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

### **Advice Letter Cover Sheet**

Utility Name:	PureSource Water, Inc.	Date Mailed to Service List:	10/8/21
CPUC Utility #: Advice Letter #: Tier Authorization Description:	WTD 158  39  □1	Protest Deadline (20 <sup>th</sup> Day): Review Deadline (30 <sup>th</sup> Day): Requested Effective Date: Rate Impact:	11/7/21 As soon as possible
	line for this advice letter is 20 days from the o		e service list. Please
Utility Contact	: Martin Mills	Utility Contact: Jennifer Yo	ung
Phone	e: 831-688-8476	<b>Phone:</b> 831-688-84	176
Emai	l: Martin@psh2o.com	<b>Email:</b> Jennifer@ր	osh2o.com
DWA Contact: Phone:			
Email:	Water.Division@cpuc.ca.gov		
	DWA USE OI	NLY	
<u>DATE</u>	STAFF	COMMENTS	
[ ] APPROVED	[ ]WITHDF	RAWN	REJECTED
Signature:	Commo	ents:	

Date:

PO Box 1958, Aptos, CA 95001 Telephone 831-688-8476 accounts@psh2o.com

October 8, 2021

Advice Letter No. 39

#### TO THE CALIFORNIA PUBLIC UTILITIES COMMISSION

PureSource Water, Inc. (PSW) hereby transmits for filing this advice letter (AL) and the following tariff sheets which are enclosed:

NEW SHEET #	<u>TITLE</u>	CANCELLING SHEET #
272-W – 278-W	Rule 14.1 – Water Conservation & Rationing Plan	New
279-W	Table of Contents	271-W

#### **REQUEST**

By AL 39, PSW requests authority to add the Rule 14.1 (Water Conservation & Rationing Plan) to its tariffs.

#### **BACKGROUND**

Due to severe drought conditions, on January 17, 2014, (former) Governor Edmund J. Brown Jr. proclaimed a State of Emergency and directed state officials to take all necessary actions to prepare for those drought conditions. The California Public Utilities Commission (CPUC) adopted Resolution (Res.) W-4976 on February 27, 2014. Res. W-4976 adopted drought procedures for water conservation, rationing and service connection moratoria.

On March 8, 2014, the Commission's Division of Water and Audits (DWA) modified its Standard Practice (SP) U-40-W titled: "Procedures for Water Conservation, Rationing and Service Connection Moratoria." Paragraph 3 of SP U-40-W, under Section A – Purpose and Scope, states:

"To ensure timely response in time of drought all utilities must file a Tariff Rule 14.1 that includes: (a) a list of "non-essential or unauthorized water use" such as that found in Section E of these procedures, which customers shall be asked to avoid under voluntary conservation; and (b) the process by which the utility will add a Tariff Schedule 14.1 and the provisions to be included in the Tariff Schedule 14.1..."

Paragraph 10 of SP U-40-W, under Section C – Development of Conservation and Rationing, states in part that when conditions become severe, the utility may file an advice letter to initiate mandatory rationing pursuant to Schedule 14.1.

California is again facing water shortfalls and extreme drought conditions. On April 21, 2021 Governor Gavin Newsom signed an emergency proclamation directing state agencies to take immediate action to bolster drought resilience across the state and declaring a State of Emergency in several counties. On July 8, 2021, the Governor expanded the drought proclamation to include Santa Cruz County.

PureSource Water, Inc.
Advice Letter No. 39

PO Box 1958, Aptos, CA 95001 Telephone 831-688-8476 accounts@psh2o.com

PureSource Water (PSW) is located and operates in Santa Cruz County. Given the directive by the CPUC in Paragraph 3 of SP U-40-W, and the latest drought proclamation, PSW is filing this compliance AL to add Rule 14.1 to our tariffs.

#### TIER DESIGNATION AND REQUESTED EFFECTIVE DATE

AL 39 and the enclosed tariff sheets are submitted pursuant to General Order (GO.) 96-B, Water Industry Rules. AL 39 is designated as a Tier 2 AL and the enclosed tariff sheets will become valid upon approval by DWA staff<sup>1</sup>.

After PSW has received authorization to add the enclosed tariff sheets, it may then activate Rule 14.1 by notifying the Director of DWA via letter, mailed and emailed as appropriate.

#### **NOTICE**

A copy of this AL has been served to all parties listed on the service list<sup>2</sup>. This filing will not cause withdrawal of service nor conflict with any other schedule or rule.

### **RESPONSE OR PROTEST<sup>3</sup>**

Anyone may respond to or protest this AL. 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 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.

