

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
San Gabriel Valley Water Company
(U 377 W) for Authority to Implement a
Low-Income Rate in Its Los Angeles
Division in Compliance with Decision
02-10-058 in Application 01-10-028.

A.03-04-025

**STATUS REPORT
OF THE OFFICE OF RATEPAYER ADVOCATES**

Pursuant to Administrative Law Judge (“ALJ”) Maribeth Bushey’s order at the January 27, 2004, prehearing conference (“PHC”) in the above captioned proceeding, the Office of Ratepayer Advocates (“ORA”) here files its status report. As discussed below, at this time ORA does not recommend including un-metered low-income consumers in San Gabriel Valley Water Company’s (“San Gabriel’s”) low-income discount program. ORA recommends that the Commission move forward with implementing a low-income rate proposal for San Gabriel customers and set a schedule for receiving testimony and holding hearings.

I. BACKGROUND

Pursuant to Commission directive, on April 24, 2003, San Gabriel filed Application (“A”) 03-04-025 requesting authority to implement a low-income rate program for its customers. On May 28, 2003, ORA filed a protest to the application stating that if this matter proceeds, ORA will investigate the reasonableness of the low-income rate design proposed by San Gabriel but that ORA supported San Gabriel’s

alternative proposal that the Commission issue an industry-wide rulemaking to enunciate a low-income program for all Class A water companies. (ORA Protest, p. 2.)

On January 27, 2004, the ALJ held a PHC. At the PHC, San Gabriel and ORA informed the ALJ that they were close to reaching a settlement in the proceeding. San Gabriel indicated that it was considering “expanding the eligibility of the low-income proposal to customers that are not served directly by San Gabriel, but are served through a master meter/submeter arrangement in multifamily residences.” [Reporter’s Transcript (RT), p. 3] San Gabriel further represented that it was developing a change to the amount of the low-income discount and considering changing the discount from a flat rate discount to a percentage discount. (*Ibid.*)

The ALJ raised a concern that the parties’ proposals did not provide a discount to low-income consumers that are residents of multifamily dwellings but that are not direct customers of San Gabriel. The ALJ stated that she wanted to know the number of consumers that would be eligible for a discount if they were direct customers of San Gabriel. Southern California Edison (“Edison”) indicated that it could identify some of these consumers because many un-metered water residents of multifamily dwellings are metered for energy and receive the CARE discount from Edison. Edison agreed to share this information with the parties,¹ and the parties agreed to discuss whether there were ways to provide discounts to these customer. The parties further agreed to provide a written status report to the ALJ by March 30, 2004, which would recommend procedural steps to address the issues in the proceeding. (RT 15.)

II. DISCUSSION AND PROPOSE SCHEDULE

Since the PHC, ORA has explored the issue of offering discounts to consumers that are not direct customers of San Gabriel. While ORA understands the ALJ’s concerns with regards to these consumers, ORA does not support, at this time, providing discounts to these consumers. ORA is prepared to discuss in its testimony why it does not support

¹ ORA received some of this information. On March 15, 2004, San Gabriel provided ORA with the number of low-income residents in multi-family housing.

the various options discussed at the PHC to provide a discount to these un-metered water consumers. ORA does intend to expand its recommendation on the availability of the low-income discount to include certain otherwise ineligible consumers that serve the low-income population. For example, ORA is exploring the possible recommendation that San Gabriel offer a discount to homeless shelters and group living facilities.

ORA recommends that the ALJ set a schedule for issuing testimony and setting hearings in this matter. ORA proposes the following schedule:

ORA Testimony	April 20, 2004
San Gabriel Reply Testimony	May 4, 2004
Hearings	May 24, 2004 continuing as needed

III. CONCLUSION

ORA recommends the ALJ adopt the schedule set forth above.

Respectfully submitted,

/s/ Monica McCrary

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March 30, 2004

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing document
“STATUS REPORT OF THE OFFICE OF RATEPAYER ADVOCATES”
in A.03-04-025.

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Executed in San Francisco, California, on the 30th day of March, 2004.

/s/ Nelly Sarmiento

Nelly Sarmiento