

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

Advice Letter Cover Sheet

Utility Name: California American Water	Date Mailed to Service List: September 22, 2022
District: All Districts	
CPUC Utility #: U210W	Protest Deadline (20th Day): October 12, 2022
Advice Letter #: 1320-A	Review Deadline (30th Day): October 22, 2022
Tier <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input checked="" type="checkbox"/> 3 <input checked="" type="checkbox"/> Compliance	Requested Effective Date: September 22, 2022
Authorization A.20-08-047 and W-5241	
Description: Multifamily Assistance Pilot Program	Rate Impact: \$See AL See AL%

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.

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

DWA USE ONLY

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

[] APPROVED

[] WITHDRAWN

[] REJECTED

Signature: _____

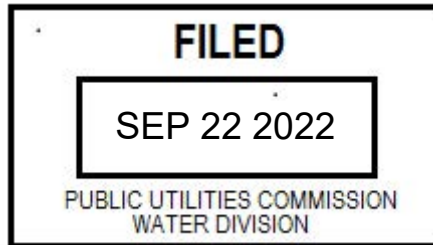
Comments: _____

Date: _____



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SUPPLEMENT

September 22, 2022

ADVICE LETTER NO. 1320-A

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

California-American Water Company (U210W) hereby submits for review this advice letter, including the following attached tariff sheets applicable to its California Districts.

Purpose:

Supplemental Information:

The purpose of the supplemental filing to comply with Resolution W-5241 which approved program components 1 and 4 of Advice Letter 1320. This filing modifies and updates the proposed tariffs to conform with the resolution and California American Water's effective tariffs and rates. As outlined in Resolution W-5241, California American Water will report on this pilot program in its next General Rate Case filing scheduled to be filed in July 2025. Through this filing, California American Water also updates the meter rates on its Monterey Customer Assistance Program ("CAP") tariff. This change does not impact authorized rates and all CAP customers were billed correctly with respect to the modifications requested.

Original Information:

The purpose of this advice letter is to comply with Ordering Paragraph 5 of D.20-08-047 which directs California American Water to outline a pilot program that provides a discount to water users in low-income multifamily buildings. California American Water proposes four individual targeted benefits to comply with the request to outline a pilot program. California American Water puts forth these four targeted benefits because it believes together these benefits will provide the best opportunity to explore the potential benefits and challenges of addressing the needs of low-income multi-family water users currently behind a master meter.

The benefits and challenges of developing a water rate assistance program for residents who are behind a master meter, and thus not responsible for paying their water bill, has been widely discussed in recent years. In addition to ratepayer assistance discussions in the Commission's current Low-Income Ratepayer Assistance Order Instituting Rulemaking, R.17-06-024 ("LIRA OIR"), the State Water Resources Control Board ("Water Board") was tasked with examining how to improve water rate assistance with the passage of Assembly Bill ("AB") 401 in 2015. Water Board members, staff and a multi-disciplinary working group that included Commissioners, Staff and regulated water utilities helped develop a report in response to AB 401. In February 2020 the "AB 401 Report" was presented to the Legislature. One component of the AB 401 Report is a recommendation to develop a renters' tax credit to offset the cost of water service for renters who are served through a master meter or are not connected to a community water system.

The AB 401 Report estimates that as many as 44 percent of residential water users in California do not pay their own water bill and that as many as 60 percent of low income Californians are not responsible for paying a water bill directly. These statistics highlight how expanding ratepayer assistance programs to disadvantaged Californians who are not ratepayers would provide benefits to many families.

The AB 401 report is candid in its assessment of the challenge:

While there is no perfect approach to delivering affordability assistance to low-income households which do not directly hold accounts with CWS [community water systems], the renter's water credit approach is feasible because it relies on an existing, successful benefit delivery mechanism instead of creating a new one. Moreover, its advantages outweigh the disadvantages of alternative approaches such as direct cash assistance (cash, check, electronic bank transfer, other) to eligible households via a new state fund, or working with stakeholders to develop an expanded EBT program that could be safely accessed by all low-income households. (SWRCB Low Income Rate Assistance Final Report, Page 34)

California American Water proposes a multi-pronged approach to delivering benefits in this advice letter because there is no "silver bullet" to address this challenge. California American Water believes that the different housing types and residents who reside in them provide different opportunities to chip away at the issue. Given the amount of study and thinking that has gone into the problem in California by academics, government leaders, advocates, and service providers the only clear model that has emerged is one in which a benefit is provided through tax credit and water utilities are not involved.

Nonetheless, California American Water is prepared to work "outside the box" and innovate solutions which is why a multi-pronged approach makes sense for a pilot study. We believe that each component will provide an opportunity to evaluate the efficacy of the solution. The actual benefits delivered to low income residents in multi-family housing should be balanced by the cost, effort and efficiency of benefit delivery methods. This data will help inform future programs for California American Water customers and will also be useful in any number of larger policy efforts in the coming years. As always, scale is important because unlike the energy sector, where a handful of utilities serve most Californians, there are over 400 medium and large water utilities in the state and thousands of smaller systems. California American Water has been a leader in water affordability since introducing the first ratepayer assistance program in the state in 1996 and believes this filing is an important opportunity to further the policy discussion in the state.

Background:

Ordering Paragraph 5 of D.20-08-047, issued on September 3, 2020, states:

California-American Water Company shall file a Tier 3 advice letter, within 120-days of the issuance of this decision, outlining a pilot program that provides a discount to water users in low-income multi-family through their housing providers.

D.20-08-047 also directed California American Water to use the pilot program outlined in AL 1221 as a starting point for its pilot proposals. Specifically, Finding of Fact No. 23 provides:

California-American Water Company's Advice Letter 1221 for establishing a tariff that provided a discount to low-income multi-family renters through their housing providers establishes a good starting point for a pilot.

In AL 1221 California American Water requested extending Low-Income Ratepayer Assistance ("LIRA")¹ programs to master metered Affordable Housing Facilities in its Monterey Service area. The proposal extended rate relief to providers/owners, mitigating cost impacts to low-income housing providers, in cases where lease payments, including utilities, are set by government regulation and potential rate increases cannot be passed on to tenants. Eligibility would be based on the California Tax Credit Allocation Committee ("TCAC"). Ultimately, advice Letter was rejected by the CPUC.

Below are the proposed four targeted solutions for the Commission's review and approval. As stated above, California American Water believes that each component of the overall program (1) supports the aim of extending assistance to residents of multifamily properties, and (2) may provide insight on possible solutions to address the needs of low income water users that reside behind a master meter and thus currently do not qualify for California American Water's LIRA benefit.

Program Component 1 – Multifamily Housing in Disadvantaged Communities – San Diego Service Area

Program Component 1 would be applicable only to master metered buildings in a disadvantaged or severely disadvantaged community ("DAC/SDAC") in California American Water's San Diego Service Area. Under this component, California American Water would target one or more master metered building(s) in a disadvantaged or severely disadvantaged community ("DAC/SDAC") and establish a partnership to provide Low-Income Ratepayer Assistance program discounts to tenants. This program component would deliver assistance directly to a tenant through a partnership between California American Water and a Community Based-Organization ("CBO"). California American Water intends to use data from the CARE data share with energy companies to identify properties that have individually metered units for energy. Through this process, California American Water may be able to identify water master metered properties with tenants that are qualified for the CARE program. California American Water would use the CARE data share methodology and provide discounts for eligible tenants to a CBO which would then pass the credit directly to the tenant. California American Water currently uses a CBO to administer its crisis assistance fund in Monterey and would build on this experience including developing an agreement to supply reasonable administrative costs.

¹ D.20-08-047 ordered regulated water utilities to name or rename low-income ratepayer assistance programs "Customer Assistance Program" or ("CAP"). California American Water is putting together a filing which will change the name of its Low-Income Ratepayer Assistance Programs ("LIRA") to CAP on all applicable tariffs and forms. For the purposes of this filing, California American Water uses the LIRA classification to be consistent with current tariffs.

Eligible tenants would receive the LIRA discount in the applicable service area which includes a meter-based discount and a discount on volumetric charges.

This program will require building partnerships with local CBOs. Resources will need to be devoted to building and maintaining these partnerships and tracking and verifying that discounts are reaching eligible tenants.

California American Water would track costs within a separate sub-account of its LIRA Balancing account.

Program Component 2 – Multifamily Low-Income Housing Tax Credit Recipients – Sacramento and Monterey Service Areas

Program Component 2 would provide a discount directly to non-profit and for-profit affordable housing properties in California American Water's Sacramento and Monterey Service Areas that receive the California Low-Income Housing Tax Credit for all units. California American Water has identified 39 candidate properties, 31 in Sacramento and 8 in Monterey, that would be eligible to receive this discount. The utility portion of customer rent in these properties is generally fixed, so rather than providing the discount to tenants, the discount would go to the building owner with the aim of assisting the financial viability and availability of affordable housing in California American Water's service areas.

California American Water has had several conversations with the California Housing Partnership and the California Housing Consortium both of which are supportive of this program component as a means to support the availability of affordable housing in California and with the hope that discounts for affordable housing providers could be expanded across the state.

Eligible master metered account holders would receive the LIRA discount in the applicable service area which includes a meter-based discount and a discount on volumetric charges. Master metered multi-residential buildings are billed under one quantity rate in all California American Water service areas except for Monterey. In Monterey, some buildings may be billed under a multi-residential rate which is a tiered rate. The volumetric rate discount would apply to all usage in both Sacramento and Monterey.

This program will require resources for building and maintaining relationships with willing property owners. It will also require verification of current and ongoing affordable housing tax credit status for 100 percent of the units. To be eligible for this benefit the housing provider must have a minimum of five years remaining on affordable housing deed restrictions for the property. Requiring there be a minimum length of time remaining on deed restrictions provides the best assurance that this benefit will allow housing providers to continue to support the operations and maintenance of affordable housing in the state. This program will apply to eligible tax credit recipient properties in California American Water's Sacramento and Monterey service areas.

Like Program Component 1, California American Water would track costs within a separate sub-account of its LIRA Balancing account.

