

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

**Advice Letter Cover Sheet**

|   |  |
|---|--|
| <b>Utility Name:</b> GOLDEN STATE WATER COMPANY   | <b>Date Mailed to Service List:</b> 11/15/19           |
| <b>District:</b> Bay Point  |  |
| <b>CPUC Utility #:</b> 133 W  | <b>Protest Deadline (20<sup>th</sup> Day):</b> 12/4/19 |
| <b>Advice Letter #:</b> 1798-W  | <b>Review Deadline (30<sup>th</sup> Day):</b> N/A      |
| <b>Tier:</b> <input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> B <input checked="" type="checkbox"/> Compliance | <b>Requested Effective Date:</b> 1/1/2020              |
| <b>Authorization:</b> D.19-05-044   | <b>Rate Impact:</b> \$110,540<br>1.88%                 |
| <b>Description:</b> 2020 Escalation Increase<br>Bay Point   |  |

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:** Ronald Moore  
**Phone:** (909) 394-3600 x 682  
**Email:** [rkmoore@gswater.com](mailto:rkmoore@gswater.com)

**Utility Contact:** Nguyen Quan  
**Phone:** (909) 394-3600 x 664  
**Email:** [Nquan@gswater.com](mailto:Nquan@gswater.com)

**DWA Contact:** Tariff Unit  
**Phone:** (415) 703-1133  
**Email:** [Water.Division@cpuc.ca.gov](mailto:Water.Division@cpuc.ca.gov)

**DWA USE ONLY**

| <u>DATE</u> | <u>STAFF</u> | <u>COMMENTS</u> |
|-------------|--------------|-----------------|
| _____       | _____        | _____           |
| _____       | _____        | _____           |
| _____       | _____        | _____           |

[ ] APPROVED [ ] WITHDRAWN [ ] REJECTED

**Signature:** \_\_\_\_\_ **Comments:** \_\_\_\_\_  
**Date:** \_\_\_\_\_



November 15, 2019

Advice Letter No. 1798-W

(U 133 W)

## California Public Utilities Commission

Golden State Water Company (GSWC) hereby transmits one original and three conformed copies of the following tariff sheets applicable to its Bay Point Customer Service Area (“CSA”):

| <u>CPUC Sheet No</u> | <u>Title of Sheet</u>  | <u>Canceling<br/>CPUC Sheet No.</u> |
|----------------------|--|-------------------------------------|
| Revised No. 8527-W   | Schedule No. BY-1-NR<br>Bay Point Customer Service Area<br>Non-Residential Metered Service, Page 1 | Revised No. 8404-W                  |
| Revised No. 8528-W   | Schedule No. BY-1-R<br>Bay Point Customer Service Area<br>Residential Metered Service, Page 1      | Revised No. 8406-W                  |
| Revised No. 8529-W   | Table of Contents<br>Page 2  | Revised No. 8525-W                  |
| Revised No. 8530-W   | Table of Contents<br>Page 1  | Revised No. 8526-W                  |

**Subject:** 2020 Escalation Year - Bay Point

**PURPOSE**

This advice letter submittal seeks to implement Escalation Year 2020 water rates, as authorized by the California Public Utilities Commission (“Commission”), for the Bay Point CSA. GSWC’s request is being made pursuant to Decision No. 19-05-044, dated May 30, 2019 for GSWC’s General Rate Case Application (Application No. 17-07-010). Specifically, Ordering Paragraph No. 1 of Decision No. 19-05-044 states,

*1. The joint motion filed on August 15, 2018, for the adoption of the Settlement Agreement, is granted. The Settlement Agreement attached to this decision as Appendix A is adopted.*

Ordering Paragraph No. 4 states,

*4. For escalation years 2020 and 2021, Golden State Water Company must file Tier 1*

*advice letters in conformance with General Order 96-B proposing new revenue requirements and corresponding revised tariff schedules for each ratemaking area in this proceeding. The advice letters must follow the escalation procedures set forth in the Revised Rate Case Plan for Class A Water Utilities adopted in Decision 07-05-062 and must include supporting workpapers. Golden State Water Company must file for rate reduction if the escalation procedures result in a rate reduction due to negative rate base growth, inflation factors, or customer growth. The revised tariff schedule must take effect on January 1, 2020 and January 1, 2021, respectively and apply to services rendered on and after their effective dates. The proposed revised revenue requirements and rates must be reviewed by the Commission's Water Division. The Water Division must inform the Commission if it finds that the revised rates do not conform to the Revised Rate Case Plan, this decision, or other Commission decisions, and if so, reject the filing.*

### **COMPLIANCE**

GSWC is filing this advice letter to implement rates for Escalation Year 2020. GSWC is authorized to increase rates in its Bay Point CSA by \$110,240 or 1.88%. GSWC has computed the 2020 Escalation Year using the escalation methodology set forth in the Revised Rate Case Plan, the escalation factors as of September 2019 as published by the Public Advocates Office Energy Cost of Service Branch, and the current CPI-U available at the time of filing.

