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07/29/21  
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**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking  
Evaluating the Commission's 2010  
Water Action Plan Objective of  
Achieving Consistency Between Class  
A Water Utilities' Low-Income Rate  
Assistance Programs, Providing Rate  
Assistance to All Low-Income  
Customers of Investor-Owned Water  
Utilities, and Affordability.

Rulemaking 17-06-024

**(NOT CONSOLIDATED)**

Order Instituting Rulemaking to  
Address Energy Utility Customer Bill  
Debt Accumulated During the  
COVID-19 Pandemic.

Rulemaking 21-02-014

**RULING SETTING JOINT STATUS CONFERENCE  
AND ORDERING COMMENTS**

This ruling sets a joint status conference of the parties in Rulemaking (R.) 17-06-024 (Phase III of R.17-06-024) and a related proceeding, R.21-02-014 (Phase II of R.21-02-014). Both rulemakings are examining the need for arrearage relief as a consequence of the impacts of the COVID-19 pandemic. R.17-06-024 addresses the need for relief in the water sector and R.21-02-014 addresses the need for relief in energy sector.

The purpose of the joint status conference is to review the Phase III issues in R.17-06-024,<sup>1</sup> the Phase II issues in R.21-02-014,<sup>2</sup> and to identify any other related common issues in the two proceedings, with the goals of (1) efficiently leveraging federal and state funding sources available to relieve energy and water utility customer debt associated with the COVID-19 pandemic, and (2) strengthening inter-industry coordination to support utility bill relief and affordability.

The joint status conference will be held remotely on the WebEx platform and is open to all interested stakeholders. Parties should designate a speaking representative prepared with video and audio access and notify Julie Lane ([julie.lane@cpuc.ca.gov](mailto:julie.lane@cpuc.ca.gov)) by August 10, 2021, of their party's speaking representative, title, phone number, and email address. All other participants may utilize the access information below for the status conference.

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<sup>1</sup> The issues to be determined in Phase III of R.17-06-024 are: (a) How best to leverage the available relief funding?; (b) Whether supplemental relief funding is needed; (c) What, if any, further improvements to water affordability are needed; and (d) Implementation issues, if any, relating to the new legislations affecting water affordability, including but not limited to Senate Bill (SB) 998 and Assembly Bill (AB) 401 enacted since R.17-06-024 was issued in 2017.

<sup>2</sup> The issues to be determined in Phase II of R.21-02-014 are: (a) How best to leverage the available relief funding? (b) Whether supplemental relief for Small Business customers is needed, and if so, through which type of relief mechanism; (c) Permanent determination of the allocations of partial payments on COVID-19 related arrearages to ; (d) Implementation issues, if any, relating to the new legislation affecting COVID-19 arrearage relief, including but not limited to the Budget Act, the Trailer Bill and AB 832 enacted since Decision (D.) 21-06-036 was issued in June; and (e) If any, what outstanding barriers, gaps, improvements in documentation and partnerships remain with CBOs in order to make sure that the hardest-to-reach customers navigate important relief programs.

**Joint Status Conference - R.21-01-014 and R.17-06-024**

**Date/Time: August 16, 2021, 9 AM**

WebEx Link for Listen and View Internet Access:

<https://cpuc.webex.com/cpuc/onstage/g.php?MTID=eb56b0c39eefef0935c10020895325b8a>

Passcode for Listen and View Internet Access: 2021

Listen-only Audio Toll-Free Access: 1-855-282-6330

Passcode for Listen-only Audio Toll-Free Access: 146 347 3286

Unless specified otherwise, this ruling also directs parties to R.17-06-024 and R.21-02-014 to serve and file, in both proceedings, comments responsive to the questions set forth below in Sections 1, 3, 4 and 5 of this ruling by September 13, 2021. This ruling directs parties to R.21-02-014 to serve and file briefs responsive to the questions set forth below in Section 2 of this ruling by August 27, 2021.

**1. COVID-19 Arrearage Relief**

Currently, several state and federal relief programs are available, or are under development, to help water and energy utility customers with utility bill arrearages, including:

- California Arrearage Payment Program (CAPP)
- Water and Wastewater System Payments under the American Rescue Plan Act of 2021
- Emergency Rental Assistance Program (ERAP)
- Homeowner's Assistance Program (HAF)
- Low-Income Household Water Assistance Program (LIHWAP)

Parties to R.17-06-024 and R.21-02-014 shall incorporate recent data and developments in their responses to the question below. Recent energy customer arrearage data can be found on the R.21-02-014 proceeding webpage at:

<https://www.cpuc.ca.gov/consumer-support/consumer-programs-and-services/electrical-energy-and-energy-efficiency/energy-utility-arrearages>

Recent water customer arrearage data can be found in Attachment A to this Ruling.

1. Can CAPP, Water and Wastewater System Payments, Small Business Grants, ERAP, HAF, and LIHWAP be leveraged to the benefit of the customers of water and energy utilities? What specific steps, if any, should water and energy utilities take to facilitate the flow of funds to their customers?
2. Can the established data sharing relationship<sup>3</sup> between energy utilities and the California Department of Community Services and Development (CSD) be leveraged to:
  - a. Enhance the distribution of COVID-19 relief funding administered by CSD?
  - b. Support the development of LIHWAP and a statewide low-income water rate assistance program? In answering this question, please also take into consideration the requirement for energy utilities to share low-income customer data with public water systems statewide.<sup>4</sup>
3. In light of the arrearage relief available through CAPP, Water and Wastewater System Payments, ERAP, HAF, and LIHWAP, what need, if any, remains for water and/or energy utility customer arrearage relief?

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<sup>3</sup> In R.18-07-005, Ordering Paragraphs (OPs) 24 – 33 of D.20-06-003 direct the Commission and energy utilities to, among other things 1) update and or develop Memorandums of Understanding with the CSD, 2) engage in quarterly meetings, and 3) develop a grant pledge portal by April 2021.

