



STATE OF CALIFORNIA

GAVIN NEWSOM, Governor

**PUBLIC UTILITIES COMMISSION**

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298

**FILED**  
02/12/21  
03:20 PM

February 12, 2021

**Agenda ID #19200**  
**Ratesetting**

TO PARTIES OF RECORD IN APPLICATION 18-07-001:

This is the proposed decision of Administrative Law Judge Charles Ferguson. Until and unless the Commission hears the item and votes to approve it, the proposed decision has no legal effect. This item may be heard, at the earliest, at the Commission's March 18, 2021 Business Meeting. To confirm when the item will be heard, please see the Business Meeting agenda, which is posted on the Commission's website 10 days before each Business Meeting.

Parties of record may file comments on the proposed decision as provided in Rule 14.3 of the Commission's Rules of Practice and Procedure.

The Commission may hold a Ratesetting Deliberative Meeting to consider this item in closed session in advance of the Business Meeting at which the item will be heard. In such event, notice of the Ratesetting Deliberative Meeting will appear in the Daily Calendar, which is posted on the Commission's website. If a Ratesetting Deliberative Meeting is scheduled, *ex parte* communications are prohibited pursuant to Rule 8.2(c)(4)(B).

/s/ ANNE E. SIMON

Anne E. Simon

Chief Administrative Law Judge

AES:jnf  
Attachment

Decision **PROPOSED DECISION OF ALJ FERGUSON** (Mailed 2/12/2021)**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

In the Matter of the Application of CALIFORNIA WATER SERVICE COMPANY (U-60-W), a California corporation, for an order (1) authorizing it to increase rates for water service by \$50,673,500 or 7.6% in test year 2020, (2) authorizing it to increase rates on January 1, 2021 by \$31,461,900 or 4.4% and on January 1, 2022 \$33,000,700 or 4.4% in accordance with the Rate Case Plan, and (3) adopting other related rulings and relief necessary to implement the Commission's ratemaking policies.

Application 18-07-001

**DECISION MODIFYING ORDERING PARAGRAPHS 24  
AND 25 OF DECISION 20-12-007****Summary**

This decision modifies Ordering Paragraphs 24 and 25 of Decision 20-12-007 to clarify the limit on the number of advanced metering infrastructure installations California Water Service Company may make in the aggregate in three of its water districts, Bear Gulch, Los Altos and Redwood Valley.

The proceeding is closed.

## 1. Background

On December 3, 2020, Decision (D.) 20-12-007 was issued resolving the general rate case proceeding for California Water Service Company (Cal Water) covering years 2020 – 2022.

On December 22, 2020, Cal Water submitted a letter request pursuant to California Public Utilities Commission (Commission) Rules of Practice and Procedure, Rule 16.6, to the Commission's Executive Director seeking clarification of the wording of Ordering Paragraphs (OPs) 24 and 25 of D.20-12-007, on the ground that the text of D.20-12-007 on page 41<sup>1</sup> conflicted with the text of OPs 24 and 25.<sup>2</sup> Each of those OPs refers to the maximum, aggregated number of Advanced Metering Infrastructure (AMI) devices that D.20-12-007 allows Cal Water to install during the current rate cycle in the Bear Gulch, Los Altos and Redwood Valley districts. Cal Water recommended modifications to the OPs to eliminate the ambiguity and inconsistency.

By a letter to Cal Water dated January 8, 2021, the Executive Director declined to make the requested modifications to OPs 24 and 25, and instead, she referred the matter to Administrative Law Judge (ALJ) for resolution.

## 2. Discussion and Analysis

Upon review of D.20-12-007, we find that ambiguity and inconsistency exist and Cal Water's requested modifications to OPs 24 and 25 are justified. By

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<sup>1</sup> On page 41 of D.20-12-007 we said: "Cal Water proposes to distribute Advanced Metering Infrastructure (AMI) type meters or AMI add-ons (collectively, AMI equipment) to some or all residents of these districts, not to exceed more than 1 percent of its systemwide customer total." (Emphasis added.)

<sup>2</sup> The wording of OPs 24 and 25 could be read to limit Cal Water to making fewer AMI installations than 1 percent of its systemwide customer total.

modifying Ordering Paragraphs 24 and 25 of D.20-12-007, as reflected below, the ambiguity and inconsistency will be eliminated:

24. California Water Service Company is authorized to continue with the installation of advanced metering infrastructure at customer locations in Bear Gulch, Los Altos and Redwood Valley districts, so long as the total number of installations systemwide across those three districts does not exceed one percent of its customer count systemwide and does not exceed \$2.92 million in cost.
25. California Water Service Company may install advanced meter infrastructure equipment at its customers' locations in Portola Valley, so long as the total number of installations systemwide across the Bear Gulch, Los Altos and Redwood Valley districts does not exceed one percent of its customer count systemwide and does not exceed \$2.92 million in cost.

We therefore order that these modifications be made.

### **3. Comments on Proposed Decision**

The proposed decision of ALJ Ferguson in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. Comments were filed on \_\_\_\_\_, and reply comments were filed on \_\_\_\_\_ by \_\_\_\_\_.

### **4. Assignment of Proceeding**

President Marybel Batjer is the assigned Commissioner and Charles Ferguson is the assigned Administrative Law Judge in this proceeding.

### **Findings of Fact**

1. The text on page 41 of D.20-12-007 and the wording of OPs 24 and 25 of the same decision are inconsistent and create ambiguity.

2. Modifying OPs 24 and 25 as ordered in this decision will avoid all inconsistency and ambiguity.

**Conclusion of Law**

1. The Commission should modify OPs 24 and 25 of D.20-12-007 to eliminate inconsistency and ambiguity in D.20-12-007.

2. This proceeding should be closed.

**O R D E R**

**IT IS ORDERED** that:

1. Ordering Paragraph 24 of Decision 20-12-007 shall be modified to read as follows:

24. California Water Service Company is authorized to continue with the installation of advanced metering infrastructure at customer locations in Bear Gulch, Los Altos and Redwood Valley districts, so long as the total number of installations across those three districts does not exceed one percent of its customer count systemwide and does not exceed \$2.92 million in cost.

2. Ordering Paragraph 25 of Decision 20-12-007 shall be modified to read as follows:

25. California Water Service Company may install advanced meter infrastructure equipment at its customers' locations in Portola Valley, so long as the total number of installations across the Bear Gulch, Los Altos and Redwood Valley districts does not exceed one percent of its customer count systemwide and does not exceed \$2.92 million in cost.

3. This proceeding is closed.

This order is effective today.

Dated \_\_\_\_\_, at San Francisco, California.