



June 29, 2018

Proposed Resolution W-5169 – Option A

Agenda ID: 16577

To: All Interested Persons

Enclosed is Proposed Resolution W-5169 (Option A) of the Division of Water and Audits, which grants San Gabriel Valley Water Company's request to amortize the under-collected balances contained in its Drought Lost Revenue Memorandum Account and its Drought Surcharge Revenue Memorandum Account for its Los Angeles and Fontana Divisions. Proposed Resolution W-5169 (Option A) is scheduled to appear on the July 26, 2018 Commission Meeting Agenda (ID#16577).

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-5169 (Option A) via email to [Water.Division@cpuc.ca.gov](mailto:Water.Division@cpuc.ca.gov) on or before **July 16, 2018**. Please reference **"Proposed Resolution W-5169 (Option A)"** 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](mailto:Water.Division@cpuc.ca.gov) or (415) 703-1133. Please reference "Proposed Resolution W-5169 (Option A)."

/s/RAMI S. KAHLON

Rami S. Kahlon, Director  
Water Division

Enclosures: Proposed Resolution W-5169 (Option A)  
Certificate of Service  
Service List

# PROPOSED RESOLUTION

Resolution W-5169  
WD

Agenda ID #16577

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

WATER DIVISION

RESOLUTION W-5169

July 26, 2018

### RESOLUTION

(RES. W- 5169 – OPTION A), SAN GABRIEL VALLEY WATER COMPANY. ORDER AUTHORIZING SAN GABRIEL TO AMORTIZE THE UNDER-COLLECTED BALANCES CONTAINED IN ITS DROUGHT LOST REVENUE MEMORANDUM ACCOUNT AND IN ITS DROUGHT SURCHARGE REVENUE MEMORANDUM ACCOUNT IN THE AMOUNT OF \$3,532,149 FOR ITS LOS ANGELES DIVISION AND IN THE AMOUNT OF \$3,586,304 FOR ITS FONTANA DIVISION.

By Advice Letter Nos. 507-W and 508-W filed on December 8, 2017.

### SUMMARY

By Advice Letter (AL) Nos. 507-W and 508-W, filed on December 8, 2017, San Gabriel Valley Water Company (San Gabriel) seeks authorization to recover the net under-collected balances contained in its Drought Lost Revenue Memorandum Account (DLRMA) and in its Drought Surcharge Revenue Memorandum Account (DSRMA) existing as of November 30, 2017 by amortizing; (1) the under-collected balance of \$3,532,149 for its Los Angeles Division and the under-collected balance of \$3,586,304 for its Fontana Division over a 12-month period through a temporary surcharge of \$0.2946 per 100 cubic feet (Ccf) for the Los Angeles Division and over a 24-month period through a temporary surcharge of \$0.1254 per Ccf for the Fontana Division respectively. San Gabriel also requests to transfer these balances to the Previously Authorized Balance Balancing Account (PABBA) for amortization, and to close both the DLRMA and DSRMA memorandum accounts.

This Resolution authorizes San Gabriel to: (1) transfer \$3,532,149, the net under-collected balance in its Los Angeles' DLRMA and DSRMA, as of November 30, 2017, to a balancing account, for amortization through a surcharge of \$0.2946 per Ccf over a 12-month period starting July 1, 2018; (2) transfer \$3,586,304, the net under-collected

# PROPOSED RESOLUTION

Resolution W-5169 (Option A)

July 26, 2018

WD

balance in its Fontana's DLRMA and DSRMA as of November 30, 2017, to a balancing account, for amortization through a surcharge of \$0.1254 per Ccf over a 24-month period starting July 1, 2018; and (3) close the existing DLRMA and DSRMA memorandum accounts.

At the end of the twelve-month surcharge collection period, any monies collected more than, or less than, the authorized recovery balance, shall be transferred to the Previously Authorized Balance Balancing Account (PABBA) for future refund or recovery.

## **BACKGROUND**

By Resolution W-4976, the Commission authorized San Gabriel to establish DLRMA's for both its Los Angeles and Fontana Divisions to track the revenue impact of voluntary conservation or mandatory rationing effective June 1, 2015. This account was used by San Gabriel to record the lost revenues due to implementation of Tariff Rule 14.1, Water Shortage Contingency Plan under General Order (G.O.) 96-B, Water Industry Rule 7.3.3(7) from July 2016 through April 2017 for Los Angeles and from February 2016 through April 2017 for Fontana in the DLRMA.