### **RATE OF RETURN**

The following summary lists the Recorded, Authorized, and Pro-forma rates of return in GSWC's Bay Point CSA for twelve months ending September 2019. The pro forma rate of return is calculated in accordance with guidelines provided by the Water Division.

|                   |              |
|-------------------|--------------|
| <b>Recorded</b>   | <b>7.73%</b> |
| <b>Authorized</b> | <b>7.91%</b> |
| <b>Pro forma</b>  | <b>7.88%</b> |

As shown above, the Pro-forma return is less than the Authorized rate of return. As such, no earnings adjustment is required for the proposed 2020 water rate increase.

### **BILL IMPACT**

The monthly bill of a residential customer on Schedule No. BY-1-R with a 5/8" x 3/4" meter, using 7 Ccfs will increase by \$1.10 or 1.81%.

The monthly bill of a customer on Schedule No. BY-1-NR with a 5/8" x 3/4" meter, using 78 Ccfs will increase by \$9.37 or 1.86%.

Two copies of detailed workpapers supporting the proposed rate increase and rate calculations are being supplied to the Commission Staff under a separate cover.

### **TIER DESIGNATION**

This advice letter is submitted with a Tier 1 designation.

**EFFECTIVE DATE**

As directed, the effective date of these revised tariffs shall be January 1, 2020.

**NOTICE**

Customer Notice: 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. GSWC will include a bill message on the customer's first bill after the increase goes into effect to inform its Bay Point customers of this rate increase.

**RESPONSE OR PROTEST**

Anyone may submit a response or protest for this Advice Letter (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 advice letter. 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 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 re-litigating 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 Golden State Water Company at:

**Email Address:**  
[regulatoryaffairs@gswater.com](mailto:regulatoryaffairs@gswater.com)

**Mailing Address:**  
Golden State Water Company  
Ronald Moore  
630 East Foothill Blvd.  
San Dimas, CA 91773

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

#### **REPLIES**

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. 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.

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.

No individuals or utilities have requested notification of filing of tariffs. Distribution of this advice letter is being made to the attached service list in accordance with General Order No. 96-B.

Sincerely,

/s/ Ronald Moore  
Ronald Moore  
Regulatory Affairs Department  
Golden State Water Company

c: Jim Boothe, CPUC- Water Division  
Pat Ma, CPUC- Water Branch, Cal PAO  
Richard Smith, CPUC- Water Branch, Cal PAO

Schedule No. BY-1-NR  
Bay Point District  
Non-Residential Metered Service

APPLICABILITY

Applicable to all metered water service except those under BY-1-R.

TERRITORY

Portions of the City of Pittsburg and vicinity, Contra Costa County.

RATES

Quantity Rate:

For all water delivered, per 100 cu. Ft \$ 6.059 (I)

Service Charges:

|                                     | Per Meter<br>Per Month |     |     |
|-------------------------------------|------------------------|-----|-----|
| For 5/8 x 3/4-inch meter            | \$ 47.87               | (I) |     |
| For 3/4-inch meter                  | \$ 71.81               |     |     |
| For 1-inch meter                    | \$ 119.68              |     |     |
| For 1-1/2 inch meter                | \$ 239.35              |     |     |
| For 2-inch meter                    | \$ 382.96              |     |     |
| For 3-inch meter                    | \$ 718.05              |     |     |
| For 4-inch meter                    | \$ 1,196.75            |     |     |
| For 6-inch meter                    | \$ 2,393.50            |     |     |
| For 8-inch meter                    | \$ 3,829.60            |     |     |
| For 10-inch meter                   | \$ 5,505.05            |     |     |
| Fire Sprinkler 6-inch to 1-1/2-inch | \$ 337.00              |     |     |
| Fire Sprinkler 6-inch to 2-inch     | \$ 478.22              |     |     |
| Fire Sprinkler 6-inch to 3-inch     | \$ 769.75              |     |     |
| Fire Sprinkler 8-inch to 2-inch     | \$ 498.33              |     |     |
| Fire Sprinkler 8-inch to 3-inch     | \$ 789.86              |     | (I) |

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

(Continued)

|                                 |                      |                            |
|---------------------------------|----------------------|----------------------------|
| (To be inserted by utility)     | Issued By            | (To be inserted by P.U.C.) |
| Advice Letter No. <u>1798-W</u> | <b>R. J. Sprowls</b> | Date Filed _____           |
| Decision No. <u>19-05-044</u>   | <b>President</b>     | Effective _____            |
|                                 |                      | Resolution No. _____       |

Schedule No. BY-1-R  
Bay Point District  
Residential Metered Service

APPLICABILITY

Applicable to all residential metered water services provided to single-family residential customers.