Program Component 3 – Meter Retrofit for Fruitridge Vista Multifamily units

For Program Component 3, California American Water would identify suitable duplex and four-unit multifamily buildings in its Fruitridge Vista Service Area and install individual meters. By installing individual meters, multifamily building tenants would be able to take advantage of the full menu of services offered by California American Water. These services include ratepayer assistance programs, conservation programs and services, payment options and arrangements including payment plans and budget billing, and improved information about water quality including Consumer Confidence Reports and water quality and service emergency notifications.

California American Water acquired the Fruitridge Vista system in February 2020. The Fruitridge Vista system has around 4,400 customers of which almost 3,200 are unmetered. The California Department of Water Resources identifies the Fruitridge Vista Service Area as a “severely disadvantaged community”. California American Water is beginning a meter installation program in Fruitridge Vista, and under Program Component 3 would identify certain multifamily units where the configuration makes installing individual meters practical at a cost similar to installing a meter for single family homes. This service area has approximately 150 duplexes and 50 multifamily buildings which contain four units and a common hot water and laundry facility for each building. Typically, in the Sacramento service area these types of buildings will have individual meters installed. This meter installation expansion could be performed under the current meter installation project, however there would be additional incremental costs associated with installing these meters. California American Water currently estimates a cost for materials and construction of \$6,945 for each single-family property in its meter retrofit program, so a similar incremental cost for each unit in a multi-family building could be expected.

During the previous meter retrofit program for its Sacramento District from around 2003 to 2013, California American Water was successful in placing individual meters for a number of similar units. The total number of individual units that could be individually metered in Fruitridge Vista is unknown at this time because some customer plumbing configurations do not easily lend themselves to this type of meter retrofit work and would remain master metered. Our engineering and construction teams believe the main limiting factor is the configuration of the plumbing between each unit and the property line.

California American Water requests authority to establish a memorandum account to track incremental costs associated with installing meters in these multifamily properties.

Program Component 4 – Low-Income Joint Water and Energy Install Program – Recently Acquired Systems

This Program Component would expand existing water energy retrofit programs that are currently conducted jointly with energy providers to multifamily buildings and mobile home parks. The program that currently extends hot and cold-water measures including appliances, fixtures, and weatherization to low income housing is funded jointly by California American Water and the energy utilities and has predominantly been utilized by single family dwelling households. Typically, the participating energy utility covers the cost of hot water measures such as water heater, showerhead and washing machine upgrades with the water utility covering cold water measure costs such as toilet upgrades, aerators and leak repairs. This program would explore extending the program reach to multifamily buildings and mobile home parks, both master metered and individually metered. Similar to Program Component 1, California American Water

would use CARE data to identify tenants that are in individually metered units for electricity, but are master metered for water to qualify them for this program. The extent of program benefits and upgrade measures for each tenant would be based on condition and age of the applicant's current fixtures and appliances and any previous program participation. Tenants would directly benefit from the measures and owners would benefit from lower water bills. The program will target the recently acquired service areas of Meadowbrook, Hillview, and Dunnigan.

This is a comprehensive program with significant associated costs. California American Water would need to devote resources to identify willing owners, maintain these relationships, and roll out the program. The program budget would not exceed \$200,000.

Like components 1 and 2, California American Water would track costs within a separate sub-account of its Low-Income Ratepayer Assistance Program ("LIRA") Balancing account.

Supplemental Information:

Resolution W-5241 authorized California American Water to proceed with components 1 and 4.

Request:

Approval to implement the pilot program, including all four components, described herein. California American Water proposes that a report be prepared 12 months after the implementation of the first two project components to examine their effectiveness and will also report on the progress of implementing the third and fourth components. The third component will continue until the meter retrofit project in Fruitridge Vista is completed in 2023 and the fourth component will continue until the end of the 2023 or the approved funding amount is exhausted.

California American Water requests the following tariff changes:

- Modify the language on the Low-Income Ratepayer Assistance (LIRA) Balancing Account preliminary statement to create a subaccount within to record and recover the low-income discounts and incremental costs associated with components 1, 2 and 4 herein.
- Create a Fruitridge Vista Multi-family Meter Retrofit Memorandum Account ("MFMRMA") preliminary statement which will track the incremental capital necessary to separately meter individual dwelling units on target properties located within a disadvantaged community.
- Modify LIRA-Tariff in the following manner:
 - Modify special condition applicability language in the CA-LIRA tariff.
 - Add special condition language outlining the pilot program, including the four program components.
 - Add LIRA rates based on commercial service and volumetric charges for applicable pilot-program service areas.

Supplemental Request:

Approval of the modified and updated proposed tariffs to conform with Resolution W-5241 and California American Water's effective tariffs and rates, as well as updated meter rates on its Monterey CAP tariff.

Tier Designation:

AL 1320 was submitted with a Tier 3 designation. This filing is a supplement following issuance of Resolution W-5241.

Effective Date:

Given that this is a Tier 3 filing and requires a Commission resolution, California American Water does not request a specific effective date. However, given the current economic crisis, likely legislative action as a result of the AB 401 Report and the ongoing proceedings related to water affordability that will benefit from additional data we believe this advice letter should be expedited and approved as soon as possible.

Supplemental Request: California American Water requests an effective date of September 22, 2022 for this supplemental filing.

Notice:

Pursuant to Section 4.3 of General Order No. 96-B, a copy of this advice letter is being provided to those entities listed in the attached "SERVICE LIST PURSUANT TO SECTION 4.3 OF G.O. NO. 96-B." Per guidance from the California Public Utilities Commission's Water Division, during the COVID-19 pandemic, advice letters will only be delivered electronically to the service list.

Protests and Responses:

Anyone may respond to or protest this advice letter. 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 advice letter 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 advice letter;
- (2) The relief requested in the advice letter 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 advice letter contain material errors or omissions;
- (4) The relief requested in the advice letter is pending before the Commission in a formal proceeding; or
- (5) The relief requested in the advice letter requires consideration in a formal hearing, or is otherwise inappropriate for the advice letter process; or

(6) The relief requested in the advice letter 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 shall provide citations or proofs where available to allow staff to properly consider the protest.

A response or protest must be made in writing or by electronic mail and must be received by the Water Division within 20 days of the date this advice letter is filed. The address for mailing or delivering a protest is:

Tariff Unit, Water Division, 3rd floor
California Public Utilities Commission,
505 Van Ness Avenue, San Francisco, CA 94102
water_division@cpuc.ca.gov

On the same date the response or protest is submitted to the Water Division, the respondent or protestant shall send a copy by mail (or e-mail) to us, addressed to:

Recipients:	E-Mail:	Mailing Address:
CA Rates.....	ca.rates@amwater.com	520 Capitol Mall, Suite 630 Sacramento, CA 95814
Sarah E. Leeper <i>Vice President – Legal, Regulatory</i>	sarah.leeper@amwater.com	333 Hayes Street, Ste. 202 San Francisco, CA 94102 Fax: (415) 863-0615
Leana Ramirez <i>Business Support Specialist – Rates & Regulatory</i>	leana.ramirez@amwater.com	520 Capitol Mall, Suite 630 Sacramento, CA 95838

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.

If you have not received a reply to your protest within 10 business days, contact this person at (916) 568-4279.

CALIFORNIA-AMERICAN WATER COMPANY

/s/ Leana Ramirez

Leana Ramirez
Business Support Specialist

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
XXXXX-W	PRELIMINARY STATEMENT Summary Table Sheet 1	XXXXX-W
XXXXX-W	PRELIMINARY STATEMENT (Continued) Sheet 1	10183-W
XXXXX-W	PRELIMINARY STATEMENT (Continued) Sheet 2	10184-W
XXXXX-W	Schedule No. CA-CAP California American Water CUSTOMER ASSISTANCE PROGRAM Sheet 4	10400-W
XXXXX-W	Schedule No. CA-CAP California American Water CUSTOMER ASSISTANCE PROGRAM Sheet 6	10406-W
XXXXX-W	Schedule No. CA-CAP California American Water CUSTOMER ASSISTANCE PROGRAM Sheet 11	10249-W
XXXXX-W	Schedule No. CA-CAP California American Water CUSTOMER ASSISTANCE PROGRAM Sheet 12	

**PRELIMINARY STATEMENT
Summary Table**

Sheet 1

Reference	Account	Tariff	
A	Territory Served by Utility	XXXXX-W	(P)
B	Types and Classes of Service	10169-W	
C	Description of Service	10170-W	
D	Procedure to Obtain Service	10170-W	
E	Symbols	10170-W	
F	Affiliate Transaction Rule IV.D.2 Memorandum Account (ATRMEMO)	10171-W	
G	Catastrophic Event Memorandum Account (CEMA)	10172-W, 10173-W	
I	Cease and Desist Order Memorandum Account (CDOMA)	10174-W	
J	Cease and Desist Order - Penalties and Fines Memorandum Account	10175-W	
K	Chromium-6 Memorandum Account – Sacramento Service Area	10176-W, 10177-W	
L	Consolidated Expense Balancing Account	10178-W	(C)
M	Emergency Rationing Costs Incurred by CAW Memorandum Account	10179-W	
N	Endangered Species Act (ESA) Memorandum Account (Monterey Service Area)	10180-W	
P	Garrapata Service Area - SDWSRF Loan Repayment Balancing Account	10181-W	
R	Customer Assistance Program (CAP) Balancing Account	XXXX-W, XXXX-W	
S	NOAA_ESA Memorandum Account	10185-W	
T	Other Post-Employment Benefits Balancing Account	10186-W	
U	Pension Balancing Account (PBA)	10187-W	
V	San Clemente Dam Balancing Account	10188-W	
W	Coastal Water Project Memorandum Account	10189-W	
Y	Seaside Groundwater Basin Balancing Account	10190-W	(C)
Z	Water Contamination Litigation Expense Memorandum Account (WCLEMA)	10191-W	
AA	West Placer Memorandum Account	10192-W	
AB	Water Revenue Adjustment Mechanism/Modification Cost Balancing Account (WRAM/MCBA)	10193-W, 10194-W, 10195-W, 10196-W	
AD	Water Cost of Capital Mechanism (WCCM)	10197-W	
AE	Credit Card Fees Memorandum Account	10198-W	
AG	School Lead Testing Memorandum Account (SLTMA)	10200-W	
AH	The Memorandum Account for Environmental Improvement and Compliance Issues for Acquisitions	10201-W	
AI	Dunnigan Consulting Memorandum Account	10202-W	
AJ	Water-Energy Nexus Program Memorandum Account (WENMA)	10203-W	

