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April 11, 2022

ADVICE LETTER NO. 1366

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

California-American Water Company ("California American Water") (U210W) hereby submits for review this advice letter, including the following tariff sheets, attached hereto, which are applicable to the Monterey Service Area.

Purpose:

This advice letter filing seeks review and approval of the compliance payments made by California American Water to the National Oceanic and Atmospheric Administration ("NOAA") or its designated payee for Federal Endangered Species Act ("ESA") mitigation in the Monterey Service Area. These payments have been tracked in the NOAA ESA Memorandum Account which was approved by the California Public Utilities Commission ("Commission") in AL 652-A and AL 653 and recently affirmed in Decision ("D.") 21-11-018.

Background:

Per the settlement agreements adopted in D.12-06-016 and D.15-04-007, the Division of Ratepayer Advocates ("DRA") and the Office of Ratepayer Advocates ("ORA"), respectively, now the Public Advocates Office, and California American Water agreed to retain the NOAA/ESA memorandum account to track the compliance payments made by California American Water to NOAA or its designated payee for ESA mitigation. The parties agreed recovery of annual payments shall be through a Tier 2 advice letter. The parties also agreed that should California American Water incur costs to address to-be determined obligations in connection with an extension of the NOAA Agreement beyond 2016, California American Water it may file a Tier 3 advice letter to request such costs be included in the NOAA/ESA memorandum account.

In D.21-11-018, the Commission authorized continuation of the NOAA ESA Memorandum Account. Specifically, the decision states the following:

The settlement adopts Cal-Am's initial request to keep the NOAA/ESA memorandum account open and to recover future annual payments through a Tier 2 Advice Letter, consistent with D.18-12-021.

California American Water recorded \$1.1 million annual payments to the NOAA ESA Memorandum Account (August 2021).

Request:

California American Water requests that the \$1.1 million and accumulated interest be transferred to the consolidated expense balancing account (CEBA) for recovery effective May 11, 2022.

The total requested recovery to be transferred, including interest, to the CEBA is \$1,109,702, and total CEBA recovery is \$11,959,082. Once transferred, the CEBA balance will be 16.16% of 2022 authorized revenue. The Monterey CEBA surcharge of \$0.1458 per 100 gallons will be collected for 36 months. Pursuant to SP U-27-W,¹ memorandum account amortization surcharges are usually spread over three years for under-collections over 10% of gross revenues, which is the request here.

The surcharge would be levied on all customers in the Monterey Service Area only. The Toro, Ambler, Ralph Lane and Chualar (Central Satellite) systems are currently exempt from this surcharge.

In addition, California American Water requests transferring trailing interest to the CEBA from the Old Monterey Style WRAM and the Sand City Desalination Plant Purchased Water balancing accounts that were closed via the 2019 General Rate Case, D. 21-11-018. The Settlement Agreement approved by D.21-11-018 states the following:

Old Monterey-Style WRAM

CAW and Cal Advocates agree with CAW's request to close account and to transfer the account balance to the CEBA as CAW requested, along with all trailing interest through the transfer date.

Sand City Desalination Plant Purchase Water

CAW and Cal Advocates agree to close the account after the transfer of the balance, including interest through the date of the transfer to the CEBA.

The trailing interest for the Old Monterey Style WRAM account amounts to \$672 and for the Sand City Desalination Plant Purchase Water account amounts to \$7,219. This trailing interest was inadvertently left out of the CEBA calculation in advice letter 1353 and is therefore requested through this filing.

Tier Designation:

This advice letter is submitted with a Tier 2 designation.

Effective Date:

California American Water requests an effective date of May 11, 2022.

Service List:

Service Lists – In accordance with General Rules 4.3 and 7.2, and Water Industry Rule 4.1, of General Order (GO) 96-B, California American Water served copies of AL 1366 to adjacent utilities and other parties requesting such notification, on April 11, 2022. Please note that, consistent with the Commission's guidelines for service during the COVID-19 pandemic, this advice letter is only being distributed electronically.

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.

² SP U-27-W, p. 16.

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: CA Rates	E-Mail: ca.rates@amwater.com	Mailing Address: 4701 Beloit Drive Sacramento, CA 95838 Fax: (916) 568-4260
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

Kamilah Jones Kamilah.jones@amwater.com
.....
*Senior Financial Analyst –
Rates & Regulatory*

4701 Beloit Drive
Sacramento, CA 95838
Fax: (916) 568-4232

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) 568-4232.