TERRITORY

Portions of the City of Pittsburg and vicinity, Contra Costa County.

RATES

Quantity Rates:

|                                    |          |     |
|------------------------------------|----------|-----|
| First 800 cu. ft., per 100 cu. ft  | \$ 6.059 | (I) |
| Next 600 cu. ft., per 100 cu. ft   | \$ 6.968 | (I) |
| Over 1,400 cu. ft., per 100 cu. ft | \$ 8.013 | (I) |

Service Charges:

|  | <u>Per Meter</u><br><u>Per Month</u> |     |
|--|--------------------------------------|-----|
| For 5/8 x 3/4-inch meter               | \$ 19.44                             | (I) |
| For 3/4-inch meter                     | \$ 29.16                             |     |
| For 1-inch meter                       | \$ 48.60                             |     |
| For 1-1/2 inch meter                   | \$ 97.20                             |     |
| For 2-inch meter                       | \$ 155.52                            |     |
| Fire Sprinkler 1-inch to 5/8x 3/4-inch | \$ 20.22                             |     |
| Fire Sprinkler 1-inch to 3/4-inch      | \$ 29.45                             |     |
| Fire Sprinkler 1 1/2-inch to 3/4-inch  | \$ 33.24                             |     |
| Fire Sprinkler 2-inch to 3/4-inch      | \$ 34.70                             |     |
| Fire Sprinkler 1 1/2-inch to 1-inch    | \$ 52.49                             |     |
| Fire Sprinkler 2-inch to 1-inch        | \$ 53.95                             | (I) |

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

(Continued)

(To be inserted by utility)

Advice Letter No. 1798-W  
 Decision No. 19-05-044

*Issued By*  
**R. J. Sprowls**  
*President*

(To be inserted by P.U.C.)

Date Filed \_\_\_\_\_  
 Effective \_\_\_\_\_  
 Resolution No. \_\_\_\_\_

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| <u>Subject Matter of Sheet</u>       | <u>Schedule Number</u> | <u>CPUC Sheet No.</u>                             |     |
|--------------------------------------|------------------------|---|-----|
| Rate Schedules:                      |                        |   |     |
| All Districts                        |                        |   |     |
| Utility Fee Surcharge                | UF                     | 8248-W  |     |
| Private Fire Service                 | AA-4                   | 4801-W, 3285-W                                    |     |
| Public Fire Service                  | AA-5                   | 2931-W  |     |
| Cross Connection Control Fee         | CCCF                   | 7506-W  |     |
| Fire Flow Testing Charge             | FF                     | 7659-W  |     |
| California Alternate Rates for Water | LI                     | 8310-W, 8287-W                                    |     |
| Arden-Cordova District               |                        |   |     |
| General Metered Service              | AC-1                   | 8523-W, 8497-W, 8299-W, 8421-W                    | (P) |
| Flat Rate Service                    | AC-2                   | 8524-W, 8498-W, 8422-W                            | (P) |
| Bay Point District                   |                        |   |     |
| Residential Metered Service          | BY-1-R                 | 8528-W, 8500-W, 8426-W                            | (C) |
| Non-Residential Metered Service      | BY-1-NR                | 8527-W, 8499-W, 8425-W                            | (C) |
| Clearlake District                   |                        |   |     |
| General Metered Service              | CL-1                   | 8308-W, 8501-W, 8460-W*                           |     |
| Los Osos District                    |                        |   |     |
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| Non-Residential Metered Service      | LO-1-NR                | 8311-W, 8502-W, 8432-W, 8461-W*                   |     |
| Recycled Water Service               | LO-RCW                 | 8317-W, 8504-W, 8463-W*                           |     |
| Water Conservation                   | 14.1-LO                | 7300-W, 7301-W, 7302-W, 7303-W,<br>7304-W, 7305-W |     |
| Metropolitan District                |                        |   |     |
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| Non-Residential Metered Service      | ME-1-NR                | 8410-W, 8505-W, 8386-W, 8446-W,<br>8464-W*        |     |
| Reclaimed Water Service              | ME-3                   | 8414-W, 8507-W, 8466-W*                           |     |

(Continued)

(To be inserted by utility)

Advice Letter No. 1798-W  
 Decision No. 19-05-044

*Issued By*  
**R. J. Sprowls**  
*President*

(To be inserted by P.U.C.)

