

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



May 13, 2019

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. 54-S, filed on March 28, 2019, regarding authorizing Monterey Waste Water District's 2019 Step Rates.

Enclosed are copies of the following revised tariff sheets for the utility's files:

<b>P.U.C. Sheet No.</b>	<b>Title of Sheet</b>
229-S	Schedule No. SA, Monterey County Sewer Service, Active Sewer Service
230-S	Schedule No. SA (Continued), Monterey County Sewer Service, Active Sewer Service
231-S	Schedule No. SP, Monterey Waste Water District Tariff Area, Passive Sewer Service
232-S	Schedule No. WW-LIRA (Continued), Monterey County Sewer Service, Low Income Ratepayer Assistance Program
233-S	Table of Contents, (Page 1)

Please contact Bradley Leong at 415-703-2307, if you have any questions.

Thank you,

/s/ROBIN BRYANT

Robin Bryant  
Water & Sewer Advisory Branch  
Water Division

Enclosures





4701 Beloit Drive  
Sacramento, CA 95838  
[www.amwater.com](http://www.amwater.com)

P (916)-568-4251  
F (916) 568-4260

March 28, 2019

ADVICE LETTER NO. 54-S

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

California-American Water Company (California American Water) (U210W) hereby submits for review this advice letter including the following tariff sheets applicable to its Monterey County Sewer Service which are attached hereto:

<u>C.P.U.C. Sheet No.</u>	<u>Title of Sheet</u>	<u>Canceling Sheet No.</u>
229-S	Schedule No. SA Monterey County Sewer Service ACTIVE SEWER SERVICE	223-S
230-S	Schedule No. SA (Continued) Monterey County Sewer Service ACTIVE SEWER SERVICE	224-S
231-S	Schedule No. SP Monterey Waste Water District Tariff Area PASSIVE SEWER SERVICE	225-S
232-S	Schedule No. WW-LIRA (Continued) Monterey County Sewer Service LOW INCOME RATEPAYER ASSISTANCE PROGRAM	226-S
233-S	TABLE OF CONTENTS (Page 1)	228-S

**Purpose:**

The purpose of this advice letter filing is to request approval of the 2019 step rates for Monterey County Sewer Service in accordance with Decision (D.) 18-12-021. Advice Letter 1230 requested 2018 test year rates be made effective but not be implemented. This advice letter requests implemented rates for attrition year 2019 be made effective and implemented. Per D.18-12-021 authorized Test Year 2018 rates are included and subsumed by California American Water's escalation filing for attrition year 2019. Per D.18-05-027 these escalation files revised tariffs are effective for all California American Water service territories.

**Background:**

Submission of these tariffs is made in compliance with Ordering Paragraphs 42 and 43 of Decision (D.)18-12-021 dated December 13, 2018 which states:

42. *California-American Water Company (Cal-Am) is directed to file escalation filings for attrition years 2019 and 2020 through appropriate Tier 1 advice letter filings in conformance with General Order 96-B and the advice letter procedures found in Section VII of Appendix A attached to Decision (D.) 07-05-062 for every district where there is a projected decrease in rates. Cal-Am may also file escalation filings for 2019 and 2020 pursuant to these procedures for every district where there is a projected increase in rates. D.07-05-062 requires escalation filings to be filed no later than 45 days prior to the start of the escalation year. In light of the effective date of this decision, any escalation filing for attrition year 2019 shall instead be filed within 90 days from the effective date of this decision and shall be effective 45 days from the date of filing.*

43. *California-American Water Company is authorized to revise tariff schedules, and to concurrently cancel its present schedules for such service upon the effective date of its 2019 escalation filing. The revision of tariff schedules for authorized rates in 2018 shall be included and subsumed in California-American Water Company's escalation filing for attrition year 2019. The advice letter shall include all calculations and documentation necessary to support the requested rate changes for both authorized 2018 rates and their escalation for 2019.*

2018 test year rates, included Advice Letter 1230 for all districts, are included and subsumed by escalation rates for attrition year 2019 herein.