CALIFORNIA-AMERICAN WATER COMPANY

/s/ Kamilah Jones

Kamilah Jones
Senior Financial Analyst - Rates & Regulatory

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
XXXXX-W	Schedule No. MO-1C GENERAL METERED SERVICE in the Monterey Service Area Tariff Area NON-RESIDENTIAL CUSTOMERS Sheet 8	XXXXX-W
XXXXX-W	Schedule No. MO-1-MF GENERAL METERED SERVICE in the Monterey Service Area Tariff Area MULTI-FAMILY RESIDENTIAL CUSTOMERS Sheet 5	10356-W
XXXXX-W	Schedule No. MO-1O GENERAL METERED SERVICE in the Monterey Service Area Tariff Area OTHER CUSTOMERS Sheet 6	XXXXX-W
XXXXX-W	Schedule No. MO-1-SF GENERAL METERED SERVICE in the Monterey Service Area Tariff Area SINGLE FAMILY RESIDENTIAL CUSTOMERS Sheet 5	10354-W

Schedule No. MO-1C
GENERAL METERED SERVICE in the Monterey Service Area Tariff Area
NON-RESIDENTIAL CUSTOMERS

Sheet 8

CENTRAL DIVISION TARIFF AREA (Continued)

SPECIAL CONDITIONS:

Fees and Surcharges:

Monterey Service Area (Continued)

- 6. Per Advice letter 1366, the under-collected balance in the Monterey Service Area Consolidated Expense Balancing Account will be recovered through a quantity-based surcharge of \$0.1458 per 100 gallons over 36 months, beginning May 11, 2022. (C)
(C)
(C)
- 7. Per Advice Letter 1336, a surcharge is applied to each bill to offset increases in purchased water costs imposed by Monterey Peninsula Water Management District (MPWMD). The offset results in a needed increase of \$5,644,269 or 7.47%. The surcharge of \$0.4022 per cgl is added to the quantity charge beginning July 1, 2021.
- 8. Per D.18-12-021 a meter-based bill credit for the 2020 Excess Plant Related Accumulated Deferred Income Tax will be refunded to customers over the 12-months periods beginning November 1, 2021, as shown in the table below.

Meter Size	Refunds by Meter Equivalents
5/8 x 3/4	\$0.28
3/4	\$0.41
1	\$0.69
1 1/2	\$1.38
2	\$2.21
3	\$4.14
4	\$6.90
6	\$13.79
8	\$22.07
10	\$31.72

(TO BE INSERTED BY UTILITY)
Advice 1366
Decision

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

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

Schedule No. MO-1-MF
 GENERAL METERED SERVICE in the Monterey Service Area Tariff Area
MULTI-FAMILY RESIDENTIAL CUSTOMERS

Sheet 5

CENTRAL DIVISION TARIFF AREA (Continued)

SPECIAL CONDITIONS:

Fees and Surcharges:

Monterey Service Area

9. Per Advice Letter 1329, the net over-collected balance of the 2020 residential WRAM/MCBA is \$4,015,520, including interest. D.21-11-018 sets the cap on WRAM/MCBA surcharges to 15% of the authorized revenue requirement. Rates will be established through a separate Tier 1 filing to update the tariff language and surcharge based upon the then authorized amortization.
10. In accordance with the final decision issued in Decision 16-12-003, the WRAM/MCBA balance through 2014 for the Monterey Service Area shall be recovered over five years with interest at the 90-day commercial paper rate. The surcharge is shown in the table below and will remain effective for 60 months, ending February 28, 2022.

Meter Size	Meter Surcharge
For 5/8" x 3/4" meter	\$10.08
For 3/4" meter	\$20.16
For 1" meter	\$30.23
For 1 1/2" meter	\$50.39
For 2" meter	\$80.62
For 3" meter	\$151.17
For 4" meter	\$251.95
For 6" meter	\$503.91
For 8" meter	\$806.25

