Utility Contact: Jonathan Morse

Phone: 916-568-4241

Phone: 916-568-4237

Email: Chase.Grady@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WITHDRAWN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: _____



520 Capitol Mall, Suite 630
Sacramento, CA 95814
www.amwater.com

P (916) 568-4241

July 28, 2023

ADVICE LETTER NO. 1417

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Pursuant to General Order 96-B and Decision (“D.”) 21-11-018, California-American Water Company (“California American Water”) (U210W) submits for filing and review this advice letter including the tariff sheets applicable to its Northern Division which are attached hereto.

Purpose:

The purpose of this advice letter is to request Commission approval of an increase in rates of \$553,165 or 0.68% to offset increased purchased power and water costs in California American Water’s Northern Division.

Background:

In accordance with Section 7.3.1 of the Water Industry Rules under General Order (GO) 96-B and Section 454 of the Public Utilities Code, California American Water is seeking authority to offset purchased water and power expenses, which is obtained from multiple purveyors, in its Northern Division.

Purchased Water

Purchased water is obtained from Sonoma County Water Agency, the water supplier for its Larkfield Service Area. Sonoma County Water Agency increased its wholesale rates to California American Water effective July 1, 2023. California American Water requests that the full increase be offset to account for the annual change in purchased water costs. The increase to water rates results in a \$85,279 annual increase to purchased water expense to California American Water, plus a corresponding increase of \$436 in uncollectible for a total increase of \$85,715. The increase is directly related to water consumption and thus should be applied to the quantity rate. The resulting final purchased water surcharge is \$0.2940 per ccf (\$0.0393 per 100 gallons) for the Larkfield Service Area.

Purchased Power

The composite purchased power costs of \$0.2586 per kwh for the Larkfield District was established in D.21-11-018. Actual composite cost per kwh for the 12-month period ending June 30, 2023 was \$0.3068 per kwh for the Larkfield District. The increase to

power rates results in a \$20,479 annual increase to purchased power expense to California American Water, plus a corresponding increase of \$105 in uncollectible for a total increase of \$20,584. The increase is directly related to water consumption and thus should be applied to the quantity rate. The resulting final purchased power surcharge is \$0.0706 per ccf (\$0.0094 per 100 gallons) for the Larkfield Service Area.

The composite purchased power costs of \$0.1525 per kilowatt-hour (kwh) for the Sacramento District was established for the Northern Division in D.21-11-018. Actual composite cost per kwh for the 12-month period ending June 30, 2023 was \$0.1787 per kwh for the Sacramento District. The increase to power rates results in a \$440,303 annual increase to purchased power expense to California American Water, plus a corresponding increase of \$2,253 in uncollectible for a total increase of \$442,556. The increase is directly related to water consumption and thus should be applied to the quantity rate. The resulting final purchased power surcharge is \$0.0359 per ccf (\$0.0048 per 100 gallons) for the Northern Division (excluding Larkfield Service Area).

Request:

California American Water requests authorization to implement a purchased water surcharge totaling \$0.2940 per ccf (\$0.0393 per 100 gallons) for Larkfield Service Area, implement a purchased power surcharge totaling \$0.0706 per ccf (\$0.0094 per 100 gallons) for Larkfield Service Area, and implement a purchased power surcharge of \$0.0359 per ccf (\$0.0048 per 100 gallons) for the Northern Division not including Larkfield Service Area.

Tier Designation:

This advice letter is submitted with a Tier 1 designation.

Effective Date:

California American Water requests an effective date of August 27, 2023.

Notice & Service List:

This is a Tier 1 advice letter that does not require customer notification, as provided in Water Industry Rule 7.3.1 of General Order 96-B. California American Water will notify its customers of this production expense by placing a message on the customer's water bills that are generated after the increase goes into effect. 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 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.***

Protests and Responses:

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 grounds¹ 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 shall provide citations or proofs where available to allow staff to properly consider the protest.

A response 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

In 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:

Email Address:

Mailing Address:

¹ G.O. 96-B, General Rule 7.4.2

Chase.Grady@amwater.com 520 Capital Mall, Suite 630
Sacramento, CA 95814

sarah.leeper@amwater.com 555 Montgomery Street, Suite 816
San Francisco, CA 94111

ca.rates@amwater.com 520 Capital Mall, Suite 630
Sacramento, CA 95814

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.