<sup>4</sup> D.21-06-036, OPs 6 – 8 required the energy utilities to establish protocols to permit the transfer or exchange of low-income customer data to streamline enrollment of qualified customers into utility assistance programs.

- a. Does the remaining need vary by customer classes and within customer classes, by customer segment, and specifically for Small Business customers? On what basis? What data support this?
  - b. For customer classes and/or segments identified in response to Question 3.a. directly above, what is the extent and scale of need for arrearage relief?
4. If it is not yet possible to determine the remaining need for water and/or energy utility arrearage relief, what specific information and steps, if any, must be taken in order to answer this question? If information or action from other entities and organizations is required to answer this question, specify:
  - a. By entity, which information is required?
  - b. By entity, which actions are required?
  - c. Any time estimates before such information will be produced or action taken, and the impact to this proceeding.
5. How should the remaining need for arrearage relief be funded?
  - a. How is your funding recommendation reasonable and applicable?
6. Is any transfer of personal customer data necessary to secure the relief funding?
  - a. If the transfer of personal customer data is necessary, have protocols to protect the privacy of personal customer data been established and implemented?
  - b. Do any barriers remain with regard to the transfer of personal customer data? If barriers remain, please describe in detail each barrier and the timeline and steps you will take to address such barriers.

**2. Application of Relief Funding to Unpaid Energy Bills Associated with COVID-19 and Disconnection Moratorium (Water Stakeholders Only)**

1. If any, what ambiguities exist with the adopted pandemic buffer, and clarification(s) do you recommend?

**3. Allocation of Payments on Past-Due Utility Bills Between Community Choice Aggregators (CCAs) and Utilities (Energy Stakeholders Only)**

1. Should arrearage relief be applied to Community Choice Aggregator (CCA) customers? If so, how?
  - a. To the extent that customers are not at risk of disconnection for failure to pay their CCA charges, does this change the need for arrearage relief of CCA charges?
  - b. To what extent does Public Utilities Code Section 779.2 require utilities to allocate partial payments first to disconnectable charges?

**4. Inter-Industry Coordination to Support COVID-19 Relief and Affordability**

D.21-07-029 adopted three of the five improvements to the low-income data exchange process unanimously recommended by all of the Class A water utilities and the large energy utilities, as well as the California Water Association (CWA). We now begin consideration of the recommendation to develop a central repository for both the energy and water utilities to seamlessly conduct data exchanges.<sup>5</sup>

1. Regarding a central repository of customers qualifying for low-income programs:

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<sup>5</sup> California Water Association (CWA) report of December 1, 2020, on the Meet and Confers regarding Low-income data exchange process at 6 - 7. The remaining recommendation to update data privacy protocols we consider part of ongoing program management and leave to the discretion of the utilities to propose new protocols as necessary.

- a. What are potential costs and benefits of switching to a central model?
- b. What are potential impacts of, if any, on qualifying low-income customers of a central repository?
- c. Identify potential entities, if any, that could administer such a central repository, and explain the advantages of each entity identified.

In R.21-02-014, in April 2021, energy utilities were directed to confer with water utility partners with whom they exchanged low-income data, and leverage this data to identify small groups, or sample sets, of customers most likely to qualify for ERAP.<sup>6</sup> The ERAP program application provided customers the ability to request relief funds for rental, energy utility, water utility, and communications services bill debt through the same application. The energy utilities were further required to work directly with identified customers until the ERAP program approved the customer applications and payments were credited to the customer accounts, or the customer applications to ERAP were denied. While the energy utilities report weekly to the Commission's energy division the number of customers from the sample set in receipt of ERAP relief, we have no information whether the water utilities have received from the ERAP program payments to reduce water utility bill arrearages.

Below, Questions 2 - 4 are for the water and energy utilities:

2. Describe any and all coordination among your overlapping utilities with regard to ERAP.
3. Has your utility received payments from ERAP to relieve customer utility bill debt?

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<sup>6</sup> R.21-02-014, ALJ Ruling, dated April 6, 2021, Directing Investor-Owned Utilities to Leverage Federal Funding Available for Utility Arrearages. *Also see* Reporter's Transcript of Evidentiary Hearing of May 27, 2021.

- a. If yes, provide the number of utility customers for whom ERAP funds have been credited to their account,
- b. If yes, provide the total amount of ERAP funds received and credited to all customer accounts itemized in Question 4.a. above, and the aggregate percentage of debt reduced for all customer accounts itemized in prior Question 3.a. directly above.

In R.17-06-024, we recognized the water utilities' voluntary alignment with the suspension of California Alternate Rates for Energy (CARE) renewal as directed by Resolution M-4842. We consider now what additional alignment between energy and water assistance efforts is necessary:

4. Will resumption of Customer Assistance Program (CAP) and CARE program renewal, certification and verification activities occur at the same time and if not, are any adjustments needed to align the timing?
  5. Should energy and water companies work together to retain low-income customers in the CAP and CARE programs when renewal activities resume?
  6. Some water companies report that the exchange of data pertains only to enrollment data, and not renewal and recertification data. Should data exchanges include exchanges of low-income customer renewal and recertification results? Why or why not?
- 5. Statewide Coordination over Affordability and Low-Income Assistance Program**
1. Is bill delinquency a function of the amount of the utility bill?
  2. Is bill delinquency a function income and other socio-economic (equity) indicators?
  3. Is any further process or protocol necessary for sharing of low-income utility customer data between energy utilities and CSD to support 1) disbursement of COVID-19 arrearage relief funds, 2) LIHWAP, or 3) preparation for a statewide low-income water rate assistance program?



