

Schedule No. 14.1 - CHL
WATER SHORTAGE CONTINGENCY PLAN
CHUALAR DISTRICT

Sheet 1

A. APPLICABILITY

- 1. This schedule applies to all water customers served under all tariff schedules authorized by the Commission for Chualar Service Area. It is only effective in times of implementation of the Water Shortage Contingency Plan enforcement stages, as required by Rule No. 14.1, and only for the period noted in the Special Conditions section below. (T)
- 2. This Schedule shall remain dormant until activated by Commission authorization via a Tier 2 advice letter.
- 3. Once the Schedule is activated, utility can implement Stages of the Schedule by filing a Tier 2 advice letter
- 4. When this schedule is activated, it shall remain in effect until the utility files a Tier 1 advice letter to deactivate a specific stage of the Water Shortage Contingency Plan and such is authorized by the Commission.

B. TERRITORY

- 1. This Schedule applies to all customers in the Chualar Service Area. All other customers served by California-American Water Company are excluded from this particular tariff, but are included in separate and distinct Water Shortage Contingency Plans. (T)

C. STAGES

- 1. Stage 1 of the Water Shortage Contingency Plan enacts water conservation requirements established in Rule 14.1 Section D. The non-essential or unauthorized water uses in Section D are in effect at all times.
- 2. Stage 2 First Enforcement Stage of the Water Shortage Contingency Plan - A Stage 2 Water Shortage Contingency Plan condition exists when it is determined that due to drought or other water supply conditions, a water supply shortage or threatened shortage exists and a further consumer demand reduction is necessary to make more efficient use of water and appropriately respond to existing water conditions. Stage 2 of the Water Shortage Contingency Plan will be enacted upon a determination that water usage should be further reduced from current levels, that a temporary water emergency exists necessitating implementation or that the requirements of Stage 1 are ineffective in complying with the necessary reduction.
- 3. Stage 3 Second Enforcement Stage of the Water Shortage Contingency Plan - A Stage 3 Water Shortage Contingency Plan Condition exists when it is determined that due to drought or other water supply conditions, a water supply shortage or threatened shortage exists and a further consumer demand reduction is necessary to make more efficient use of water and appropriately respond to existing water conditions. Stage 3 will be enacted upon a determination that water usage should be reduced further from current levels, that a temporary water emergency exists necessitating implementation or that the requirements in Stages 1 and 2 are ineffective in complying with the necessary reduction.

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C. STAGES

- 4. Stage 4 Third Enforcement Stage of the Water Shortage Contingency Plan - A Stage 4 Water Shortage Contingency Plan condition is also referred to as an "Emergency" condition. A Stage 4 condition exists when it is determined that a critical water shortage emergency exists, or that the measures in Stages 1 through 3 are ineffective in complying with a necessary reduction.
- 5. Stage 5 Mandatory Rationing. A rationing plan will be implemented when it is determined that the efforts in Stage 4 are insufficient to meet the regulatory or physical limitations of the available water supply.

D. WATER USE VIOLATION FINE

- 1. When an Enforcement Stage of the Water Shortage Contingency Plan has been activated by Commission authorization, the water use restrictions of Stage 1 in the Water Shortage Contingency Plan in Section D of Rule 14.1 become subject to fines and penalties imposed by the utility. The utility will first work closely with local law enforcement and public agencies charged with enforcing the mandatory water use restrictions. However, should the utility find that the local agency is not effectively enforcing the mandatory use restrictions, the utility, after written warnings, such as door hangers and letters, may begin to issue fines. If a customer is seen violating the water use restrictions, as outlined in Rule No. 14.1 and the Special Conditions below, the customer will be subject to the following fine structure:
 - a. First offense: Written warning, including explanation of penalty for subsequent offense.
 - b. Second offense within 1 year (of the same restriction): Written warning, including explanation of penalty for subsequent offense and \$100 fine.
 - c. Third offense within 1 year (of the same restriction): Written warning, including explanation of penalty for subsequent offense and a \$250 fine.
 - d. Fourth offense within 1 year (of the same restriction): Written warning, including explanation of penalty for subsequent offense and a \$500 fine.
 - e. Fifth offense within 1 year (of the same restriction): Written warning, including explanation of penalty for subsequent offense and service termination pursuant to Rule 11 and a \$500 fine.
 - f. Sixth offense within 1 year. (of the same restriction): Installation of a flow restricting device on customer's water meter for duration of enforcement stage of the Water Contingency Plan.
- 2. Offenses for separate water use restrictions will each start at the warning stage.
- 3. The water use violation fine is in addition to the regular rate schedule charges and any applicable drought surcharge rates.

