

SAN GABRIEL VALLEY WATER COMPANY

June 23, 2014

Advice Letter 443

U337W

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

San Gabriel Valley Water Company ("San Gabriel") hereby requests ministerial review of the following changes in tariff sheets applicable to its Fontana Water Company division:

<u>CPUC Sheet No.</u>	<u>Title</u>	<u>Schedule No.</u>	<u>Canceling CPUC Sheet No.</u>
2333-W	General Metered Service (cont.)	FO-1	2287-W
2334-W	General Metered Conservation Rates	FO-1C	2288-W
2335-W	Recycled Water Service (cont.)	FO-6	2291-W
2336-W	California Alternative Rates for Water (cont.)	FO-CARW	2295-W
2337-W	Table of Contents	N/A	2319-W

An original and four copies of this advice letter are submitted in compliance with Ordering Paragraph No. 14 of D.14-05-001, dated May 1, 2014, in Application 11-07-005. This filing proposes a \$0.2165 per Ccf surcredit, effective July 1, 2014 and continuing for 36 months, to implement a refund of \$10,587,596 from revenues collected subject to refund related to the Sandhill Water Treatment Facility Plant. **In accordance with D.14-05-001, this is a Tier 2 advice letter.**

Discussion

On May 1, 2014, the Commission issued D.14-05-001 in Application No. 11-07-005. Ordering Paragraph No. 14 states:

San Gabriel Valley Water Company must file a Tier 2 Advice Letter to implement a refund of any over-collection in rates for Sand Hill [sic] Water Treatment Plant Facility plant costs recovered in rates that exceed the rate base cap of \$29,050,000.

Attachment III to D.14-05-001, titled "Attachment Sandhill Refund Calculations", stated that the amount to be refunded is total \$10,587,596. Because this amount exceeds 10% of adopted annual revenues, San Gabriel proposes to make this refund over a 3-year period through a surcredit on customer water bills, calculated as follows:

$$\begin{aligned} \$10,587,596 / 3 \text{ years} &= \$3,529,199 \text{ per year} \\ \$3,529,199 / 16,300,888 \text{ Ccf (adopted 2014-2015 sales)} &= \underline{\$0.2165 \text{ per Ccf}} \end{aligned}$$

San Gabriel will track the recorded refunds made each month, while adding interest to the un-refunded balance at the 90-day commercial paper rate.

Distribution of this Advice Letter is being made to the attached service list in accordance with Water Industry Rule 4.1 of General Order 96-B and San Gabriel will post this Advice Letter on its website in accordance with Water Industry Rule 3.3. No further public notice is required because all public notices in connection with Application No. 11-07-005 have already been made in accordance with applicable law and Commission rules.

Protest 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) San Gabriel 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 San Gabriel 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 that such a protest may not be made where it would require re-litigating 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 Division of Water and Audits within 20 days of the date this advice letter is filed. The address for mailing or delivering a protest is:

Tariff Unit, Division of Water and Audits, 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 Division of Water and Audits, the respondent or protestant shall send a copy by mail (or e-mail) to us, addressed to:

San Gabriel Valley Water Company
11142 Garvey Avenue
El Monte, CA 91733
Tel: (626) 448-6183
FAX (626) 448-5530
e-mail: dadellosa@sgvwater.com

San Gabriel requests that the attached proposed tariffs be authorized to become effective on July 1, 2014.

Thank you for your assistance in processing this tariff filing.



Daniel A. Dell'Osa
Director of Rates and Revenue

cc: James Boothe, CPUC – Water Division
Hani Moussa, CPUC – Water Branch, DRA
Danilo Sanchez, CPUC – Water Branch, DRA

SCHEDULE NO. FO-1
Fontana Water Company
GENERAL METERED SERVICE
(continued)

RATES (continued)

	<u>Per Battery</u> <u>Per Month</u>
For two 2-inch meters	\$ 225.00
For three 2-inch meters	337.00
For four 2-inch meters	450.00
For two 3-inch meters	421.00
For two 4-inch meters	702.00
For one 8-inch meter, two 2-inch meters	1,350.00
For two 8-inch meters	2,240.00

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

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF. (D)
2. A surcredit of \$0.2165 per Ccf is to be applied to the quantity rates for thirty-six months beginning on July 1, 2014 and ending on June 30, 2017 to refund an overcollection associated with the Sandhill Water Treatment Facility Plant. (N)
(N)
(N)
3. A surcredit of \$0.0294 per Ccf is to be applied to the quantity rates for a 12-month period beginning on the effective date of Advice Letter 431-A to amortize the overcollection in the Cost of Capital Interim Rate Memorandum Account (CCIRMA).
4. A surcredit of \$0.0330 per Ccf is to be applied to the quantity rates for a 12-month period beginning on the effective date of Advice Letter 436 to amortize the March 2011 balances in five balancing and memorandum accounts as authorized by D.14-05-001.
5. A surcharge of \$0.1297/Ccf is to be applied to the quantity rates of only non-CARW customers to recover the estimated benefits provided under the California Alternative Rates for Water (CARW) program.

(To be inserted by utility)
Advice Letter No. 443
Decision No. 14-05-001

Issued by
R. W. Nicholson
NAME
President
TITLE

(To be inserted by Cal. P.U.C.)
Date Filed _____
Effective _____
Resolution No. _____

SCHEDULE NO. FO-1C
Fontana Water Company
GENERAL METERED SERVICE - CONSERVATION RATES

APPLICABILITY

Applicable to all metered Residential customers, excluding apartments, trailer parks, and any other facility in which Residential customers receive service through a master meter.

