CALIFORNIA PUBLIC UTILITIES COMMISSION
DIVISION OF WATER AND AUDITS

Advice Letter Cover Sheet

Utility Name:	**GOLDEN STATE WATER COMPANY**	**Date Mailed to Service List:**	**11/15/2023**
District:	**Los Osos**		
CPUC Utility #:	**133 W**	**Protest Deadline (20th Day):**	**12/5/2023**
Advice Letter #:	**1915-W**	**Review Deadline (30th Day):**	**12/15/2023**
Tier	☒1 ☐2 ☐3 ☒Compliance	**Requested Effective Date:**	**1/1/2024**
Authorization	**D.23-06-024**	**Rate Impact:**	**-$9,840 -0.2%**
Description:	**Los Osos -Sales Reconciliation Mechanism Adjustment Rate Change**		

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

Utility Contact: Ronald Moore
Phone: (909) 394-3600 x 682
Email: rkmoore@gswater.com

Utility Contact: Jenny Darney-Lane
Phone: (909) 394-3600 x 423
Email: jadarneylane@gswater.com

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

jadarneylane@gswater.com

DWA USE ONLY

DATE	STAFF	COMMENTS

[ ] APPROVED **[ ] WITHDRAWN** **[ ] REJECTED**

Signature: _____ **Comments:** _____

Date: _____

Golden State Water Company
A Subsidiary of American States Water Company

FILED
NOV 15 2023
PUBLIC UTILITIES COMMISSION
WATER DIVISION

November 15, 2023

Advice Letter No. 1915-W **(U 133 W)**

California Public Utilities Commission

Golden State Water Company ("GSWC") hereby transmits the following tariff sheets applicable to its Los Osos Customer Service Area ("CSA"):

CPUC Sheet No	Title of Sheet	Canceling CPUC Sheet No.
Revised No. 9376-W	Schedule No. LO-1-NR Los Osos Customer Service Area Non-Residential Metered Service, Page 1	Revised No. 9366W
Revised No. 9377-W	Schedule No. LO-1-R Los Osos Customer Service Area Residential Metered Service, Page 1	Revised No. 9368-W
Revised No. 9378-W	Schedule No. LO-RCW Los Osos District Non-Residential Recycled Water Service, Page 1	Revised No. 9371-W
Revised No. 9379-W	Table of Contents, Page 4	Revised No. 9374-W
Revised No. 9380-W	Table of Contents, Page 1	Revised No. 9375-W

PURPOSE

This advice letter requests approval of the rate changes as a result of the Sales Reconciliation Mechanism ("SRM") adjustment in the Los Osos CSA. GSWC has calculated the adjustment to the revenue requirement and production costs in accordance with the SRM guidelines previously adopted in Decision No. ("D") 19-05-044, as described below, and as modified pursuant to D.23-06-024, GSWC's last General Rate Case.

In D. 19-05-044 and D.23-06-024, GSWC was granted authority to implement a SRM in ratemaking areas with a Water Revenue Adjustment Mechanism ("WRAM"). The SRM would adjust the WRAM-related sales volumes in escalation years, if recorded sales for the twelve months ending September before the escalation year vary by more than 5% from the adopted WRAM sales volume for that CSA. If the trigger is met, adopted WRAM-related sales volumes would be adjusted by 50% of the variance. For the Los Osos CSA,

GSWC calculated the recorded WRAM-related sales for the period of October 2022 through September 2023 and compared the amounts to the WRAM-related sales for 2023 adopted in D.23-06-024. The recorded sales were 10. 0% lower than adopted sales, therefore, the SRM is triggered and GSWC is authorized to decrease its overall WRAM-related sales forecast for 2024 by 50% of the recorded sales variation, which is 5.0%, revise the revenue requirement solely to flow-through the change to purchased water and purchased power expenses associated with the sales forecast change, and calculate rates based on the adjusted sales.