(Continued)

(TO BE INSERTED BY UTILITY)		ISSUED BY	(TO BE INSERTED BY C.P.U.C.)	
Advice	1320-A	J. T. LINAM	Date Filed	_____
Decision		DIRECTOR - Rates & Regulatory	Effective	_____
			Resolution	_____

PRELIMINARY STATEMENT
(Continued)

R. Customer Assistance Program (“CAP”) Balancing Account

1. PURPOSE:

The purpose of the CAP Balancing Account is to track the CAP discounts provided, the CAP surcharges collected, and to adjust the CAP surcharges on January 1 of each year. The surcharge will be applicable to all non-customer assistance program water and wastewater customers. California American Water was granted authority to continue this account in Decision (D.) 21-11-018. Decision (D.) 20-08-047 ordered California American Water to implement a pilot program providing low-income customer discounts for water users in master metered multi-family housing. Per Resolution W-5241 and Advice Letter 1320-A this balancing account contains a sub-account which records low-income discounts and incremental costs associated with the: 1) San Diego Service Area Multifamily Housing in Disadvantaged Communities Program, 2) Low-Income Joint Water and Energy Install Program in Recently Acquired Systems. Specifics of the pilot program are included in California American Water Customer Assistance Program tariff. The project duration is estimated to be approximately one year after project facilities have been selected and contractors identified or until funds are exhausted. California American Water will report on the pilot program in its 2025 General Rate Case filing. However, the component costs and low-income discounts will continue to be tracked in this account until such time as the Commission approves the component to become a permanent part of the low income program, or rejects the particular component and all customers currently receiving discounts from the program are notified 3-months in advance of the termination of the program component. Costs accumulated in this subaccount will be recovered as part of the annual CAP surcharge in the California American Water’s General Rate Case expected to be filed in July 2025.

(N)

(N)

2. APPLICABILITY:

All areas served by California American Water.

(L)

3. ANNUAL SURCHARGE ADJUSTMENT:

The surcharge will be evaluated and adjusted annually in the annual Step Rate filings and will reflect:

- a. A forecast of the December 31st balance in the CAP for the current year that reflects.
 - i. The most recent recorded balance;
 - ii. The assumption that the proportion of CAP to non-customer assistance program residential enrollment in September will remain constant as a proportion of adopted numbers for October through December; and

(L)

(Continued)

(TO BE INSERTED BY UTILITY)		ISSUED BY	(TO BE INSERTED BY C.P.U.C.)	
Advice	1320-A	J. T. LINAM	Date Filed	_____
Decision		DIRECTOR - Rates & Regulatory	Effective	_____
			Resolution	_____

PRELIMINARY STATEMENT
(Continued)

Sheet 2

R. Customer Assistance Program ("CAP") Balancing Account (continued):

3. ANNUAL SURCHARGE ADJUSTMENT (continued):

(L)

- a. A forecast of the December 31st balance in the CAP for the current year that reflects.
(Continued)
 - iii. The assumption that current CAP surcharges will be applied to the estimated non-CAP portion of adopted sales (adopted sales minus estimated CAP sales based on the proportion of CAP to non-customer assistance program residential customers in September), plus interest; and
- b. A forecast of the December 31 balance in the CAP for the following year that reflects:
 - i. The assumption that the proportion of CAP to non-customer assistance program residential enrollment in September of the previous year will remain constant as a proportion of adopted numbers; and
 - ii. The assumption that the new surcharges will be applied to the estimated non-customer assistance program portion of adopted sales (adopted sales minus estimated CAP sales based on the proportion of CAP to non-customer assistance program residential customers in September of the previous year), plus interest.

4. ACCOUNTING PROCEDURE:

The following entries will be recorded:

- a. A debit entry equal to the recorded customer discounts.
- b. A credit entry equal to the surcharges collected from the customers not qualified to participate in the CAP.
- c. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90-day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

5. RATEMAKING PROCEDURE:

Customer assistance discount of 20%, for all districts except for the Monterey Service Area within Central Division, shall be applied to all monthly service fees, the tier one billed usage amount and the tier two usage amount. A customer assistance discount of 30% for Monterey Service Area shall be applied to all monthly service fees, and the first three tiers billed usage. A customer assistance discount of 35% for the Active Monterey Wastewater Area shall be applied to all monthly service fees. Surcharges will be evaluated and adjusted annually in the annual Step Rate filings to ensure appropriate collection.

(L)

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(TO BE INSERTED BY UTILITY)		ISSUED BY	(TO BE INSERTED BY C.P.U.C.)	
Advice	1320-A	J. T. LINAM	Date Filed	_____
Decision		DIRECTOR - Rates & Regulatory	Effective	_____
			Resolution	_____

CALIFORNIA-AMERICAN WATER COMPANY

655 W. Broadway, Suite 1410
San Diego, CA 92101

Cancelling Revised
Revised

Cal. P.U.C. Sheet No. XXXXX-W
Cal. P.U.C. Sheet No. 10400-W

Schedule No. CA-CAP
California American Water
CUSTOMER ASSISTANCE PROGRAM

Sheet 4

RATES:

Central Division:

Monterey Service Area

Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>
For the first 29.9 CGL.....	\$0.7333
For the next 29.9 CGL.....	\$1.0999
For the next 54.5 CGL.....	\$2.9331
For all water delivered over 114.3 CGL.....	\$6.2851

Service Charge: General Metered

	<u>Per Meter</u> <u>Per Month</u>	
For 5/8 x 3/4-inch meter.....	\$20.08	(R) (R)
For 3/4-inch meter.....	\$32.73	
For 1-inch meter.....	\$60.24	
For 1-1/2-inch meter.....	\$160.43	
For 2-inch meter.....	\$268.26	
For 3-inch meter.....	\$502.99	
For 4-inch meter.....	\$867.83	
For 6-inch meter.....	\$1,823.62	
For 8-inch meter.....	\$2,917.75	(R)

Central Satellite -- Ambler Park, Toro, Ralph Lane, Garrapata Service Areas

Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>
For the first 59.8 CGL.....	\$0.6067
For the next 74.8 CGL.....	\$1.0111
For the next 650.8 CGL.....	\$1.2134
For all water delivered over 785.4 CGL.....	\$2.2119

(Continued)

<u>(TO BE INSERTED BY UTILITY)</u>	<u>ISSUED BY</u>	<u>(TO BE INSERTED BY C.P.U.C.)</u>
Advice 1320-A	J. T. LINAM	Date Filed _____
Decision	DIRECTOR - Rates & Regulatory	Effective _____
		Resolution _____

Schedule No. CA-CAP
California American Water
CUSTOMER ASSISTANCE PROGRAM

Sheet 6

RATES:

Southern Division

Los Angeles Service Areas – Duarte, San Marino, Rio Plaza

Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>
For the first 85 CGL.....	\$0.3688
For the next 50 CGL.....	\$0.5302
For the next 163 CGL.....	\$0.7606
For all water delivered over 298 CGL.....	\$0.8546

Los Angeles Service Areas – Baldwin Hills

Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>
For the first 85 CGL.....	\$0.4134
For the next 50 CGL.....	\$0.5943
For the next 163 CGL.....	\$0.8526
For all water delivered over 298 CGL.....	\$0.9580

Ventura Service Area

Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>
For the first 85 CGL.....	\$0.4721
For the next 50 CGL.....	\$0.6786
For the next 163 CGL.....	\$0.9735
For all water delivered over 298 CGL.....	\$1.0938

San Diego Service Area

Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>
For the first 85 CGL.....	\$0.6540
For the next 50 CGL.....	\$0.9401
For the next 163 CGL.....	\$1.3488
For all water delivered over 298 CGL.....	\$1.5154

Multi-Family Pilot Customers \$0.8174 (N)

(Continued)

(TO BE INSERTED BY UTILITY)
Advice 1320-A
Decision

ISSUED BY
J. T. LINAM
DIRECTOR - Rates & Regulatory

(TO BE INSERTED BY C.P.U.C.)
Date Filed _____
Effective _____
Resolution _____

Schedule No. CA-CAP
California American Water
CUSTOMER ASSISTANCE PROGRAM

SPECIAL CONDITIONS APPLICABLE TO CUSTOMER ASSISTANCE PROGRAM (Continued):

General Items

(L)
(L)

3. **Customer Assistance Program (CAP) for Nonprofit Group Living Facilities:** (Continued)

c. Additional requirements:

Group living facilities must provide special-needs social services such as meals or rehabilitation and may have satellite facilities in the name of one licensed organization that meet the same requirements as the main facility. Group living facilities include transitional housing such as drug rehabilitation centers or halfway houses, short-or long-term – care facilities, group homes for the physically or mentally challenged and other nonprofit group living facilities.

Homeless shelters, hospices and women’s shelters must provide lodging as the primary Function, must be open for operation with at least six beds for a minimum of 180 days and/or nights per year and may also have satellite facilities in the name of one licensed organization that meet the same requirements as the main facility.

Separate applications must be filed for each type of facility (a homeless shelter, a women’s shelter, a hospice or group living facility), even if they are under one licensed organization.

4. **Customer Assistance Program (CAP) for Multi-Family Units:** Per Ordering Paragraph 5 of D.20-08-047 and Resolution W-5241, California American Water will offer discounts on water usage for low-income multifamily buildings under a pilot program as defined in the Preliminary Statement authorizing such program. The pilot program will consist of two program components:

(N)

a. **Multi-Family Housing in Disadvantaged Communities:** This Program component would be applicable only to master metered buildings in a disadvantaged or severely disadvantaged community (“DAC/SDAC”) in the San Diego Service Area.

1. Eligible master metered account holders would receive the Low-Income Ratepayer Assistance Discount in the applicable service area which includes a meter-based discount and a discount on volumetric charges, based on the percentage of eligible residents as compared to the total residents.
2. This program will require building partnerships with local community-based organizations in our San Diego Service Area.