TERRITORY

Portions of Fontana, Rancho Cucamonga, Rialto, and vicinity, San Bernardino County.

RATES

Quantity Rates:

For the first 16 Ccf of water used, per 100 cu. ft..... \$ 2.4133
For all Ccf greater than 16 Ccf, per 100 cu. Ft..... \$ 2.7753

Service Charges: Per Meter
Per Month

For 5/8 x 3/4-inch meter \$ 14.69
For 3/4-inch meter 22.03
For 1-inch meter 36.71
For 1-1/2-inch meter 73.43
For 2-inch meter 117.53
For 3-inch meter 220.31

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF. (D)
2. A surcredit of \$0.2165 per Ccf is to be applied to the quantity rates for thirty-six months beginning on July 1, 2014 and ending on June 30, 2017 to refund an overcollection associated with the Sandhill Water Treatment Facility Plant. (N)
3. A surcredit of \$0.0294 per Ccf is to be applied to the quantity rates for a 12-month period beginning on the effective date of Advice Letter 431-A to amortize the overcollection in the Cost of Capital Interim Rate Memorandum Account (CCIRMA). (N)
4. A surcredit of \$0.0330 per Ccf is to be applied to the quantity rates for a 12-month period beginning on the effective date of Advice Letter 436 to amortize the March 2011 balances in five balancing and memorandum accounts as authorized by D.14-05-001. (N)
5. A surcharge of \$0.1297/Ccf is to be applied to the quantity rates of only non-CARW customers to recover the estimated benefits provided under the California Alternative Rates for Water (CARW) program. (N)

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SCHEDULE NO. FO-6
Fontana Water Company Tariff Area
RECYCLED WATER METERED SERVICE
(continued)

RATES – (continued)

	Per Battery <u>Per Month</u>
For two 2-inch meters.....	\$ 225.00
For three 2-inch meters.....	337.00
For four 2-inch meters.....	450.00
For two 3-inch meters.....	421.00
For two 4-inch meters.....	702.00
For one 8-inch meter, one 2-inch meter.....	1,350.00
For two 8-inch meters.....	2,240.00

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

SPECIAL CONDITIONS

1. The Quantity Rate is set at 75% of the Quantity Rate of Schedule No. FO-1.
2. The customer is responsible for compliance with all local, state, and federal rules and regulations that apply to the use of recycled water on the customer's premises.
3. The utility will supply only such recycled water at such pressure as may be available from time to time from the recycled water system. The customer shall indemnify the utility and save it harmless against any and all claims arising out of service under this schedule and shall further agree to make no claims against the utility for any loss or damage resulting from service under this schedule.
4. All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF.
5. A surcredit of \$0.2165 per Ccf is to be applied to the quantity rates for thirty-six months beginning on July 1, 2014 and ending on June 30, 2017 to refund an overcollection associated with the Sandhill Water Treatment Facility Plant.
6. A surcredit of \$0.0294 per Ccf is to be applied to the quantity rates for a 12-month period beginning on the effective date of Advice Letter 431-A to amortize the overcollection in the Cost of Capital Interim Rate Memorandum Account (CCIRMA).
7. A surcredit of \$0.0330 per Ccf is to be applied to the quantity rates for a 12-month period beginning on the effective date of Advice Letter 436 to amortize the March 2011 balances in five balancing and memorandum accounts as authorized by D.14-05-001.
8. A surcharge of \$0.1297/Ccf is to be applied to the quantity rates of only non-CARW customers to recover the estimated benefits provided under the California Alternative Rates for Water (CARW) program.

(D)
(N)
(N)
(N)

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SCHEDULE NO. FO-CARW
Fontana Water Company
CALIFORNIA ALTERNATIVE RATES FOR WATER
(continued)

SPECIAL CONDITIONS (continued)

2. Application and Eligibility Declaration: An application and eligibility declaration on a form authorized by the Commission is required for each request for service under this schedule. Renewal of a customer's eligibility declaration will be required every two years and may be required on an annual basis. Customers are only eligible to receive service under this rate schedule at one residential location at any one time, and the rate applies only to the customer's permanent primary residence. The schedule is not applicable where, in the opinion of the Utility, either the accomodation or the occupancy is transitory.
3. Commencement of Rate: Eligible customers shall be billed on this schedule commencing no later than one billing period after receipt and approval of the customer's application by the Utility.
4. Verification: Information provided by the applicant is subject to verification by the Utility. Refusal or failure of a customer to provide documentation of eligibility acceptable to the Utility, upon the request of the Utility, shall result in removal from this rate schedule.
5. Notice from Customer: It is the customer's responsibility to notify the Utility if there is a change in the customer's eligibility status.
6. Customers may be re-billed for periods of ineligibility under the applicable rate schedule.
7. All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF.
8. A surcredit of \$0.2165 per Ccf is to be applied to the quantity rates for thirty-six months beginning on July 1, 2014 and ending on June 30, 2017 to refund an overcollection associated with the Sandhill Water Treatment Facility Plant.
9. A surcredit of \$0.0294 per Ccf is to be applied to the quantity rates for a 12-month period beginning on the effective date of Advice Letter 431-A to amortize the overcollection in the Cost of Capital Interim Rate Memorandum Account (CCIRMA).
10. A surcredit of \$0.0330 per Ccf is to be applied to the quantity rates for a 12-month period beginning on the effective date of Advice Letter 435 to amortize the March 2011 balances in five balancing and memorandum accounts as authorized by D.14-05-001.

(D)
(N)
(N)
(N)

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