4. Beyond the monthly data reporting working sessions beginning for Class A water utilities, is additional coordination with the State Water Board necessary?
5. In the interim while the state develops a statewide low-income water rate assistance program, should the Commission pursue changes to the CAP surcharge? In response, parties should refer to Attachment C showing which water utilities offer the CAP program, how the program discount is structured, and how the surcharge to fund the program is structured.
  - a. What are the impacts on affordability of a volumetric vs. flat surcharge?
  - b. What are the impacts on affordability of assessing the surcharge across the service territory vs. assessing the surcharge by district or region?
  - c. What are the impacts on affordability of assessing the surcharge only on water billed at Tier 2 or higher rates?
  - d. What are the different impacts on environmental and social justice communities, of changing the structure of the CAP surcharge?
  - e. Would changing the structure of the CAP surcharge change or impact the benefits received by CAP participants?
  - f. Would changing structure of the CAP surcharge affect the eventual participation of Commission-regulated water utilities in a statewide low-income water rate assistance program?

**IT IS RULED** that:

1. A joint status conferences is set in Rulemaking (R.) 17-06-024 and R.21-02-014 on August 16, 2021, at 9 a.m. via the Webex platform identified above.

2. Each party shall designate one speaker for the status conference and by August 10, 2021, provide to Julie Lane by email at [Julie.lane@cpuc.ca.gov](mailto:Julie.lane@cpuc.ca.gov) the speaker's name, title, email address and telephone number.

3. Parties to Rulemaking (R.) 17-06-024 and R.21-02-014 shall serve and file, in both proceedings, comments responsive to the questions set forth above in Sections 1, 3, 4 and 5 of this ruling by September 13, 2021.

4. Parties to R.21-02-014 shall serve and file briefs responsive to the questions set forth above in Section 2 of this ruling by August 27, 2021.

5. The Process Office shall serve this Ruling Setting Status Conference and Ordering Comments on the service lists of Rulemaking (R.) 17-06-024 and R.21-02-014.

This order is effective today.

Dated July 29, 2021, at San Francisco, California.

/s/ CAMILLE WATTS-ZAGHA

Camille Watts-Zagha  
Administrative Law Judge

## ATTACHMENT A

# Water Division Summary of the Latest Statistical Reports From the Class-A Water Utility Companies Including Reporting Through June 2021

## Report of July 27, 2021

This document summarizes the statistical reports of the Class-A Water Utility Companies filed monthly in response to the Second Amended Scoping Memo and Ruling of Assigned Commissioner and Administrative Law Judge in Rulemaking R.17-06-024, June 2, 2020.

### Customers Late or Behind on their Bills

The number of customers late or behind on their bills<sup>7</sup> had been on a gradual increase through the end of 2020. It may be recalled that 2019 was a prosperous year and was prior to the outbreak of COVID. During 2019, there was an average of about 160,000 customers behind on their bills,<sup>8</sup> less than 12 percent of all 2019 customers. During 2020, the number of customers behind in their bills moved upward continuously to reach about 252,000 in December, 18.5 percent of all 2020 customers. The total retreated somewhat in the early months of 2021, to approximately 207,000 in April, equal to about 15.2 percent of the total number of customers reported for 2020.<sup>9</sup> In May and June, the total began to increase once again, to approximately 222,000, 16.3 percent of customers.

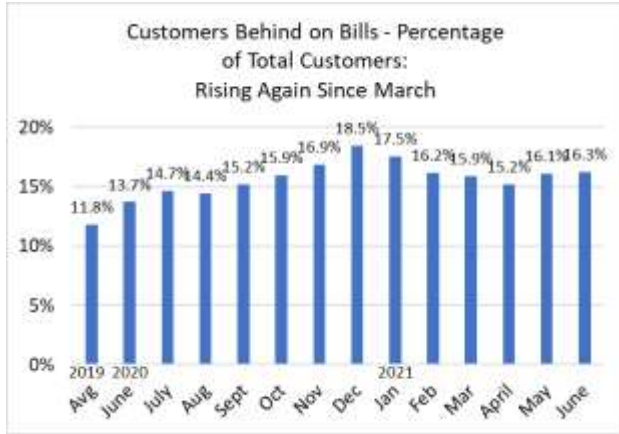
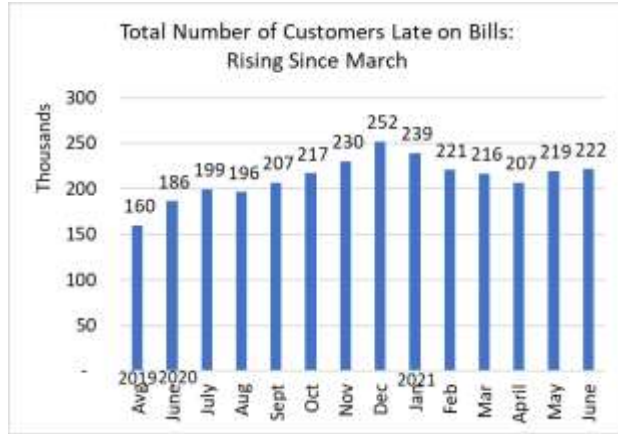
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<sup>7</sup> For this analysis, “late or behind” is defined as 30 days or more after invoice. Less than 30 days is considered “current.” Individual water utilities have specific delinquency schedules that may be different.

<sup>8</sup> The 2019 average is based partly on company reporting plus estimates for companies that were unable to provide complete data back to the beginning of 2019. Numbers from June 2020 forward are complete, based on full reporting from all the Class-A water utility companies.

<sup>9</sup> The total number of customers is reported annually in the utilities’ Annual Reports to the CPUC, Schedule D-4, “Number of Active Service Connections.” The 2020 Annual Reports provide the number of Active Service Connections as of December 31, 2020. The number of customers at the end of 2019 is used for one company, Suburban Water Co, which requested and received permission to file their 2020 Annual Report later.