**Request:**

This advice letter filing is to request implementation of the Northern Divisions's 2019 step increase. As shown in the supporting earnings test and workpapers for the twelve months ended September 30, 2018, the district earned a rate of return of 8.60% on a recorded basis and 7.01% on a "pro forma" basis. The most recent authorized rate of return per D.18-03-035 was 7.61% adjusted to 7.63% to match the designated pro forma period.

In compliance with Decision D.18-12-021 California American Water requests, approval of all submitted tariff revisions. Tariff revisions reflecting rate changes reflected in AL 1230 are included and subsumed by this escalation filing. Tariff revisions reflecting non-rate related changes are included in AL 1230.

**Tier Designation:**

This advice letter is submitted pursuant to General Order No. 96-B and D.18-12-021 and is designated as a Tier 1 filing.

**Effective Date:**

California American requests an effective date of May 11th, 2019.

**RESPONSE OR PROTEST<sup>1</sup>**

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.**

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<sup>1</sup> G.O. 96-B, General Rule 7.4.1

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 grounds<sup>2</sup> 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.**

The addresses for submitting a response or protest are:

**Email Address:**

[Water.Division@cpuc.ca.gov](mailto:Water.Division@cpuc.ca.gov)

**Mailing Address:**

CA Public Utilities Commission  
Division of Water and Audits  
505 Van Ness Avenue  
San Francisco, CA 94102

On the same day the response or protest is submitted to DWA, the respondent or protestant shall send a copy of the protest to Cal-Am at:

**Email Address:**

[Kamilah.Jones@amwater.com](mailto:Kamilah.Jones@amwater.com)

[legalteamca@amwater.com](mailto:legalteamca@amwater.com)

[Jonathan.Morse@amwater.com](mailto:Jonathan.Morse@amwater.com)

**Mailing Address:**

4701 Beloit Drive  
Sacramento, CA 95838

555 Montgomery Street, Suite 816  
San Francisco, CA 94111

4701 Beloit Drive  
Sacramento, CA 95838

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform DWA, within the 20 day protest period, so that a late filed protest can be

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<sup>2</sup> G.O. 96-B, General Rule 7.4.2

entertained. The informing document should include an estimate of the date the proposed protest might be voted on.

**REPLIES**<sup>3</sup>

The utility shall reply to each protest and may reply to any response. Any reply must be received by DWA within five business days after the end of the protest period, and shall be served on the same day on each person who filed the protest or response to the AL.

The actions requested in this advice letter are not now the subject of any formal filings with the California Public Utilities Commission, including a formal complaint, nor action in any court of law.

This filing will not cause the withdrawal of service, nor conflict with other schedules or rules.

If you have not received a reply to your protest within 10 business days, please contact Kamilah Jones at (916) 568-4232.

CALIFORNIA-AMERICAN WATER COMPANY

*/s/ Jeffrey T. Linam*

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Jeffrey T. Linam  
Vice President of Rates & Regulatory

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<sup>3</sup> G.O. 96-B, General Rule 7.4.3

Schedule SA  
Monterey Waste Water District Tariff Area  
ACTIVE SEWER SERVICE

Sheet 1

APPLICABILITY

Applicable to all Active Sewer Services.

TERRITORY

The systems at Las Palmas, Pasadera, Carmel Valley Ranch and Indian Springs

RATES

<u>Las Palmas:</u>	<u>Per Service Per Month</u>	
Service Charge Residential .....	\$122.56	(I)
Service Charge for School (5 EDUs) .....	\$612.83	
Service Charge for Small Office Park (6 EDUs) .....	\$735.41	
Service Charge for Golf Course (4 EDUs) .....	\$490.28	
<u>Pasadera:</u>		
Service Charge Residential and Small Commercial .....	\$122.56	
<u>Carmel Valley Ranch:</u>		
Service Charge Residential .....	\$122.56	
Service Charge for Hotel (144 EDUs) .....	\$17,649.86	
<u>Indian Springs:</u>		
Service Charge for Residential and Small Commercial .....	\$122.56	(I)