(N)

(Continued)

(TO BE INSERTED BY UTILITY)		ISSUED BY	(TO BE INSERTED BY C.P.U.C.)	
Advice	1320-A	J. T. LINAM	Date Filed	_____
Decision		DIRECTOR - Rates & Regulatory	Effective	_____
			Resolution	_____

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Schedule No. CA-CAP
California American Water
CUSTOMER ASSISTANCE PROGRAM

Sheet 12

SPECIAL CONDITIONS APPLICABLE TO CUSTOMER ASSISTANCE PROGRAM (Continued):

(N)

General Items (Continued):

4. **Customer Assistance Program (CAP) for Multi-Family Units:** (Continued)

- b. **Low-Income Joint Water and Energy Install Program:** This program component would expand existing water energy retrofit programs that are currently conducted jointly with energy providers to currently un-served multifamily buildings and mobile home parks. The program that currently extends hot and cold-water measures including appliances, fixtures, and weatherization to low-income housing is funded jointly by California American Water and the energy utility.

(N)

Fees and Surcharges

- 1. Please reference each district's Tariff Schedule 1 for a list of applicable fees and surcharges. Low-Income Ratepayer Assistance Program customers are exempt from the Low-Income Ratepayer Assistance Balancing Account surcharge.

(L)

(L)

(Continued)

(TO BE INSERTED BY UTILITY)		ISSUED BY	(TO BE INSERTED BY C.P.U.C.)	
Advice	1320-A	J. T. LINAM	Date Filed	_____
Decision		DIRECTOR - Rates & Regulatory	Effective	_____
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CALIFORNIA-AMERICAN WATER COMPANY
ADVICE LETTER 1320-A
SUPPORTING DOCUMENTATION FOR STAFF

Multifamily Pilot Program – All Districts
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R.17-06-024 COM/MGA/avs

9. The process to achieve consolidation should be as effective and efficient as possible.
10. Water utilities should provide analysis in their next GRC case to determine the appropriate Tier 1 breakpoint that aligns with the baseline amount of water for basic human needs for each ratemaking area.
11. Water utilities should consider and provide analysis for establishing a baseline not set below both the Essential Indoor Usage of 600 cubic feet per household per month, as stated in the Affordability Rulemaking (R.18-07-006) and the average winter use in each ratemaking district.
12. California-American Water Company should be directed to file a Tier 3 advice letter, within 120-days of the issuance of this decision, outlining a pilot program based on AL1221 that provides a discount to low-income multi-family dwellings through their housing providers.
13. All other Class A water utilities interested in creating a low-income multi-family pilot program should file a Tier 3 advice letter that includes at least the same level of detail.
14. All pending motions in this proceeding not specifically addressed in this decision, or not previously addressed, should be denied as moot.
15. This proceeding should remain open to consider Phase II issues.

O R D E R

IT IS ORDERED that:

1. In any future general rate case applications filed after the effective date of this decision, a water utility must discuss how these specific factors impact the sales forecast presented in the application:

R.17-06-024 COM/MGA/avs

- (a) Impact of revenue collection and rate design on sales and revenue collection;
- (b) Impact of planned conservation programs;
- (c) Changes in customer counts;
- (d) Previous and upcoming changes to building codes requiring low flow fixtures and other water-saving measures, as well as any other relevant code changes;
- (e) Local and statewide trends in consumption, demographics, climate population density, and historic trends by ratemaking area; and
- (f) Past Sales Trends.

2. Water utilities shall provide analysis in their next general rate case applications to determine the appropriate Tier 1 breakpoint that is not less than the baseline amount of water for basic human needs for each ratemaking area.

3. California-American Water Company, California Water Service Company, Golden State Water Company, Liberty Utilities (Park Water) Corporation, and Liberty Utilities (Apple Valley Ranchos Water) Corporation, in their next general rate case applications, shall not propose continuing existing Water Revenue Adjustment Mechanisms/Modified Cost Balancing Accounts but may propose to use Monterey-Style Water Revenue Adjustment Mechanisms and Incremental Cost Balancing Accounts.

4. Commission regulated water utilities shall name or rename their respective low-income water assistance program as "Customer Assistance Program" as part of their next general rate case applications. Water utilities with low-income programs shall describe their programs in filings and public

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outreach with the name “Customer Assistance Program.” Water utilities may use the CAP acronym where appropriate.

5. California-American Water Company shall file a Tier 3 advice letter, within 120-days of the issuance of this decision, outlining a pilot program that provides a discount to water users in low-income multi-family through their housing providers.

6. Each water utility shall comply with existing reporting requirements as summarized below:

- Annual reporting requirements from Decision (D.) 11-05-004.
- To each Annual Report, reference Minimum Data Requests submitted in the prior year period as part of 1) General Rate Case (GRC) filing, 2) applications for acquisitions (or expansion based on new requirement in this decision).
- Compliance, and associated data and analysis with orders from D.14-10-047, and D.16-12-026 in each GRC filing.
- Inclusion of disconnection and payment behaviors required in this proceeding beginning in June 2020 through June 2021.

7. In any application by a water utility for consolidation or acquisition of another system, the utility shall provide the information identified in Section 10, Water Consolidation Timelines, above as part of the application or with the Minimum Data Request in order to help streamline consideration of its application.

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8. All pending motions in this proceeding not specifically addressed in this decision, or not previously addressed, are denied.

9. Rulemaking 17-06-024 remains open to consider Phase II issues.

This order is effective today.

Dated August 27, 2020, at San Francisco, California.

MARYBEL BATJER

President

MARTHA GUZMAN ACEVES

CLIFFORD RECHTSCHAFFEN

GENEVIEVE SHIROMA

Commissioners

I will file a dissent.

LIANE M. RANDOLPH

Commissioner

DATE OF ISSUANCE: 06/03/2022**PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA****WATER DIVISION****RESOLUTION W-5241****June 2, 2022****RESOLUTION**

(RES. W-5241), CALIFORNIA-AMERICAN WATER COMPANY, ORDER AUTHORIZING IMPLEMENTATION OF A MULTI-FAMILY ASSISTANCE PILOT PROGRAM AND ASSOCIATED COST TRACKING IN A MODIFIED CUSTOMER ASSISTANCE PROGRAM BALANCING ACCOUNT.

By Advice Letter 1320, filed January 4, 2021.

SUMMARY

By Advice Letter (AL) 1320, filed on January 4, 2021, California-American Water Company (Cal-Am) seeks authority to implement a multi-family assistance pilot program as directed by Decision 20-08-047, Ordering Paragraph 5, and track associated costs in a modified Customer Assistance Program (CAP) balancing account and a new Fruitridge Vista Multi-family Meter Retrofit (MFMR) Memorandum Account. This Resolution authorizes Cal-Am to implement a multi-family assistance pilot program and track associated costs in a modified CAP balancing account.

BACKGROUND

In Order Instituting Rulemaking (R.) 17-06-024, the Commission seeks to examine rate assistance for all low-income water users of investor-owned water utilities. Decision (D.) 20-08-047, adopted by the Commission on August 27, 2020, directs California-American Water Company (Cal-Am) to outline a pilot program that provides a discount to water users in low-income multi-family housing:

“Ordering Paragraph 5. California-American Water Company shall file a Tier 3 advice letter, within 120-days of the issuance of this decision, outlining a pilot program that provides a discount to water users in low-income multi-family through their housing providers.”

In Advice Letter (AL) 1320, filed on January 4, 2021, Cal-Am seeks to implement a multifamily assistance pilot program through four components:

1. Program Component 1 – Multi-family Housing Discounts in Disadvantaged Communities – San Diego Service Area.
2. Program Component 2 – Multi-family Low-Income Housing Tax Credit Recipients – Sacramento and Monterey Area.
3. Program Component 3 – Meter Retrofit for Fruitridge Vista Multi-family Units.
4. Program Component 4 – Low-Income Joint Water and Energy Install Program – Recently Acquired Systems.

Through Component 1, Cal-Am will identify eligible tenants in the San Diego Service Area within master metered buildings and work with Community Based Organizations to provide CAP discounts directly to tenants, who pay a share of the master metered bill. A total CAP discount for the building would be calculated by using the proportion of CARE/CAP eligible tenants out of the total amount of housing units, which would then be divided equally among eligible tenants.

Component 2 would provide discounts in the Sacramento and Monterey Service Areas to affordable housing properties,¹ which as a whole are eligible for California Low-Income Housing Tax Credits for all units. The building owner would receive the discount because tenants are charged a fixed fee for utilities, regardless of the actual master metered bill. The tenants would not receive a discount directly.

Component 3 would provide individual water meters to tenants in duplexes and four-unit multifamily buildings in the Fruitridge service area. The metered tenants will be able to utilize Cal-Am's ratepayer assistance programs, conservation programs, and payment options.

Component 4 would expand existing water energy retrofit programs in all of Cal-Am's service areas that are currently conducted jointly with energy providers to multifamily buildings and mobile home parks. The retrofit program that currently extends hot and cold-water measures, including appliances, fixtures, and weatherization, to low-income housing is funded jointly by Cal-Am and the energy investor-owned utilities and has

¹ Affordable housing properties have verified affordable housing tax credit status for 100 percent of its units.

WD

predominantly been utilized by single-family households. Typically, the participating energy utility covers the cost of hot water measures, such as water heater, showerhead, and washing machine upgrades, with the water utility covering cold water measure costs, such as toilet upgrades, aerators, and leak repairs. This component would explore extending the program applicability to multifamily buildings and mobile home parks, both master metered and individually metered.

Costs of Components 1, 2, and 4 would be tracked in Cal-Am's existing Customer Assistance Program (CAP)² balancing account. Component 3 costs would be tracked in Cal-Am's proposed Multi-family Meter Retrofit (MFMR) memorandum account.