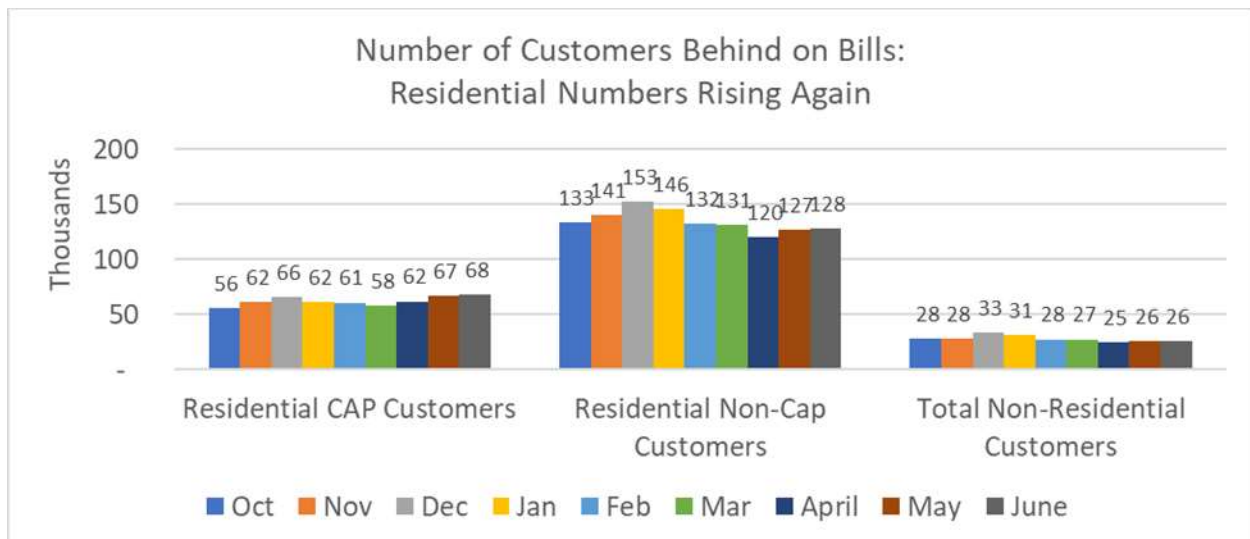
	Customers Behind on their Water Bills														
	2019	2020	2020	2020	2020	2020	2020	2020	2020	2021	2021	2021	2021	2021	2021
	Avg	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	
<b>Total Number of Customers</b>	160,000	186,427	199,287	196,417	206,949	217,210	229,989	251,979	239,059	220,791	216,478	206,952	219,344	221,674	
<b>Percent of Active Metered Service Connections (Blended Year)</b>	11.8%	13.7%	14.7%	14.4%	15.2%	15.9%	16.9%	18.5%	17.5%	16.2%	15.9%	15.2%	16.1%	16.3%	



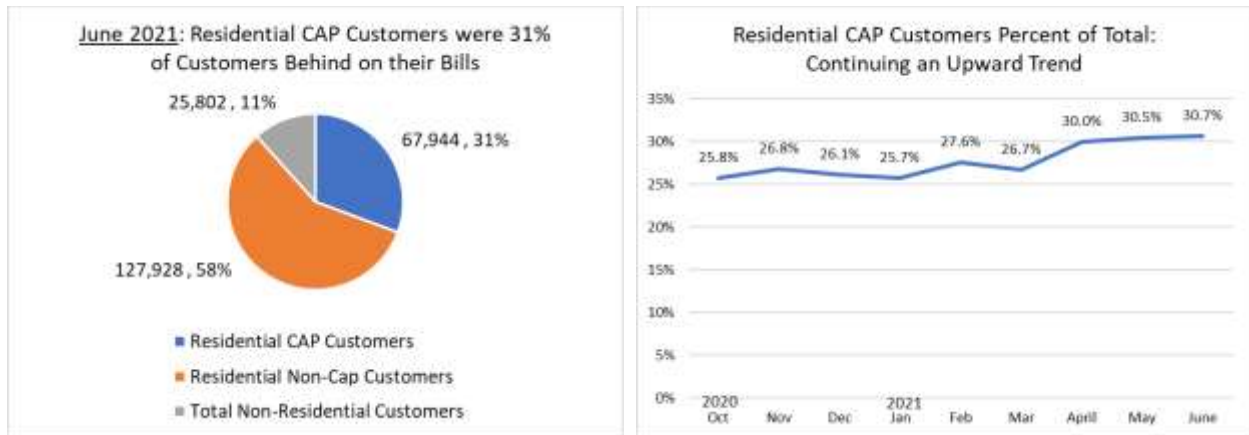
For the period beginning in October 2020, we have the full breakout among the Residential CAP customers, the Residential Non-CAP customers, and the Non-Residential customers behind on bills.

	Customers Behind on their Water Bills									
	2020	2020	2020	2021	2021	2021	2021	2021	2021	2021
	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	
<b>Total Number of Customers</b>	217,210	229,989	251,979	239,059	220,791	216,478	206,952	219,344	221,674	
<b>Residential CAP Customers</b>	55,986	61,600	65,851	61,505	60,895	57,837	62,029	66,848	67,944	
<b>Residential Non-Cap Customers</b>	133,359	140,572	152,654	146,109	132,218	131,153	120,034	126,985	127,928	
<b>Total Non-Residential Customers</b>	27,865	27,817	33,474	31,445	27,678	27,488	24,889	25,511	25,802	
<b>Res CAP Percent of Total Behind</b>	25.8%	26.8%	26.1%	25.7%	27.6%	26.7%	30.0%	30.5%	30.7%	

Presented graphically, it is visibly apparent that both the residential CAP customers and the residential non-CAP customer number have been rising since reaching low points in March (CAP customers) and April (Non-CAP customers).

