

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



FILED

08/01/24

12:02 PM

A2401001

In the Matter of the Application of SAN JOSE WATER COMPANY (U168W) for an Order authorizing it to increase rates charged for water service by \$55,196,000 or 11.11% in 2025, by \$22,041,000 or 3.99% in 2026, and by \$25,809,000 or 4.49% in 2027.

A.24-01-001
(Filed January 2, 2024)

SAN JOSE WATER COMPANY MOTION FOR INTERIM RATES

John Tang
Vice President of Regulatory Affairs
& Government Relations
San Jose Water Company
110 West Taylor Street
San Jose, CA 95110
408-279-7933
john.tang@sjwater.com

Lori Anne Dolqueist
Raven McGuane
Nossaman LLP
50 California St., 34th Fl.
San Francisco, CA 94111
(415) 398-3600
ldolqueist@nossaman.com

*Attorneys for Applicant
San Jose Water Company*

August 1, 2024

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SAN JOSE WATER COMPANY'S MOTION FOR INTERIM RATES

San Jose Water Company ("San Jose Water") hereby requests interim rates to the extent that the California Public Utilities Commission ("Commission") is unable to issue a decision in this proceeding in time for rates to go into effect on the first day of the test year (January 1, 2025). Any delay would not be the fault of San Jose Water.

I. REQUEST FOR INTERIM RATES

The California Public Utilities Code directs the Commission to issue a final decision on a water utility general rate case application in time for the decision to become effective by the first day of the first test year (in this case, January 1, 2025).¹ If this deadline cannot be met, an applicant may seek authorization to implement interim rates.²

Interim rates are justified because there has been no delay caused by San Jose Water that will prevent the Commission from issuing a decision by January 1, 2025. San Jose Water timely filed its initial application on January 2, 2024 in accordance with the Rate Case Plan. San Jose

¹ Pub. Util. Code § 455.2(a).

² Pub. Util. Code § 455.2(b).

Water also diligently worked to file its 45-day update³ and serve its direct and rebuttal testimony all on time in accordance with the Commission's schedule.

While the parties eventually entered into a settlement that covered almost all contested issues in San Jose Water's rate case, the parties were not able to settle two issues. Accordingly, ALJ Long issued the *Ruling Amending the Schedule as a Result of a Proposed Settlement Agreement* on June 19, 2024. ALJ Long amended the schedule in this rate case to reflect the settlement and briefing regarding the two unsettled issues. Currently, Opening Briefs on the two remaining contested items, Special Requests 1 and 2 are scheduled for filing on Tuesday, August 1, 2024, and Reply Briefs are due on Monday, August 19, 2024. The settling parties' completed settlement agreement and all supporting documents are also due on Monday, August 19, 2024. Comments only on the settlement agreement are due Monday, August 26, 2024, and replies to the Comments on the settlement are due Friday, August 30, 2024.

As ALJ Long explained, these deadlines "are the maximum allowable durations that will still permit a reasonable opportunity for the ALJ to complete and serve a proposed decision on both the settlement and the litigated Special Requests 1 and 2 on or before Friday, November 8, 2024 which is the last possible moment to serve a Proposed Decision for comment and place it on the Commission's agenda for the only meeting in December, Thursday, December 19, 2024."

If there is delay in any of the currently scheduled deadlines or if more time is necessary to reach a proposed decision than originally anticipated, the Commission may not be able to issue a decision in time for the decision to become effective before the first day of the test year (January 1, 2025). Accordingly, San Jose Water respectfully requests Commission approval to

³ *Application of San Jose Water Company for Authority to Increase Rates for Water Service*, March 1, 2024.

file a Tier 1 advice letter to increase rates by an amount equal to inflation as compared to existing rates, effective January 1, 2025.⁴ These interim rates will be subject to refund and will be adjusted upward or downward back to the interim rate effective date, consistent with the final rates adopted by the Commission.⁵ To that end, San Jose Water also seeks authorization to establish via Tier 1 advice letter a memorandum account to track any difference between the interim rates and the final rates.

II. CONCLUSION

For the reasons discussed above, San Jose Water respectfully requests that this motion be granted and that it be authorized to implement interim rates effective January 1, 2025 if the Commission is unable to issue a decision in this proceeding in time for rates to go into effect on that date.

Respectfully submitted,

August 1, 2024

NOSSAMAN LLP

Lori Anne Dolqueist
Raven McGuane

By: /s/ LORI ANNE DOLQUEIST

50 California St., 34th Fl.
San Francisco, CA 94111
Tel: (415) 398-3600
Email: ldolqueist@nossaman.com

Attorneys for Applicant San Jose Water Company

⁴ The index for determining the rate of inflation will be the most recent 12-month ending change in the U.S. Cities CPI-U published by the U.S. Bureau of Labor Statistics. *See* Decision 07-05-062, *Order Instituting Rulemaking to Consider Revisions to the General Rate Case Plan for Class A Water Companies*, Appendix A, p. A-16.

⁵ Pub. Util. Code § 455.2(b).