In AL 1320, Cal-Am requests to implement a multi-family assistance pilot program, track costs in a sub-account of the CAP balancing account, and establish the MFMR memorandum account with the proposed modified tariffs attached to this Resolution (Attachment A³):

1. Customer Assistance Program (CAP) Balancing Account. This balancing account will contain a sub-account which records low-income discounts and incremental costs associated with the multi-family assistance pilot program. Costs accumulated in this sub-account may be requested for recovery as part of the annual surcharge in Cal-Am's first General Rate Case Proceeding following approval of this Resolution.
2. Fruitridge Vista Multi-family Meter Retrofit Memorandum Account (MFMR). This memorandum account would track incremental costs incurred to individually meter the currently master-metered duplex and multi-plex units in the newly acquired Fruitridge Vista service area. Recovery of the tracked costs may be requested by Tier 3 advice letter to place into rates the costs tracked in the MFMR memorandum account.

Cal-Am would include a report in the General Rate Case Proceeding expected to be filed in July 2025 that examines the effectiveness, enrollment figures, and a quantification of benefits of the first project component. The report would also describe in detail the progress of implementing the fourth component.

² Cal-Am's Low Income Ratepayer Assistance (LIRA) program was renamed the Customer Assistance Program (CAP) by advice letter 1326 filed on March 5, 2021.

³ MFMR removed from requested tariffs in Attachment A.

NOTICE AND PROTESTS

Consistent with General Order (GO) 96-B, General Rule 4.2 and Water Industry Rule 3.1, Cal-Am provided notice of this request in customer bills.

In accordance with GO 96-B, General Rules 4.3 and 7.2, and Water Industry Rule 4.1, Cal-Am mailed or electronically transmitted a copy of this advice letter on January 4, 2021 to competing and adjacent utilities and other utilities or interested parties having requested such notification.

No protests were received.

DISCUSSION

D.20-08-047 authorizes Cal-Am to outline a pilot program that provides a discount to water users in low-income multi-family through their housing providers modeled after Cal-Am's previously filed and rejected AL 1221. In AL 1221, Cal-Am requested to provide CAP discounts to operators of "Affordable Housing Facilities" that qualify through California Tax Credit Allocation Committee compliance. The advice letter was rejected because the request did not provide detail on how the cost of water service is factored into "Affordable Housing Facilities" lease rates and would not provide substantial assistance to the majority of low-income tenants in multi-family residences. The new discounts would have only applied to a low number of facilities in the Monterey District and tenants would not receive discounts directly.

In compliance with D.20-08-047, Cal-Am filed AL 1320 on January 4, 2021 seeking to implement a multifamily assistance pilot program through four components. Program Component 1 offers a discount to water users in low-income multi-family housing as prescribed in D.20-08-047.

Through Program Component 1, Cal-Am would target one or more master metered building(s) in a disadvantaged or severely disadvantaged community and establish a partnership to provide Customer Assistance Program (CAP) discounts to tenants. For Program Component 1, Water Division has determined that there are approximately 2,057 potential discount recipients in the San Diego district. The cost of these discounts, based on typical customer usage, is estimated to be \$209,000 per year, or \$101.60 per recipient.

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Program Component 2 would offer a discount to the owners of affordable housing properties with verified affordable housing tax credit status and who charge a fixed fee for utilities. For Program Component 2, Water Division has determined that there are approximately 2,488 potential discount recipients in the Sacramento and Monterey districts. The cost of these discounts is estimated to be \$160,000 per year, or \$64.31 per recipient.

Program Component 3 proposes retrofitting meters to multi-family buildings in the Fruitridge Vista service area to individual metering. Water Division has determined that Program Component 3 costs to retrofit Fruitridge Vista's 150 duplex and 50 four-unit buildings are estimated to be \$6,945 per unit for a total of \$3,472,500. The costs would be tracked in the MFMR memorandum accounting and Cal-Am would request recovery by Tier 3 advice letter if this memorandum account was approved.

Program Component 4 proposes to expand Cal-Am's existing water energy retrofit programs to include multi-family buildings and mobile home parks. Cal-AM proposes that the budget for the water energy multi-family retrofit program will not exceed \$200,000 for the duration of the pilot program. Costs would be tracked in a sub-account of the CAP balancing account to be recovered by surcharge in Cal-Am's General Rate Case expected to be filed in July 2025.

We find that the multi-family assistance pilot program consisting of Components 1 and 4 are reasonable and in compliance with D.20-08-047. These pilot program components offer an opportunity to deliver benefits to low-income renters in multi-family buildings that do not pay a water bill directly. Costs for Program Component 1 should be capped at \$250,000 per year to capture the estimated costs and allow for a degree of uncertainty. We find Cal-Am's proposed \$200,000 budget for component 4 is reasonable and should be approved.

We find that Program Component 2 is not consistent with the parameters outlined for pilot programs in D.20-08-047. Specifically, this decision required among other things that an advice letter proposing pilot programs outline and address "[h]ow the utility will trace the program benefit directly to the users who do not receive water bills?" D.20-08-047 page 81. Program Component 2 does not deliver discounts or benefits directly to low-income renters as described in D.20-08-047, and therefore the program benefits do not trace directly to the users of water. For this reason, Program Component 2 should be rejected.

We also find that Program Component 3 is not a prudent and reasonable component of the multi-family low-income discount pilot program outlined by D.20-08-047. The installation of individual meters is not based on the discount program proposed in Advice Letter 1221. Furthermore, the installation costs are high given that there are no quantifiable benefits. Program Component 3 of the proposed multi-family low-income discount pilot program should be rejected, as should the request to open a memorandum account for the purpose of implementing Component 3.

Cost tracking of for pilot program Components 1 & 4 through modifications to Cal-Am's existing CAP balancing account will allow for review of the pilot program and associated costs. Program Component 1 and 4 costs should be capped at the amounts outlined above. Costs accumulated in this sub-account may be requested for recovery as part of the annual CAP surcharge collected from all non-customer assistance program customers in Cal-Am's General Rate Case Proceeding expected to be filed in July 2025. All associated tariffs are attached to this Resolution as Attachment A.

In the General Rate Case proceeding expected to be filed in July 2025, Cal-Am should include a report that examines the effectiveness of Program Components 1 and 4. This report shall examine the effectiveness, enrollment figures, and a quantification of benefits of the first project component. The report shall describe in detail the progress of implementing the fourth component. In the aforementioned General Rate Case proceeding, continuation of the pilot program can be determined.

ENVIRONMENTAL AND SOCIAL JUSTICE

In February 2019, the Commission adopted version 1.0 of its Environmental and Social Justice Action Plan (ESJ Action Plan) to serve as a roadmap to expand public inclusion in Commission decision-making processes to targeted communities across California. The ESJ Action Plan establishes a series of goals related to health and safety, consumer protection, program benefits, and enforcement in all the sectors the Commission regulates. On October 26, 2021, the Commission issued for public comment a Draft of its ESJ Action Plan Version 2.0, which enhances the underlying objectives of the nine goals identified in Version 1.0 of the adopted ESJ Action Plan. All goals remained the same with the exception of goal #7 related to workforce development, which has been revised to include emphasis on job quality and access. With this Resolution, the Commission addresses Goals #1 and #3 of the ESJ Action Plan, "Consistently integrate equity and access considerations throughout

Commission regulatory activities; and strive to improve access to high-quality water, communications, and transportation services for ESJ communities.”

The Commission acknowledges that some populations in California, such as those served in multi-family housing situations, are unable to take advantage of the Commission’s Consumer Assistance Programs. The ESJ Action Plan tasks the Commission with the responsibility to serve Californians in a way that helps address these inequities. The actions proposed in this Resolution for establishing a multi-family assistance pilot program creates a pathway to provide affordable water service to communities that currently do not have access to the Commission’s Consumer Assistance Programs.

Meadowbrook, located in Merced County, is classified as a disadvantaged community, as defined by Health and Safety Code Section 116275, subd. (aa). The California Communities Environmental Health Screening Tool, Version 3 (CalEnviroScreen 3.0) provided by the California Environmental Protection Agency, identifies disadvantaged communities by collecting multiple metrics and outputting a single value at the census tract scale. CalEnviroScreen 3.0 ranks Meadowbrook in the 90-95th percentile of the highest scoring census tracts statewide. The census tract falls into the 84th percentile for Impaired Water and in the 78th percentile for Groundwater Threats.

A portion of Rosemont, located in Sacramento County, is classified as a disadvantaged community, as defined by Health and Safety Code Section 116275, subd. (aa). CalEnviroScreen 3.0 ranks Rosemont in the 90-95th percentile of the highest scoring census tracts statewide. The census tract falls into the 72nd percentile for Impaired Water and in the 93rd percentile for Groundwater Threats.

Fruitridge, located in Sacramento County, is classified as a disadvantaged community, as defined by Health and Safety Code Section 116275, subd. (aa). CalEnviroScreen 3.0 ranks Fruitridge in the 75-80th percentile of the highest scoring census tracts statewide. The census tract falls into the 49th percentile for Impaired Water and in the 85th percentile for Groundwater Threats.

Cal-Am's San Diego service area is not classified as a disadvantaged community, as defined by Health and Safety Code Section 116275, subd. (aa). CalEnviroScreen 3.0 ranks San Diego in the 60-65th percentile of the highest scoring census tracts statewide. The census tract falls into the 29th percentile for Impaired Water and in the 64th percentile for Groundwater Threats.

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Cal-Am's Monterey service area is not classified as a disadvantaged community, as defined by Health and Safety Code Section 116275, subd. (aa). CalEnviroScreen 3.0 ranks Monterey in the 20-25th percentile of the highest scoring census tracts statewide. The census tract falls into the 63rd percentile for Impaired Water and in the 90th percentile for Groundwater Threats.

Dunnigan, located in Yolo County, is not classified as a disadvantaged community, as defined by Health and Safety Code Section 116275, subd. (aa). CalEnviroScreen 3.0 ranks Dunnigan in the 55-60th percentile of the highest scoring census tracts statewide. The census tract falls into the 96th percentile for Impaired Water and in the 93rd percentile for Groundwater Threats.

Hillview, located in Madera County, is not classified as a disadvantaged community, as defined by Health and Safety Code Section 116275, subd. (aa). CalEnviroScreen 3.0 ranks Hillview in the 20-25th percentile of the highest scoring census tracts statewide. The census tract falls into the 15th percentile for Impaired Water and in the 61st percentile for Groundwater Threats.

Given these definitions and considerations, we find that Cal-Am's pilot program will provide rate relief to low-income water users not otherwise eligible under the Commission's Consumer Assistance Program.