11. Per Advice Letter 1366, the under-collected balance in the Monterey County District Consolidated Expense Balancing Account will be recovered through a quantity-based surcharge of \$0.1458 per 100 gallons over 36 months, beginning May 11, 2022. This total amount will be recovered from all classes of customers. (C)
12. Decision 12-06-040 authorized Carmel River Reroute and San Clemente Dam Removal Project costs to be included in the San Clemente Dam balancing account. Per Decision 18-12-021, California American Water will recover the regulatory asset / San Clemente Dam balancing account in base rates over a 20-year period starting January 1, 2018. Current authorized recovery of \$6,245,448 per annum is included in base rates. |
13. Per Advice Letter 1336, a surcharge is applied to each bill to offset increases in purchased water costs imposed by Monterey Peninsula Water Management District (MPWMD). The offset results in a needed increase of \$5,644,269 or 7.47%. The surcharge of \$0.4022 per cgl is added to the quantity charge beginning July 1, 2021. (C)

(Continued)

(TO BE INSERTED BY UTILITY)

ISSUED BY

(TO BE INSERTED BY C.P.U.C.)

Advice 1366

J. T. LINAM

Date Filed _____

Decision

DIRECTOR - Rates & Regulatory

Effective _____

Resolution _____

Schedule No. MO-10

Sheet 6

GENERAL METERED SERVICE in the Monterey Service Area Tariff Area
OTHER CUSTOMERS

CENTRAL DIVISION TARIFF AREA (Continued)

SPECIAL CONDITIONS (Continued):

Fees and Surcharges

Monterey Service Area (Continued)

- 6. Per Advice Letter 1366, the under-collected balance in the Monterey County District Consolidated Expense Balancing Account will be recovered through a quantity-based surcharge of \$0.1458 per 100 gallons over 36 months, beginning May 11, 2022. This total amount will be recovered from all classes of customers. (C)
(C)
(C)
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- 8. Per Advice Letter 1336, a surcharge is applied to each bill to offset increases in purchased water costs imposed by Monterey Peninsula Water Management District (MPWMD). The offset results in a needed increase of \$5,644,269 or 7.47%. The surcharge of \$0.4022 per cgl is added to the quantity charge beginning July 1, 2021.
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3	\$4.14
4	\$6.90
6	\$13.79
8	\$22.07
10	\$31.72

(Continued)

(TO BE INSERTED BY UTILITY)

ISSUED BY

(TO BE INSERTED BY C.P.U.C.)

Advice 1366

J. T. LINAM

Date Filed _____

Decision

DIRECTOR - Rates & Regulatory

Effective _____

Resolution _____

Schedule No. MO-1-SF

GENERAL METERED SERVICE in the Monterey Service Area Tariff Area
SINGLE FAMILY RESIDENTIAL CUSTOMERS

CENTRAL DIVISION TARIFF AREA (Continued)

SPECIAL CONDITIONS (Continued):

Fees and Surcharges:

Monterey Service Area (Continued)

9. Per Advice Letter 1329, the net over-collected balance of the 2020 residential WRAM/MCBA is \$4,015,520, including interest. D.21-11-018 sets the cap on WRAM/MCBA surcharges to 15% of the authorized revenue requirement. Rates will be established through a separate Tier 1 filing to update the tariff language and surcharge based upon the then authorized amortization.
10. In accordance with Decision 16-12-003, the WRAM/MCBA balance through 2014 for the Monterey Service Area shall be recovered over five years with interest at the 90-day commercial paper rate. The surcharge is shown in the table below and will remain effective for 60 months, ending February 28, 2022.

Meter Size	Meter Surcharge
For 5/8" x 3/4" meter	\$10.08
For 3/4" meter	\$20.16
For 1" meter	\$30.23
For 1 1/2" meter	\$50.39
For 2" meter	\$80.62
For 3" meter	\$151.17
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For 6" meter	\$503.91
For 8" meter	\$806.25

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(TO BE INSERTED BY UTILITY)

ISSUED BY

(TO BE INSERTED BY C.P.U.C.)

