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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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A2604010

Application of SAN JOSE WATER
COMPANY (U168W) for Approval of
Cost Recovery for PFAS Remediation.

Application 26-04-010

RULING ON MOTION FOR PARTY STATUS

Patrick Kearns (Movant) filed a Motion for Party Status in this proceeding on August 5, 2026. Movant seeks party status as an individual customer of San Jose Water Company (SJWC).

Movant identifies interests concerning customer affordability, PFAS remediation, water quality, federal PHAS regulatory requirements, SJWC's proposed cost-recovery mechanism, and whether SJWC's PFAS expenditures should instead be considered in its anticipated 2027 General Rate Case (GRC).

The Motion is denied.

1. Applicable Standard

The interests identified by Movant are legitimate interests of utility customers. However, the Commission's Rules of Practice and Procedure (Rules) do not require the addition of every individual customer who identifies an interest in a ratesetting proceeding as a formal party. Under Rule 1.4(b), a person seeking party status by motion must state the factual and legal contentions the person intends to make, demonstrating that those contentions are reasonably pertinent to the issues already presented. Rule 1.4(c) authorizes the Administrative Law Judge (ALJ), where circumstances warrant, to deny status or limit participation.

Here, the interests and issues identified by Movant are already represented in this proceeding by the Public Advocates Office of the California Public Utilities Commission (Cal Advocates), which is a party to this proceeding and has a statutory mandate to advocate on behalf of the utility customers.

Movant has not demonstrated that granting him separate party status would present a materially distinct customer interest, factual contention, or legal contention that is not already appropriately before the Commission.

Rule 1.4(b) provides that a person seeking party status by motion shall:

1. Fully disclose the persons or entities in whose behalf the filing, appearance or motion is made, and the interest of such persons or entities in the proceeding; and
2. State the factual and legal contentions that the person intends to make and show that the contentions will be reasonably pertinent to the issues already presented.

Rule 1.4(c) provides that:

The Assigned Administrative Law Judge may, where circumstances warrant, deny party status or limit the degree to which a party may participate in a proceeding.

Thus, a person's status as a utility customer and general interest in the subject matter do not, standing alone, require the Commission to grant formal party status.

The Commission's rules contemplate a distinction between having an interest in a proceeding and obtaining the procedural rights and responsibilities associated with formal party status. The Commission's public participation guidance likewise recognizes the ALJ may balance the interests of a person seeking party status against the interests of the existing parties and the

proceeding in general. Here, Movant's identified customer interests are already represented.

Movant identified principal interests are as follows:

1. Affordable water rates;
2. Protection of water health and water quality;
3. Appropriate and cost-effective PFAS remediation;
4. Coordination of federal PHAS regulatory requirements;
5. Examination of SJWC's proposed rate and revenue recovery mechanism; and
6. Consideration of whether PFAS expenditures should be addressed in the Company's GRC.

These interests substantially correspond to the issues already presented in this proceeding.

The assigned Commissioner's Scoping Memo identifies issues concerning the reasonableness of SJWC's proposed PFAS capital expenditures and alternatives, the proposed ratemaking and cost-recovery framework, revenue requirements and rate impacts, the necessity of expenditures to comply with existing or anticipated state and federal PHAS requirements, and other matters affecting costs borne by customers. Accordingly, the Commission does not find that the issues identified by Movant are absent from this proceeding. On the contrary, they are already within its scope.

2. Cal Advocates is Already a Party Representing the Interests of SJWC's Customers

Cal Advocates is already a party to this proceeding. The Legislature has assigned Cal Advocates the responsibility of representing the interests of utility customers before the Commission. Public Utilities Code Section 309.5 establishes the Public Advocated Office and provides for its representation of the interests of the public utility customers.

Cal Advocates' participation is not merely theoretical. It is a formal party to this proceeding and is entitled to participate in the evidentiary and briefing process applicable to this proceeding.

The concerns raised by the Movant – customer affordability, the reasonableness of utility expenditures, cost recovery, rate impacts, and alternatives that may reduce customer costs all fall squarely within the type of customer interests that Cal Advocates is authorized to examine and advocate before the Commission.