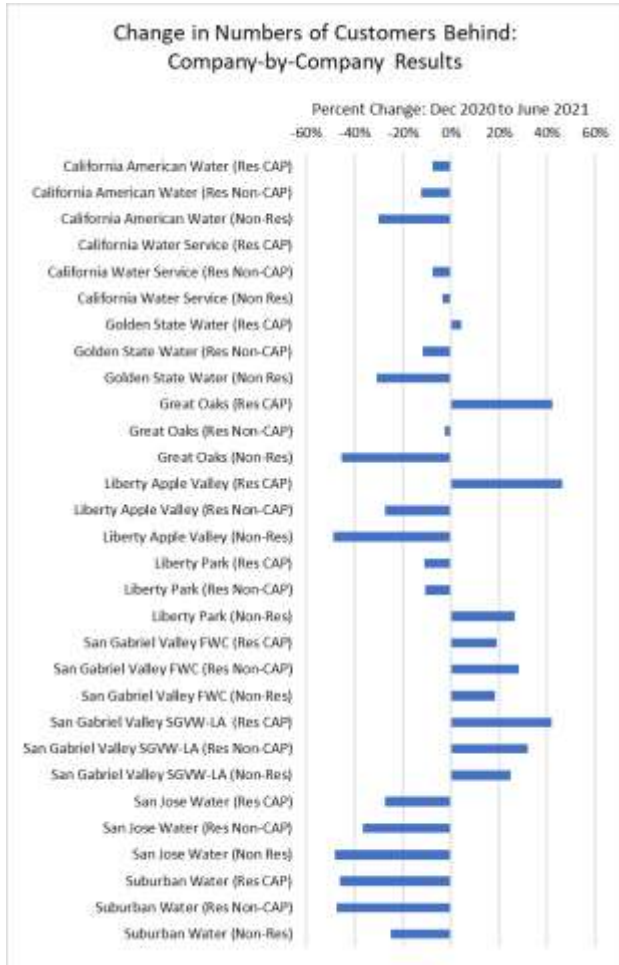


The numbers show that while each group of customers has moved slightly differently from the others, one pattern has been more consistent: the Residential CAP customers have become a larger portion of the total. At the beginning of 2021, the CAP customers were 25.7 percent of the total of those behind on their bills, barely over a quarter of the total. Even as their total numbers declined from about 62,000 in January to less than 58,000 in March, their percentage of the total rose. In the latest numbers, the CAP customers are up to about 68,000, over 30 percent of the total. The trend is shown below:



Breaking out the numbers by company reveals that customers of some companies managed their outstanding bills better than customers of other companies. The table and graph below indicate changes in the number of customers behind on their bills broken out by Company, and within Company, by category: Residential CAP customers, Residential Non-CAP customers, and Non-Residential Customers provides. The table shows the latest month-to-month percentage change (May to June), and a longer-term view of the percentage change from the month of the overall peak, December 2020, to April. The graph presents horizontal bars showing the percentage change from December to June.

	One-Month	Six-Month
	May-June	Dec - June
	Percent Change	
California American Water (Res)		
California American Water (Res CAP)	-1.6%	-7.5%
California American Water (Res Non-CAP)	-2.3%	-12.3%
California American Water (Non-Res)	-8.9%	-30.2%
California Water Service (Res CAP)	-7.3%	0.0%
California Water Service (Res Non-CAP)	-9.6%	-7.5%
California Water Service (Non Res)	-11.9%	-3.6%
Golden State Water (Res CAP)	24.7%	4.4%
Golden State Water (Res Non-CAP)	23.7%	-11.7%
Golden State Water (Non Res)	25.1%	-30.7%
Great Oaks (Res CAP)	6.1%	42.2%
Great Oaks (Res Non-CAP)	5.4%	-2.5%
Great Oaks (Non-Res)	-32.7%	-45.3%
Liberty Apple Valley (Res CAP)	86.4%	46.5%
Liberty Apple Valley (Res Non-CAP)	-14.3%	-27.3%
Liberty Apple Valley (Non-Res)	0.6%	-49.0%
Liberty Park (Res CAP)	-6.9%	-10.9%
Liberty Park (Res Non-CAP)	-5.2%	-10.7%
Liberty Park (Non-Res)	-1.5%	26.6%
San Gabriel Valley FWC (Res CAP)	-3.0%	19.2%
San Gabriel Valley FWC (Res Non-CAP)	5.5%	28.2%
San Gabriel Valley FWC (Non-Res)	15.7%	18.4%
San Gabriel Valley SGVW-LA (Res CAP)	6.0%	42.0%
San Gabriel Valley SGVW-LA (Res Non-CAP)	3.2%	32.1%
San Gabriel Valley SGVW-LA (Non-Res)	3.4%	24.9%
San Jose Water (Res CAP)	19.1%	-27.3%
San Jose Water (Res Non-CAP)	-11.8%	-36.8%
San Jose Water (Non Res)	-19.9%	-48.4%
Suburban Water (Res CAP)	1.0%	-46.1%
Suburban Water (Res Non-CAP)	-0.9%	-47.5%
Suburban Water (Non-Res)	10.3%	-25.1%



Clearly, there were areas where the number of customers behind on their bills declined markedly from December to June. And there were other areas where the numbers kept on growing. Most companies showed declines overall. By contrast, the customers that showed continued increases in those behind on their bills were the CAP customers of Liberty Apple Valley Water, Great Oaks Water, and the Los Angeles Division of San Gabriel Valley Water. Other substantial increases were shown among the Liberty Park Water Non-Residential customers and all the customer groups of both divisions of San Gabriel Valley Water.