Advice 1366

J. T. LINAM

Date Filed _____

Decision

DIRECTOR - Rates & Regulatory

Effective _____

Resolution _____

MONTEREY COUNTY DISTRICT SERVICE LIST
CALIFORNIA-AMERICAN WATER COMPANY
ADVICE LETTER 1240

BY MAIL:

Joe Lucido 25417 Boots Road Monterey, CA 93940	Los Angeles Docket Office California Public Utilities Commission 320 West 4th Street, Suite 500 Los Angeles, CA 90013	
Alco Water Service 249 Williams Road Salinas, CA 93901	Monterey Regional Water Pollution Control Agency (MRWPCA) 5 Harris Court Road. Bldg D. Monterey, CA 93940	Monterey Peninsula Water Mgmt Dist. Chief Financial Officer P.O. Box 85 Monterey, CA 93942
Yazdan Emrani, P.E. Deputy Pub Works Director – Operations Monterey County DPW 168 W. Alisal Street, 2nd floor Salinas, CA 93901-2680	City of Pacific Grove c/o Community Development Department Attention: Sarah Hardgrave 300 Forest Ave., 2nd floor Pacific Grove, CA 93950	City of Pacific Grove City Attorney/City Hall 300 Forest Ave 2nd floor Pacific Grove, CA 93950
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Karen Crouch City Clerk, Carmel-By-The-Sea PO Box CC Carmel-by-the-Sea, CA 93921	Darryl D. Kenyon Monterey Commercial Property Owners Association P.O. Box 1953 Monterey, CA 93942	Irvin L. Grant Deputy County Counsel County of Monterey 168 W. Alisal Street, 3rd floor Salinas, CA 93901-2680
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MONTEREY COUNTY DISTRICT SERVICE LIST
CALIFORNIA-AMERICAN WATER COMPANY
ADVICE LETTER 1240

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CALIFORNIA-AMERICAN WATER COMPANY
ADVICE LETTER 1366
SUPPORTING DOCUMENTATION FOR STAFF

Monterey County Districts – NOAA/ESA Recovery
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**CALIFORNIA-AMERICAN WATER COMPANY
 MONTEREY DISTRICT
 RECOVERY OF NOAA - Monterey
 SUMMARY OF SURCHARGE**

Workpaper 1-1

SUMMARY

			<u>Reference</u>
WATER SERVICE			
Total CEBA Balance Over/(Under) Collected (including true-up)			See Workpaper 1-2
Monterey County	\$	(11,959,082)	
Central Division	\$	-	
Total 2022 Authorized Revenues			See Workpaper 2-1
Monterey County		\$74,016,335	Advice Letter 1360
Central Division		\$1,631,997	
Percent of Revenues			
Monterey County		16.16%	
Central Division		0.00%	
Amortization Period (in months)			
Monterey County		36	
Central Division		0	

Quantity Based Surcharge

Quantity Surcharge per 100 Gal				See Workpaper 1-3
Monterey County	36	\$	0.1458	
Central Division		0 \$	-	

CALIFORNIA-AMERICAN WATER COMPANY
 MONTEREY DISTRICT
 RECOVERY OF NOAA - Monterey
 TOTAL ACCOUNT BALANCE

Workpaper 1-2

TOTAL ACCOUNT BALANCE(S)

WATER SERVICE	Beginning Balance	Surcharge Recovered	Total Interest	Ending Balance	Reference
				YTD w/ Interest Over/(Under) Collected	
Monterey Main					
CEBA as of February 2022	(33,149,053)	22,667,798	(368,125)	(10,849,380)	See Workpaper 1-4
NOAA Payments	(4,850,430)	3,820,757	(80,029)	(1,109,702)	See Workpaper 1-5
Sub-Total	(33,149,053)	22,667,798	(368,125)	(11,959,082)	
TOTAL WITH INTEREST				(11,959,082)	

**CALIFORNIA-AMERICAN WATER COMPANY
 MONTEREY DISTRICT
 RECOVERY OF NOAA - Monterey
 NEW QUANTITY BASED SURCHARGE**

Workpaper 1-3

Conversion factor 0.13368984

February 2022 CEBA Calculation

Over/(Under) Collected

Service Area	Monthly Consumption	Consumption %	February 2022 CEBA	CEBA (Chualar with Main)	Months	CEBA Surcharge (ccf)	CEBA Surcharge (cgl)
All Monterey			(10,849,380)				
Monterey Main	304,455	100.0%	(10,849,380)	(10,849,380)	36	0.9899	0.1323
Central Division exc Chualar	1,434	0.0%	-	-	0	-	-

Reference:
 Workpaper 1-2
 Workpaper 1-4

NOAA Settlement Recovery

Over/(Under) Collected

Service Area	Monthly Consumption	Consumption %	2019 GRC Authorized Settlement	2019 GRC Authorized Settlement (Chualar with Main)	Months	2019 GRC Authorized Settlement Surcharge (ccf)	2019 GRC Authorized Settlement Surcharge (cgl)
All Monterey			(1,109,702)				
Monterey Main	304,455	100.0%	(1,109,702)	(1,109,702)	36	0.1012	0.0135
Central Division	1,434	0.0%	-	-	0	-	-