DISCUSSION

The California Public Utilities Commission ("Commission") issued D.23-06-024, adopting the Settlement Agreement between GSWC and the Commission's Public Advocates Office in A.20-07-012. Ordering Paragraph No. 1 in D.23-06-024 states the following:

> 1. *The Joint Motion of Golden State Water Company and the Public Advocates Office for the Adoption of a Settlement Agreement, filed November 23, 2021, is granted; and the Settlement Agreement attached to this decision as Appendix A is approved and adopted.*

Additionally, Section 4.4.2 - Special Request #3: Sales Reconciliation Mechanism of D.23-06-024, states, in part,

> *GSW requested authority to rename its Sales Adjustment Mechanism as the Sales Reconciliation Mechanism and maintain the Sales Reconciliation Mechanism through this rate cycle. Cal Advocates proposed certain conditions be attached to the authorization, and GSW has agreed to abide by those conditions. GSW also agreed to abide by whatever Commission decision is in effect at the time of its next General Rate Case filing regarding the renamed Sales Reconciliation Mechanism.*
>
> *Given how advanced the rate cycle for this proceeding is and the fact that sales are a matter of record now for the Test Year, as are the increased rain and snow falls during the last quarter of 2022, this decision approves this request and the terms agreed to by the Settling Parties as reasonable in light of the record, consistent with the law and in the public interest.*

SALES RECONCILIATION MECHANISM ("SRM")

The SRM, as adopted in D.23-06-024, is designed to trigger when actual WRAM-related sales vary from adopted WRAM-related sales by more than 5%. Current rates are to be recalculated incorporating a change in WRAM-related sales that is half of the total variation from recorded to adopted WRAM-related sales.

Since Los Osos's recorded WRAM-related sales for the period October 2022 through September 2023 were 10.0% lower than the 2023 adopted WRAM-related sales, GSWC has calculated an adjusted 2024 revenue requirement that incorporates a change in production costs to reflect the change in forecasted sales volumes. As such, these are the new adopted revenue requirement, sales volumes and production costs. GSWC has attached the revised Adopted Supply Expense and Adopted Quantities for Los Osos to this advice letter as **Attachment A** and **Attachment B**, respectively.

The new rates included in the advice letter are the rates that are needed to recover the revised revenue requirement using the adjusted sales volumes.

COMPLIANCE

As noted above, Los Osos's SRM has been triggered, therefore, a sales adjustment, in accordance with the SRM guidelines, is required.

In compliance with the Settlement Agreement adopted in D. 23-06-024, GSWC is filing this Tier 1, stand-alone SRM advice letter, on the same date as the escalation review filing for the Los Osos CSA. Both filings will have the same effective date of January 1, 2024.

The table below shows Los Osos's revenue requirement with the escalation (2024 adopted), the SRM adjustment, and the new adopted revenue requirement.

CSA	2024 Adopted Revenues ($000)	SRM Adj. ($000)	2024 Adopted Revenues with SRM ($000)	Change
Los Osos	$5,065.7	-$9.8	$5,055.8	-0.2%

Supporting workpapers are being provided to the Water Division and the Public Advocates Office, detailing the adjustment and rate calculations.

TIER DESIGNATION

This advice letter is submitted with a Tier 1 designation.

EFFECTIVE DATE

As directed, the effective date of these revised tariffs shall be January 1, 2024.

NOTICE

Customer Notice: This is a Tier 1 advice letter that does not require customer notification, as provided in Water Industry Rule 7.3.1 of General Order 96-B. GSWC will include a bill message on each customer's first bill after the increase goes into effect to inform its Santa Maria customers of this rate increase.

RESPONSE OR PROTEST

Anyone may submit a response or protest for this Advice Letter ("AL"). When submitting a response or protest, **please include the utility name and advice letter number in the subject line.**

A **response** supports the filing and may contain information that proves useful to the Commission in evaluating the AL. A **protest** objects to the AL in whole or in part and must set forth the specific grounds on which it is based. These grounds are:

1. The utility did not properly serve or give notice of the AL;
2. The relief requested in the AL would violate statute or Commission order, or is not authorized by statute or Commission order on which the utility relies;
3. The analysis, calculations, or data in the AL contain material error or omissions;
4. The relief requested in the AL is pending before the Commission in a formal proceeding; or
5. The relief requested in the AL requires consideration in a formal hearing, or is otherwise inappropriate for the AL process; or
6. The relief requested in the AL is unjust, unreasonable, or discriminatory, provided that such a protest may not be made where it would require re-litigating a prior order of the Commission.

A protest may not rely on policy objections to an AL where the relief requested in the AL follows rules or directions established by statute or Commission order applicable to the utility. A protest shall provide citations or proofs where available to allow staff to properly consider the protest.