If you have not received a reply to your protest within 10 business days, please contact Chase Grady at (916) 568-4241.

CALIFORNIA-AMERICAN WATER COMPANY

/s/ Chase Grady

Chase Grady
Associate Rates & Regulatory Analyst

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
10857-W	Schedule No. ND-1 Northern Division Tariff Area GENERAL METERED SERVICES Sheet 8	10790-W
10858-W	Schedule No. ND-1 Northern Division Tariff Area GENERAL METERED SERVICES Sheet 9	10561-W
10859-W	Schedule No. ND-1 Northern Division Tariff Area GENERAL METERED SERVICES Sheet 10	10441-W
10860-W	TABLE OF CONTENTS Sheet 3	10854-W
10861-W	TABLE OF CONTENTS Sheet 1	10856-W

Schedule No. ND-1

Sheet 8

Northern Division Tariff Area

GENERAL METERED SERVICES

NORTHERN DIVISION TARIFF AREA (Continued)

Fees and Surcharges (Continued)

Sacramento and Meadowbrook Service Areas

1. Per Advice Letter 1373 and D.16-12-014, a surcharge of \$0.26 per customer per month to recover the remaining balance associated with the Meadowbrook acquisition Contribution in Aid of Construction (CIAC) will be collected over 16 months beginning upon approval of Advice Letter 1373.
2. Per Advice Letter 1417, a surcharge is applied to each bill to offset increases in purchased power costs in the Northern Division, excluding Larkfield. This offset results in a needed increase of \$442,556. The surcharge of \$0.0048 per cgl is added to the quantity rate beginning August 27, 2023.

(N)
|
(N)

(Continued)

(TO BE INSERTED BY UTILITY)	ISSUED BY	(TO BE INSERTED BY C.P.U.C.)
Advice 1417	S. W. OWENS	Date Filed <u>07/28/2023</u>
Decision	SR. DIRECTOR - Rates & Regulatory	Effective <u>08/27/2023</u>
		Resolution _____

Schedule No. ND-1
Northern Division Tariff Area
GENERAL METERED SERVICES

Sheet 9

NORTHERN DIVISION TARIFF AREA (Continued)

Fees and Surcharges (Continued)

Larkfield Service Area

1. Per Advice Letter 1417, a surcharge is applied to each bill to offset increases in purchased water costs imposed by the Sonoma County Water Agency. This offset results in a needed increase of \$85,715. The surcharge of \$0.0393 per cgl is added to the quantity rate beginning August 27, 2023.
2. Per Advice Letter 1417, a surcharge is applied to each bill to offset increases in purchased power costs in the Larkfield Service Area. This offset results in a needed increase of \$20,584. The surcharge of \$0.0094 per cgl is added to the quantity rate beginning August 27, 2023.

(T)
(D)
(N)
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(N)

(Continued)

(TO BE INSERTED BY UTILITY)
Advice 1417
Decision

ISSUED BY
S. W. OWENS
SR. DIRECTOR - Rates & Regulatory

(TO BE INSERTED BY C.P.U.C.)
Date Filed 07/28/2023
Effective 08/27/2023
Resolution _____

Schedule No. ND-1
 Northern Division Tariff Area
GENERAL METERED SERVICES

NORTHERN DIVISION TARIFF AREA (Continued)

Fees and Surcharges (Continued)

Fruitridge Vista Service Area

1. This surcharge is specifically for the repayment of the Safe Drinking Water State Revolving Fund loan described in D.06-04-073 and D-10-05-043.

Metered Connections

Meter Size	Surcharge Per Service Connection (Per Month)
5/8-inch meter	\$1.54
3/4-inch meter	\$2.31
1-inch meter	\$3.85
1-1/2-inch meter	\$7.70
2-inch meter	\$12.32
3-inch meter	\$23.10
4-inch meter	\$38.50
6-inch meter	\$77.00

2. Per Advice Letter 1417, a surcharge is applied to each bill to offset increases in purchased power in the Northern Division, excluding Larkfield Service Area. This offset results in a needed increase of \$442,556. The surcharge of \$0.0048 per cgl is added to the quantity rate beginning August 27, 2023.