Reference:
 Workpaper 1-2

CEBA Combined with NOAA Settlement Recovery

Service Area	CEBA Surcharge (ccf)	NOAA Settlement Recovery (ccf)	Combined Surcharge (ccf)	CEBA Surcharge (cgl)	NOAA Settlement Recovery (cgl)	Combined Surcharge (cgl)
Monterey County	0.9899	0.1012	1.0911	0.1323	0.0135	0.1458
Central Division	-	-	-	-	-	-

CALIFORNIA-AMERICAN WATER COMPANY
 MONTEREY DISTRICT
 RECOVERY OF NOAA - Monterey
 CEBA Reconciliation

Workpaper 1-4

Month	MEMO	NEW CHARGES/ RECLASSIFIED BALANCES	DOLLARS COLLECTED THRU SURCHARGE	Qtrly Int Auth Balancing Acct	MONTHLY ACTIVITY	COMMERCIAL PAPER RTE	INTEREST EARNED	BALANCE
2021 Beginning Balance		24,288,494.62	(20,417,643.52)		3,870,851.10		363,035.81	4,233,886.91
1/31/2021		-	(177,423.71)		(177,423.71)	0.10%	345.43	4,056,808.63
2/28/2021		-	(151,233.35)		(151,233.35)	0.08%	265.41	3,905,840.69
3/31/2021	AL 1322 Conservation Surcharge Refund	(2,054,718.34)	(148,879.87)		(2,203,598.21)	0.08%	186.94	1,702,429.42
4/30/2021		-	(169,928.49)		(169,928.49)	0.06%	80.87	1,532,581.80
5/31/2021		-	(170,138.58)		(170,138.58)	0.05%	60.31	1,362,503.53
6/30/2021		-	(161,816.64)		(161,816.64)	0.05%	53.40	1,200,740.29
7/31/2021		-	(198,349.64)		(198,349.64)	0.06%	55.08	1,002,445.73
8/31/2021		-	(178,541.85)		(178,541.85)	0.06%	45.66	823,949.54
9/30/2021		-	(185,962.47)		(185,962.47)	0.06%	36.55	638,023.62
10/31/2021		-	(172,364.58)		(172,364.58)	0.06%	27.59	465,686.63
11/30/2021		-	(134,488.54)		(134,488.54)	0.08%	26.56	331,224.65
12/31/2021	2019 GRC Transfers D21.11.018	10,907,385.96	(149,839.03)		10,757,546.93	0.13%	618.58	11,089,390.16
2022 Beginning Balance		33,141,162.24	(22,416,610.27)		10,724,551.97		364,838.19	11,089,390.16
1/31/2022		-	(127,538.22)		(127,538.22)	0.15%	1,378.20	10,963,230.14
2/28/2022	2019 GRC Transfers D21.11.018	7,891.00	(123,649.26)		(115,758.26)	0.21%	1,908.44	10,849,380.32
3/31/2022		-	-		-	0.00%	-	10,849,380.32
4/30/2022		-	-		-	0.00%	-	10,849,380.32
5/31/2022		-	-		-	0.00%	-	10,849,380.32
6/30/2022		-	-		-	0.00%	-	10,849,380.32
7/31/2022		-	-		-	0.00%	-	10,849,380.32
8/31/2022		-	-		-	0.00%	-	10,849,380.32
9/30/2022		-	-		-	0.00%	-	10,849,380.32
10/31/2022		-	-		-	0.00%	-	10,849,380.32
11/30/2022		-	-		-	0.00%	-	10,849,380.32
12/31/2022		-	-		-	0.00%	-	10,849,380.32
		33,149,053.24	(22,667,797.75)		10,481,255.49		368,124.83	10,849,380.32
							Balance per Schedule	10,849,380.32

California American Water
 Environmental Remediation
 SAP Account Number 18680136
 December 31, 2021