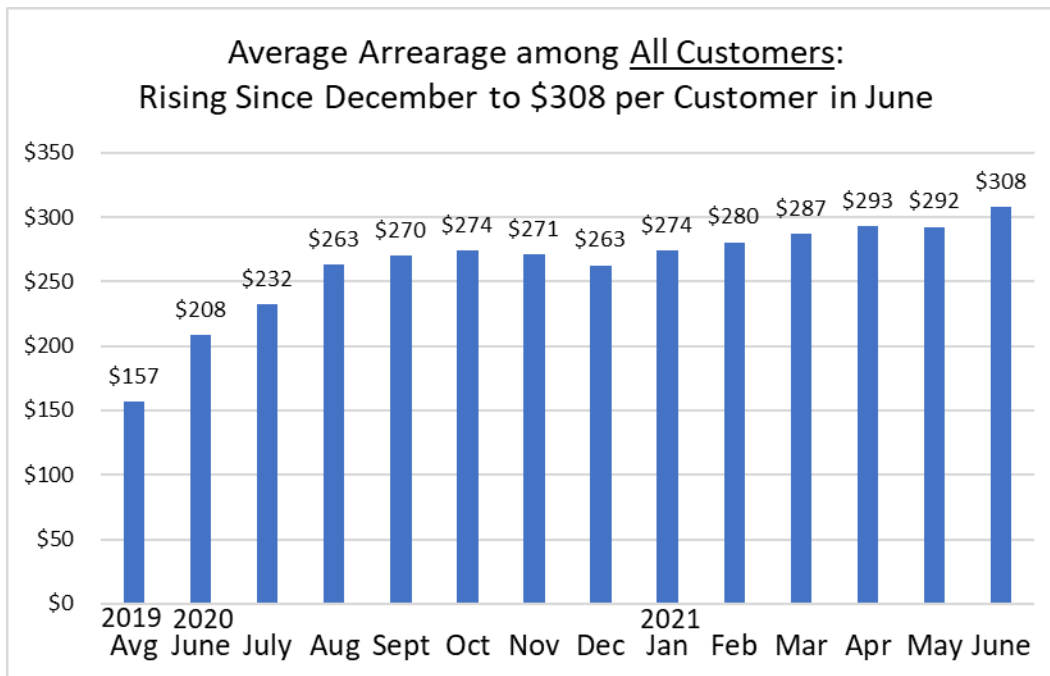
### Average Amount Owed

The average amount owed per customer who is behind was \$308 in June, higher than during any previous month in this series. For both the residential CAP customers (Average of \$224) and the residential non-CAP customers (Average of \$271), the average amount owed was higher than in previous months. For the non-residential customers, the story is more complex. The average of \$711 per

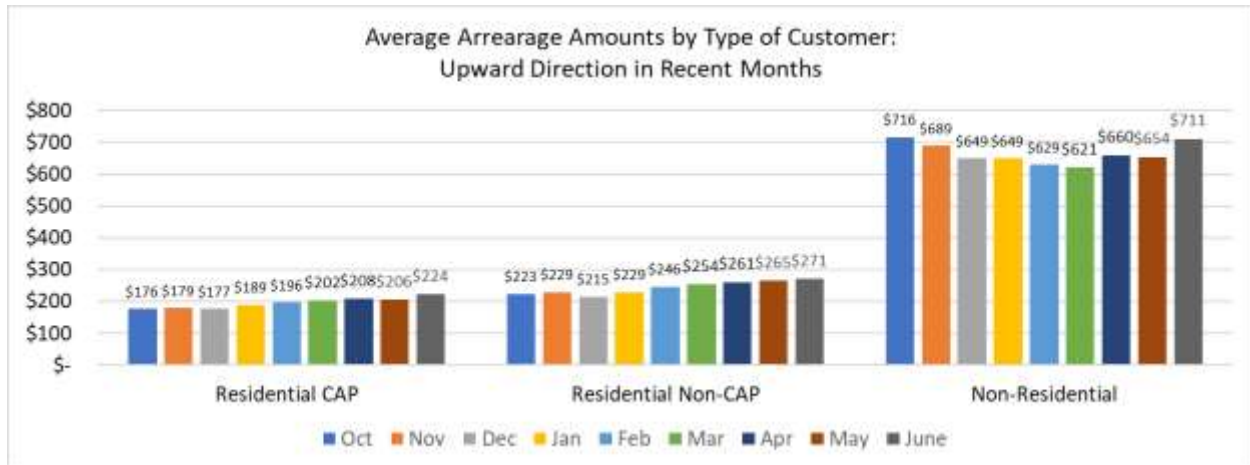
customer is the highest number in 2021. However, some months in 2020 were even higher. In August of 2020, the non-residential average was \$756, \$45 higher than the June 2021 average.

Average Amount Owed by Customers Behind on Their Bills										
	2019	2020	2020	2020	2021	2021	2021	2021	2021	2021
	Avg	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Total	\$157	\$274	\$271	\$263	\$274	\$280	\$287	\$293	\$292	\$308
Residential Total		\$209	\$214	\$203	\$217	\$231	\$238	\$243	\$245	\$255
Residential CAP		\$176	\$179	\$177	\$189	\$196	\$202	\$208	\$206	\$224
Residential Non-CAP		\$223	\$229	\$215	\$229	\$246	\$254	\$261	\$265	\$271
Non-Residential		\$716	\$689	\$649	\$649	\$629	\$621	\$660	\$654	\$711

This indicates that while the number of customers behind on their bills declined for some groups of customers, at least until the most recent months, those still behind are worse off than previously. The June average of \$308 is 96 percent higher than (nearly double) the estimated 2019 average of \$157 per late customer.



Looking at the customer groups individually, it is apparent that the average indebtedness of all three groups of customers has been rising. The non-residential customers' average indebtedness had been declining through March, but in June it was back up to \$711. The two groups of residential customers, CAP and Non-CAP, continued to show small month-by-month increases in average indebtedness. For CAP customers, the average increased from \$224 in June. Among the residential non-CAP customers, the increase was to \$271.



