

Decision 11-01-004

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Golden State Water Company (U 133 W) for an order authorizing it to increase rates for water service by \$20,327,339 or 20.12% in 2010; by \$2,646,748 or 2.18% in 2011; and by \$4,189,596 or 3.37% in 2012 in its Region II Service Area and to increase rates for water service by \$30,035,914 or 32.67% in 2010; by \$1,714,524 or 1.39% in 2011; and by \$3,664,223 or 2.92% in 2012 in its Region III Service Area.

Application 08-07-010
(Filed July 1, 2008)

And Related Matter.

Application 07-01-014

ORDER CORRECTING ERROR

The Commission has been informed of errors in Decision (D.) 10-11-035 adopting the revenue requirement in Golden State Water Company's general rate case for Regions II and III. Attachments B through E of the decision do not reflect the final revenue requirement adopted, as described in the body of the decision. Consequently, Section 1, the summary section of the decision which lists the dollar amount and percentage increases in revenue requirement and the percentage increase in the average customer bill in both regions is wrong. The correct tables for Attachments B through E are attached to this Order.

Also, the decision adopts the Supplemental Settlement filed by Golden State Water Company and the Division of Ratepayer Advocates, but Table 5 of the decision summarizing the total number of new positions for Region III does not reflect the number contained in the Supplemental Settlement. The number of new positions in Region III is 12, not 11.

By letter dated November 24, 2010, pursuant to Rule 16.5 of the Commission's Rules of Practice and Procedure, Golden State Water Company seeks to have D.10-11-035 corrected to include the rate tables reflecting the adopted revenue requirement, Section 1 of the decision reflecting the actual impact of the adopted revenue requirement, and Table 5 of the decision reflecting the adopted Supplemental Settlement's new positions for Region III.

D.10-11-035 adopted a revenue requirement that is not reflected in Section 1 of the decision or Attachments B through E. The decision also adopted a Supplemental Settlement that was not reflected in Table 5 of the decision. Therefore, pursuant to Resolution A-4661, Golden State Water Company's request is granted.

IT IS ORDERED that:

1. Attachments B through E to Decision 10-11-035 are corrected to reflect the adopted revenue requirements. They are contained in Appendix A to this order.
2. Section 1 of D.10-11-035 is corrected as follows:
 - a. In the first paragraph of Section 1, the percentage increase for Region II is 23.0%;
 - b. In the first paragraph of Section 1, the revenue requirement for Region III is \$118.7 million;
 - c. In the first paragraph of Section 1, the percentage increase for Region III is 30.0%;
 - d. In the third paragraph of Section 1, the average residential customer with average use will experience a bill increase of 18.4% in Region II.
 - f. In the third paragraph of Section 1, the average residential customer with average use will experience a bill increase of 29.5% in Region III
3. Table 5 to D.10-11-035 is corrected to reflect 12 new positions in Region III, per the adopted Supplemental Settlement.

4. Application 08-07-010 is closed.

This order is effective today.

Dated January 3, 2011, at San Francisco, California.

/s/ PAUL CLANON

PAUL CLANON

Executive Director

APPENIDX A

A.08-07-010, A.07-01-014 ALJ/LRR/avs

ATTACHMENT B
To D.10-11-035

ATTACHMENT B
Appendix

GOLDEN STATE WATER COMPANY
GENERAL OFFICE A.08-07-010

SUMMARY of EARNINGS- TEST YEAR 2010
(Dollars in Thousands)

CPUC WUDF ACCOUNT	Description	<u>AT ADOPTED RATES</u> <u>2010</u>
61500	REVENUES (Other)	255.7
77300	Common Customer Account	400.8
77325	Postage	1,190.2
78000	Operation Labor	1,964.8
	COMMON CUSTOMER ACCOUNT EXPENSES	3,555.8
78100	All Other Operating Expenses	250.4
79200	Office Supplies & Expenses	2,352.2
79300	Property Insurance	612.3
79400	Injuries and Damages	1,050.7
79500	Pension and Benefits	5,870.2
79600	Business Meals	92.3
79700	Regulatory Expenses	234.9
79800	Outside Services	4,986.4
79900	Miscellaneous	1,689.8
80500	Maintenance of General Plant	1,023.8
81100	Rent	327.2
81200	A&G Capitalized	(1,701.5)
81500	A&G Labor	8,719.5
81700	TOTAL ADMIN & GENERAL EXPENSES	25,508.1
50300	DEPRECIATION & AMORTIZATION	1,596.9
50700	Property Taxes	103.7
50720	Payroll Taxes	863.1
50740	TOTAL TAXES NOT ON INCOME	966.8
	TOTAL OPERATING EXP (Less REV)	27,816.1
	TOTAL ALL EXPENSES (Less REV)	31,371.9

(END OF ATTACHMENT B)

A.08-07-010, A.07-01-014 ALJ/LRR/avs

ATTACHMENT C
To D.10-11-035

ATTACHMENT C
APPENDIX

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GOLDEN STATE WATER COMPANY
GENERAL OFFICE A.08-07-010

RATE BASE
(Dollars in thousands)