PureSource Water, Inc. Advice Letter No. 39

<sup>&</sup>lt;sup>1</sup> GO. 96-B, Water Industry Rule 7.3.2

<sup>&</sup>lt;sup>2</sup> GO. 96-B, Water Industry Rule 4.1

<sup>&</sup>lt;sup>3</sup> GO. 96-B, General Rule 7.4.1

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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 (<u>or</u> postal mail) within 20 days of the date the AL is filed. The addresses for submitting a response or protest are:

Email Address: Mailing Address:

Water.Division@cpuc.ca.gov Tariff Unit

Water Division, 3rd Floor

California Public Utilities Commission

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 PSW at:

Email Address: Mailing Address:

<u>martin@psh2o.com</u> PureSource Water, Inc.

P.O. Box 1958 Aptos, CA 95001

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.<sup>4</sup>

PureSource Water, Inc.
Martin Mills, Owner

PureSource Water, Inc. Advice Letter No. 39

<sup>&</sup>lt;sup>4</sup> GO. 96-B. General Rule 7.4.3

PO Box 1958, Aptos, CA 95001 Telephone 831-688-8476 accounts@psh2o.com

### **CERTIFICATE OF SERVICE**

I hereby certify that I have this day, October 8, 2021, served a copy of Advice Letter No. 39 on the parties listed on the following Service List by mailing a properly addressed copy by first class mail with postage prepaid or by email to those marked with an asterisk (\*).

	PureSource Water, Inc.
Ву:	:
	Martin Mills

PureSource Water, Inc.

Advice Letter No. 39

October 8, 2021

Page 4 of 5

PO Box 1958, Aptos, CA 95001 Telephone 831-688-8476 accounts@psh2o.com

#### **SERVICE LIST**

\*Soquel Creek Water District P.O. Box 1550 Capitola, CA 95010 MelanieS@soquelcreekwater.org

\*Central Water District 400 Cox Road Aptos, CA 95003 cenwtr@yahoo.com

\*Trout Gulch Mutual Water Company 90 Victoria Lane Aptos, CA 95003 troutgulchwater@gmail.com

\*Cathedral Hills Mutual Water Company 237 Campus Drive Aptos, CA 95003 pgoetz517@gmail.com

\*Environmental Health Services County of Santa Cruz 701 Ocean Street, Room 312 Santa Cruz, CA 95060 Nathan.Salazar@santacruzcounty.us;

\*Pete Brown 2042 Redwood Drive Aptos, CA 95003 gabrow8@aol.com

\*Sandy and Annie Lydon 2255 Redwood Drive Aptos, CA 95003 salydon@aol.com annvalydon@aol.com \*Roger Henderson 3728 Redwood Drive Aptos, CA 95003 ontbijtkaas@gmail.com

\*Kim Bierman 3153 Redwood Drive Aptos, CA 95003 kbierwoman@comcast.net

\*Joan Vierra 3675 Redwood Drive Aptos, CA 95003 vierraweaver@gmail.com

\*Becky Steinbruner 3441 Redwood Drive Aptos, CA 95003 ki6tkb@yahoo.com

\*Holger Blech and Sandy Clay 3218 Forest Park Lane Aptos, CA 95003 theblechfamily@gmail.com

Chris Borger PO Box 1083 Soquel, CA 95073

P.U.C. Sheet No.	272-W	
Cancelling	n/a	

#### RULE 14.1 WATER CONSERVATION & RATIONING PLAN

#### **GENERAL INFORMATION**

- 1. If water supplies are projected to be insufficient to meet normal customer demand, and are beyond the control of the utility, the utility may elect to implement voluntary conservation using the portion of this plan set forth in Section A of this Rule, after notifying the Director of the Commission's Division of Water and Audits of its intent, via a letter in both hard-copy and e-mailed formats.
- **2.** Prior to declaration of mandatory rationing, a utility may request authorization of a Schedule 14.1 Staged Mandatory Water Conservation and Rationing tariff, via a Tier 2 advice letter.
- **3.** If, in the opinion of the utility, more stringent water measures are required, the utility shall request Commission authorization to implement the staged mandatory conservation and rationing measures set forth in Sections B through E.
- **4.** The utility shall file a Tier 2 advice letter to request activation of a particular stage of Schedule 14.1 Staged Mandatory Water Conservation and Rationing tariff.
  - a. If a Declaration of Mandatory Rationing is made by utility or governing agency, or
  - b. If the utility is unable to address voluntary conservation levels set by itself, supplier, or governing agency, or
  - c. If the utility chooses to subsequently activate a different stage
- 5. When Schedule 14.1 is in effect and the utility determines that water supplies are again sufficient to meet normal demands, and mandatory conservation and rationing measures are no longer necessary, the utility shall seek Commission approval via a Tier 1 advice letter to de-activate the particular stage of mandatory rationing that had been authorized.
- **6.** In the event of a water supply shortage requiring a voluntary or mandatory program, the utility shall make available to its customers water conservation kits as required by its version of Rule 20. The utility shall notify all customers of the availability of conservation kits via a bill insert or direct mailers.