## Overall Total Arrearage Amounts

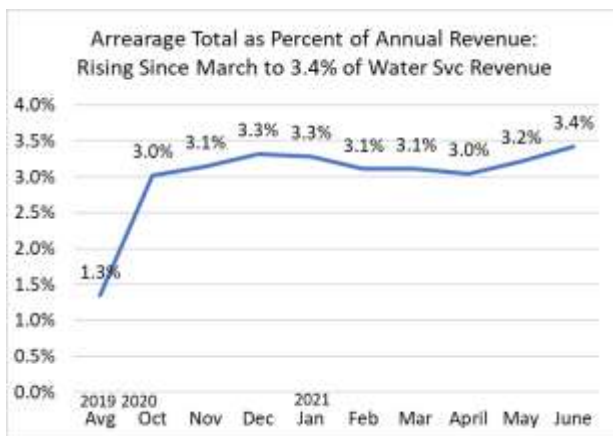
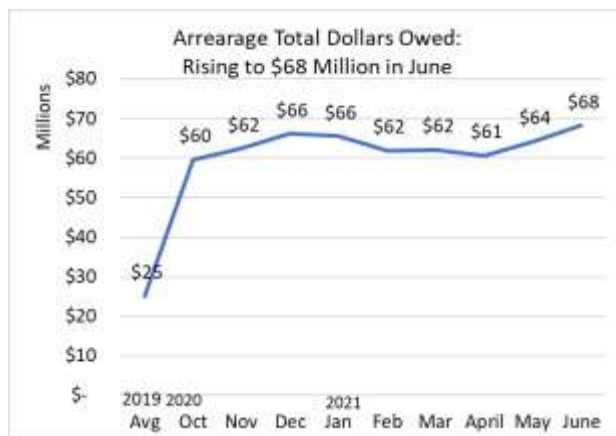
The Overall Arrearage Amount is the Sum of the Arrearages among the customers of all the companies. The amount owed had been rising throughout 2020, but it declined from a high mark of almost \$66.2 million in December to about \$60.6 million by April. Then, the direction changed, and by June the total was up to \$68.2 million, the highest recorded in the series. Expressed as a percentage of annual revenue, the total dropped from a high of 3.3 percent of annual revenue in December 2020 down to 3.0 percent in April, but it rose to 3.4 percent again in June.<sup>10</sup>

	Overall Total Amounts Owed by Customers Behind on Their Bills									
	2019 Avg	2020 Oct	2020 Nov	2020 Dec	2021 Jan	2021 Feb	2021 Mar	2021 April	2021 May	2021 June
Total All Customers	\$ 25,100,000	\$ 59,595,655	\$ 62,385,081	\$ 66,157,124	\$ 65,507,694	\$ 61,917,002	\$ 62,104,328	\$ 60,637,294	\$ 64,132,616	\$ 68,215,274
Total Residential		\$ 39,643,423	\$ 43,233,071	\$ 44,439,289	\$ 45,107,352	\$ 44,512,779	\$ 45,024,285	\$ 44,213,005	\$ 47,450,962	\$ 49,868,781
Residential CAP		\$ 9,855,761	\$ 11,052,889	\$ 11,632,899	\$ 11,607,132	\$ 11,929,301	\$ 11,709,359	\$ 12,873,014	\$ 13,772,659	\$ 15,192,019
Residential Non-CAP		\$ 29,787,662	\$ 32,180,182	\$ 32,806,389	\$ 33,500,220	\$ 32,583,478	\$ 33,314,926	\$ 31,339,991	\$ 33,678,303	\$ 34,676,761
Total Non-Residential		\$ 19,952,232	\$ 19,152,010	\$ 21,717,835	\$ 20,400,342	\$ 17,404,223	\$ 17,080,043	\$ 16,424,289	\$ 16,681,654	\$ 18,346,493
<b>Total as a Percent of Blended Annual Revenues</b>	1.3%	3.0%	3.1%	3.3%	3.3%	3.1%	3.1%	3.0%	3.2%	3.4%

The graph below shows the trends clearly. The non-residential customers arrearages, at \$18.3 million in total, have risen in the last two months after falling from a high of \$22 million in December 2020 down to a low of \$16.4 million in April. The residential non-CAP customers' total rose to \$34.7 million in June reaching a low of \$31.3 million in April. The residential CAP customers' total rose to \$15.2 million in June after remaining at \$12 million over several months, ending in March.

<sup>10</sup> Annual Revenue is reported in the utilities' Annual Reports to the CPUC. The percentages are calculated on the blended annual revenue totals, blending 2019 and 2020 totals according to the month of the year. Note that one company, Suburban Water Company, has yet to file its 2020 Annual report by request and permission granted by the Water Division.

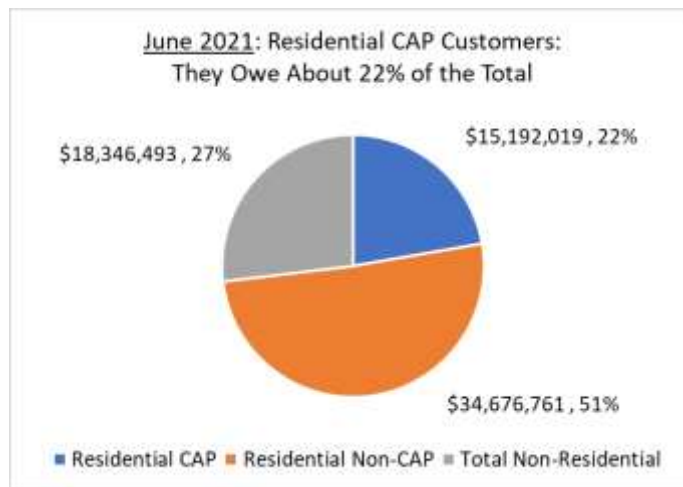




The arrearage situation is not the same for each Class-A utility. The total amounts vary according to the overall size of the companies and according to the debt situation of the customers. Of course, California Water Service, which serves the most customers, has the highest total dollar amount of arrearages, \$18.4 million. However, expressed as a percentage of annual revenue, California Water Service is in the middle of the pack at 2.7 percent (close to the industry average of 3.4 percent). Liberty Park Water has the highest arrearage percentage, 5.8 percent. By contrast, the two companies with the lowest arrearage as a percentage of annual revenue are Great Oaks Water and San Gabriel Valley, Los Angeles.