DWA must receive a response or protest via email (**or** postal mail) within 20 days of the date the AL is filed. When submitting a response or protest, **please include the utility name and advice letter number in the subject line.**

The addresses for submitting a response or protest are:

Email Address:	**Mailing Address:**
Water.Division@cpuc.ca.gov	CA Public Utilities Commission Division of Water and Audits 505 Van Ness Avenue San Francisco, CA 94102

On the same day the response or protest is submitted to DWA, the respondent or protestant shall send a copy of the protest to Golden State Water Company at:

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

Replies

The utility shall reply to each protest and may reply to any response. Any reply must be received by DWA within five business days after the end of the protest period, and shall be served on the same day on each person who filed the protest or response to the AL.

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform the Water Division, within the 20 day protest period, so that a late filed protest can be entertained. The informing document should include an estimate of the date the proposed protest might be voted on.

The actions requested in this advice letter are not now the subject of any formal filings with the California Public Utilities Commission, including a formal complaint, nor action in any court of law.

If you have not received a reply to your protest within 10 business days, contact this person at (909) 394-3600 ext. 682.

Sincerely,

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

c: Jim Boothe, CPUC - Water Division
Richard Rauschmeier, CPUC- Water Branch, Cal PAO
Victor Chan, CPUC- Water Branch, Cal PAO

Schedule No. LO-1-NR
Los Osos District
Non-Residential Metered Service

APPLICABILITY

Applicable to all metered water services except those covered under Schedule No. LO-1-R, Residential Metered Service.

TERRITORY

Unincorporated areas south of the city of San Luis Obispo in the vicinity of Los Osos, San Luis Obispo County.

RATES

Quantity Rates:	Per 1 CCF (100 cu. ft.)	Per 1 CGL (100 gal.)	
For all water delivered	$ 13.680	$ 1.8288	(I)

Service Charges:	Per Meter Per Month	
For 5/8 x 3/4-inch meter	$ 44.08	(R)
For 3/4-inch meter	$ 66.12	
For 1-inch meter	$ 110.20	
For 1-1/2 inch meter	$ 220.40	
For 2-inch meter	$ 352.64	
For 3-inch meter	$ 661.20	
For 4-inch meter	$ 1,102.00	
For 6-inch meter	$ 2,204.00	
For 8-inch meter	$ 3,526.40	
For 10-inch meter	$ 5,069.20	
Fire Sprinkler 6-inch to 3-inch	$ 711.45	(R)

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

(Continued)

Schedule No. LO-1-R
Los Osos District
Residential Metered Service

APPLICABILITY

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

TERRITORY

Unincorporated areas south of the city of San Luis Obispo in the vicinity of Los Osos, San Luis Obispo County.

RATES

Quantity Rates:	Per 1 CCF (100 cu. ft.)	Per 1 CGL (100 gal.)	
Tier 1 – First 8 ccf or 5,984 gallons	$ 13.680	$ 1.8288	(I)
Tier 2 – Next 10 ccf or 7,481 gallons	$ 15.732	$ 2.1031	(I)
Tier 3 – Over 18 ccf or 13,465 gallons	$ 18.092	$ 2.4185	(I)

Service Charges:	Per Meter Per Month	
For 5/8 x 3/4-inch meter	$ 28.14	(R)
For 3/4-inch meter	$ 42.21	
For 1-inch meter	$ 70.35	
For 1-1/2 inch meter	$ 140.70	
For 2-inch meter	$ 225.12	
Fire Sprinkler 1-inch to 5/8x 3/4-inch	$ 29.27	
Fire Sprinkler 1-inch to 3/4-inch	$ 42.77	
Fire Sprinkler 1 ½-inch to 3/4-inch	$ 48.12	
Fire Sprinkler 2-inch to 3/4-inch	$ 50.37	
Fire Sprinkler 1 ½-inch to 1-inch	$ 75.98	
Fire Sprinkler 2-inch to 1-inch	$ 78.23	(R)

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

(Continued)

Schedule No. LO-RCW
Los Osos District
Recycled Water Service

APPLICABILITY

Applicable to all metered recycled water service for irrigation use, except those covered under Schedule No. LO-1-R and Schedule No. LO-1-NR.

TERRITORY

Unincorporated areas south of the city of San Luis Obispo in the vicinity of Los Osos, San Luis Obispo County.