	<u>2010</u>	<u>2011</u>
RATE BASE		
Utility Plant	34,515.9	35,506.3
Acquisition Adjustment	(1,187.3)	(1,187.3)
Total Utility Plant	33,328.6	34,319.0
Depreciation Reserve	(13,524.4)	(14,431.8)
Net Utility Plant	19,804.2	19,887.2
Material & Supplies	(17.1)	(17.1)
Advances for Construction	0.0	0.0
Contribution	(0.0)	(0.0)
Rate Base before Adjustment	19,787.1	19,870.1
ACRS & MACRS		
Depreciation	(572.1)	(591.4)
Investment Tax Credit	0.0	0.0
Unicap 86	0.0	0.0
Connections	0.0	0.0
Advances (Gross-Up)	0.0	0.0
Sliver	0.0	0.0
Deferred Revenues	0.0	0.0
Deferred Rate Case Expenses	0.0	0.0
Allowance for Working Cash	71.4	71.4
Weighted Average Rate Base	19,286.4	19,350.1

(END OF ATTACHMENT C)

A.08-07-010, A.07-01-014 ALJ/LRR/avs

ATTACHMENT D
To D.10-11-035

ATTACHMENT D

Appendix _

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GOLDEN STATE WATER COMPANY
 REGION 2 - METROPOLITAN CSA A.08-07-010

Schedule ME-1-R
 Bill Comparison for 5/8-inch Meter

2010 Rates

Monthly Usage (Cubic Feet)	At Present Rates	At Adopted Rates	Increase Amount	Percent Increase	
500	30.14	30.56	\$0.42	1.39%	\$30.89
1,000	41.63	47.47	\$5.84	14.03%	
1,200 (Avg.)	46.23	54.74	\$8.52	18.42%	
2,000	64.61	88.77	\$24.16	37.39%	
2,500	76.10	111.13	\$35.03	46.03%	
3,000	87.59	133.49	\$45.90	52.40%	
4,000	110.57	178.21	\$67.64	61.17%	
10,000	248.45	446.53	\$198.08	79.73%	

2011 Rates

Monthly Usage (Cubic Feet)	2010 Rates	2011 Rates	Increase Amount	Percent Increase	
500	\$30.56	30.89	\$0.33	1.08%	
1,000	\$47.47	47.98	\$0.51	1.07%	
1,200 (Avg.)	\$54.74	55.33	\$0.59	1.07%	
2,000	\$88.77	89.72	\$0.95	1.07%	
2,500	\$111.13	112.32	\$1.19	1.07%	
3,000	\$133.49	134.92	\$1.43	1.07%	
4,000	\$178.21	180.12	\$1.91	1.07%	
10,000	\$446.53	451.32	\$4.79	1.07%	
	current(as filed)	2010	2011	2012	
Serv Charge	\$18.65	\$13.65	\$13.80	14.00	
Qty Charge	\$2.2980	\$3.3820	\$3.4180	\$3.4750	
	\$2.2980	\$3.8890	\$3.9310	\$3.9960	
	\$2.2980	\$4.4720	\$4.5200	\$4.5960	
Tier 1	11				
Tier 2	15				

(END OF ATTACHMENT D)

A.08-07-010, A.07-01-014 ALJ/LRR/avs

ATTACHMENT E
To D.10-11-035

ATTACHMENT E

Appendix _

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**GOLDEN STATE WATER COMPANY
REGION 3 CSAs A.08-07-010**

**Schedule R3-1-R
Bill Comparison for 5/8-inch Meter**

2010 Rates

Monthly Usage (Cubic Feet)	At Present Rates	At Adopted Rates	Increase Amount	Percent Increase
500	25.42	28.07	\$2.65	10.42%
1,000	34.74	41.24	\$6.50	18.71%
1,500	44.06	55.20	\$11.14	25.28%
1,800 (Avg.)	49.65	64.29	\$14.64	29.48%
2,500	62.70	87.31	\$24.61	39.24%
3,000	72.02	104.72	\$32.70	45.41%
4,000	90.66	139.55	\$48.89	53.93%
10,000	202.50	348.53	\$146.03	72.11%

\$28.46

2011 Rates

Monthly Usage (Cubic Feet)	2010 Rates	2011 Rates	Increase Amount	Percent Increase
500	\$28.07	28.46	\$0.39	1.39%
1,000	\$41.24	41.82	\$0.58	1.41%
1,500	\$55.20	55.98	\$0.78	1.42%
1,800 (Avg.)	\$64.29	65.20	\$0.91	1.42%
2,500	\$87.31	88.56	\$1.25	1.43%
3,000	\$104.72	106.23	\$1.51	1.44%
4,000	\$139.55	141.57	\$2.02	1.44%
10,000	\$348.53	353.61	\$5.08	1.46%
	current(as filed)	2010	2011	2012
Serv Charge	\$16.10	\$14.90	\$15.10	15.45
Qty Charge	\$1.8640	\$2.6340	\$2.6720	\$2.7350
	\$1.8640	\$3.0290	\$3.0730	\$3.1450
	\$1.8640	\$3.4830	\$3.5340	\$3.6170

Tier 1
Tier 2

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(END OF ATTACHMENT E)