



March 27, 2018

Proposed Resolution W-5157

Agenda ID: 16369

To: All Interested Persons

Enclosed is Proposed Resolution W-5157 of the Water Division, which denies the Petition for Modification of Resolution W-4941 submitted by a Ratepayer. Proposed Resolution W-5157 is scheduled to appear on the April 26, 2018 Commission Meeting Agenda (ID #16369).

The Commission may act on this resolution or it may postpone action until later. When the Commission acts on a proposed resolution, the Commission may adopt all or part of the proposed resolution, as written, or amend or modify the proposed resolution; or the Commission may set the proposed resolution aside and prepare a different resolution. Only when the Commission acts does the resolution become binding.

Interested persons may submit comments on Proposed Resolution W-5157 via email to Water.Division@cpuc.ca.gov on or before April 16, 2018. **Please reference "Proposed Resolution W-5157" in the subject line.**

Interested persons must also serve a copy of their comments on the utility on the same date that the comments are submitted to the Water Division. If email is unavailable, please submit comments to:

California Public Utilities Commission
Water Division
505 Van Ness Avenue
San Francisco, CA 94102

Comments should focus on factual, legal, technical errors, or policy issues in the proposed resolution.

Persons interested in receiving comments submitted may contact the Water Division at Water.Division@cpuc.ca.gov or (415) 703-1133. Please reference "Proposed Resolution W-5157."

/s/RAMI S. KAHLON

Rami S. Kahlon, Director

Water Division

Enclosures: Proposed Resolution W-5157
Certificate of Service
Service List

PROPOSED RESOLUTION

Resolution W-5157
WD

Agenda ID #16369

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

WATER DIVISION

RESOLUTION W-5157

April 26, 2018

R E S O L U T I O N

(RES. W-5157) DENYING PETITION FOR MODIFICATION OF RESOLUTION W-4941 SUBMITTED BY A RATEPAYER.

SUMMARY

This resolution denies the Petition for Modification of Resolution W-4941 submitted by a ratepayer on March 16, 2017, because the same issues included in the Petition for Modification were addressed by the Commission in Decision 17-02-020, and were denied. The Petition for Modification raises no new issues.

BACKGROUND

The ratepayer (Petitioner) originally filed the Petition to Modify (Petition) as a formal application on March 16, 2017. Decision (D.)17-12-002, December 14, 2017, disposed of the application by assigning the matter to the Water Division (WD) and directing WD to prepare a resolution to address the matter.

The Petition alleges that the rate design which allocates in excess of 65% of fixed costs to the service charge granted in Resolution (Res.) W-4941 violates Commission rate design policy, as adopted in Decision 92-03-093 (Risk OII), and violates Article X of the State Constitution, which requires that the water resources of the State be put to beneficial use to the fullest extent of which they are capable.

Res. W-4941 was effective April 18, 2013. Generally, a petition to modify must be filed within one year¹. Petitioner explains that he was unaware of the procedure and not

¹ General Order 96-B, General Rule 7.8.

PROPOSED RESOLUTION

Resolution W-5157
WD

April 26, 2018

informed by staff at the time. Then he was misinformed by WD staff that there was no time limit for a petition to modify. While ignorance of the rule, even staff's ignorance, is not generally ample cause to extend the deadline, WD chooses to address the issues raised by the Petition.

On April 27, 2017, the Commission adopted Res. W-5135, which granted an increase in general rates for Cold Springs. As discussed in Res. W-5135, the adopted rate design, like that of Res. W-4941, allows for more than 65% of fixed costs in the service charge.

In response to Res. W-5135, Petitioner filed a timely Application for rehearing (Application). Petitioner's allegations in the Application are the same allegations argued in the Petition. Specifically, Petitioner alleged the rate design adopted in Res. W-5135 violated the California Constitution by de-incentivizing conservation, and is contrary to rate design rules under the "Risk OII", D.85-06-064 as Res. W-5135 allocates more than 65% of fixed costs to the service charge.

D. 18-02-020

On February 8, 2018, the Commission adopted D.18-02-020, which disposed of the rehearing of Res. W-5135. As discussed in D.18-02-20, the Commission determined that:

1. The rate design adopted by the Commission in Res. W-5135 does not violate the California Constitution. (p.2)
2. The Commission did not err by adopting the rate design with a rate design greater than 65% of fixed costs recovered in the service charge. (p.4)
3. The proposed rate increase was properly noticed. (p.5) Petitioner has not alleged improper notice in the Petition.

NOTICE AND PROTESTS

The Petitioner served the Petition on the service list for Res. W-4941. No responses were received.

PROPOSED RESOLUTION

Resolution W-5157
WD

April 26, 2018

DISCUSSION

As explained above, Petitioner's issues have already been considered and addressed by the Commission in D.18-02-020. The Commission after consideration of these matters determined that "good cause does not exist for the granting of rehearing".² Allegations raised in the Application are the same allegations raised in the Petition. No new information has been provided in the Petition.

Therefore, Water Division recommends denying the Petition.

COMMENTS

Public Utilities Code Section 311(g)(1) provides that resolutions generally must be served on all parties and subject to at least 30 days public review and comment prior to a vote of the Commission.

Accordingly, the draft resolution was mailed to the service list for Res. W-4941 and made available for public comment on March 27, 2018.

FINDINGS

1. The Commission has already considered each of the issues raised in the Petition in its consideration of the Application.
2. The Petitioner has raised no new issues.
3. The Petition should be denied.

1. ² D.18-02-020, Conclusion, p.5.

PROPOSED RESOLUTION

Resolution W-5157
WD

April 26, 2018

THEREFORE, IT IS ORDERED THAT:

1. The Petition to Modify Resolution W-4941, filed March 16, 2017, is denied.

This Resolution is effective today.

I certify that the foregoing Resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on April 26, 2018; the following Commissioners voting favorably thereon:

ALICE STEBBINS
Executive Director

PROPOSED RESOLUTION

Resolution W-5157
WD

April 26, 2018

CERTIFICATE OF SERVICE

I certify that I have by either electronic mail or postal mail, this day, served a true copy of Proposed Resolution No. W-5157 on all parties in these filings or their attorneys as shown on the attached lists.

Dated March 27, 2018, at San Francisco, California.

/s/ JENNIFER PEREZ

Jennifer Perez

Parties should notify the Division of Water and Audits, Third Floor, California Public Utilities Commission, 505 Van Ness Avenue, San Francisco, CA 94102, of any change of address to ensure that they continue to receive documents. You must indicate the Resolution number on which your name appears.

PROPOSED RESOLUTION

Resolution W-5157
WD

April 26, 2018

COLD SPRINGS WATER COMPANY RESOLUTION W-4941 SERVICE LIST

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