SPECIAL CONDITIONS

FEES & SURCHARGES

1. All bills are subject to the Public Utilities Commission Reimbursement Fee set forth on Schedule No. UF.
2. Per Advice Letter 53-S, the under-collected balance in the Monterey Waste Water Consolidated Expense Balancing Account will be recovered through a monthly connection surcharge of \$1.17 over 12 months effective March 13, 2019.
3. Per Advice Letter 53-S, a surcharge of \$1.81 for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

(Continued)

(TO BE INSERTED BY UTILITY)	ISSUED BY	(TO BE INSERTED BY C.P.U.C.)
Advice 54-S	J. T. LINAM	Date Filed <u>03/28/2019</u>
Decision	DIRECTOR - Rates & Regulatory	Effective <u>05/11/2019</u>
		Resolution _____

Schedule SA
Monterey Waste Water District Tariff Area
ACTIVE SEWER SERVICE

Sheet 2

APPLICABILITY

Applicable to the Society for the Prevention of Cruelty to Animals for Monterey County, Inc. ("SPCA") Sewer Service in the Pasadera area.

TERRITORY

The point of service connection between California American Water and SPCA in the Pasadera area.

RATES

Table with 2 columns: Contracted Property, Service Charge per Month. Row: SPCA (25 EDUs) ..... \$3,064.05 (l)

SPECIAL CONDITIONS

- 1. All bills are subject to the Public Utilities Commission Reimbursement Fee set forth on Schedule No. UF.
2. Per Advice Letter 53-S, the over-collected balance in the Monterey Waste Water Consolidated Expense Balancing Account will be recovered through a monthly connection surcredit of \$1.17 over 12 months effective March 13, 2019.
3. Per Advice Letter 53-S, a surcharge of \$1.81 for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

(Continued)

Table with 3 columns: (TO BE INSERTED BY UTILITY), ISSUED BY, (TO BE INSERTED BY C.P.U.C.). Rows: Advice 54-S, Decision, J. T. LINAM, DIRECTOR - Rates & Regulatory, Date Filed 03/28/2019, Effective 05/11/2019, Resolution



Schedule SP  
Monterey Waste Water District Tariff Area  
PASSIVE SEWER SERVICE

Sheet 3

APPLICABILITY

Applicable to all Passive Sewer Services.

TERRITORY

The systems at White Oaks, Spreckels, Village Green and Oak Hills

RATES

<u>Oak Hills:</u>		<u>Per Service Per Month</u>	
Service Charge for Residential and Small Commercial.....		\$53.84	(l)
<u>Spreckels:</u>			
Service Charge for Residential and Small Commercial.....		\$53.84	
Service Charge for School .....		\$80.74	
Service Charge for Large Commercial (4 or more Employees).....		\$107.67	
Service Charge for Industrial .....		\$323.01	
<u>White Oaks:</u>		<u>Per Service Per Month</u>	
Service Charge for Residential .....		\$53.84	
<u>Village Green:</u>			
Service Charge for Residential .....		\$53.84	(l)

SPECIAL CONDITIONS

FEES & SURCHARGES

1. All bills are subject to the Public Utilities Commission Reimbursement Fee set forth on Schedule No. UF.
2. Per Advice Letter 53-S, the over-collected balance in the Monterey Waste Water Consolidated Expense Balancing Account will be recovered through a monthly connection surcredit of 1.88 over 12 months effective March 13, 2019.
3. Per Advice Letter 47-S-A, a surcharge of \$1.81 for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

(Continued)

(TO BE INSERTED BY UTILITY)

Advice 54-S  
Decision

ISSUED BY

J. T. LINAM  
DIRECTOR - Rates & Regulatory

(TO BE INSERTED BY C.P.U.C.)

Date Filed 03/28/2019  
Effective 05/11/2019  
Resolution \_\_\_\_\_

Schedule No. WW-LIRA (Continued)  
 Monterey County Sewer Service  
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

Sheet 1

APPLICABILITY

Applicable to all Active and Passive Sewer Services.