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E. APPLICABLE PENALTY RATES

1. When in Stage 3 of the Water Shortage Contingency Plan - a surcharge rate will be added to all residential water usage in excess of 12 CCF. The surcharge rate will be equal to 50% of the residential rate in effect at the time Stage 3 is enacted. For all other customers there will be no surcharge imposed at Stage 3.
2. When in Stage 4 of the Water Shortage Contingency Plan – The Stage 3 residential drought surcharge rates will be tripled for all usage in excess of 12 CCF in Stage 4. All other customers will pay a drought surcharge rate of 25% of the regular rate on all usage in Stage 4.
3. Rule 14.1 includes provisions to allow customers to seek a variance to the drought surcharge rates. Those residential customers who prevail in their request for a variance will receive a 50% increase in the amount of usage not subject to the surcharge rate. The usage not subject to the surcharge rate would be increased from 12 CCF to 18 CCF.

F. ENFORCEMENT

1. Letter/Fine: From second violation of the same restriction within a one-year period and onwards, a violation letter will be posted on property and sent to billing address, if different.
2. Aging of violation: Violations will accrue for the period of one year and be considered corrected and expunged one year after the violation occurs. The purpose of this rule is to prevent discrete violations from accruing in the event of a multi-year enforcement of the Water Contingency Plan.

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3. Applies to all Enforcement Stages of Water Shortage Contingency Plan.

	Violation 1	Violation 2 (of the same restriction)	Violation 3 (of the same restriction)	Violation 4 (of the same restriction)	Violation 5/6 ⁽²⁾ (of the same restriction)
Proof of violation	Employee or Customer reports, with no additional verification required	Verification with a written report by employee or contractor of CAW	Verification with a written report by employee or contractor of CAW	Verification with a written report by employee or contractor of CAW	Verification with a written report by employee or contractor of CAW
Letter/fine	Warning letter mailed to premise and billing address	Violation letter posted and mailed with \$100 penalty on next bill	Violation letter posted and mailed with \$250 penalty on next bill	Violation letter posted and mailed with \$500 penalty on next bill	Violation letter posted and mailed, shut off per Rule 11 and \$500 penalty on next bill
Fixing leaks Stage 1 Stage 2 Stage 3 Stage 4	Customer has: 5 days 72 hours 24 hours Immediate	Customer has: 5 days 72 hours 24 hours Immediate	Customer has: 5 days 72 hours 24 hours Immediate	Customer has: 5 days 72 hours 24 hours Immediate	Customer has: 5 days 72 hours 24 hours Immediate
Time to correct violation	5 days	5 days	5 days	5 days	5 days
Time customer has to request variance of the alleged violation	14 days to contact CAW in writing	14 days to contact CAW in writing	10 days to file an appeal with CAW in writing	10 days to file an appeal with CAW in writing	10 days to file an appeal with CAW in writing
If the customer does not agree with CAW's resolution ⁽¹⁾ Reference Section K of Rule 14.1	Further reported violations of the same restricted use will not be counted in the determination of further action until one week after the variance request is resolved	If the customer disagrees with CAW's resolution, they may file a formal complaint with the CPUC	If the customer disagrees with CAW's resolution, they may file a formal complaint with the CPUC	If the customer disagrees with CAW's resolution, they may file a formal complaint with the CPUC	If the customer disagrees with CAW's resolution, they may file a formal complaint with the CPUC

⁽¹⁾ If a customer has appealed the receipt of the penalty, the penalty will continue to be posted on the customer's account, but will not result in further service action, until at least 14 days after the resolution of appeals. Once resolved, if in the customers favor, the penalty will be immediately removed from the account. If not resolved in the customers favor, then the penalty will be due and payable as part of the next billing cycle and subject to all such further actions as with any other billed charge.

⁽²⁾ For violation 6 instead of shut-off per Rule 11 and \$500 penalty, a flow restrictor will be installed for duration of enforcement.

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Sheet 5

G. FLOW RESTRICTOR REMOVAL CHARGE

The charge for removal of a flow-restricting device and/or reconnecting water service shall be:

Connection Size	Removal Charges
5/8" to 1"	\$150.00
1-1/2" to 2"	\$200
3" and larger	Actual Cost

H. SPECIAL CONDITIONS

1. The Tier 2 advice letter requesting activation of any Enforcement Stage of Schedule 14.1 shall include documentation of the overall water shortage justifying activation of that particular stage.
2. This tariff schedule shall remain in effect until the utility files a Tier 1 advice letter to deactivate specific stage of Water Shortage Contingency Plan and such is authorized by the Commission.
3. Water use violation fines must be separately identified on each bill.
4. Water penalty surcharges must be separately identified on each bill.
5. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
6. All monies collected by the utility through drought surcharges or penalties or fees for water use violations shall be booked to the Water Revenue Adjustment Mechanism (WRAM) or a memorandum account to offset recovery of lost revenues. All flow restrictor removal charges collected by the utility and all expenses incurred by the utility to implement Rule 14.1 and Schedule 14.1, and the requirements of the California State Water Board Resources Control Board ("SWRCB"), or other agencies, that have not been considered in a General Rate Case or other proceeding, shall be tracked in a memorandum account for disposition as directed or authorized from time to time by the Commission and shall be recoverable by the utility if determined to be reasonable by the Commission.

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