AFFORDABILITY OF PROPOSED RATES

The affordability impact of the pilot program shall be evaluated in Cal-Am's pilot program report in the General Rate Case expected to be filed in July 2025.

COMMENTS

Public Utilities Code Section 311(g)(1) provides that resolutions generally must be served on all parties and subject to at least 30 days public review and comment prior to a vote of the Commission.

Accordingly, this Proposed Resolution was mailed for public comment on April 29, 2022.

No Comments were received.

FINDINGS AND CONCLUSIONS

1. On January 4, 2021, California-American Water Company (Cal-Am) filed Advice Letter (AL) 1320 requesting authority to implement a multifamily assistance pilot program as directed by Decision 20-08-047, Ordering Paragraph 5, and track associated costs in a modified Customer Assistance Program (CAP) balancing account and a new Fruitridge Vista Multi-family Meter Retrofit (MFMR) Memorandum Account as laid out in Attachment A, with exception for the MFMR Memorandum Account, to this Resolution.
2. The Customer Assistance Program (CAP) Balancing Account will contain a sub-account which records low-income discounts and incremental costs associated with the multi-family assistance pilot program. Costs accumulated in this sub-account may be requested for recovery as part of the annual CAP surcharge collected from all non-customer assistance program water and wastewater customers in Cal-Am's General Rate Case expected to be filed in July 2025.
3. On February 2, 2021, Water Division suspended AL 1320 for additional time to review.
4. Program Component 1 proposes to offer a CAP discount to water users in low-income multi-family housing in the San Diego service area.
5. Program Component 1 pilot costs are estimated to total \$209,000 per year.
6. Program Component 1 should be approved with costs capped at \$250,000 per year and tracked in a sub-account of the CAP balancing account.
7. Program Component 2 proposes to offer a discount to owners of affordable housing properties with verified affordable housing tax credit status and who charge a fixed fee for utilities.
8. Program Component 2 pilot costs are estimated to total \$160,000 per year.
9. Program Component 2 should be rejected because it does not provide discounts directly to low-income renters and consequently the program benefits to water users as contemplated in Decision 20-08-047.
10. Program Component 3 proposes retrofitting multi-family buildings in the Fruitridge Vista service area with individual water meters.

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11. Program Component 3 pilot costs are estimated to total \$3,472,500 and would be tracked in a newly established memorandum account.
12. Program Component 3 of the pilot program to retrofit meters in the Fruitridge district is not a prudent use of funding from the CAP program because the benefits to prospective recipients do not exceed the program costs and should be rejected.
13. Program Component 4 proposed expanding existing water energy retrofit programs available to single-family residences to include multi-family buildings and mobile home parks.
14. Program Component 4 pilot costs are estimated to total \$200,000 per year.
15. The Program Component 4 should be approved with a budget that should not exceed \$200,000 for the duration of the pilot program.
16. California-American Water Company should be allowed to implement a sub-account to the Customer Assistance Program (CAP) Balancing Account as set forth in this Resolution (Attachment A).
17. The tariff schedules attached to this Resolution (Attachment A) should be approved in a subsequent Tier 1 advice letter filing.
18. Cal-Am should include a report in the General Rate Case proceeding expected to be filed in July 2025 that examines the effectiveness, enrollment figures, and a quantification of benefits of the first project component. The report shall describe in detail the progress of implementing the fourth component. In the aforementioned General Rate Case proceeding, the continuation of the pilot program should be determined.

THEREFORE, IT IS ORDERED THAT:

1. California-American Water Company's Advice Letter 1320 requesting Commission authorization to implement a multi-family assistance pilot program as directed by Decision 20-08-047, Ordering Paragraph 5, and track associated costs in a modified Customer Assistance Program (CAP) balancing account is approved as modified and set forth in this Resolution.
2. Program Component 1 of the pilot program to offer low-income discounts to water users in low-income multi-family housing in the San Diego service area is approved.
3. Program Component 1 pilot costs shall be capped at \$250,000 per year.
4. Program Component 2 of the pilot program to offer low-income discounts to owners of affordable housing properties is rejected.
5. Program Component 3 of the pilot program to retrofit multi-family buildings in the Fruitridge Vista service area to individual metering is rejected.
6. The request for establishment of a new Fruitridge Vista Multi-family Meter Retrofit Memorandum Account is rejected.
7. Program Component 4 of the pilot program to expand the water energy retrofit program to include multi-family buildings and mobile home parks is approved.
8. The Program Component 4 budget shall not exceed \$200,000 for the entirety of the pilot program.
9. California-American Water Company is authorized to file a Tier 1 advice letter to make effective the tariff schedules in Attachment A to this Resolution.
10. California-American Water Company is authorized to cancel the presently-effective tariff schedules corresponding to the tariff schedules in Attachment A to this Resolution.
11. Cal-Am shall include a report in the General Rate Case expected to be filed in July 2025 that examines the effectiveness, enrollment figures, and a quantification of benefits of the first project component. The report shall also describe in detail the progress of implementing the fourth component.

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12. In the General Rate Case proceeding expected to be filed in July 2025, continuation of the pilot program shall be determined.

This resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on June 2, 2022; the following Commissioners voting favorably thereon:

/s/RACHEL PETERSON

RACHEL PETERSON
Executive Director

ALICE BUSCHING REYNOLDS
President

CLIFFORD RECHTSCHAFFEN

GENEVIEVE SHIROMA

DARCIE L. HOUCK

JOHN REYNOLDS

Commissioners

ATTACHMENT A

CALIFORNIA-AMERICAN WATER COMPANY 655 W. Broadway, Suite 1410 San Diego, CA 92101	Cancelling Revised Revised	Revised Revised	Cal. P.U.C. Sheet No. Cal. P.U.C. Sheet No.	XXXX-W 9648-W
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PRELIMINARY STATEMENT Sheet 1
(Continued)

R. Low-Income Ratepayer Assistance Program ("LIRA") Balancing Account

1. PURPOSE:

The purpose of the LIRA Balancing Account is to track the LIRA discounts provided, the LIRA surcharges collected, and to adjust the LIRA surcharges on January 1 of each year. The surcharge will be applicable to all non-low-income water and wastewater customers. California American Water was granted authority to continue this account in Decision (D.) 18-12-021. Decision (D.) 20-08-047 ordered California American Water to implement a pilot program providing low-income customer discounts for water users in master metered multi-family housing. This balancing account contains a sub-account which records low-income discounts and incremental costs associated with the: 1) San Diego Service Area Multifamily Housing in Disadvantaged Communities Program, 2) Sacramento and Monterey Service Area Multifamily Low-Income Housing Tax Credit Recipients Program, and 3) Low-Income Joint Water and Energy Install Program in Recently Acquired Systems. Specifics of the pilot program are included in California American Water Low-Income Ratepayer Assistance Program tariff. This pilot will run from the time of actual implementation of all components of the pilot program for a period of 12-month period, after which time a report will be submitted to the Commission. However, the component costs and low-income discounts will continue to be tracked in this account until such time as the Commission approves the component to become a permanent part of the low income program, or rejects the particular component and all customers currently receiving discounts from the program are notified 3-months in advance of the termination of the program component. Costs accumulated in this subaccount will be recovered as part of the annual surcharge in the first Rate Case after the Commission rejects, partially accepts/rejects or fully accepts the components of the pilot program. (N)

2. APPLICABILITY:

All areas served by California American Water.

3. ANNUAL SURCHARGE ADJUSTMENT:

The surcharge will be evaluated and adjusted annually in the annual Step Rate filings and will reflect:

- a. A forecast of the December 31st balance in the LIRA for the current year that reflects.
 - i. The most recent recorded balance;
 - ii. The assumption that the proportion of LIRA to non-LIRA residential enrollment in September will remain constant as a proportion of adopted numbers for October through December; and
 - iii. The assumption that current LIRA surcharges will be applied to the estimated non-LIRA portion of adopted sales (adopted sales minus estimated LIRA sales based on the proportion of LIRA to non-LIRA residential customers in September), plus interest; and

(Continued)

(TO BE INSERTED BY UTILITY)	ISSUED BY	(TO BE INSERTED BY C.P.U.C.)
Advice 1320	J. T. LINAM	Date Filed _____
Decision	DIRECTOR - Rates & Regulatory	Effective _____
		Resolution _____

CALIFORNIA-AMERICAN WATER COMPANY
655 W. Broadway, Suite 1410
San Diego, CA 92101

Cancelling Revised
Revised

Cal. P.U.C. Sheet No.
Cal. P.U.C. Sheet No.

XXXXX-W
9649-W

PRELIMINARY STATEMENT
(Continued)

Sheet 2

R. Low-Income Ratepayer Assistance Program ("LIRA") Balancing Account (continued):

b. A forecast of the December 31 balance in the LIRA for the following year that reflects:

- i. The assumption that the proportion of LIRA to non-LIRA residential enrollment in September of the previous year will remain constant as a proportion of adopted numbers; and
- ii. The assumption that the new surcharges will be applied to the estimated non-LIRA portion of adopted sales (adopted sales minus estimated LIRA sales based on the proportion of LIRA to non-LIRA residential customers in September of the previous year), plus interest.

(L)
|
(L)

4. ACCOUNTING PROCEDURE:

The following entries will be recorded continued with the date of Decision (D.) 18-12-021:

- a. A debit entry equal to the recorded customer discounts.
- b. A credit entry equal to the surcharges collected from the customers not qualified to participate in the LIRA.
- c. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90-day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

5. RATEMAKING PROCEDURE:

Low income discount of 20%, for all districts except for the Monterey Service Area within Central Division, shall be applied to all monthly service fees, the tier one billed usage amount and the tier two usage amount. A low-income discount of 30% for Monterey Service Area shall be applied to all monthly service fees, and the first four tiers billed usage. Surcharges will be evaluated and adjusted annually in the annual Step Rate filings to ensure appropriate collection.

