

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of California-American Water Company (U210W) for an Order Authorizing the Transfer of Costs Incurred in 2011 for a Long-Term Water Supply Project for the Monterey County District to its Special Request 1 Surcharge Balancing Account.

Application 12-10-003
(Filed October 2, 2012)

ORDER EXTENDING STATUTORY DEADLINE**Summary**

This decision extends the statutory deadline in this proceeding to November 26, 2014.

Background

Public Utilities Code Section 1701.5 provides that ratesetting matters such as this application shall be resolved within 18 months of issuance of the scoping memo for the proceeding, unless the Commission makes findings why that statutory deadline cannot be met and issues an order extending the 18-month deadline for a period not exceeding 60 days.

In this proceeding, the scoping memo was issued on March 28, 2013, therefore the 18-month deadline for resolving the proceeding is September 27, 2014.

On October 2, 2012, California-American Water Company (Cal-Am) filed this application requesting authorization to transfer a total of \$704,052.53 in pre-

construction costs incurred in 2011 for the long-term water supply project for its Monterey County District.

On January 4, 2013, Cal-Am filed an amended application in response to the assigned Administrative Law Judge's (ALJ) Ruling of December 13, 2012. In that ruling, the ALJ directed Cal-Am to file an amended application that removes the legal costs associated with the Regional Desalination Project from its request, consistent with the requirements of Decision 12-11-031. As a result, Cal-Am has removed \$446,831.56 from its request, as well as interest totaling \$17,193.68. Cal-Am then requested authorization to transfer \$240,027.29 in pre-construction costs incurred in 2011 (or paid for in 2012 but incurred in 2011) to its balancing account for recovery.

On March 15, 2013, Cal-Am filed a supplement to the application and now seeks recovery of approximately \$292,030.85 in pre-construction costs for 2011, which includes an additional \$52,003.56 related to slant well costs, additional engineering consulting costs, additional public outreach costs, and additional interest associated with these costs.

On August 30, 2013, Cal-Am and the Division of Ratepayer Advocates (now Office of Ratepayer Advocates) filed a joint motion to adopt a Settlement Agreement. A 60-day extension of the statutory deadline until November 26, 2014, is necessary to review the Settlement Agreement and to prepare a decision for Commission consideration.

Waiver of Comment Period

Under Rule 14.6(c)(4) of the Commission's Rules of Practice and Procedure, the Commission may reduce or waive the period for public review and comment of decisions extending the deadline for resolving ratesetting

proceedings. We waive the period for public review and comment pursuant to this rule.

Assignment of Proceeding

Michael R. Peevey is the assigned Commissioner and Douglas Long is the assigned Judge in this proceeding.

Findings of Fact

1. This proceeding was initiated on October 2, 2012.
2. The 18-month deadline for resolving the proceeding is September 27, 2014.
3. An extension of time until November 26, 2014 is necessary to allow further review of the Settlement Agreement and issue a final decision for Commission consideration.

Conclusions of Law

1. Pursuant to the authority granted the Commission under Public Utilities Code Section 1701.5(a), the statutory deadline for this proceeding should be extended to November 26, 2014.
2. Pursuant to Rule 14.6(c)(4), the comment period for the proposed decision should be waived.

IT IS ORDERED that the extension of the statutory deadline for this proceeding is extended to November 26, 2014.

This order is effective today.

Dated _____, at San Francisco, California.