# CALIFORNIA PUBLIC UTILITIES COMMISSION DIVISION OF WATER AND AUDITS

## **Advice Letter Cover Sheet**

Utility Name: District:	California Water Service Company Chico, Marysville, Oroville, Stockton and Willows		Date Mailed to Service List:	04/22/2022
CPUC Utility #:	U-60-W		Protest Deadline (20 <sup>th</sup> Day):	05/20/2022
Advice Letter #:	2448		Review Deadline (30 <sup>th</sup> Day):	05/22/2022
Tier:	☎1 □2 □3	□ Compliance	Requested Effective Date:	05/22/2022
	Resolutions W-4976 and W-5034 Activation of Schedule 14.1 (Drought) Stage 2 (2022 Group 2)		Rate Impact:	none

The protest or response deadline for this advice letter is 20 days from the date that this advice letter was mailed to the service list. Please see the "Response or Protest" section in the advice letter for more information.

Utility Contact:	Albree Jewell	Utility Contact:	Natalie Wales
Phone:	916-205-4539	Phone:	408-367-8566
Email:	ajewell@calwater.com	Email:	<u>Nwales@calwater.com</u>

**DWA Contact:** Tariff Unit

**Phone:** (415) 703-1133

Email: <u>Water.Division@cpuc.ca.gov</u>

DWA USE ONLY					
DATE	<u>STAFF</u>		<u>COMMENTS</u>		
[] APPROVED		[] WITHDRAWN	[ ] REJECTED		
Signature:		Comments:			
Date:					
Date.					



April 22, 2022

Advice Letter No. 2448



To the California Public Utilities Commission:

California Water Service Company (Cal Water) respectfully requests approval of this Tier 1 advice letter to request activation of Stage 2 of the "Water Use Restrictions of its Water Shortage Contingency Plan" in Cal Water's Tariff Schedule 14.1. *Consistent with the Commission's guidelines during the COVID-19 pandemic, this advice letter is only being distributed electronically to the Water Division and the attached service lists.* 

### <u>Summary</u>

Cal Water requests authority to activate Stage 2 of Cal Water's Schedule 14.1 in the Chico, Marysville, Oroville, Stockton and Willows Districts effective May 22, 2022.

## **Background**

In AL 2426, submitted October 20, 2021, Cal Water requested activation of Stage 2 of the "Water Use Restrictions of its Water Shortage Contingency Plan" in Cal Water's Tariff Schedule 14.1 for our Bakersfield, Kern River Valley, Livermore, Los Altos, Redwood Valley, and Visalia service areas with an effective date of December 14, 2021.

In AL 2446, submitted March 15, 2022, Cal Water requested activation of Stage 2 of the "Water Use Restrictions of its Water Shortage Contingency Plan" in Cal Water's Tariff Schedule 14.1 for our Bayshore, Bear Gulch, Dominguez, East Los Angeles, Hermosa-Redondo, Palos Verdes and Westlake service areas with an effective date of April 15, 2022.

To request activation of a new stage, Cal Water's Tariff Rule 14.1(F)(2) requires Cal Water to meet one of the following:

- a) Cal Water, the California Public Utilities Commission, wholesale water supplier, or other government agency declares an emergency requiring mandatory water budgets, mandatory water rationing, or mandatory water allocations; or
- A government agency declares a state of emergency in response to severe drought conditions, earthquake or other catastrophic event that severely reduces Cal Water's water supply; or
- c) Water supplies are projected to be insufficient to meet normal customer demand by Cal Water; or
- d) A water supply shortage or threatened shortage exists; or
- e) Cal Water is unable to achieve water conservation targets set by itself or a governing agency; or



- f) Water conservation targets set by itself or a governing agency are insufficient; or
- g) Cal Water chooses to subsequently activate a different stage of the Schedule No. 14.1 tariff.

Cal Water's Tariff Rule 14.1(F)(3) requires Cal Water to include in its Tier 1 filing:

- Provide a justification for activating the particular stage of Staged Mandatory Reductions and Drought Surcharges, as well as the period during which the particular stage will be in effect. (Rule 14.1(F)(3)(a).)
- Notify its customers and provide each customer with a summary of Schedule No. 14.1 by means of bill insert or direct mailing. (Rule 14.1(F)(5)(b).)
- If the activation occurs one year or more since the public hearing associated with adding Schedule No. 14.1, conduct a public hearing pursuant to California Water Code Section 351 prior to activating a stage. (Rule 14.1(F)(5)(b).)

