

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Golden State Water Company, on Behalf of its Bear Valley Electric Service Division (U913E), for Approval and Recovery of Costs, and Authority to Increase Rates and Other Charges, (Including a Requested Total Operating Revenue Requirement of \$37,240,204 (decrease of 4.4%) for TY2018 and \$38,969,869, \$41,309,234, and \$43,593,202 (Increases of 4.6%, 6.0% and 5.5%) for TY 2019, 2020 and 2021, Respectively) Related to Electric Service by Its Bear Valley Electric Service Division.

Application 17-05-004

ORDER EXTENDING STATUTORY DEADLINE

Summary

This decision extends the statutory deadline in this proceeding to August 1, 2019.

1. Background

On May 1, 2017, Golden State Water Company (GSWC), on behalf of its Bear Valley Electric Service District (Applicant) filed this Application (A.) 17-05-004 (Application), with the California Public Utilities Commission (Commission) for approval and recovery of costs, and authority to increase rates and other charges, related to electric service by its Bear Valley Electric Service division. The Application requested: (1) authorization for total operating revenue requirement for Test Year (TY) 2018; (2) authorization for

increases in total operating revenue requirements for TYs 2019, 2020 and 2021; and (3) approval of the nine special requests/projects identified in the Application.

On July 24, 2017, a prehearing conference was held and the Scoping Memo and Ruling (scoping memo) of assigned commissioner was issued on August 25, 2017 scoping memo pursuant to the Commission Rules of Practice and Procedure (Rules), Rule 7.3.¹ The Scoping Memo identified the issues to be determined in this proceeding.

On November 9, 2017, the Commission issued an “Interim Decision On Motion For Memorandum Account, authorizing Applicant to establish a General Rate Case Memorandum Account, in order to record current rates based on its 2018 authorized revenue requirement in order to track the change in revenue requirement adopted in this proceeding during the period between January 1, 2018 and any later effective date of the final decision, and to accrue interest on any balance beginning January 1, 2018, based on the Federal Reserve’s three-month commercial paper rate.

On December 7, 2017, a Public Participation Hearing was held in in the City of Big Bear Lake in order to obtain comments and feedback on the Application from Applicant’s customers. Evidentiary hearings were held on May 30, 2018 and post hearing opening and reply briefs were received, and the case was submitted on July 9, 2018.

On October 9, 2018, the record was reopened and Applicant and the Public Advocates Office of the California Public Utilities Commission (Cal Advocates)

¹ All references to “Rule(s)” are to the Commission Rules of Practice and Procedure, unless otherwise indicated.

were directed to submit additional information in support of their joint “Stipulation on Depreciation, Cost of Capital and Certain Non-Revenue Issues” (Joint Stipulation). The record was to remain open until the due date for the requested information on October 24, 2018. Accordingly, on October 25, 2018, the Commission extended the statutory deadline in this proceeding to March 1, 2019.²

On October 19, 2018, Applicant and Cal Advocates (Settling Parties) jointly notified the Commission that they have reached an agreement in principle on all issues in the Application except for the issue of cost allocation. Both indicated that a request of an extension of time was pending in order to appropriately propose settlement in this matter and notice a settlement conference pursuant to Rule 12.1; and requested that the October 9, 2018 order directing them to provide additional information in support of their Joint Stipulation be suspended.

On November 2, 2018, the Settling Parties requested an extension in order to comply with Rule 12.1 settlement requirements. On November 5, 2018, an extension was granted, and the Settling Parties were directed to file a settlement agreement by November 28, 2018, as requested. On November 28, 2018, both complied by submitting a “Joint Motion for Commission Approval and Adoption of Settlement Agreement” (Motion), together with the “Settlement Agreement,” which was included as “Attachment A” to the motion. Their motion provided that although the City of Big Bear Lake (City) and the Big Bear Area Regional Wastewater Agency (Wastewater Agency), both of which are parties to the proceeding, were not current signatories to the Settlement, both

² See Decision 18-10-056, “Order Extending Statutory Deadline” issued on October 25, 2018.

intend to sign on to the settlement after each of their elected boards has approved the proposed settlement.

On December 18, 2018, the Settling Parties notified the Commission that the Wastewater Agency's Board has approved the settlement and that the Wastewater Agency is now a Settling Party and a signatory to the settlement. The December 18, 2018 notice informed the Commission that City's Council has not had a chance to approve the Settlement Agreement. On January 15, 2019, counsel for Applicant notified the Commission that City's regularly scheduled meeting was scheduled to take place on January 28, 2019 and that the "consideration of the Settlement Agreement" would be on City's Council meeting agenda. Once that occurred, the Settling Parties indicated that they intend to file a motion requesting that an amended Settlement Agreement (including City and/or the Wastewater Agency as signatories) be approved by the Commission. Accordingly, the record of this proceeding remains open, and the case is not submitted.

2. Statutory Deadline and Discussion

Public Utilities Code Section 1701.5 provides that the Commission shall resolve the issues raised in the scoping memo of a ratesetting proceeding, within 18 months of the date the proceeding is initiated, unless the Commission makes a written determination that the deadline cannot be met, and issues an order extending the deadline. In this proceeding, the 18-month deadline for resolving the case was November 1, 2018. The Commission extended the Statutory deadline to March 1, 2019 in Decision (D.)18-10-056.

Based on the record of this proceeding, this proceeding cannot be resolved by March 1, 2019, or “within 18 months of initiation” as required by law,³ as the record in this proceeding is currently incomplete, and additional information is required in order to fully evaluate the issues presented for resolution in this proceeding. Accordingly, this order extending the statutory deadline for six months is necessary and recommended.

3. Waiver of Comment Period

Under Rule 14.6(c)(4), the Commission may waive the otherwise applicable 30-day period for public review and comment on a decision that extends the 18-month deadline set forth in § 1701.5. Under the circumstances of this case, it is appropriate to waive the 30-day period for public review and comment.

4. Assignment of Proceeding

Clifford Rechtschaffen is the assigned Commissioner and Adeniyi A. Ayoade is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. The proceeding was initiated (Application filed) on May 1, 2017.
2. On October 25, 2018, the Commission extended the statutory deadline in this proceeding to March 1, 2019.
3. The record of this proceeding remains open, and this case is not yet submitted for a decision.

³ In this proceeding, the Scoping Memo identified 18 issues to be determined. Eleven of those issues are contested. Additionally, voluminous records have been created and/or submitted in this proceeding, including opening and rebuttal testimonies, detailed workpapers and attachments, and exhibits that must be reviewed, compared, evaluated and analyzed in this proceeding in order to reach an informed and supported decision in the proceeding.

4. Additional time is needed to obtain all information needed to evaluate and/or resolve the issues presented in this matter; evaluate the proposed settlement in this matter; and issue a proposed decision for adoption by the Commission.

5. An extension of time until August 1, 2019 is needed.

Conclusions of Law

1. It is not possible to resolve this case by March 1, 2019 as provided for in § 1701.5 and D.18-10-056.

2. The statutory deadline should be extended until August 1, 2019, in order to allow for resolution of this proceeding.

3. This order should be made effective immediately.

IT IS ORDERED that the statutory deadline in this proceeding is extended to August 1, 2019.

This order is effective today.

Dated _____, at San Francisco, California.