(To be inserted by utility)	Issued By	(To be inserted by P.U.C.)
Advice Letter No. 39	Martin Mills	Date Filed
Decision No.	Owner/Operator	Effective
		Resolution No.

P.U.C. Sheet No.	273-W	
Cancelling	n/a	

## RULE 14.1 (continued) WATER CONSERVATION & RATIONING PLAN

#### A. CONSERVATION - NON-ESSENTIAL OR UNAUTHORIZED WATER USE

No customer shall use utility-supplied water for non-essential or unauthorized uses, including but not limited to:

- 1. Use of potable water for watering outdoor landscapes in a way that causes water to "runoff" onto adjacent property, non-irrigated areas, private and public walkways, roadways, driveways, or as described in Article 10.8 of the California Government Code in connection with new construction;
- 2. Continued water use when the company has notified the customer in writing to repair a broken or defective plumbing, sprinkler, watering or irrigation system and the customer has failed to effect such repairs within two business days;
- 3. Washing a vehicle with a hose without a shut-off nozzle or other device that will immediately stop the flow of water when not in use;
- 4. Using drinking water to wash buildings, structures, patios, driveways, sidewalks, and other hard-surfaced areas, except in cases where health and safety are at risk;
- 5. Use of potable water to irrigate turf, lawns, gardens, or ornamental landscaping more than two days per week and if using an automatic irrigation system for no more than 15 minutes per watering station per assigned day.
- 6. This provision shall not apply to residential vegetable gardens/edible plantings watered with a hose equipped with a shut-off nozzle;
- 7. Watering or irrigating turf, lawns, gardens, or ornamental landscaping between 10am and 8pm;
- 8. Irrigating turf or ornamental landscapes during, and 48 hours following, measureable precipitation;
- 9. Using drinking water in a fountain, or other decorative water feature, except where the water is recirculated;
- 10. Use of potable water for watering streets with trucks, except for initial wash-down for construction purposes (if street sweeping is not feasible), or to protect the health and safety of the public;
- 11. Use of potable water for construction purposes, such as consolidation of backfill, dust control, or other uses unless no other source of water or method can be used. (continued)

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Advice Letter No. 39	Martin Mills	Date Filed
Decision No.	Owner/Operator	Effective
		Resolution No.

P.U.C. Sheet No.	274-W	
Cancelling	n/a	

## RULE 14.1 (continued) WATER CONSERVATION & RATIONING PLAN

#### **B. STAGED MANDATORY RATIONING OF WATER USAGE**

- 1. Prior to declaration of mandatory rationing, a utility may request authorization of a Schedule 14.1 Staged Mandatory Water Conservation and Rationing tariff, via a Tier 2 advice letter, with full justification. The utility may not institute Schedule 14.1 until it has been authorized to do so by the Commission.
  - **a.** A staged Schedule 14.1 that has been authorized by the Commission shall remain dormant until triggered by specific conditions detailed in the Schedule 14.1 tariff and utility has requested and received authorization for activating a stage by Commission.
  - **b.** Notice of the Tier 2 advice letter and associated public participation hearing shall be provided to customers under General Order (GO) 96-B rules.
  - **c.** Utility shall comply with all requirements of Sections 350-358 of the California Water Code.
  - **d.** The Tier 2 advice letter requesting institution of a Schedule 14.1 shall include but not be limited to:
    - i. Proposed Schedule 14.1 tariff, which shall include but not be limited to:
      - 1. Applicability,
      - 2. Territory applicable to,
      - **3.** A detailed description of each Stage of Rationing,
      - **4.** A detailed description of the Trigger that Activates each Stage of Rationing,
      - **5.** A detailed description of each water use restriction for each stage of rationing.
      - **6.** Water use violation levels, written warning levels, associated fines, and exception procedures,
      - 7. Conditions for installation of a flow restrictor,
      - **8.** Charges for removal of flow restrictors, and
      - **9.** Special Conditions
  - ii. Justification for, and documentation and calculations in support of plan, including but not limited to each item in B.1.d.i above.

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Advice Letter No. 39	Martin Mills	Date Filed
Decision No.	Owner/Operator	Effective
		Resolution No.