Relevant provisions from the California Water Code:

- Section 351: Excepting in the event of a wildfire or a breakage or failure of a dam, pump, pipeline, or conduit causing an immediate emergency, the declaration [of a Schedule 14.1 stage activation] shall be made only after a public hearing at which consumers of the water supply shall have an opportunity to be heard to protest against the declaration and to present their respective needs to said governing board.
- Section 352: Notice of the time and place of hearing shall be published pursuant to Section 6061 of the Government Code at least seven days prior to the date of hearing in a newspaper printed, published, and circulated within the area in which the water supply is distributed, or if there is no such newspaper, in any newspaper printed, published, and circulated in the county in which the area is located.

### **Discussion**

Governor Gavin Newsom issued a drought declaration for all California counties through four State of Emergency Proclamations with the most recent on October 19, 2021.<sup>1</sup> On, March 28, 2022, Governor Newsom issued Executive Order N-7-22 calling on water suppliers to implement Level 2 of their Water Shortage Contingency Plans and directing the State Water Resources Control Board to consider a number of additional actions to combat the drought.<sup>2</sup>

In AL 2412, submitted June 14, 2021, Cal Water proposed modifications to its current Rule 14.1 and Schedule 14.1 with an effective date of July 14, 2021. In AL 2426 and AL 2446, Cal Water

<sup>&</sup>lt;sup>1</sup> <u>https://www.gov.ca.gov/wp-content/uploads/2021/10/10.19.21-Drought-SOE-1.pdf.</u> <u>https://www.gov.ca.gov/wp-content/uploads/2021/07/7.8.21-Conservation-EO-N-10-21.pdf.</u> <u>https://www.gov.ca.gov/wp-content/uploads/2021/05/5.10.2021-Drought-Proclamation.pdf.</u> <u>https://www.gov.ca.gov/wp-content/uploads/2021/04/4.21.21-Emergency-Proclamation-1.pdf.</u>

<sup>&</sup>lt;sup>2</sup> <u>https://www.gov.ca.gov/wp-content/uploads/2022/03/March-2022-Drought-EO.pdf</u>.



moved a total of 13 service areas into Stage 2 due to the increasingly worse drought conditions in those counties. In light of Governor Newsom's Executive Order N-7-22 and current water usage levels in the following Cal Water districts, Cal Water requested authority in this advice letter to activate Stage 2 of Schedule 14.1 for the Chico, Marysville, Oroville, Stockton and Willows districts for the foreseeable future.

<u>Summary of Stage 2 limitations:</u> In Stage 1, "Irrigating ornamental landscape with potable water is prohibited during the hours between 8:00 a.m. and 6:00 p.m."<sup>3</sup> For Stage 2, the restriction is more stringent stating "Irrigating ornamental landscapes with potable water is limited to no more than three (3) days per week"<sup>4</sup> as well as prohibited during the hours of 8:00 a.m and 6:00 p.m.<sup>5</sup> The irrigation day restrictions are based on street address number where odd street addresses can water on Tuesday and Saturday and where even and no street addresses can water on Wednesday and Sunday. In addition this stage states that "new connections may not install single-pass cooling systems for air conditioning or other cooling system applications unless required for health or safety reasons [nor ...] install non-recirculating systems for conveyer car wash applications."<sup>6</sup>

<u>Meeting notice requirements</u>: Cal Water is scheduling public hearings and is planning to complete all hearings during the week of May 9<sup>th</sup>. Cal Water is committed to hearing the concerns of its customers, and understands that modifications to Rule 14.1 and/or Schedule 14.1 may be merited.

All public hearings will be held virtually. When the dates, times, and locations of the public hearings are finalized, notice of the activation of Stage 2 and the related public meetings will be provided to customers through direct mailings and newspaper notice.

<u>For Chico, Marysville, Oroville, Stockton and Willows</u>: On, March 28, Governor Newsom issued Executive Order N-7-22 calling on water suppliers to implement Level 2 of their Water Shortage Contingency Plans and directing the State Water Resources Control Board to consider a number of additional actions to combat the drought. January – March 2022 were the driest first three months of a year in the state's recorded history. According to the U.S. Drought Monitor, 1.39% of California was in Extreme or Exceptional Drought on January 11, 2022. This number has increased to 40.81% as of April 19, 2022. According to the U.S. Drought Monitor, all or significant portions of Butte, Glenn, San Joaquin, and Yuba Counties are in Exceptional Drought.