Workpaper 1-5

AL 1309
 AL 1081B
 AL 1072B

AL Approval	WBS Element	Description	Authorized Amount	Expenses Recorded	Interest Earned	Transfers to CEBA 18680200	Net Balance	Comments
							-	
							-	
	RAF	2017 NOAA Contract	5,500,000.00	4,400,000.00				
		Surcharges 6/1/2013 to 8/31/2014	(653,824.06)		80,028.67	(3,820,757.00)	1,109,701.61	12/2020 includes this balance.
		Adj surcharges due to WRAM audit	4,254.00					SA 100108662 for 2014 Surcharge adj
Totals			4,850,429.94	4,400,000.00	80,028.67	(3,820,757.00)	1,109,701.61	

**CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY DISTRICT
RECOVERY OF NOAA - Monterey
90 DAY COMMERCIAL PAPER RATES**

Workpaper 1-6

Series Description: 90-Day AA Nonfinancial Commercial Paper Interest Rate
Unit: Percent
Date Pulled:

<u>Period</u>	<u>Rate</u>
2020-01	1.58%
2020-02	1.56%
2020-03	1.44%
2020-04	0.98%
2020-05	0.28%
2020-06	0.18%
2020-07	0.14%
2020-08	0.12%
2020-09	0.12%
2020-10	0.12%
2020-11	0.11%
2020-12	0.13%
2021-01	0.13%
2021-02	0.10%
2021-03	0.08%
2021-04	0.08%
2021-05	0.06%
2021-06	0.05%
2021-07	0.05%
2021-08	0.06%
2021-09	0.06%
2021-10	0.06%
2021-11	0.06%
2021-12	0.08%
2022-01	0.13%
2022-02	0.21%

**CALIFORNIA-AMERICAN WATER COMPANY
 MONTEREY DISTRICT
 RECOVERY OF NOAA Recovery Monterey
 Payments**

Workpaper 2-1

8/18/2021
 1,100,000.00

Display Document: Data Entry View

Taxes Display Currency General Ledger View

Data Entry View

Document Number 5000215832 Company Code 1015 Fiscal Year 2021
 Document Date 08/18/2021 Posting Date 08/24/2021 Period 8
 Reference 2021 PAYMENT Cross-Comp.No. Ledger Group
 Currency USD Texts exist

Co...	Account	Description	Amount	Order	Text	WBS element
1015	204047	CA State Coastal Conser...	1,100,000.00-		2021 paymentMOA between CAW,N...	
	24129000	AccrNOAA Stlmt-Curr	1,100,000.00			

A.19-07-004 ALJ/CS8/jnf

the Settlement. Cal-Am stated that it agreed with Cal Advocates to consolidate its CEBA accounts to align with its consolidated tariff areas.³³⁹

Cal Advocates argued that Cal-Am failed to calculate the CEBA surcharge net of refundable amounts and that it failed to exclude amounts that were previously authorized or pending in other open proceedings.

Cal-Am suggested that Cal Advocates erred in calculating its CEBA balance and adjusted its request as it relates to specific balancing and memorandum accounts in rebuttal testimony.

Under the terms of the Settlement:

- A. The CEBA account remains open;
- B. The final balance, once it is determined, should be amortized;
- C. The final balance to be amortized will depend on the disposition of all other balancing and memorandum accounts to be transferred into the CEBA in this GRC; and
- D. Cal-Am will transfer \$12,639,314 to the CEBA for recovery from multiple balancing and memorandum accounts, as discussed in detail below.³⁴⁰

Further discussion concerning the individual accounts and balance amounts to be transferred follows.

13.2. NOAA/ESA Memorandum Account

Cal-Am tracks compliance payments it makes to the National Oceanic and Atmospheric Association (NOAA) or its designated payee for Endangered Species Act (ESA) mitigation. In this GRC, Cal-Am did not seek recovery of the

³³⁹ Exhibit CAW-4 Direct at 3-30 and Attachments 1 and 2. CAW's proposed consolidated tariff areas are Southern Division, Northern Division, Monterey Service Area, and the Central Satellite Service Area.

