

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA

Application of California Water Service Company (U60W) for Authority to Establish its Authorized Cost of Capital for the period from January 1, 2012 through December 31, 2014.

A.11-05-001  
(Filed May 2, 2011)

And Related Matters.

A.11-05-002  
A.11-05-003  
A.11-05-004

**MOTION OF THE DIVISION OF RATEPAYER ADVOCATES FOR  
INTERIM RATES**

Pursuant to Rule 11.1(a) of the California Public Utilities Commission's ("Commission") Rules of Practice and Procedure and Decision 07-05-062, the Rate Case Plan, p.A-15, the Division of Ratepayer Advocates ("DRA") hereby files a motion for interim rates specifically requesting authorization for a memorandum account to track and recover the difference between current and final rates for San Jose Water Company, Golden State Water Company, and California Water Service Company.

California American Water Company ("Cal-Am") filed a motion on October 31, 2011 for a memorandum account to track and recover the difference between current and final rates. That motion describes the legal and statutory basis for the Commission to grant interim rate relief and DRA incorporates those reasons here by reference.

Despite this being a motion for interim rates, DRA only requests, just as Cal-Am did, a memorandum account, which would allow maintaining current rates and then truing them up to final rates after the Commission approves a Cost of Capital decision.

A “motion for interim rates” is only the vehicle DRA is utilizing to make this request pursuant to the Rate Case Plan.

The Applicants and DRA have reached a timely settlement agreement and are not responsible for any delay during the proceeding.

The Commission should grant California American Water Company's motion and apply the same interim rate process to San Jose Water Company, Golden State Water Company, and California Water Service Company.

The amount tracked in the memorandum account may lead to a rate refund that would benefit ratepayers, depending on the final outcome of the decision.

Interim rates and the memorandum account should be effective January 1, 2012. DRA requests, pursuant to Decision 07-05-062, that the Presiding Office issue a ruling and direct applicants to establish a memorandum account through an advice letter with an effective date of January 1, 2012. That procedure from p. A-15 of the Rate Case Plan is described here below for reference:

In response to this motion, the Presiding Officer will issue a ruling. The ruling will determine whether the applicant was responsible for the delay in implementing rates, determine if the requested rates are appropriate for submitting to the Commission via advice letter, and set a specific effective date for interim rates. The ruling will also direct applicant to request the establishment of a memorandum account with the advice letter filing that implements interim rates.

After a ruling is issued on the motion for interim rate relief, the applicant must file an advice letter consistent with the ruling. The applicant’s advice letter filing will be effective according to the findings of the ruling. Under our adopted procedure and consistent with Section 455.2, the applicant’s “interim rates shall be effective on the first day of the first test year in the general rate case application” as long as the Presiding Officer finds that applicant was not responsible for delay.

**I. CONCLUSION**

The Commission should approve DRA's motion for interim rates specifically requesting authorization for a memorandum account to track and recover the difference between current and final rates for San Jose Water Company, Golden State Water Company, and California Water Service Company.

Respectfully submitted,

/s/ SELINA SHEK

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