San Gabriel's Schedule 14.1, Staged Water Shortage Surcharges and Penalties established San Gabriel's DSRMA, effective June 22, 2015. San Gabriel tracked the surcharges and penalties in the DSRMA from January 2016 through July 2016 for Los Angeles and from February 2016 through September 2016 for Fontana. The net under-collections in the DLRMA and the DSRMA for Los Angeles and Fontana after adjustments were \$3,532,149 and \$3,586,304 respectively. These balances are as of November 30, 2017 and include accrued interest.

By Advice Letters No. 507-W and 508-W filed on December 8, 2017, San Gabriel seeks Commission authorization to transfer the accumulated balance in DLRMA minus the balance from DSRMA from July 2016 through April 27, 2017, the date the drought emergency officially ended, including interest through November 30, 2017. The amounts requested to be transferred to the PABBA and recovered through the PABBA are: \$3,532,149, or 4.9% of the adopted revenue requirement, to be recovered through a surcharge of \$0.2946 per Ccf for the Los Angeles Division over a period of 12-months; and \$3,586,304, or 5.1% of the adopted revenue requirement, to be recovered through a surcharge of \$0.1254 per Ccf over a period of 24-months for the Fontana Division. After transfer to the PABBA for amortization, San Gabriel proposes to close both the DLRMA and DSRMA.

## PROPOSED RESOLUTION

Resolution W-5169 (Option A)

July 26, 2018

WD

### DISCUSSION

To recover balances in a memorandum account, the utility must first demonstrate that: it was prudent when the costs were incurred; it is appropriate to pass on those costs to ratepayers in addition to otherwise authorized rates; the requested costs have not been recovered in elsewhere in rates; and, the claimed amounts are reasonable and appropriate for the procured services.

Water Division reviewed the work papers accompanying AL No 507-W and 508-W. Additional supplemental information was requested through data requests as needed. Based on its review, Water Division has determined that San Gabriel properly established the DLRMA and the DSRMA, entries booked in those accounts were appropriate, the account balances have not been requested or covered by other authorized rates, and the amounts claimed for recovery are reasonable for the services procured. As a result, it is appropriate for recovery of account balances for the DLRMA and DSRMA from ratepayers.

For recovery of a drought memorandum account, Decision No. 91-10-042, Ordering Paragraph No. 5, requires the utility to reduce the amount to be recovered by an amount such that the adopted return on equity does not exceed the authorized rate of return, less 20 basis points for the period covered by the memorandum account.

For the Los Angeles Division, the net under-collected balance after the 20-basis point reduction is \$3,532,149, including accrued interest of \$24,983. For the twelve-month period ending in April 27, 2017, the pro-forma rate of return was 8.44% which is less than the authorized Rate of Return of 8.49%. Since the net under-collected balance is less than 5% of the adopted base Revenue Requirement, the utility may recover the net balance through a surcharge of \$0.2946 per Ccf spread over twelve months pursuant to D. 03-06-072, Appendix A. The surcharge shall be applied to the quantity rates starting July 1, 2018.

For the Fontana Division, the net under-collected balance after the 20-basis point reduction is \$3,586,304, including accrued interest of \$25,167. For the twelve-month period ending in April 27, 2017, the pro-forma rate of return is 7.01%, which is less than the authorized rate of return of 8.49%. Since the net under-collected balance is more than 5% of the adopted base revenue requirement the utility may recover the under-collected balance through a surcharge of \$0.1254 per Ccf spread over a period of twenty-four

## PROPOSED RESOLUTION

Resolution W-5169 (Option A)

July 26, 2018

WD

months pursuant to D. 03-06-072, Appendix A. The surcharge shall be applied to the quantity rates starting July 1, 2018.

Water Division recommends that the net balances of the DLRMA and DSRMA should be transferred to balancing accounts and that the two memorandum accounts be closed. At the end of the respective amortization periods, San Gabriel should move the remaining balances to its PABBA and close the balancing accounts.