(N)
 |
 (N)

Flat Rate Connections

	Surcharge Per Service Connection (Per Month)
1. For a single residential unit, including premises not exceeding 10,000 sq. ft. in area.....	\$3.05
(a) For each additional single-family unit on the same premise and served from the same service connection.....	\$1.83
(b) For each 100 sq. ft. of premises in excess of 10,000 sq. ft.....	\$0.02
2. For each automobile service station, including car wash rack, where service connection is not larger than one inch in diameter.....	\$6.10

(Continued)

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SUBJECT MATTER OF SHEET
RATE SCHEDULES (Continued):

C.P.U.C. SHEET NO.

Northern Division

(Fruitridge Vista, Hillview, Larkfield, Meadowbrook, & Sacramento Service Areas)

ND-1	General Metered Service	10834-W, 10835-W, 10836-W, 10837-W, 10838-W, 10722-W, 10789-W, 10857-W, 10858-W, 10859-W, 10442-W, 10708-W, 10805-W	(C) (C)
ND-HV-9M	Measured Services For Trucks	10839-W	
Schedule No. CA- Multi-Use	Multi-Use Residential Customers	10840-W	

Central Division

Monterey Service Area

(Monterey Main, Hidden Hills, Ryan Ranch, & Bishop Service Areas)

MO-1-SF	General Metered Service Single Family Residential Customers	10841-W, 10555-W, 10266-W, 10793-W, 10794-W, 10703-W, 10806-W	
MO-1-MF	General Metered Service Multi-Residential Customers	10842-W, 10553-W, 10272-W, 10795-W, 10796-W, 10704-W, 10807-W	
MO-1C	General Metered Service Non-Residential Customers	10843-W, 10277-W, 10278-W, 10279-W, 10552-W, 10281-W, 10797-W, 10785-W, 10705-W, 10808-W	
MO-1O	General Metered Service Other Customers	10844-W, 10845-W, 10554-W, 10288-W, 10798-W, 10786-W, 10706-W, 10809-W	
Schedule No. CA-Multi-Use	Multi-Use Residential Customers	10846-W	

Central Satellite Service Area

(Ambler Park, Chualar, Garrapata, Ralph Lane & Toro Service Areas)

CEN-SAT	General Metered Service	10847-W, 10848-W, 10364-W, 10799-W, 10719-W, 10707-W, 10810-W	
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Southern Division

(Los Angeles Service Areas- Duarte, San Marino, Rio Plaza, Baldwin Hills, San Diego & Ventura Service Areas)

SOU-1	General Metered Service	10849-W, 10850-W, 10851-W, 10852-W, 10762-W, 10802-W, 10709-W, 10811-W	
Schedule No. CA-Multi-Use	Multi-Use Residential Customers	10853-W	

(Continued)

(TO BE INSERTED BY UTILITY)		ISSUED BY	(TO BE INSERTED BY C.P.U.C.)	
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SUBJECT MATTER OF SHEET

C.P.U.C. SHEET NO.

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<u>SERVICE AREA MAP:</u>		
California-American Water Company	5470-W	
Bellflower Service Area	10626-W	
East Pasadena Service Area	10102-W	
Fruitridge Vista	9487-W	
Hillview Service Area	10619-W	
Larkfield	6569-W	
Los Angeles County	9157-W, 9158-W	
Baldwin Hills	6571-W, 6572-W,	
Duarte	6578-W	
San Marino	6573-W, 6574-W, 6575-W, 6576-W, 8211-W	
Monterey County	7053-W, 7054-W, 6580-W, 6581-W, 6582-W, 6583-W, 6584-W, 6585-W, 6586-W, 6587-W, 6588-W, 6589-W, 6590-W, 10579-W, 944-W, 945-W, 947-W, 948-W, 949-W, 950-W, 951-W, 952-W, 953-W, 954-W, 955-W, 957-W, 958-W, 959-W, 960-W, 961-W, 962-W, 963-W, 964-W, 966-W, 967-W, 968-W, 969-W, 971-W, 972-W, 973-W, 974-W, 975-W, 976-W, 977-W, 978-W, 979-W, 980-W, 981-W, 982-W, 983-W, 984-W	
Piru Service Area	10604-W	

(Continued)

(TO BE INSERTED BY UTILITY)		ISSUED BY	(TO BE INSERTED BY C.P.U.C.)	
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			Resolution	

NORTHERN DIVISION SERVICE LIST
CALIFORNIA-AMERICAN WATER COMPANY

BY MAIL:

	Walt Shannon 8356 Auberry Drive Sacramento, CA 95828	Robert A. Ryan, Jr. County of Sacramento Downtown Office 700 H Street, Suite 2650 Sacramento, CA 95814 Mark Norris, County Clerk-Recorder County of Sacramento 600 8th Street Sacramento, CA 95814 Robert C. Baptiste 9397 Tucumcari Way Sacramento, CA 95827-1045
Carol Smith 6241 Cavan Drive, 3 Citrus Heights, CA 95621	Sacramento County WMD 827 7th Street, Room 301 Sacramento, CA 95814	
Steven J. Thompson 5224 Altana Way Sacramento, CA 95841	Fruitridge Vista Water Company P.O. Box 959 Sacramento, CA 95812	
Anthony La Bouff, County Counsel Placer County 175 Fulweiler Avenue Auburn, CA 95603	Rio Linda Water District 730 L Street Rio Linda, CA 95673	State of California Department of Water Resources Safe Drinking Water Office, Room 804 Attn: Program Manager Post Office Box 942836 Sacramento, CA 94236-0001 California Water Service Co Redwood Valley District 14034 Armstrong Woods Rd Guerneville, CA 95446
State of California, Dept. of Health Services Safe Drinking Water State Rev Fund Program Attn: Chief, Safe Drinking Water 1616 Capitol Mall, MS 7418 Post Office Box 997413 Sacramento, CA 95899-7413	Mario Gonzalez 111 Marwest Commons circle Santa Rosa, CA 95403	
Maria D. Duddy 2184 Teakwood Ct. Hollister, CA 95023	Penngrove/Kenwood Water Co 4984 Sonoma Hwy Santa Rosa, CA 95409	Henry Nanjo Department of General Services Office of Legal Services, MS-102 PO Box 989052 West Sacramento, CA 95798-9052 Sacramento Suburban Water District 3701 Marconi Avenue, Suite 100 Sacramento, CA 95821-5303
Citrus Heights Water District 6230 Sylvan Road Citrus Heights, CA 95610 rchurch@chwd.org	Edward W. O'Neill Davis Wright Tremaine LLP 505 Montgomery Street San Francisco, CA 94111-6533 City of Sacramento, Water Division 1391 35th Avenue Sacramento, CA 95822 utilities@cityofsacramento.org	Marvin Philo 3021 Nikol Street Sacramento, CA 95826 mhphilo@aol.com
<u>BY E-MAIL:</u>		
Hilary Straus, General Manager Citrus Heights Water District 6230 Sylvan Road Citrus Heights, CA 95610 hstraus@chwd.org	Amy Van, City Clerk City of Citrus Heights 6237 Fountain Square Drive Citrus Heights, CA 95621 avan@citrusheights.net	Jim McCauley, Clerk-Recorder Placer County 2954 Richardson Drive Auburn, CA 95603 skasza@placer.ca.gov

NORTHERN DIVISION SERVICE LIST
CALIFORNIA-AMERICAN WATER COMPANY

Florin County Water District
P.O. Box 292055
Sacramento, CA 95829
fcwd@sbcglobal.net

Richard Rauschmeier
California Public Utilities Commission
DRA - Water Branch, Rm 4209
505 Van Ness Ave
San Francisco, CA 94102
rra@cpuc.ca.gov

Susan Sommers
City Of Petaluma
P.O. Box 61
Petaluma, CA 94953
suesimmons@ci.petaluma.ca.us

Madera LAFCO
2037 West Cleveland Avenue
Madera, CA 93637
etmeasurement@maderacounty.com

Yvonne Zepeda, City Clerk
City of Isleton
P.O. Box 716
Isleton, CA 95641
Yvonne.zepeda@cityofisleton.com

Office of Ratepayer Advocates
California Public Utilities Commission
dra_water_al@cpuc.ca.gov

Dana McRae
County Counsel
County of Santa Cruz
701 Ocean Street, Room 505
Santa Cruz, CA 95060
dana.mcrae@co.santa-cruz.ca.us

Deborah Mahler, Deputy Director
Madera Fire District
200 West Fourth Street
Madera, CA 93637
deborah.mahler@maderacounty.com

Placer County Water Agency
Customer Service Department
customerservices@pcwa.net

Heather Hernandez
Sacramento Suburban Water District
3701 Marconi Avenue, Suite 100
Sacramento, CA 95821-5303
HHernandez@sswd.org

Tim & Sue Madura
411 Firelight Drive
Santa Rosa, CA 95403
suemadura@sbcglobal.net