(Continued)

(TO BE INSERTED BY UTILITY)		ISSUED BY	(TO BE INSERTED BY C.P.U.C.)	
Advice	1320	J. T. LINAM	Date Filed	_____
Decision		DIRECTOR - Rates & Regulatory	Effective	_____
			Resolution	_____

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CALIFORNIA-AMERICAN WATER COMPANY		Revised	Cal. P.U.C. Sheet No.	XXXX-W
655 W. Broadway, Suite 1410	Cancelling	Revised	Cal. P.U.C. Sheet No.	XXXX-W
San Diego, CA 92101				

Schedule No. CA-LIRA Sheet 1
California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

APPLICABILITY

Applicable to individually metered and flat rate residential customers, qualified non-profit group living facilities, qualified agricultural employee housing facilities, and migrant farm worker housing centers, and qualified Multifamily housing providers under the Multi-family Ratepayer Assistance Pilot Program where the customer meets all the special conditions of this schedule. (N)

TERRITORY

All territories served by California American Water Company

RATES:

Northern Division:

Sacramento Service Area

Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>	
For the first 74.8 CGL	\$0.3170	(P)
For next 74.8 CGL	\$0.4250	(P)
For all water delivered over 149.6 CGL	\$0.8315	(P)

Multi-Family Pilot Customers: \$0.3696 (N)

Service Charge: General Metered

	<u>Per Meter Per Month</u>	
For 5/8 x 3/4-inch meter.....	\$11.94	(P)
For 3/4-inch meter.....	\$17.92	
For 1-inch meter.....	\$29.86	
For 1-1/2-inch meter.....	\$59.71	
For 2-inch meter.....	\$95.53	
For 3-inch meter.....	\$179.12	
For 4-inch meter.....	\$298.54	
For 6-inch meter.....	\$597.08	
For 8-inch meter.....	\$955.33	
For 10-inch meter.....	\$1,373.28	
For 12-inch meter.....	\$2,567.44	(P)

Larkfield Service Area

Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>	
For the first 52.4 CGL	\$0.7204	(P)
For the next 52.4 CGL	\$0.7788	
For the next 139.4 CGL	\$1.3849	(P)
For all water delivered over 243.9 CGL.....	\$1.8010	

(Continued)

<u>(TO BE INSERTED BY UTILITY)</u>	<u>ISSUED BY</u>	<u>(TO BE INSERTED BY C.P.U.C.)</u>
Advice 1320	J. T. LINAM	Date Filed _____
Decision	DIRECTOR - Rates & Regulatory	Effective _____
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CALIFORNIA-AMERICAN WATER COMPANY		Revised	Cal. P.U.C. Sheet No.	XXXX-W
655 W. Broadway, Suite 1410	Cancelling	Revised	Cal. P.U.C. Sheet No.	XXXX-W
San Diego, CA 92101				

Schedule No. CA-LIRA Sheet 4
 California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

RATES:

Central Division:

Monterey Service Area

Residential Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>	
For the first 29.9 CGL.....	\$0.6260	(P)
For the next 29.9 CGL.....	\$0.9389	
For the next 44.9 CGL.....	\$2.1909	
For the next 67.3 CGL.....	\$4.0888	
For all water over 172.0 CGL.....	\$7.1539	(P)

Multifamily Pilot Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>	
For the first 29.9 CGL.....	\$0.5959	(N)
For the next 29.9 CGL.....	\$0.8939	
For the next 44.9 CGL.....	\$2.0858	
For the next 67.3 CGL.....	\$5.5337	
For all water over 172.0 CGL.....	\$8.8107	(N)

Service Charge: General Metered

	<u>Per Meter</u> <u>Per Month</u>	
For 5/8 x 3/4-inch meter.....	\$15.03	(P)
For 3/4-inch meter.....	\$26.32	
For 1-inch meter.....	\$52.60	
For 1-1/2-inch meter.....	\$164.91	
For 2-inch meter.....	\$281.45	
For 3-inch meter.....	\$527.71	
For 4-inch meter.....	\$923.50	
For 6-inch meter.....	\$1,978.93	
For 8-inch meter.....	\$3,166.29	(P)

Central Satellite – Ambler Park, Toro, Ralph Lane, Garrapata Service Areas

Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>	
For the first 59.8 CGL.....	\$0.5239	(P)
For the next 74.8 CGL.....	\$0.8731	
For the next 650.8 CGL.....	\$1.0478	
For all water over 785.4 CGL.....	\$1.9100	(P)

(Continued)

(TO BE INSERTED BY UTILITY)	ISSUED BY	(TO BE INSERTED BY C.P.U.C.)
Advice 1320	J. T. LINAM	Date Filed _____
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CALIFORNIA-AMERICAN WATER COMPANY 655 W. Broadway, Suite 1410 San Diego, CA 92101	Cancelling	Revised Revised	Cal. P.U.C. Sheet No. Cal. P.U.C. Sheet No.	XXXX-W XXXX-W
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Schedule No. CA-LIRA Sheet 8
 California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

RATES (Continued):

Rio Plaza Service Area
Quantity Rates:

	<u>Base Rate</u>	
	<u>Per 100 gal (CGL)</u>	
For the first 45 CGL.....	\$0.1569	(P)
For the next 45 CGL.....	\$0.2543	(P)
For all water delivered over 90 CGL.....	\$0.4546	(P)

Service Charge: General Metered

	<u>Per Meter</u>	
	<u>Per Month</u>	
For 3/4-inch meter.....	\$24.18	 (P)
For 1-inch meter.....	\$40.32	
For 1-1/2-inch meter.....	\$80.61	
For 2-inch meter.....	\$129.03	
For 3-inch meter.....	\$241.88	
For 4-inch meter.....	\$403.12	

San Diego Service Area
Quantity Rates:

	<u>Base Rate</u>	
	<u>Per 100 gal (CGL)</u>	
For the first 59.8 CGL.....	\$0.6199	(P)
For the next 52.4 CGL.....	\$0.6966	
For the next 112.2 CGL.....	\$1.2821	
For all water delivered over 224.4 CGL.....	\$1.7218	(P)

Multi-Family Pilot Customers \$0.6884 (N)

Service Charge: General Metered

	<u>Per Meter</u>	
	<u>Per Month</u>	
For 5/8 x 3/4-inch meter.....	\$6.04	 (P)
For 3/4-inch meter.....	\$9.06	
For 1-inch meter.....	\$15.11	
For 1-1/2-inch meter.....	\$30.21	
For 2-inch meter.....	\$48.34	
For 3-inch meter.....	\$90.64	
For 4-inch meter.....	\$151.07	
For 6-inch meter.....	\$302.13	
For 8-inch meter.....	\$483.41	
For 10-inch meter.....	\$694.91	

(Continued)

(TO BE INSERTED BY UTILITY)	ISSUED BY	(TO BE INSERTED BY C.P.U.C.)
Advice 1320	J. T. LINAM	Date Filed _____
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CALIFORNIA-AMERICAN WATER COMPANY 655 W. Broadway, Suite 1410 San Diego, CA 92101	Cancelling	Revised Original	Cal. P.U.C. Sheet No. Cal. P.U.C. Sheet No.	XXXX-W 9755-W
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Schedule No. CA-LIRA Sheet 12
 California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

SPECIAL CONDITIONS APPLICABLE TO LOW INCOME (Continued): (L)
General Items: (L)

- 3. **Low-Income Ratepayer Assistance Program (LIRA) for Nonprofit Group Living Facilities:**
(Continued)
- 4. Additional requirements:

Group living facilities must provide special-needs social services such as meals or rehabilitation and may have satellite facilities in the name of one licensed organization that meet the same requirements as the main facility. Group living facilities include transitional housing such as drug rehabilitation centers or halfway houses, short-or long-term – care facilities, group homes for the physically or mentally Challenged and other nonprofit group living facilities.

Homeless shelters, hospices and women's shelters must provide lodging as the primary Function, must be open for operation with at least six beds for a minimum of 180 days and/or nights per year and may also have satellite facilities in the name of one licensed organization that meet the same requirements as the main facility.

Separate applications must be filed for each type of facility (a homeless shelter, a women's shelter, a hospice or group living facility), even if they are under one licensed organization.

- 5. **Low-Income Ratepayer Assistance Program for Multi-Family Units:** Per Ordering Paragraph 5 of D.20-08-047, California American Water will offer discounts on water usage for low-income multifamily buildings under a pilot program as defined in the Preliminary Statement authorizing such program. The pilot program will consist of four program components: (N)
 - a. **Multi-Family Housing in Disadvantaged Communities:** This Program component would be applicable only to master metered buildings in a disadvantaged or severely disadvantaged community ("DAC/SDAC") in the San Diego Service Area,
 - 1. Eligible master metered account holders would receive the Low-Income Ratepayer Assistance Discount in the applicable service area which includes a meter-based discount and a discount on volumetric charges, based on the percentage of eligible residents as compared to the total residents.
 - 2. This program will require building partnerships with local community-based organizations in our San Diego Service Area. (N)

(Continued)

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Advice 1320	J. T. LINAM	Date Filed _____
Decision	DIRECTOR - Rates & Regulatory	Effective _____
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END ATTACHMENT A

CALIFORNIA-AMERICAN WATER COMPANY Original Cal. P.U.C. Sheet No. XXXX-W
655 W. Broadway, Suite 1410
San Diego, CA 92101

Schedule No. CA-LIRA Sheet 13
California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

SPECIAL CONDITIONS APPLICABLE TO LOW-INCOME RATEPAYER ASSISTANCE PROGRAM (N)
(Continued):
General Items

5. Low-Income Ratepayer Assistance Program for Multifamily Units: (Continued)

- b. **Low-Income Joint Water and Energy Install Program:** This program component would expand existing water energy retrofit programs that are currently conducted jointly with energy providers to currently un-served multifamily buildings and mobile home parks. The program that currently extends hot and cold-water measures including appliances, fixtures, and weatherization to low-income housing is funded jointly by California American Water and the energy utility.