TERRITORY

The systems of Las Palmas, Pasadera, Carmel Valley Ranch, Indian Springs, White Oaks, Spreckels, Village Greens, and Oak Hills.

RATES

**Active Sewer Service**

<u>Las Palmas:</u>	<u>Per Service Per Month</u>	
Service Charge Residential.....	\$98.05	(l)
<u>Pasadera:</u>		
Service Charge Residential.....	\$98.05	
<u>Carmel Valley Ranch:</u>		
Service Charge Residential.....	\$98.05	
<u>Indian Springs:</u>		
Service Charge for Residential .....	\$98.05	(l)

**Passive Sewer Service**

<u>Oak Hills:</u>	<u>Per Service Per Month</u>	
Service Charge for Residential.....	\$44.03	(l)
<u>Spreckels:</u>		
Service Charge for Residential .....	\$44.03	
<u>White Oaks:</u>		
Service Charge for Residential .....	\$44.03	
<u>Village Greens:</u>		
Service Charge for Residential.....	\$44.03	(l)

(Continued)

(TO BE INSERTED BY UTILITY) Advice      54-S Decision	ISSUED BY J. T. LINAM DIRECTOR - Rates & Regulatory	(TO BE INSERTED BY C.P.U.C.) Date Filed <u>03/28/2019</u> Effective <u>05/11/2019</u> Resolution
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Sheet 1

The following listed tariff sheets contain all effective rates and rules affecting the charges and service of the utility, together with other pertinent information:

<u><b>SUBJECT MATTER OF SHEET</b></u>	<u><b>C.P.U.C. SHEET NO.</b></u>	
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<u><b>Rate Schedules:</b></u>		
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Schedule No. UF	212-S	
Schedule No. WW-LIRA	232-S, 210-S, 171-S, 172-S, 199-S	(C)
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(Continued)

(TO BE INSERTED BY UTILITY)

ISSUED BY

(TO BE INSERTED BY C.P.U.C.)

Advice 54-S

J. T. LINAM

Date Filed 03/28/2019

Decision

DIRECTOR - Rates & Regulatory

Effective 05/11/2019

Resolution \_\_\_\_\_

**MONTEREY WASTEWATER COUNTY DISTRICT SERVICE LIST**  
**CALIFORNIA-AMERICAN WATER COMPANY**  
**ADVICE LETTER 54-S**

**BY MAIL:**

Alco Water Service 249 Williams Road Salinas, CA 93901	Los Angeles Docket Office California Public Utilities Commission 320 West 4th Street, Suite 500 Los Angeles, CA 90013	California Dept of Health Services Division of Drinking Water & Environmental Management PO Box 997416 Sacramento, CA 95899-7413
Yazdan Emrani, P.E. Deputy Pub Works Director – Operations Monterey County DPW 168 W. Alisal Street, 2nd floor Salinas, CA 93901-2680	Monterey Regional Water Pollution Control Agency (MRWPCA) 5 Harris Court Road. Bldg D. Monterey, CA 93940	Monterey Peninsula Water Mgmt Dist. Chief Financial Officer P.O. Box 85 Monterey, CA 93942
Ann Camel City Clerk City of Salinas 200 Lincoln Avenue Salinas, CA 93901	City of Pacific Grove c/o Community Development Department Attention: Sarah Hardgrave 300 Forest Ave., 2nd floor	City of Pacific Grove City Attorney/City Hall 300 Forest Ave 2nd floor Pacific Grove, CA 93950
Karen Crouch City Clerk, Carmel-By-The-Sea PO Box CC Carmel-by-the-Sea, CA 93921	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
Don Freeman City of Seaside City Attorney 440 Harcourt Avenue Seaside, CA 93955	Donald G. Freeman City Attorney City of Carmel-By-The-Sea PO Box 805 Carmel-by-the-Sea, CA 93921	Irvin L. Grant Deputy County Counsel County of Monterey 168 W. Alisal Street, 3rd floor Salinas, CA 93901-2680
Sarah E. Leeper California American Water 555 Montgomery St, Suite 816 San Francisco, CA 94111	Edward W. O'Neill Davis Wright Tremaine LLP 505 Montgomery Street San Francisco, CA 94111-6533	Darryl D. Kenyon Monterey Commercial Property Owners Association P.O. Box 1953 Monterey, CA 93942