The Commission therefore finds that the customer interests identified by Movant are already represented by an existing party with a statutory mandate to advocate for the customers.

3. Movant has not Demonstrated a Distinct Interest or Contention Requiring Separate Party Status

The Commission does not hold that Cal Advocates has exclusive authority to represent every customer or that an individual customer can never obtain party status when Cal Advocates is participating. Nor does the Commission hold that the Movant's views are unimportant.

The question is narrower: whether Movant has made the showing necessary to warrant adding him as a separate formal party when the interests he identifies are already being represented by Cal Advocates. Here, he has not.

Movant identifies himself as a single customer and also suggests that he may represent other SJWC customers who have given him permission to represent them. However, the Motion does not identify a distinct legal interest possessed by those customers that differs from the customer interests already represented by Cal Advocates. Nor does the Motion identify a specific factual or legal contention that could not appropriately be presented by an existing party.

Movant states that he intends to “probe” SJWC’s proposed costs, examine the rational for the proposed cost recovery mechanism, consider the relationship between this proceeding and the 2027 GRC, and provide information concerning PFAS regulatory developments.

All these subjects are already within the scope of the proceeding and available for consideration by the existing parties, including Cal Advocates.

The Motion therefore establishes an interest in this proceeding but does not establish a sufficient basis for duplicative formal representation of that interest.

4. The Commission Can Fully Consider Customer Interest Without Adding Another Party

The Commission’s determination does not depend upon accepting or rejecting any position advanced by Cal Advocates. Rather, the existence of Cal Advocates as a party ensures that customer interests are formally before the Commission and that the customer perspective may be developed through discovery, testimony, evidentiary hearings, and briefing.

The Commission will independently evaluate the evidence and arguments presented by all parties and will determine whether SJWC’s proposed costs and ratemaking are reasonable and lawful.

Accordingly, denial of Movant’s request does not prevent the Commission from considering customer affordability, PFAS remediation alternatives, regulatory requirements, or other ratepayer concerns identified in the Motion. These matters remain fully within the scope of this proceeding and may be addressed by existing parties.

5. Movant's Reliance on His Experience and Prior Participation Does Not Guarantee Party Status

Movant identifies substantial prior experience participating in Commission proceedings and states that he has previously represented or advocated for SJWC customers. The Commission recognizes that experience and customer involvement may be valuable. However, prior participation in other proceedings does not establish an entitlement to party status in this proceeding.

Each request for party status is evaluated under the Rules and considering the circumstances of the proceeding.

Here, the relevant consideration is that Movant's stated interests and proposed areas of inquiry are already encompassed by the issues in this proceeding and can be adequately represented by Cal Advocates. His prior participation, therefore, does not establish a need for separate party status.

6. Conclusion

Movant has demonstrated that he has an interest in the subject matter of this proceeding as a SJWC customer. However, Rule 1.4 does not require formal party status merely because an individual has an interest in a ratesetting proceeding

The interests identified by Movant are already within the scope of this proceeding and are represented by Cal Advocates, an existing party with a statutory mandate to advocate for utility customers.

Movant has not demonstrated that he would bring a materially distinct customer interest or specific factual or legal contention that requires separate formal party status.

Granting party status under these circumstances would therefore provide duplicative formal representation without demonstrating a corresponding need for an additional party.

For these reasons, the Motion is denied pursuant to Rule 1.4(c).

IT IS RULED that:

1. Patrick Kearns's Motion for Party Status in Application 26-04-010 is Denied.
2. This ruling does not determine the merits of Movant's substantive views concerning PFAS remediation, federal PFAS requirements, SJWC's proposed expenditures, or SJWC's proposed ratemaking mechanism.
3. The Commission will consider the customer and ratepayer interests identified by Movant to the extent they are relevant to the issues within the scope of this proceeding and are presented through the existing procedural framework.
4. The proceeding shall continue in accordance with the issues and schedule established by the Assigned Commissioner's Scoping Memo and Ruling.

This order is effective today.

Dated September 9, 2026, at San Francisco, California.

/s/ GERALD F. KELLY
Gerald F. Kelly
Administrative Law Judge