Fees and Surcharges (N)

- 1. Please reference each district's Tariff Schedule 1 for a list of applicable fees and surcharges. Low-Income Ratepayer Assistance Program customers are exempt from the Low-Income Ratepayer Assistance Balancing Account surcharge. (L)

(Continued)

(TO BE INSERTED BY UTILITY)		ISSUED BY	(TO BE INSERTED BY C.P.U.C.)	
Advice	1320	J. T. LINAM	Date Filed	_____
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CALIFORNIA-AMERICAN WATER COMPANY

655 W. Broadway, Suite 1410
San Diego, CA 92101

Cancelling Revised
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Cal. P.U.C. Sheet No. 10400-W
Cal. P.U.C. Sheet No. 10366-W

Schedule No. CA-CAP
California American Water
CUSTOMER ASSISTANCE PROGRAM

Sheet 4

RATES:

Central Division:

Monterey Service Area

Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>	
For the first 29.9 CGL.....	\$0.7333	(R)
For the next 29.9 CGL.....	\$1.0999	
For the next 54.5 CGL.....	\$2.9331	
For all water delivered over 114.3 CGL.....	\$6.2851	(R)

Service Charge: General Metered

	<u>Per Meter</u> <u>Per Month</u>
For 5/8 x 3/4-inch meter.....	\$22.95
For 3/4-inch meter.....	\$37.41
For 1-inch meter.....	\$68.84
For 1-1/2-inch meter.....	\$183.35
For 2-inch meter.....	\$306.58
For 3-inch meter.....	\$574.86
For 4-inch meter.....	\$991.81
For 6-inch meter.....	\$2,084.13
For 8-inch meter.....	\$3,334.57

Central Satellite -- Ambler Park, Toro, Ralph Lane, Garrapata Service Areas

Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>	
For the first 59.8 CGL.....	\$0.6067	(I)
For the next 74.8 CGL.....	\$1.0111	
For the next 650.8 CGL.....	\$1.2134	
For all water delivered over 785.4 CGL.....	\$2.2119	(I)

(Continued)

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Advice 1360

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Cal. P.U.C. Sheet No. 10406-W
Cal. P.U.C. Sheet No. 10378-W

Schedule No. CA-CAP
California American Water
CUSTOMER ASSISTANCE PROGRAM

Sheet 6

RATES:

Southern Division

Los Angeles Service Areas – Duarte, San Marino, Rio Plaza

Quantity Rates:

	<u>Base Rate</u>	
	<u>Per 100 gal (CGL)</u>	
For the first 85 CGL.....	\$0.3688	(R)
For the next 50 CGL.....	\$0.5302	
For the next 163 CGL.....	\$0.7606	
For all water delivered over 298 CGL.....	\$0.8546	(R)

Los Angeles Service Areas – Baldwin Hills

Quantity Rates:

	<u>Base Rate</u>	
	<u>Per 100 gal (CGL)</u>	
For the first 85 CGL.....	\$0.4134	(R)
For the next 50 CGL.....	\$0.5943	
For the next 163 CGL.....	\$0.8526	
For all water delivered over 298 CGL.....	\$0.9580	(R)

Ventura Service Area

Quantity Rates:

	<u>Base Rate</u>	
	<u>Per 100 gal (CGL)</u>	
For the first 85 CGL.....	\$0.4721	(R)
For the next 50 CGL.....	\$0.6786	
For the next 163 CGL.....	\$0.9735	
For all water delivered over 298 CGL.....	\$1.0938	(R)

San Diego Service Area

Quantity Rates:

	<u>Base Rate</u>	
	<u>Per 100 gal (CGL)</u>	
For the first 85 CGL.....	\$0.6540	(R)
For the next 50 CGL.....	\$0.9401	
For the next 163 CGL.....	\$1.3488	
For all water delivered over 298 CGL.....	\$1.5154	(R)

(Continued)

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Cal. P.U.C. Sheet No. 10249-W
Cal. P.U.C. Sheet No. 9962-W

Schedule No. CA-CAP
California American Water
CUSTOMER ASSISTANCE PROGRAM

Sheet 11

SPECIAL CONDITIONS APPLICABLE TO CUSTOMER ASSISTANCE PROGRAM (Continued):
General Items

(L)

3. **Customer Assistance Program (CAP) for Nonprofit Group Living Facilities:** (Continued)

c. Additional requirements:

Group living facilities must provide special-needs social services such as meals or rehabilitation and may have satellite facilities in the name of one licensed organization that meet the same requirements as the main facility. Group living facilities include transitional housing such as drug rehabilitation centers or halfway houses, short-or long-term – care facilities, group homes for the physically or mentally challenged and other nonprofit group living facilities.

Homeless shelters, hospices and women’s shelters must provide lodging as the primary Function, must be open for operation with at least six beds for a minimum of 180 days and/or nights per year and may also have satellite facilities in the name of one licensed organization that meet the same requirements as the main facility.

Separate applications must be filed for each type of facility (a homeless shelter, a women’s shelter, a hospice or group living facility), even if they are under one licensed organization.

Fees and Surcharges

1. Please reference each district’s General Metered Tariff Schedule for a list of applicable fees and surcharges. Customer Assistance Program customers are exempt from the Customer Assistance Program (“CAP”) Balancing Account surcharge.

(C)

(L)

(Continued)

(TO BE INSERTED BY UTILITY)
Advice 1353
Decision

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Cal. P.U.C. Sheet No.
Cal. P.U.C. Sheet No.

XXXXXX-W
XXXXXX-W

PRELIMINARY STATEMENT
Summary Table

Sheet 1

Reference	Account	Tariff	
A	Territory Served by Utility	XXXXX-W	(C)
B	Types and Classes of Service	XXXXX-W	(C)
C	Description of Service	10170-W	
D	Procedure to Obtain Service	10170-W	
E	Symbols	10170-W	
F	Affiliate Transaction Rule IV.D.2 Memorandum Account (ATRMEMO)	10171-W	
G	Catastrophic Event Memorandum Account (CEMA)	10172-W, 10173-W	
I	Cease and Desist Order Memorandum Account (CDOMA)	10174-W	
J	Cease and Desist Order - Penalties and Fines Memorandum Account	10175-W	
K	Chromium-6 Memorandum Account – Sacramento Service Area	10176-W, 10177-W	
L	Consolidated Expense Balancing Account	10178-W	
M	Emergency Rationing Costs Incurred by CAW Memorandum Account	10179-W	
N	Endangered Species Act (ESA) Memorandum Account (Monterey Service Area)	10180-W	
P	Garrapata Service Area - SDWSRF Loan Repayment Balancing Account	10181-W	
R	Customer Assistance Program (CAP) Balancing Account	10183-W, 10184-W	
S	NOAA_ESA Memorandum Account	10185-W	
T	Other Post-Employment Benefits Balancing Account	10186-W	
U	Pension Balancing Account (PBA)	10187-W	
V	San Clemente Dam Balancing Account	10188-W	
W	Coastal Water Project Memorandum Account	10189-W	
Y	Seaside Groundwater Basin Balancing Account	10190-W	
Z	Water Contamination Litigation Expense Memorandum Account (WCLEMA)	10191-W	
AA	West Placer Memorandum Account	10192-W	
AB	Water Revenue Adjustment Mechanism/Modification Cost Balancing Account (WRAM/MCBA)	10193-W, 10194-W, 10195-W, 10196-W	(P)
AD	Water Cost of Capital Mechanism (WCCM)	10197-W	
AE	Credit Card Fees Memorandum Account	10198-W	
AG	School Lead Testing Memorandum Account (SLTMA)	10200-W	
AH	The Memorandum Account for Environmental Improvement and Compliance Issues for Acquisitions	10201-W	
AI	Dunnigan Consulting Memorandum Account	10202-W	
AJ	Water-Energy Nexus Program Memorandum Account (WENMA)	10203-W	

(Continued)

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Cal. P.U.C. Sheet No. 10183-W
Cal. P.U.C. Sheet No. 9983-W

PRELIMINARY STATEMENT
(Continued)

Sheet 1

R. Customer Assistance Program (“CAP”) Balancing Account

1. PURPOSE:

The purpose of the CAP Balancing Account is to track the CAP discounts provided, the CAP surcharges collected, and to adjust the CAP surcharges on January 1 of each year. The surcharge will be applicable to all non-customer assistance program water and wastewater customers. California American Water was granted authority to continue this account in Decision (D.) 21-11-018.

(T)

2. APPLICABILITY:

All areas served by California American Water.

3. ANNUAL SURCHARGE ADJUSTMENT:

The surcharge will be evaluated and adjusted annually in the annual Step Rate filings and will reflect:

- a. A forecast of the December 31st balance in the CAP for the current year that reflects.
 - i. The most recent recorded balance;
 - ii. The assumption that the proportion of CAP to non-customer assistance program residential enrollment in September will remain constant as a proportion of adopted numbers for October through December; and
 - iii. The assumption that current CAP surcharges will be applied to the estimated non-CAP portion of adopted sales (adopted sales minus estimated CAP sales based on the proportion of CAP to non-customer assistance program residential customers in September), plus interest; and
- b. A forecast of the December 31 balance in the CAP for the following year that reflects:
 - i. The assumption that the proportion of CAP to non-customer assistance program residential enrollment in September of the previous year will remain constant as a proportion of adopted numbers; and
 - ii. The assumption that the new surcharges will be applied to the estimated non-customer assistance program portion of adopted sales (adopted sales minus estimated CAP sales based on the proportion of CAP to non-customer assistance program residential customers in September of the previous year), plus interest.

(Continued)

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Cal. P.U.C. Sheet No.

10184-W

Cal. P.U.C. Sheet No.

9984-W

PRELIMINARY STATEMENT
(Continued)

Sheet 2

R. Customer Assistance Program (“CAP”) Balancing Account (continued):

4. ACCOUNTING PROCEDURE:

The following entries will be recorded:

(T)

- a. A debit entry equal to the recorded customer discounts.
- b. A credit entry equal to the surcharges collected from the customers not qualified to participate in the CAP.
- c. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90-day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

5. RATEMAKING PROCEDURE:

Customer assistance discount of 20%, for all districts except for the Monterey Service Area within Central Division, shall be applied to all monthly service fees, the tier one billed usage amount and the tier two usage amount. A customer assistance discount of 30% for Monterey Service Area shall be applied to all monthly service fees, and the first three tiers billed usage. A customer assistance discount of 35% for the Active Monterey Wastewater Area shall be applied to all monthly service fees. Surcharges will be evaluated and adjusted annually in the annual Step Rate filings to ensure appropriate collection.

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(C)

(Continued)

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