<sup>&</sup>lt;sup>3</sup> <u>https://www.calwater.com/docs/rates/rates\_tariffs/all/20210714-Schedule\_14.1 - Water\_Shortage\_Contingency\_Plan.pdf</u> (pg 7). Times may vary due to local city ordinances.

<sup>&</sup>lt;sup>4</sup> <u>https://www.calwater.com/docs/rates/rates\_tariffs/all/20210714-Schedule\_14.1 - Water\_Shortage\_Contingency\_Plan.pdf</u> (pg 9).

<sup>&</sup>lt;sup>5</sup> Times may vary due to local city ordinances.

<sup>&</sup>lt;sup>6</sup> <u>https://www.calwater.com/docs/rates/rates\_tariffs/all/20210714-Schedule\_14.1 - Water\_Shortage\_Contingency\_Plan.pdf</u> (pg 10).



## **Requested Effective Date**

Cal Water is submitting this as a **Tier 1** advice letter pursuant to Rule 14.1(F)(2). In order to allow customers to participate in the public hearings and have the opportunity to protest, **Cal Water** requests that the protest period be extended to May 20, 2022. Cal Water proposes a corresponding effective date of May 22, 2022.

## <u>Notice</u>

*Customer Notice* – In late April or Early May, Cal Water will be providing customer notice of this request to move to Stage 2, and the holding of a public hearing, through direct mailings as well as newspaper notices.

*Service Lists* – In accordance with General Order 96-B, General Rule 4.3 and 7.2 and Water Industry Rule 4.1, a copy of this advice letter will be transmitted electronically on **April 22, 2022** to competing and adjacent utilities and other utilities or interested parties having requested such notification, including the Local Agency Formation Commission (LAFCO). **Consistent with the Commission's guidelines during the COVID-19 pandemic, this advice letter is only being distributed electronically to the Water Division and the attached service lists.** 

### **Response or Protest**

Anyone may respond to or protest this advice letter. When submitting a response or protest, please include the utility name and advice letter number in the subject line. A response supports the filing and may contain information that proves useful to the Commission in evaluating the advice letter. A protest objects to the 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 error 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 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, 3<sup>rd</sup> floor California Public Utilities Commission, 505 Van Ness Avenue, San Francisco, CA 94102 <u>water.division@cpuc.ca.gov</u>

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 Cal Water at the following address:

Natalie Wales California Water Service Company 1720 North First Street, San Jose, California 95112 E-mail: <u>cwsrates@calwater.com</u>

Cities and counties requiring Board of Supervisors or Board of Commissioners approval to protest should inform the Water Division within the 20-day protest period so a late-filed protest can be entertained. The informing document should include an estimate of the date the proposed protest might be voted on. The advice letter process does not provide for any responses, protests or comments, except for the utility's reply, after the 20-day comment period.

**<u>Replies</u>**: The utility shall reply to each protest and may reply to any response. Each reply must be received by the Water Division within 5 business days after the end of the protest period and shall be served on the same day to the person who filed the protest or response. If you have not received a reply to your protest within 10 business days, contact California Water Service Company at (408) 367-8200, and ask for the Rates Department.

CALIFORNIA WATER SERVICE COMPANY

/s/

Albree Jewell, Associate Rates Analyst

cc: Syreeta Gibbs (Public Advocates Office) <u>PublicAdvocatesWater@cpuc.ca.gov</u>

# **Chico District**



ADVICE LETTER FILING MAILING LIST PER SECTION III (G) OF GENERAL ORDER NO. 96-A

CHRIS CONSTANTIN, ASSISTANT CITY MANAGER **City of Chico** P.O.Box 3420 Chico, CA 95927 <u>chris.constantin@chicoca.gov</u>

MARK ORME, CITY MANAGER **City of Chico** P.O.Box 3420 Chico, CA 95927 <u>mark.orme@chicoca.gov</u>

SCOTT DOWELL City of Chico P.O.Box 3420 Chico, CA 95927 scott.dowell@chicoca.gov

#### **ONLY FOR SERVICE AREA MAPS:**

EXECUTIVE OFFICER Butte County LAFCO 1453 Downer St, Suite C Oroville, CA 95965 slucas@buttecounty.net