Los Angeles' current revenue requirement was adopted by AL No. 497, effective July 1, 2017. After including the net DLRMA and DSRMA balances as of November 2017, the annual Revenue Requirement will go up from \$72,461,851 to \$75,994,031, or an increase of \$3,532,180, or 4.9%. As a result, the monthly bill of an average non-CARW residential customer with a 5/8" X 3/4" meter with a consumption of 14 Ccf will increase by \$4.12 or 5.4% from \$76.34 to \$80.46 on schedule LA-1: General Metered Service, and on Schedule LA-1C, General Metered Service – Conservation Rates, by \$4.12 or 5.5% from \$74.87 to \$78.99.

Fontana's current revenue requirement was adopted by AL No. 504, effective September 15, 2015. After including the net DLRMA and DSRMA balances as of November 2017, the annual Revenue Requirement will go up from \$70,376,740 to \$72,169,457, an annual increase of \$1,792,717, or 2.5%. The monthly bill of the non-CARW residential customer with a 5/8" X 3/4" meter with a consumption of 19 Ccf will increase by \$2.38 or 2.6% from \$92.29 to \$94.67 on schedule FO-1: General Metered Service, and on Schedule FO-1C, General Metered Service – Conservation Rates, by \$2.38 or 2.6% from \$90.60 to \$92.98.

We find Water Division's recommendations regarding recovery of the net under-collected balance for the DLRMA and DSRMA to be reasonable.

### **NOTICE AND PROTEST**

San Gabriel served AL Nos. 507-W and 508-W in accordance with General Order 96-B, Water Industry Rules 4.1 and 4.3. No protests were received.

On January 7, 2018, Water Division suspended AL Nos. 507-W and 508-W because additional time was required to process the AL filings.

# PROPOSED RESOLUTION

Resolution W-5169 (Option A)  
WD

July 26, 2018

## SAFETY CONSIDERATIONS

The approval of the surcharge requested by San Gabriel provides the utility the necessary financial resources to safely operate and maintain its operations for the benefit of its customers, employees, and members of the public.

## COMMENTS

Public Utilities Code § 311(g)(1) provides that this resolution must be served on all parties and subject to at least 30 days public review and comment prior to a vote of the commission. § 311(g)(2) provides that this 30-day period may be reduced or waived upon the stipulation of all parties in the proceeding.

The 30-day comment period for this Resolution has been waived in accordance with the provisions of Public Utilities Code Section 311(g) (2), as this is an uncontested matter where the resolution grants the relief requested.

## FINDINGS

1. The Commission authorized San Gabriel to establish Drought Lost Revenue Memorandum Account's for both its Los Angeles and Fontana Divisions to track the revenue impact of voluntary conservation or mandatory rationing effective June 1, 2015.
2. San Gabriel's Schedule 14.1, Staged Water Shortage Surcharges and Penalties established San Gabriel's Drought Surcharge Revenue Memorandum Account, effective June 22, 2015.
3. San Gabriel filed Advice Letter Nos. 507-W and 508-W to request amortization of the net under-collected balance of its Drought Lost Revenue Memorandum Account and the Drought Surcharge Revenue Memorandum Account for both is Los Angeles and Fontana Divisions.
4. The net balances in the Drought Lost Revenue Memorandum Account and Drought Surcharge Revenue Memorandum Account show an under-collection of \$3,532,149 and \$3,586,304 for Los Angeles Division and Fontana Division, respectively.

## PROPOSED RESOLUTION

Resolution W-5169 (Option A)

July 26, 2018

WD

5. San Gabriel proposes to recover the net under-collection balance through a surcharge of \$0.2946 per Ccf over a 12-month period for Los Angeles, and through a surcharge of \$0.1254 per Ccf over a 24-month period for Fontana.
6. No protests were received for Advice Letter No. 507-W and 508-W.
7. San Gabriel properly established the Drought Lost Revenue Memorandum Account and the Drought Surcharge Revenue Memorandum Accounts, and the balances contained therein are reasonable.
8. Water Division's recommendation for recovery of \$3,532,149, including interest, through a surcharge of \$0.2946 per Ccf, applied to quantity rates, for all of San Gabriel's Los Angeles Division customers spread over 12-months starting July 1, 2018 is reasonable and should be approved.
9. Water Division's recommendation for recovery of \$3,586,304, including interest, through a surcharge of \$0.1254 per Ccf, applied to quantity rates, for all of San Gabriel's Fontana Division customers spread over 24-months starting July 1, 2018 is reasonable and should be approved.