³⁴⁰ Settlement at 83-85. Disposition of the specific balancing and memorandum accounts is included *infra*.

account balance but requested to keep this account open to seek future recovery of the annual payments through a Tier 2 Advice Letter process.³⁴¹

Cal Advocates recommended this memorandum account be closed, effective December 31, 2021, based on the compliance deadline established in the State Water Resources Control Board's revised cease and desist order and the completion of Project I15-400049 – Los Padres Dam Fish Passage Project.³⁴²

Cal-Am argued that a full water supply solution will not be complete by the end of 2021, due to circumstances beyond its control, and therefore the account should stay open to track compliance payments beyond December 31, 2021.³⁴³

The Settlement adopts Cal-Am's initial request to keep the NOAA/ESA memorandum account open and to recover future annual payments through a Tier 2 Advice Letter, consistent with D.18-12-021.³⁴⁴

In the Cal-Am-MPWMD Settlement, MPWMD also agreed this account should remain open during this GRC cycle.³⁴⁵

13.3. San Clemente Dam Balancing Account

Cal-Am uses its San Clemente Dam Balancing Account to track authorized costs related to the Carmel River Reroute and San Clemente Dam Removal Project, which was approved in D.12-06-040. Cal-Am requested to recover the

³⁴¹ Application 100-Day Update at 5; Exhibit CAW-3 Crooks Direct at 153-157; Exhibit CAW-4 Dana Errata Direct at 3-4 and Attachment 1.

³⁴² Exhibit CalPA-4 Goldberg Testimony at 41-43 and Attachments 2 and 3; Exhibit CalPA-6E Nagesh Errata Public Testimony at 54-59, 70-71, and Attachments 55, 56, and 69.

³⁴³ Exhibit CAW-18 at 20; Exhibit CAW-22, at 61.

³⁴⁴ Settlement at 86-87; D.18-12-021 at 221-222.

³⁴⁵ MPWMD – Cal-Am partial settlement at 17-18.

CALIFORNIA-AMERICAN WATER COMPANY

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

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Cal. P.U.C. Sheet No. 10356-W
Cal. P.U.C. Sheet No. 10274-W

Schedule No. MO-1-MF
GENERAL METERED SERVICE in the Monterey Service Area Tariff Area
MULTI-FAMILY RESIDENTIAL CUSTOMERS

Sheet 5

CENTRAL DIVISION TARIFF AREA (Continued)

SPECIAL CONDITIONS:

Fees and Surcharges:

Monterey Service Area

9. Per Advice Letter 1329, the net over-collected balance of the 2020 residential WRAM/MCBA is \$4,015,520, including interest. D.21-11-018 sets the cap on WRAM/MCBA surcharges to 15% of the authorized revenue requirement. Rates will be established through a separate Tier 1 filing to update the tariff language and surcharge based upon the then authorized amortization.
10. In accordance with the final decision issued in Decision 16-12-003, the WRAM/MCBA balance through 2014 for the Monterey Service Area shall be recovered over five years with interest at the 90-day commercial paper rate. The surcharge is shown in the table below and will remain effective for 60 months, ending February 28, 2022.

Meter Size	Meter Surcharge
For 5/8" x 3/4" meter	\$10.08
For 3/4" meter	\$20.16
For 1" meter	\$30.23
For 1 1/2" meter	\$50.39
For 2" meter	\$80.62
For 3" meter	\$151.17
For 4" meter	\$251.95
For 6" meter	\$503.91
For 8" meter	\$806.25

11. Per Advice Letter 1357, the under-collected balance in the Monterey County District Consolidated Expense Balancing Account will be recovered through a quantity-based surcharge of \$0.1320 per 100 gallons over 36 months, beginning March 4, 2022. This total amount will be recovered from all classes of customers. (C)
12. Decision 12-06-040 authorized Carmel River Reroute and San Clemente Dam Removal Project costs to be included in the San Clemente Dam balancing account. Per Decision 18-12-021, California American Water will recover the regulatory asset / San Clemente Dam balancing account in base rates over a 20-year period starting January 1, 2018. Current authorized recovery of \$6,245,448 per annum is included in base rates. (C)
13. Per Advice Letter 1336, a surcharge is applied to each bill to offset increases in purchased water costs imposed by Monterey Peninsula Water Management District (MPWMD). The offset results in a needed increase of \$5,644,269 or 7.47%. The surcharge of \$0.4022 per cgl is added to the quantity charge beginning July 1, 2021.