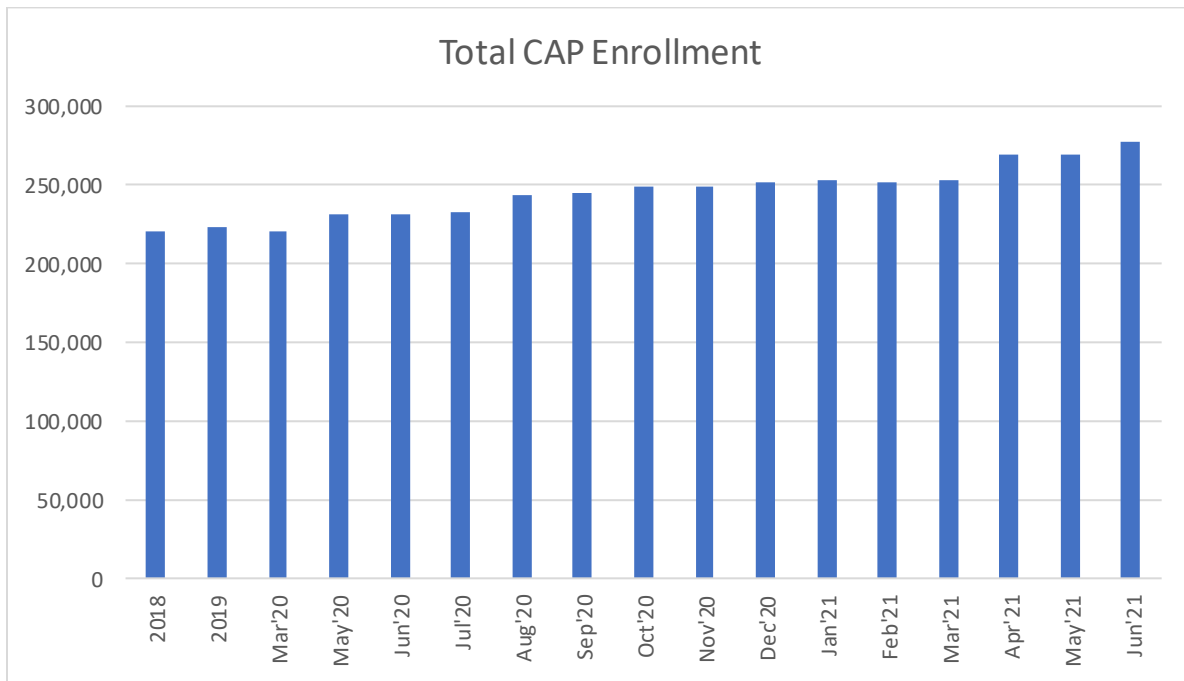
	2021	Percent of
	June	2020 Wtr Svc
		Revenues
Company Totals		
California-American Water	\$ 10,731,780	4.5%
California Water Service	\$ 21,129,748	2.9%
Golden State Water	\$ 15,299,627	4.7%
Great Oaks Water	\$ 297,042	1.4%
Liberty Apple Valley Ranchos	\$ 1,051,251	4.5%
Liberty Park Water	\$ 2,203,361	5.9%
San Gabriel Valley Fontana	\$ 1,814,986	2.1%
San Gabriel Valley Los Angeles	\$ 1,366,540	1.9%
San Jose Water	\$ 12,051,719	3.1%
Suburban Water	\$ 2,269,218	2.8%
<b>All Class-A Companies</b>	<b>\$ 68,215,274</b>	<b>3.4%</b>

The CAP residential customers accounted for about 22 percent of the total arrearages, while the biggest amount, 51 percent, is accounted for by the non-CAP residential customers. The non-residential customers made up the remaining 27 percent of the total.



### Total Enrollment in Customer Assistance Programs

With a couple more utilities completing the most recent low-income data exchange between energy and water utility, CAP enrollment for June 2021 saw another increase in total participants similar to the month of April. Low-income enrollment is now at 276,947 (an increase of 25.7% since March 2020) which is 22.6% of all residential customers served by the Class As.



**END ATTACHMENT A**

## ATTACHMENT B

### Water Division Summary of CAP Program Discount, Surcharge And Enrollment By Water Utility

Water Utility	CAP Customers (June 2021)	Residential Customers (2020 Annual Report)	% of Residential	Monthly Discount (5/8" Meter)	Monthly Recovery (Surcharge to Non-CAP Customers)
California Water Service Company	109,585	417,885	26%	50% off service charge	2.148% to service & quantity charges only
Golden State Water Company	42,833	215,377	20%	Varied credits (\$6.10 - \$29.10)	Region 1: \$0.095 per ccf Region 2: \$0.121 per ccf Region 3: \$0.062 per ccf
San Jose Water Company	28,281	199,676	14%	15% off total bill	Fixed \$1.45
California-American Water Company	20,791	158,507	13%	20% off service charge & Tier 1 & 2 quantity charges	Fixed \$1.81
San Gabriel Valley Water Company	45,403	86,120	53%	\$9.82 credit	Fontana: \$0.2389 per ccf LA: \$0.2158 per ccf
Suburban Water Systems*	9,613	70,479	14%	\$7.39 credit	\$0.048 per ccf
Liberty Utilities - Park Water	11,609	26,100	44%	\$7.40 credit	Fixed \$2.01
Great Oaks Water Company	3,342	20,619	16%	50% off service charge	\$0.1203 per ccf
Liberty Utilities - Apple Valley Ranchos	5,490	19,025	29%	\$8.17 credit	Fixed \$5.74
Southern California Edison - Catalina**	289	1,482	20%	20% off total bill	\$0.61 per 1,000 gallon

Del Oro Water Company - Strawberry	11	387	3%	50% off service charge	Fixed \$1.91
Del Oro Water Company - Sterling Buffs	57	156	37%	20% off service charge	Fixed \$3.59

\*2019 Annual Report is used for Suburban's residential customer total.

\*\*Southern California Edison's CAP enrollment and residential customer total are from September 2020 via data request.

**END ATTACHMENT B**