## PROPOSED RESOLUTION

Resolution W-5169 (Option A)  
WD

July 26, 2018

### **THEREFORE, IT IS ORDERED THAT:**

1. Advice Letter Nos. 507-W and 508-W are approved.
2. San Gabriel Valley Water Company shall, within five days of the effective date of this resolution, supplement Advice Letter No. 507-W, incorporating the revised rate schedules attached to this Resolution as Appendices A through C, and concurrently cancel its presently effective Schedule No. LA-1: General Metered Service; Schedule No. LA-1C: General Metered Service – Conservation Rates; and Schedule LA-CARW: California Alternative Rates for Water.
3. San Gabriel Valley Water Company shall, within five days of the effective date of this resolution, supplement Advice Letter No. 508-W, incorporating the revised rate schedules attached to this Resolution as Appendices D through F, and concurrently cancel its presently effective Schedule No. FO-1: General Metered Service; Schedule No. FO-1C: General Metered Service – Conservation Rates; and Schedule FO-CARW: California Alternative Rates for Water.
4. For the Los Angeles Division, San Gabriel Valley Water Company is authorized to recover the net under collection balance of \$3,532,149, the net of its Drought Lost Revenue Memorandum Account and the Drought Surcharge-Revenue Memorandum Account balances as of November 30, 2017, by transferring that amount to a balancing account” for recovery through a surcharge of \$0.2946 per Ccf applied to quantity rates over a period of 12-months starting July 1, 2018.
5. For the Fontana Division, San Gabriel Valley Water Company is authorized to recover the net under collection balance of \$3,586,304, the net of its Drought Lost Revenue Memorandum Account and the Drought Surcharge-Revenue Memorandum Account balances as of November 30, 2017, by transferring that amount to a balancing account” for recovery through a surcharge of \$0.1254 per Ccf applied to quantity rates over a period of 24-months starting July 1, 2018.
6. San Gabriel Valley Water Company ’s Drought Lost Revenue Memorandum Account and Drought Surcharge Revenue Memorandum Account shall be closed.
7. At the end of the surcharge collection periods of the balancing account, any monies collected more than, or less than, the authorized recovery balance, shall be transferred to the Previously Authorized Balance Balancing Account for future refund or recovery.

## PROPOSED RESOLUTION

**Resolution W-5169 (Option A)**  
**WD**

**July 26, 2018**

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 July 26, 2018 the following Commissioners voting favorably thereon:

---

ALICE STEBBINS  
Executive Director



# PROPOSED RESOLUTION

**Resolution W-5169 (Option A)**  
**WD**

**July 26, 2018**

## APPENDIX A

SCHEDULE NO. LA-1  
 Los Angeles County Tariff Area  
 GENERAL METERED SERVICE  
*(continued)*

RATES (continued)	Per Meter Per Month
For two 2-inch meters	\$ 359.00
For three 2-inch meters	539.00
For four 2-inch meters	718.00
For two 3-inch meters	673.00
For three 3-inch meters	1,010.00
For two 4-inch meters	1,122.00
For three 4-inch meters	1,680.00
For one 8-inch meter, one 2-inch meter	1,970.00

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

### SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF.
2. A surcharge of \$0.2128/Ccf is to be applied to the quantity rates of only non-CARW customers to cover the estimated benefits provided under the California Alternative Rates for Water (CARW) Program.
3. A surcharge of \$0.3388 per Ccf is to be applied to the quantity rates of only non-CARW customers for twelve months beginning on the effective date of September 20, 2017 to amortize the net under-collection in the California Alternative Rates for Water (CARW) Balancing Account.
4. A surcharge of \$0.0048 per Ccf is to be applied to the quantity rates for twelve months effective July 1, 2017 to amortize the net under-collection in the Cost of Capital Litigation Memorandum Account.
5. A surcredit of \$0.0216 per Ccf is to be applied to the quantity rates for twelve months effective September 20, 2017 to amortize the net overcollection in the Conservation Program Balancing Account.
6. A surcharge of \$0.2946 per Ccf is to be applied to the quantity rates for twelve months effective July 1, 2018 to amortize the net under-collection in the Los Angeles Drought Lost Revenue and Drought Surcharge Revenue Balancing Accounts. (N)  
|  
(N)