P.U.C. Sheet No.	275-W	
Cancelling	n/a	

## RULE 14.1 (Cont.) WATER CONSERVATION & RATIONING PLAN

- 2. Number of Stages requested by each utility/district may vary, depending on specifics of water shortage event.
- **3.** The utility shall file a Tier 2 advice letter to request activation of a particular stage of Schedule 14.1 Staged Mandatory Water Conservation and Rationing tariff.
  - a. If a Declaration of Mandatory Rationing is made by utility or governing agency,
  - **b.** If the utility is unable to address voluntary conservation levels set by itself or governing agency, or
  - **c.** If the utility chooses to subsequently activate a different stage.
- **4.** The Tier 2 advice letter requesting activation of a Schedule 14.1 shall include but not be limited to:
  - **a.** Justification for activating this particular stage of mandatory rationing, as well as period during which this particular stage of mandatory conservation and rationing measures will be in effect.
  - **b.** When the utility requests activation of a particular Stage, it shall notify its customers as detailed in Section E, below.
- 5. All monies collected by the utility through water use violation fines shall not be accounted for as income, but rather booked to a memorandum account to offset authorized expenses incurred or recovery of lost revenue. Lost revenues associated with reduced sales as a result of activation of either Tariff Rule 14.1 or Schedule 14.1 for a utility without a full decoupling WRAM should be tracked in a separate memorandum account for disposition as directed or authorized from time to time by the Commission.
- **6.** All expenses incurred by utility to implement Rule 14.1 and Schedule 14.1 that have not been considered in a General Rate Case or other proceeding, shall be recoverable by utility if determined to be reasonable by Commission.
  - **a.** These monies shall be accumulated by the utility in a separate memorandum account for disposition as directed or authorized from time to time by the Commission.

To be inserted by utility)	Issued By	(To be inserted by P.U.C.)
Advice Letter No. 39	Martin Mills	Date Filed
Decision No.	Owner/Operator	Effective
		Resolution No.

P.U.C. Sheet No.	276-W	
Cancelling	n/a	

Resolution No.

# RULE 14.1 (Cont.) WATER CONSERVATION & RATIONING PLAN

# C. <u>ENFORCEMENT OF STAGED MANDATORY CONSERVATION AND RATIONING</u>

- 1. The water use restrictions of the conservation program, in Section A of this rule, become mandatory when the authorized Schedule 14.1-Staged Mandatory Rationing Program is triggered, the utility files a Tier 2 advice letter requesting activation of a particular stage, and authorization is received from the Commission.
  - **a.** In the event a customer is observed to be using water for any nonessential or unauthorized use as defined in Section A of this rule, the utility may charge a water use violation fine in accordance with Schedule No. 14.1.
- 2. The utility may, after one verbal and one written warning, install a flow-restricting device on the service line of any customer observed by utility personnel to be using water for any non-essential or unauthorized use as defined in Section A above.
- 3. A flow restrictor shall not restrict water delivery by greater than 50% of normal flow and shall provide the premise with a minimum of 3 Ccf/person/month. The restricting device may be removed only by the utility, only after a three-day period has elapsed, and only upon payment of the appropriate removal charge as set forth in Schedule No. 14.1.
- 4. After the removal of the restricting device, if any non-essential or unauthorized use of water shall continue, the utility may install another flow-restricting device. This device shall remain in place until water supply conditions warrant its removal and until the appropriate charge for removal has been paid to the utility.
- **5.** Any tampering with flow restricting device by customer can result in fines or discontinuation of water use at the utility's discretion.
- 6. If, despite installation of such flow-restricting device pursuant to the provisions of the previous enforcement conditions, any such non-essential or unauthorized use of water shall continue, then the utility may discontinue water service to such customer. In such latter event, a charge as provided in Rule No. 11 shall be paid to the utility as a condition to restoration of service.

(To be inserted by utility)

Advice Letter No. 39

Martin Mills

Decision No. Owner/Operator

Effective

#### ORIGINAL

P.U.C. Sheet No.	277-W	
Cancelling	n/a	

# RULE 14.1 (Cont.) WATER CONSERVATION & RATIONING PLAN

- 7. All monies collected by the utility through water use violation fines shall not be accounted for as income. All expenses incurred by utility to implement Rule 14.1 and Schedule 14.1 that have not been considered in a General Rate Case or other proceeding, shall be recoverable by utility if determined to be reasonable by Commission. These additional monies shall be accumulated by the utility in a separate memorandum account for disposition as directed or authorized from time to time by the Commission.
- **8.** The charge for removal of a flow-restricting device shall be in accordance with Schedule No. 14.1.

