



FILED

01-06-10

10:25 AM

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Investigation to Consider Policies to Achieve the Commission's Conservation Objectives for Class A Water Utilities.

Investigation 07-01-022
(Filed January 11, 2007)

And Related Matters.

Application 06-09-006
Application 06-10-026
Application 06-11-009
Application 06-11-010
Application 07-03-019

ASSIGNED COMMISSIONER AND ADMINISTRATIVE LAW JUDGE'S RULING EXTENDING THE STATUTORY DEADLINE AND SETTING A WORKSHOP; THIRD AMENDED PHASE 2 SCOPING MEMO

This ruling notifies parties of a Phase 2 workshop on the applicability to investor-owned water utilities of the recent California water reform legislation addressing water conservation and water use efficiency, starting at 1:30 p.m. on Thursday, January 21, 2010 in the Commission's Golden Gate Room, State Office Building, 505 Van Ness Avenue, San Francisco, California. The workshop will focus on issues being addressed in this proceeding, including California water recycling policy and the statewide mandate to reduce per capita urban water use 20% by 2020. This workshop also will address integrated regional water management and further consider issues related to State agency water use data integration. This ruling also modifies the Phase 2 scoping memo for this proceeding, defers consideration of advanced metering, and extends the deadline to complete this proceeding until July 31, 2010.

Background

The Commission's Policy and Planning Division has held two workshops since the Phase 2 scoping memo issued in this proceeding, a workshop on water recycling on June 24, 2009, and a workshop on statewide water use data integration on July 20, 2009. The June 30, 2009 ruling and second amended Phase 2 scoping memo noted that there would be a third workshop on emerging technologies, including smart metering, in the context of a broader workshop on the economic impacts of water scarcity on customers and investor-owned utilities.

The statewide water use data integration workshop brought together a sub-set of representatives from the state inter-agency working group (the Commission, the State Water Resources Control Board, the Department of Water Resources, the California Energy Commission, and the California Urban Water Conservation Council) charged with preparing the 20x2020 Water Conservation Plan, as well as representatives from the Federal Bureau of Reclamation and from both municipal and investor-owned water utilities. The workshop attendees noted the critical importance of continuing inter-agency work to standardize and integrate the reporting of water use data across the state's water regulatory agencies as detailed in the 20x2020 Water Conservation Plan presented to the Governor's Office in November 2009 by the inter-agency working group.

Subsequent to the statewide data integration workshop, in November of 2009, the California State Legislature passed urban and agricultural water conservation legislation, Senate Bill (SB) X7 7 (Steinberg), which requires the state to achieve a 20% reduction in urban per capita water use by December 31, 2020, and the Governor approved the bill on November 10, 2009. Among other elements, the bill specifically requires the State's water regulatory agencies to

develop a standardized water information reporting system to streamline water reporting required under the law.

Water Data Standardization and Integration and SBX7 7 Water Conservation Policy Workshop

This ruling sets a workshop on January 21, 2010, to address water use data integration, water conservation policies, and the need for coordinated regulatory work of the state's water agencies in light of the amendments to the Water Code contained in SBX7 7. The staff of the Commission's Policy and Planning Division will lead the workshop.

The tentative agenda for this workshop will include a presentation by the Alliance for Water Use Efficiency on the Alliance's recently developed Water Conservation Tracking Tool for consideration as a water use tracking tool to be used by the Commission in assessing the water use, conservation program portfolios, and rate structure efficacy of conservation rate design pilot programs adopted in Phase 1 of this proceeding and in separate proceedings. The agenda also will include a presentation by staff from the Department of Water Resources regarding SBX7 7 water conservation legislation and its actual and potential requirements for inter-agency collaboration in implementing the new water conservation and water use efficiency requirements. The Commission may use the information gained from the workshop to consider whether an Order Instituting Rulemaking (OIR) on the development and implementation of a water use tracking database for internal and inter-agency water use data integration by the Commission should be opened.

Amendment to Phase 2 Scoping Memo

The June 30, 2009 ruling and second amended Phase 2 scoping memo deferred data integration, recycled water and low income ratepayer assistance

program issues to further proceedings. In light of the new requirements of the Water Code that impact the statewide data integration process, it may be necessary to resolve some issues on data integration in this proceeding. Therefore, the scope of Phase 2 should encompass data integration issues. In addition, since that ruling issued, an application was filed to conduct a pilot program on advanced metering, Golden State Water Company's Application 08-07-010. It is preferable for the Commission to consider advanced metering pilot programs requested by individual Class A water utilities at this time and to defer consideration of policies on advanced metering, if necessary, to a later date. Finally, this proceeding is on track to conclude prior to the issuance of a generic low income ratepayer assistance rulemaking and should address the impact of conservation rates on the low income ratepayer assistance discount.

Extension of Deadline

The OII and preliminary scoping memo anticipated that this proceeding would conclude within 18 months, in July 2008. The March 8, 2007 scoping memo and the February 8, 2008 Phase 2 scoping memo also anticipated completion of the proceeding within that timeframe. The July 9, 2008 amended scoping memo determined that additional time would be needed to conclude this proceeding and extended the deadline to complete the proceeding to December 31, 2008. The December 30, 2008 ruling and amended Phase 2 scoping memo determined additional time would be required to complete this proceeding and extended the deadline to June 30, 2009. The June 30, 2009 ruling scheduled further proceedings and further extended the deadline to complete this proceeding to March 31, 2010. This ruling and amended scoping memo schedules further proceedings through January 20, 2010, at a minimum. Thus, this proceeding cannot conclude by March 31, 2010. To assist in the fair

determination of the issues raised in this proceeding, the deadline for completing this proceeding should be extended to July 31, 2010.

IT IS RULED that:

1. The Commission's Policy and Planning Division shall hold a workshop on water use data integration and other requirements of SBX7 7 (Steinberg) from 1:30 p.m. to 5:30 p.m. on January 21, 2010, in the Commission's Golden Gate Room, State Office Building, 505 Van Ness Avenue, San Francisco, California.
2. The scope of Phase 2 is modified as specified herein.
3. The time to resolve this proceeding is extended from March 31, 2010 to July 31, 2010.

Dated January 6, 2010, at San Francisco, California.

 /s/ JOHN BOHN
John A. Bohn
Assigned Commissioner

 /s/ JANICE GRAU
Janice Grau
Administrative Law Judge

INFORMATION REGARDING SERVICE

I have provided notification of filing to the electronic mail addresses on the attached service list.

Upon confirmation of this document's acceptance for filing, I will cause a Notice of Availability of the filed document to be served upon the service list to this proceeding by U.S. mail. The service list I will use to serve the Notice of Availability of the filed document is current as of today's date.

Dated January 6, 2010, at San Francisco, California.

/s/ TERESITA C. GALLARDO
Teresita C. Gallardo

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to ensure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074 or TDD# (415) 703-2032 five working days in advance of the event.