FIRE CHIEF **Butte County Fire Rescue** 176 Nelson Ave Oroville, CA 95965

## **Marysville District**



ADVICE LETTER FILING MAILING LIST PER SECTION III (G) OF GENERAL ORDER NO. 96-A

DIANA LANGLEY, PUBLIC WORKS DIRECTOR/CITY ENGINEER **City of Yuby City** 302 Burns Dr Yuba City, CA 95991 <u>dlangley@yubacity.net</u>

GENERAL MANAGER Linda County Water District 1280 Scales Marysville, CA 95901 ebullard@succeed.net

GENERAL MANAGER Olivehurst Public Utility District P.O.Box 670 Olivehurst, CA 95961 opudmgr@opud.org

JENNIFER STYCZYNSKI, SENIOR ACCOUNTANT **City of Marysville** P.O.Box 150 Marysville, CA 95901 jennifers@marysville.ca.us

#### **ONLY FOR SERVICE AREA MAPS:**

EXECUTIVE OFFICER **Yuba County LAFCO** 915 8<sup>th</sup> St, Suite 107 Marysville, CA 95901

**CDF, Northern Regional Chief** P.O. Box 944246 Sacramento, CA 94244

# **Oroville District**



ADVICE LETTER FILING MAILING LIST PER SECTION III (G) OF GENERAL ORDER NO. 96-A

RUTH WRIGHT City of Oroville 1735 Montgomery St Oroville, CA 95965 wrightr@cityoforoville.org

JAYME BOUCHER **Thermalito Irrigation District** 410 Grand Ave Oroville, CA 95965 jboucher@twsd.info

RATH MOSELEY, GENERAL MANAGER South Feather Water & Power 2310 Oroville Quincy Hwy Oroville, CA 95966 rmoseley@southfeather.com

#### **ONLY FOR SERVICE AREA MAPS:**

EXECUTIVE OFFICER Butte County LAFCO 1453 Downer St, Suite C Oroville, CA 95965 slucas@buttecounty.net

FIRE CHIEF **City of Oroville** 1735 Montgomery St Oroville, CA 95965

## **Stockton District**



ADVICE LETTER FILING MAILING LIST PER SECTION III (G) OF GENERAL ORDER NO. 96-A

BOARD OF SUPERVISORS San Joaquin County 44 N San Joaquin St, 6th Floor, Suite 627 Stockton, CA 95202 mduzenski@sjgov.org

DIRECTOR OF PUBLIC WORKS County of San Joaquin 1810 East Hazelton Ave Stockton, CA 95205 Vaguilar@sjgov.org

JOHN ABREW, MUNICIPAL UTILTIES DEPARTMENT DIRECTOR **City of Stockton** 425 N El Dorado St Stockton, CA 95202 <u>mud@stocktonca.gov</u>

HARRY BLACK, CITY MANAGER City of Stockton 425 N El Dorado St Stockton, CA 95202 city.manager@stocktonca.gov

MICHAEL D. TUBBS, MAYOR City of Stockton 425 N El Dorado St Stockton, CA 95202 mayor@stocktonca.gov

MUNICIPAL UTILITY DEPARTMENT City of Stockton 2500 Navy Dr Stockton, CA 95206 mud@stocktonca.gov

SCOT A. MOODY, GENERAL MANAGER Stockton-East Water District 6767 East Main Street Stockton, CA 95215 sewd@sewd.net Park Billing Company P.O.Box 910 Dixon, CA 95620 parks@parkbilling.com

#### **ONLY FOR SERVICE AREA MAPS:**

EXECUTIVE OFFICER San Joaquin LAFCO 509 W Weber Ave, Suite 420 Stockton, CA 95203

FIRE CHIEF **City of Stockton** 425 N El Dorado St Stockton, CA 95202

# **Willows District**



ADVICE LETTER FILING MAILING LIST PER SECTION III (G) OF GENERAL ORDER NO. 96-A

MARTI BROWN, INTERIM CITY MANAGER City of Willows Civic Center 201 N Lassen St Willows, CA 95988 mbrown@cityofwillows.org

#### **ONLY FOR SERVICE AREA MAPS:**

CHRISTY LEIGHTON, EXECUTIVE OFFICER County of Glenn Local Agency Formation Commission 125 South Murdock Willows, CA 95988

NATHAN MONCK FIRE CHIEF **City of Willows Fire Department** 445 South Butte St Willows, CA 95988 <u>nmonck@cityofwillows.org</u>