Date Filed \_\_\_\_\_  
 Effective \_\_\_\_\_  
 Resolution No. \_\_\_\_\_



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The following tariff sheets contain all effective rates and rules affecting rates and service of the utility, together with information relating thereto:

| <u>Subject Matter of Sheet</u>   | <u>Sheet No.</u>               |     |
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| Title Page   | 4905-W                         |     |
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| Preliminary Statements: 8370-W, 7005-W, 3140-W, 3141-W, 3142-W, 6940-W, 5096-W*, 5097-W*, 5102-W, 5223-W, 5322-W, 6477-W, 6478-W, 6479-W, 7075-W, 7076-W, 5607-W, 5848-W, 5937-W, 6101-W, 6103-W, 6123-W, 6225-W, 6475-W, 6559-W, 6652-W, 6858-W, 7129-W, 6938-W, 7368-W, 7441-W, 7442-W, 7451-W, 7481-W, 7728-W, 7730-W, 7747-W, 7748-W, 7749-W, 7750-W, 7756-W, 7994-W, 8007-W, 8246-W, 8365-W, 8366-W, 8367-W, 8418-W, 8419-W, 8494-W, 8495-W |                                | (P) |
| Tariff Area Maps:  |                                |     |
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| Cordova  | 6838-W                         |     |
| Barstow  | 5560-W                         |     |
| Bay  | 8189-W                         |     |
| Calipatria-Niland  | 6846-W                         |     |
| Clearlake  | 6839-W                         |     |
| Claremont  | 8487-W                         | (P) |
| Morongo Valley   | 8223-W, 6427-W                 |     |
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| Apple Valley South   | 8221-W                         |     |
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| Lucerne Valley   | 5805-W                         |     |
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| Los Osos   | 5253-W                         |     |
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| Norwalk  | 7732-W                         |     |
| Bell-Bell Gardens  | 6675-W                         |     |
| Florence-Graham  | 8294-W                         |     |
| Hollydale  | 8295-W                         |     |
| Culver City  | 8293-W                         |     |
| Southwest  | 8196-W                         |     |
| Willowbrook  | 6842-W                         |     |
| Orange County  |                                |     |
| Bolsa Chica  | 4381-W                         |     |
| Cowan Heights  | 8251-W                         |     |
| Cypress-Los Alamitos-Stanton   | 8252-W                         |     |
| Placentia-Yorba Linda  | 6844-W                         |     |
| San Dimas  | 8226-W                         |     |
| San Gabriel Valley   |                                |     |
| South Arcadia  | 8004-W                         |     |
| South San Gabriel  | 8005-W                         |     |
| Santa Maria  |                                |     |
| Cypress Ridge  | 8254-W                         |     |
| Lake Marie   | 5705-W                         |     |
| Orcutt   | 5558-W                         |     |
| Sisquoc  | 5257-W                         |     |
| Tanglewood   | 7429-W                         |     |
| Nipomo   | 5259-W                         |     |
| Simi Valley  | 8190-W                         |     |
| Wrightwood   | 6428-W                         |     |

(Continued)

|                                    |                      |                                   |
|------------------------------------|----------------------|-----------------------------------|
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|                                    |                      | Resolution No. _____              |

## GOLDEN STATE WATER COMPANY

### DISTRIBUTION LIST

#### BAY POINT DISTRICT

City of Brentwood  
Public Works Operations  
Eric Brennan, Water Operations Manager  
2201 Elkins Way  
Brentwood, CA 94513

City of Antioch  
P. O. Box 5007  
Antioch, CA 94531

Diablo Water District  
P. O. Box 127  
Raley's Shopping Center, 2107 Main St.  
Oakley, CA 94561-0127  
[Mikegm1@aol.com](mailto:Mikegm1@aol.com)  
[cbelleci@diablowater.org](mailto:cbelleci@diablowater.org)

Contra Costa Water District  
Public Affairs Department  
P. O. Box H2O  
Concord, CA 94520

Director of Financer  
East Bay Municipal Utility District  
375 – 11<sup>th</sup> Street, MS #801  
Oakland, CA 94607  
[whendrix@ebmud.com](mailto:whendrix@ebmud.com)

City of Martinez  
525 Henrietta Avenue  
Martinez, CA 94553

Contra Costa County  
Conservation & Development  
30 Muir Road  
Martinez, CA 94553

Bay Point Municipal Advisory Council  
3105 Willow Pass Road  
Bay Point, CA 94565

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