

ATTACHMENT

**CORRECTIONS TO GO 96-B AND
CODIFICATION OF AMENDMENTS
TO ENERGY AND WATER INDUSTRY RULES**

Corrections

General Rule 3.5: Delete reference to General Rule 5.4 and replace with reference to General Rule 5.3.

General Rule 7.5.3, second paragraph: Delete reference to General Rule 5.4 and replace with reference to General Rule 5.3.

General Rule 7.6.2, first paragraph: Delete references to General Rules 5.4 and 5.5 and replace with reference to General Rule 5.3.

Energy Industry Rule 4: Delete reference to General Rule 5.5 and replace with references to General Rules 4.6 and 5.3.

Water Industry Rule 4: Delete reference to General Rule 5.5 and replace with references to General Rules 4.6 and 5.3.

Water Industry Rule 7.1: Delete references to General Rules 5.4 and 5.5 and replace with references to General Rules 4.6 and 4.7.

Water Industry Rule 7.3.3(7): Change “offset” to “amortization.”

Codification of Amendments Made by Res. E-4111 to Energy Industry Rules

Change heading of Industry Rule 3, add new Industry Rule 3.1, and re-number existing Industry Rule 3, as follows:

Industry Rule 3. Notice and Service Procedures

3.1 Notice to Customers

Unless otherwise required by a Commission order issued after September 6, 2007, exceptions to General Rule 4.2 are authorized, and no customer notice is required, for the following categories of Energy Industry advice letters:

- (1) An electrical, gas, heat, or pipeline Utility advice letter that requests higher rates or charges, or more restrictive terms or conditions of service, where the increased rates or charges, or changes to terms or conditions of service, as requested in the advice letter, have been specifically authorized by statute or by a prior Commission order;
- (2) A weekly, monthly, or semi-annual advice letter filed by a gas Utility in accordance with Commission authorized procedures to change gas rates based on changes in the price of gas;

- (3) A monthly advice letter filed by an electrical Utility in accordance with Commission authorized procedures to change electric rates based on changes in diesel fuel costs (see Resolution E-3849); and
- (4) An advice letter filed by an electrical Utility in accordance with Commission authorized procedures to pass through increases to electric rates or charges for electric transmission related costs that have been filed with and become effective at the Federal Energy Regulatory Commission. (See Resolution E-3930.)

3.2 Serving Advice Letters (see General Rules 4.3, 7.2)

On or before the date an advice letter is submitted for filing, in addition to serving the advice letter as required by General Rule 7.2, the Utility shall serve the advice letter, or a notice of the advice letter (containing a summary of major provisions and information on accessing or ordering the entire advice letter), as follows:

- (1) If the advice letter requests approval of a Contract or other deviation, serve all parties to the Contract or other deviation.
- (2) If the advice letter requests approval of rates for an oil pipeline not previously in Utility service, serve all current or potential customers of the oil pipeline.
- (3) If the advice letter requests approval of a rate change for an oil pipeline already in Utility service, serve all shippers and submit to the Energy Division Filings Room at least 30 days before the requested effective date.
- (4) Except for an advice letter described in Industry Rule 3.1 or in (3) of this Industry Rule, if the advice letter requests a change that would cause an increase in a rate or charge, reduction in service, discontinuance of a program, closing a rate schedule to new customers, canceling a rate schedule, or abandoning service to an area, serve all affected customers.
- (5) If the advice letter proposes a new product or service, serve all Utilities and other providers that are providing service within the area to be served.

Codification of Amendments Made by Res. W-4664 to Water Industry Rules

Amend Industry Rules 3.2, 7.3.1, and 7.3.2 as follows:

→ Change the heading of Industry Rule 3.2 and add a second paragraph:

3.2 Method of Notice Special Notice Rules for Compliance Advice Letter, Certain Tier 1 Advice Letters

Normally, notice to customers of a Compliance Advice Letter need not be provided; however, for a Compliance Advice Letter submitted in an Informal General Rate Case, the Utility shall give notice using the form provided by the Water Division (see Standard Practice U-9-W).

Following an advice letter increasing rates as a Balancing Account amortization, CPI offset, expense offset, or pass-through of additional taxes, the Utility shall inform its customers, by bill insert in the first bill that includes the increase, of the amount of the increase, expressed in dollar and percentage terms.

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- Amend the introductory paragraph of Industry Rule 7.3.1 and add “Expense offset” to the list of Tier 1 advice letters:

7.3.1 Tier 1

The following advice letters are effective pending disposition, do not require notice under General Rule 4.2, and are generally subject to approval or rejection by Staff (including deemed approval) pursuant to General Rule 7.6.1, except as indicated below:

- (1) Balancing Account amortization (see Industry Rule 8.5);
 - (2) Change to sample forms (see General Rule 8.5.8);
 - (3) Compliance with mandatory statute, decision, or resolution;
 - (4) Consumer Price Index (CPI) offset;
 - (5) Decrease in rates;
 - (6) Escalation filing;
 - (7) Expense offset (see Industry Rule 8.4);
 - ~~(7)~~(8) Pass-through of additional taxes imposed on utility;
 - ~~(8)~~(9) Service to a government agency (see General Rule 8.2.3); but such advice letter shall be subject to disposition by Commission resolution as provided by General Rule 7.6.2; and
 - ~~(9)~~(10) Emergency voluntary conservation program.
- Delete “Expense offset” from the list of Tier 2 advice letters in Industry Rule 7.3.2:

7.3.2 Tier 2

The following advice letters are effective only upon approval, but may be deemed approved and are generally subject to approval or rejection by staff pursuant to General Rule 7.6.1:

- (1) Approval of post-acquisition rates of mutual or municipal water company (see D.99-10-064);
- (2) Contract or other deviation (or tariff sheets providing service to a single customer) (see Industry Rule 8.3);
- (3) Department of Health Services (DHS) fee offset;
- ~~(4) Expense offset (see Industry Rule 8.4);~~
- ~~(5)~~(4) New service offering;
- ~~(6)~~(5) New Memorandum Account request;

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- ~~(7)~~(6) Recycled water service (as provided in Industry Rule 8.6);
- ~~(8)~~(7) Request for similar treatment (as provided in Industry Rule 8.2);
- ~~(9)~~(8) Service extension into contiguous area or within city in which the Utility already provides service (Water Supply and Certification Questionnaire required) (see Industry Rule 8.1);
- ~~(10)~~(9) Transfer of ownership interest pursuant to Pub. Util. Code § 853(c);
- ~~(11)~~(10) Withdrawal of tariff schedule that has no customers; and
- ~~(12)~~(11) Provision of non-tariffed services (see D.00-07-018, D.03-04-028 & D.04-12-023).