(Continued)

(TO BE INSERTED BY UTILITY)	ISSUED BY	(TO BE INSERTED BY C.P.U.C.)
Advice 1357	J. T. LINAM	Date Filed <u>01/18/2022</u>
Decision	DIRECTOR - Rates & Regulatory	Effective <u>03/04/2022</u>
		Resolution _____

CANCELLED

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

Cancelling Revised
 Revised

Cal. P.U.C. Sheet No. 10358-W
 Cal. P.U.C. Sheet No. 10283-W

Schedule No. MO-1C
 GENERAL METERED SERVICE in the Monterey Service Area Tariff Area
NON-RESIDENTIAL CUSTOMERS

Sheet 8

CENTRAL DIVISION TARIFF AREA (Continued)

SPECIAL CONDITIONS:
Fees and Surcharges:

Monterey Service Area (Continued)

6. In accordance with Decision 16-12-003, the WRAM/MCBA balance through 2014 for the Monterey Service Area shall be recovered over five years with interest at the 90-day commercial paper rate. The surcharge is shown in the table below and will remain effective for 60 months, ending February 28, 2022.

Meter Size	Meter Surcharge
For 5/8" x 3/4" meter	\$4.21
For 3/4" meter	\$8.42
For 1" meter	\$12.63
For 1-1/2" meter	\$21.05
For 2" meter	\$33.68
For 3" meter	\$63.15
For 4" meter	\$102.25
For 6" meter	\$210.50
For 8" meter	\$336.80

7. Per Advice Letter 1265-A, the net under-collected balance of the 2018 Non-Residential WRAM/MCBA is \$106,180, including interest. D.21-11-018 sets the cap on WRAM/MCBA surcharges at 15% of the authorized revenue requirement. Rates will be established through a separate Tier 1 filing to update the tariff language and surcharge based upon the then current authorized amortization.
8. Per Advice Letter 1291-A, the net under-collected balance of the 2019 Non-Residential WRAM/MCBA is \$982,007, including interest. D.21-11-018 sets the cap on WRAM/MCBA surcharges at 15% of the authorized revenue requirement. Rates will be established through a separate Tier 1 filing to update the tariff language and surcharge based upon the then current authorized amortization.
9. Per Advice Letter 1329, the net under-collected balance of the 2020 non-residential WRAM/MCBA is \$4,177,160, including interest. D.21-11-018 sets the cap on WRAM/MCBA surcharges to 15% of the authorized revenue requirement. Rates will be established through a separate Tier 1 filing to update the tariff language and surcharge based upon the then authorized amortization.
10. Per Advice letter 1357, the under-collected balance in the Monterey Service Area Consolidated Expense Balancing Account will be recovered through a quantity-based surcharge of \$0.1320 per 100 gallons over 36 months, beginning March 4, 2022. (C)
(C)
(C)

(Continued)

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Decision	DIRECTOR - Rates & Regulatory	Effective <u>03/04/2022</u>
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655 W. Broadway, Suite 1410
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Cal. P.U.C. Sheet No. 10361-W
Cal. P.U.C. Sheet No. 10290-W

Schedule No. MO-10
GENERAL METERED SERVICE in the Monterey Service Area Tariff Area
OTHER CUSTOMERS

Sheet 6

CENTRAL DIVISION TARIFF AREA (Continued)

SPECIAL CONDITIONS (Continued):
Fees and Surcharges

Monterey Service Area (Continued)

6. In accordance with Decision 16-12-003, the WRAM/MCBA balance through 2014 for the Monterey Service Area shall be recovered over five years with interest at the 90-day commercial paper rate. The surcharge is shown in the table below and will remain effective for 60 months, ending February 28, 2022.

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(Continued)

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Cal. P.U.C. Sheet No. 10354-W
Cal. P.U.C. Sheet No. 10268-W

Schedule No. MO-1-SF
GENERAL METERED SERVICE in the Monterey Service Area Tariff Area
SINGLE FAMILY RESIDENTIAL CUSTOMERS

Sheet 5

CENTRAL DIVISION TARIFF AREA (Continued)

SPECIAL CONDITIONS (Continued):
Fees and Surcharges:

Monterey Service Area (Continued)

9. Per Advice Letter 1329, the net over-collected balance of the 2020 residential WRAM/MCBA is \$4,015,520, including interest. D.21-11-018 sets the cap on WRAM/MCBA surcharges to 15% of the authorized revenue requirement. Rates will be established through a separate Tier 1 filing to update the tariff language and surcharge based upon the then authorized amortization.
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For 3" meter	\$151.17
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For 6" meter	\$503.91
For 8" meter	\$806.25

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