**MONTEREY WASTEWATER COUNTY DISTRICT SERVICE LIST**  
**CALIFORNIA-AMERICAN WATER COMPANY**  
**ADVICE LETTER 54-S**

**BY E-MAIL:**

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

City of Del Rey Oaks  
City Hall  
650 Canyon Del Rey Road  
Del Rey Oaks, CA 93940  
Attn: City Clerk  
citymanager@delreyoaks.org  
kminami@delreyoaks.org

City of Seaside  
City Hall  
440 Harcourt Avenue  
Seaside, CA 93955  
Attn: City Clerk  
dhodgson@ci.seaside.ca.us  
to'halloran@ci.seaside.ca.us

David C. Laredo  
Attorney at Law  
DeLay & Laredo  
606 Forest Ave  
Pacific Grove, CA 93950  
dave@laredolaw.net

Frances M. Farina  
Attorney at Law  
389 Princeton Avenue  
Santa Barbara, CA 93111  
ffarina@cox.net

Brent Reitz  
Capital Services  
P.O. Box 1767  
Pebble Beach CA 93953  
reitzb@pebblebeach.com

Ms. Lisa Bilir  
California Public Utilities Commission  
Division of Ratepayer Advocates  
505 Van Ness Avenue  
San Francisco, CA 94102

Bernardo R. Garcia  
PO Box 37  
San Clemente, CA 92674-0037  
uwua@redhabanero.com

George Riley  
Citizens for Public Water  
1198 Castro Road  
Monterey, CA 91940  
georgetriley@gmail.com

Mike Niccum  
General Manager  
Pebble Beach Community Svcs. District  
3101 Forest Lake Road  
Pebble Beach, CA 93953  
mniccum@pbcsd.org

Carmel Area Wastewater District  
3945 Rio Road  
Carmel, CA 93923  
buikema@cawd.org

Lloyd Lowery Jr.  
Noland, Hammerly, Etienne & Hoss P.C.  
333 Salinas St  
PO Box 2510  
Salinas, CA 93902-2510  
lflowrey@nheh.com

David Heuck  
Accounting  
2700 17 Mile Drive  
Pebble Beach, CA 93953  
heuckd@pebblebeach.com

Division of Ratepayer Advocates  
California Public Utilities Commission  
dra\_water\_al@cpuc.ca.gov

Laura L. Krannawitter  
California Public Utilities Commission  
Executive Division, Rm 5303  
505 Van Ness Avenue  
San Francisco, CA 94102  
llk@cpuc.ca.gov

Jim Heisinger  
P.O. Box 5427  
Carmel, CA 93921  
hbm@carmellaw.com

City of Monterey  
City Hall  
Monterey, CA 93940  
Attn: City Clerk  
connolly@ci.monterey.ca.us

Gail T. Borkowski, Clerk of the Board  
County of Monterey  
P.O. Box 1728  
Salinas, CA 93902  
boydap@co.monterey.ca.us

City of Salinas  
Vanessa W. Vallarta – City Attorney  
200 Lincoln Avenue  
Salinas, CA 93901  
vanessav@ci.salinas.ca.us  
chrisc@ci.salinas.ca.us

John K. Hawks  
Executive Director  
California Water Association  
601 Van Ness Avenue, Suite 2047  
San Francisco, CA 94102-3200  
jhawks\_cwa@comcast.net

**MONTEREY WASTEWATER COUNTY DISTRICT SERVICE LIST**  
**CALIFORNIA-AMERICAN WATER COMPANY**  
**ADVICE LETTER 54-S**

Monterey Peninsula Water Mgmt Dist.  
Chief Financial Officer  
P.O. Box 85  
Monterey, CA 93942  
suresh@mpwmd.net