RATES

Quantity Rates:	Per 1 CCF (100 cu. ft.)	Per 1 CGL (100 gal.)	
For all water delivered	$ 12.312	$ 1.6459	(I)

Service Charges:	Per Meter Per Month	
For 5/8 x 3/4-inch meter	$ 44.08	(R)
For 3/4-inch meter	$ 66.12	
For 1-inch meter	$ 110.20	
For 1-1/2 inch meter	$ 220.40	
For 2-inch meter	$ 352.64	
For 3-inch meter	$ 661.20	
For 4-inch meter	$ 1,102.00	
For 6-inch meter	$ 2,204.00	
For 8-inch meter	$ 3,526.40	
For 10-inch meter	$ 5,069.20	(R)

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

(Continued)

Table of Contents

Subject Matter of Sheet	Schedule Number	CPUC Sheet No.	
Rate Schedules:			
All Districts			
Utility Fee Surcharge	UF	9135-W	
Private Fire Service	AA-4	9233-W, 9234-W	
Public Fire Service	AA-5	2931-W	
Cross Connection Control Fee	CCCF	7506-W	
Fire Flow Testing Charge	FF	7659-W	
Water Shortage Contingency Plan With Staged Mandatory Restrictions, Reductions And Drought Surcharges	14.1	9074-W, 9075-W, 9076-W, 9077-W 9078-W, 9079-W,9080-W	
Customer Assistance Program	LI	9289-W, 9145-W	
Arden-Cordova District			
Residential Metered Service	AC-1-R	9295-W, 9282-W, 9283-W, 9352-W	
Non-Residential Metered Service	AC-1-NR	9296-W, 9277-W, 9278-W, 9279-W, 9351-W	
Bay Point District			
Residential Metered Service	BY-1-R	9298-W, 9183-W, 9328-W	
Non-Residential Metered Service	BY-1-NR	9297-W, 9179-W, 9180-W,9327-W	
Clearlake District			
General Metered Service	CL-1	9363-W, 9329-W	
Flat Rate Service	CL-2	9287-W	
Los Osos District			
Residential Metered Service	LO-1-R	9377-W, 9369-W, 9370-W	(C)
Non-Residential Metered Service	LO-1-NR	9376-W, 9367-W, 9190-W,	(C)
Recycled Water Service	LO-RCW	9378-W, 9372-W, 9373-W	(C)
Metropolitan District			
Residential Metered Service	ME-1-R	9310-W-W, 9228-W, 9339-W	
Non-Residential Metered Service	ME-1-NR	9308-W, 9309-W, 9224-W, 9225-W, 9338-W	
Reclaimed Water Service	ME-3	9311-W, 9231-W, 9340-W	

Table of Contents

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

Subject Matter of Sheet		CPUC Sheet No.	
Title Page		4905-W	
Table of Contents		9380-W, 9361-W, 9292-W 9379-W, 9358-W, 9147-W	(C) (C)
Preliminary Statements:			
A	Territory served by Utility	8370-W	
B-E	Types and Classes of Service, Description of Service, Procedure to Obtain Service and Symbols	7005-W	
F	Income Tax Component of Contribution Provision		
	Page 1	3140-W	
	Page 2	3141-W	
	Page 3	3142-W	
G	Contaminant Remediation Memorandum Account	8994-W	
M	Santa Maria Water Rights Memorandum Account	5096-W	
Q	Customer Assistance Program (CAP) Balancing Account	8888-W	
W	Water Revenue Adjustment Mechanism/Modified Cost Balancing Account (WRAM/MCBA)		
	Page 1	6477-W	
	Page 2	6478-W	
	Page 3	6479-W	
	Page 4	7075-W	
	Page 5	7076-W	
GG	Water Cost of Capital Adjustment Mechanism	9150-W	
MM	Omega Chemical Corporation Superfund Site Memorandum Account	5848-W	
OO	Pension And Benefits Balancing Account	5937-W	
TT	Los Osos Groundwater Adjudication Memorandum Account	6101-W	
UU	Santa Maria Steelhead Recovery Plan Memorandum Account	6103-W	
ZZ	Low-Income Customer Data Sharing Memorandum Account	6225-W	
EEE	Credit Card Payment Program Memorandum Account	6559-W	
GGG	Tangible Property Regulations Collateral Consequences Memorandum Account	6652-W	
HHH	Catastrophic Event Memorandum Account	8484-W	
JJJ	American Recovery And Reinvestment Act Balancing Account	6938-W	
MMM	Los Osos Basin Management Committee Memorandum Account		
	Page 1	7441-W	
	Page 2	7442-W	
NNN	Basin Pumping Rights Litigation Memorandum Account	7451-W	
OOO	School Lead Testing Memorandum Account	7481-W	

