

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA



**FILED**

12-14-10  
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Application of California-American Water Company (U210W), California Water Service Company (U60W), Golden State Water Company (U133W), Park Water Company (U314W) and Apple Valley Ranchos Water Company (U346W) to Modify D.08-02-036, D.08-06-002, D.08-08-030, D.08-09-026, D.08-11-023, D.09-05-005, D.09-07-021, and D.10-06-038 regarding the Amortization of WRAM-related Accounts.

A.10-09-017  
(Filed September 20, 2010)

**REPLY OF THE DIVISION OF RATEPAYER ADVOCATES TO  
THE RESPONSE OF JOINT APPLICANTS REGARDING THE  
APPLICABILITY OF PUBLIC UTILITIES CODE SECTION 454(a)  
TO THIS APPLICATION**

**I. INTRODUCTION**

Pursuant to the December 3, 2010 request of Administrative Law Judge (“ALJ”) Walwyn for additional information regarding the applicability of California Public Utilities Code (“PU code”) Section 454(a) to Application (“A.”) 10-09-017, the Division of Ratepayer Advocates (“DRA”) respectfully submits this reply to ALJ Walwyn’s request and the Joint Applicants<sup>1</sup> response to that request, which was filed on December 10, 2010 (“Joint Response”).

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<sup>1</sup> “Joint Applicants” in this proceeding are California-American Water Company, California Water Service Company, Golden State Water Company, Park Water Company and Apple Valley Ranchos Water Company.

## **II. DISCUSSION**

During the December 3, 2010 prehearing conference for A.10-09-017, ALJ Walwyn asked the Parties to address whether customer notice of this Application was required under PU code section 454(a). In their Joint Response, Applicants contend that section 454(a) is not a requirement for this Application for several reasons, discussed in the Joint Response. DRA has reviewed PU code 454(a), Commission decisions, and the Applicants Joint Response. While DRA does not agree with all of the Applicants' contentions, DRA does concur with the Applicants' contention that the utilities do not need to provide their customers with notice under PU code 454(a) prior to the Commission's adoption of the adjusted WRAM/MCBA amortization policy. This Application will not result in a change to the Applicants' revenue requirements, which were noticed and authorized in the Applicants' respective general rate case ("GRC") decisions; rather it will shorten the recovery time of the WRAM/MCBAs. DRA is also concerned with the cost of noticing customers and the potential confusion that could result from customer notices in this specific situation. DRA does not agree with the Applicants' contention that applying 454(a) is inconsistent with public policy concerns, furthermore, the Applicants' discussion of substantive public policy implications within the Application is outside the scope of ALJ Walwyn's limited request as to 454(a) and will be addressed later in this proceeding.

## **III. CONCLUSION**

For the above stated reasons, the Commission should not apply the customer notice requirement under PU code 454(a) to A.10-09-017.

Respectfully submitted,

/s/ ALLISON BROWN

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ALLISON BROWN

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December 14, 2010

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a copy of “**REPLY OF THE DIVISION OF RATEPAYER ADVOCATES TO THE RESPONSE OF JOINT APPLICANTS REGARDING THE APPLICABILITY OF PUBLIC UTILITIES CODE SECTION 454(a) TO THIS APPLICATION**” in **A.10-09-017** by using the following service:

**E-Mail Service:** sending the entire document as an attachment to all known parties of record who provided electronic mail addresses.

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Executed on **December 14, 2010** at San Francisco, California.

/s/ ALBERT HILL  
Albert Hill

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