#### D. APPEAL PROCEDURE

- 1. Any customer who seeks a variance from any of the provisions of this water conservation and rationing plan shall notify the utility in writing, explaining in detail the reason for such a variation. The utility shall respond to each such request in writing.
- 2. If the customer disagrees with such disposition, the customer shall have the right to file a formal complaint with the Commission. Except as set forth in this Section, no person shall have any right or claim in law or in equity, against the utility because of, or as a result of, any matter or thing done or threatened to be done pursuant to the provisions of this water conservation and rationing plan.

(To be inserted by utility)	Issued By	(To be inserted by P.U.C.	
Advice Letter No. 39		Date Filed	
Decision No.	Owner/Operator	Effective	
		Resolution No.	

**ORIGINAL** 

P.U.C. Sheet No.	278-W
Cancelling	n/a

## RULE 14.1 (Cont.) WATER CONSERVATION & RATIONING PLAN

#### E. PUBLICITY

- 1. As stated under Section B.1.b and c, when a utility requests authorization of a Schedule 14.1 Staged Mandatory Water Conservation and Rationing tariff, via a Tier 2 advice letter, it shall provide notice of the Tier 2 advice letter and associated public meeting provided to customers, under General Order (GO) 96-B rules, and shall comply with all requirements of Sections 350-358 of the California Water Code (CWC), including but not limited to the following:
  - **a.** In order to be in compliance with both the GO and CWC, the utility shall provide notice via both newspaper and bill insert/direct mailing.
  - **b.** Utility shall file one notice for each advice letter filed, that includes both notice of the filing of the Tier 2 advice letter as well as the details of the public meeting (date, time, place, etc.).
  - **c.** The public meeting shall be held after the utility files the Tier 2 advice letter, and before the Commission authorizes implementation of the tariff.
  - **d.** Utility shall consult with Division of Water and Audits staff prior to filing advice letter, in order to determine details of public meeting.
- 2. In the event that a Schedule 14.1-Staged Mandatory Rationing Plan is triggered and utility requests activation through the filing of a Tier 2 advice letter, the utility shall notify its customers and provide each customer with a copy of Schedule 14.1 by means of bill insert or direct mailing. Notification shall take place prior to imposing any fines associated with this plan.
- **3.** During the period that a stage of Schedule 14.1 is activated, the utility shall provide customers with updates in at least every other bill, regarding its water supply status and the results of customers' conservation efforts.

(To be inserted by utility)	Issued By	(To be inserted by P.U.C.)	
Advice Letter No. 39		Date Filed	
Decision No.	Owner/Operator	Effective	
		Resolution No.	

P.U.C. Sheet No.	279-W	
Cancelling	271-W	

## TABLE OF CONTENTS

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

SUBJECT MATTER OF SHEET		P.U.C. SHEET NO.	
Гitle Page		268-W	
Table of Contents		<b>279-W</b> , 263-W	(T)
Preliminary Statement		13-W, 14-W, 182-W, 183-W, 236-W, 237-W	(-)
Service Area Map		81-W	
Rate Schedules:			
Schedule 2AR, Annual Residential Flat	Rate Service	256-W	
Schedule LC, Late Payment Charge		185-W	
Schedule UF, Surcharge to Fund PUC F	Reimbursement Fee	270-W	
Schedule F, Facilities Fees		257-W	
Rules:			
No. 1 – Definitions		124, 125-W	
No. 2 – Description of Service		68-W	
No. 3 – Application for Service		186-W	
No. 4 – Contracts	F	19-W	
No. 5 – Information Required on No. 6 – Establishment and Re-est		259-W, 188-W, 260-W 22-W	
No. 7 – Deposits	autistifficiti of Cledit	190-W, 191-W	
No. 8 – Notices		190-W, 191-W 192-W, 193-W	
No. 9 – Rendering and Payment of	of Bills	194-W, 195-W	
No. 10 – Disputed Bills		196-W, 197-W	
No. 11 – Discontinuance and Res	storation of Service	198-W – 205-W	
No. 12 – Information Available to		33-W, 34-W	
No. 13 – Temporary Service		35-W, 36-W	
No. 14 – Continuity of Service		37-W	
No. 14.1 – Water Conservation &	Rationing Plan	272 - W - 278 - W	(N)
No. 15 – Main Extensions		206-W - 218-W, 168-W	
No. 16 – Service Connections, M			
No. 17 – Standards for Measuren		54-W	
No. 18 – Meter Tests & Adjustme		55-W – 57-W	
No. 19 – Service to Separate Prer Resale of Water	nises & Multiple Units and	142-W, 143-W	
No. 20 – Water Conservation		228-W	
No. 21 – Fire Protection		229-W	
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