Attachment A

APPENDIX G
GOLDEN STATE WATER COMPANY
SUPPLY EXPENSE SUMMARY
A.20-07-012
Los Osos (RMA)
Revised

	$/AF	Tiers	2022	2023	2024
Supply Volume					**SRM**
Wells Production (CCF)			280,755	281,329	267,900
Total Supply (CCF)			280,755	281,329	267,900
Supply Expenses					
Energy Cost - Electric					
Electric kwh			672,850	674,226	642,042
Total Energy Cost			$197,095	$197,498	$188,071
$/kwh			$0.293	$0.293	$0.293
Total Energy Cost - Gas			$597	$605	$616
Total Energy Cost			$197,692	$198,104	$188,687
Chemical Cost			$244,238	$248,066	$253,046
Total Supply Expenses (Excl Chemicals)			$197,692	$198,104	$188,687

Attachment B

Appendix F
GOLDEN STATE WATER COMPANY
SALES AND PRODUCTION - TEST YEAR 2022-2024
A.20-07-012
Los Osos (RMA)
Revised

WATER CONSUMPTION

Classification	Service Connection			Usage (CCF/CUST)			Consumption (KCcf)		
					SRM				
METERED SERVICES :	2022	2023	2024	2022 & 2023	2024		2022	2023	2024
Residential	3,067	3,070	3,073	67.4	64.04		206.7	206.9	196.8
						Tier 1	*165.4*	*165.5*	*157.4*
						Tier 2	*31.0*	*31.0*	*29.5*
						Tier 3	*10.3*	*10.3*	*9.8*
Commercial	161	162	163	251.0	238.47		40.4	40.7	38.9
Industrial	1	1	1	767.0	728.71		0.8	0.8	0.7
Public Authority	8	8	8	1,389.0	1319.66		11.1	11.1	10.6
Irrigation	47	48	49	87.6	83.23		4.1	4.2	4.1
Other Sales	0	0	0	0.0	0.00		-	-	-
Contracts (Westwood Village HC	0	0	0	0.0	0.00		-	-	-
Total Metered	3,284	3,289	3,294				263.1	263.7	251.0
PRIVATE FIRE PROTECTION	24	24	24	0.7			0.0	0.0	0.0
Company Use	1	1	1	1,300.4			1.3	1.3	1.3
TOTAL CONNECTIONS	3,309	3,314	3,319				264.4	265.0	252.3
WATER LOSS	5.81%	5.81%	5.81%				16.3	16.3	15.6
TOTAL WATER PRODUCTION							280.8	281.3	267.9
Pumped(in KCF)							280.8	281.3	267.9
Purchased Water(in KCF)							0.0	0.0	0.0
Surface Water(in KCF)							0.0	0.0	0.0

GOLDEN STATE WATER COMPANY

DISTRIBUTION LIST

LOS OSOS DISTRICT

Arroyo Grande Municipal Water Dept.
P.O. Box 550
Arroyo Grande, CA 93420
(805) 489-1303
STaylor@ArroyoGrande.org

Cambria Community Services District
1316 Tamson Drive, Suite 201
P.O. Box 65
Cambria, CA 93428

Morro Bay City Water (City Hall)
595 Harbor Blvd.
Morro Bay, CA 93442
eriddiough@morrobayca.gov
pnewman@morrobayca.gov

San Luis Obispo City Water
879 Morro Street
San Luis Obispo, CA 93403
(805) 549-7132

S & T Mutual Water Co.
P.O. Box 6391
Los Osos, CA 93412
STMutualWater@gmail.com

Utilities Department
Los Osos Community Services District
P O Box 6064
Los Osos, CA 93412

County Clerk
County of San Luis Obispo
1055 Monterey St - **#D-120**
San Luis Obispo, CA 93408

County Counsel
County of San Luis Obispo
County Government Center - **#D-320**
San Luis Obispo, CA 93408

Local Agency Formation Commission
1042 Pacific Street, Suite A
San Luis Obispo, CA 93401
mbing@slo.lafco.ca.govp

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