# PROPOSED RESOLUTION

Resolution W-5169 (Option A)  
WD

July 26, 2018

## APPENDIX B

SCHEDULE NO. LA-1C  
Los Angeles County Tariff Area  
GENERAL METERED SERVICE-CONSERVATION RATES

### APPLICABILITY

Applicable to all metered Residential customers, excluding apartments, trailer parks, and any other facility in which Residential customers receive service through a master meter.

### TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

### RATES

#### Quantity Rates:

For the first 13 Ccf of water used, per 100 cu. ft.	\$ 3.1780
For all Ccf greater than 13 Ccf, per 100 Cu. Ft	\$ 3.6375

#### Service Charges:

	Per Meter
	Per Month
For 5/8 x 3/4-inch meter	\$ 22.43
For 3/4-inch meter	33.65
For 1-inch meter	56.09
For 1-1/2-inch meter	112.17
For 2-inch meter	179.50
For 3-inch meter	336.50

### SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF.
2. A surcharge of \$0.2128/Ccf is to be applied to the quantity rates of only non-CARW customers to cover the estimated benefits provided under the California Alternative Rates for Water (CARW) Program.
3. A surcharge of \$0.3388 per Ccf is to be applied to the quantity rates of only non-CARW customers for twelve months beginning on the effective date of September 20, 2017 to amortize the net under-collection in the California Alternative Rates for Water (CARW) Balancing Account.
4. A surcharge of \$0.0048 per Ccf is to be applied to the quantity rates for twelve months effective July 1, 2017 to amortize the net under collection in the Cost of Capital Litigation Memorandum Account.
5. A surcredit of \$0.0216 per Ccf is to be applied to the quantity rates for twelve months effective September 20, 2017 to amortize the net overcollection in the Conservation Program Balancing Account.
6. A surcharge of \$0.2946 per Ccf is to be applied to the quantity rates for twelve months beginning July 1, 2018 to amortize the net under-collection in the Los Angeles Drought Lost Revenue and Drought Surcharge Revenue Balancing Accounts. (N)  
(N)

# PROPOSED RESOLUTION

Resolution W-5169 (Option A)  
WD

July 26, 2018

## APPENDIX C

SCHEDULE NO. LA-CARW

Los Angeles County Tariff Area

### CALIFORNIA ALTERNATIVE RATES FOR WATER

*(continued)*

#### SPECIAL CONDITIONS (continued)

2. Application and Eligibility Declaration: An application and eligibility declaration on a form authorized by the Commission is required for each request for service under this schedule. Renewal of a customer's eligibility declaration will be required every two years and may be required on an annual basis. Customers are only eligible to receive service under this rate schedule at one residential location at any one time, and the rate applies only to the customer's permanent primary residence. The schedule is not applicable where, in the opinion of the Utility, either the accommodation or the occupancy is transitory.
3. Commencement of Rate: Eligible customers shall be billed on this schedule commencing no later than one billing period after receipt and approval of the customer's application by the Utility.
4. Verification: Information provided by the applicant is subject to verification by the Utility. Refusal or failure of a customer to provide documentation of eligibility acceptable to the Utility, upon the request of the Utility, shall result in removal from this rate schedule.
5. Notice from Customer: It is the customer's responsibility to notify the Utility if there is a change in the customer's eligibility status.
6. Customers may be re-billed for periods of ineligibility under the applicable rate schedule.
7. All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF.
8. A surcharge of \$0.0048 per Ccf is to be applied to the quantity rates for twelve months effective July 1, 2017 to amortize the net undercollection in the Cost of Capital Litigation Memorandum Account.
9. A sur-credit of \$0.0216 per Ccf is to be applied to the quantity rates for twelve months effective September 20, 2017 to amortize the net overcollection in the Conservation Program
10. A surcharge of \$0.2946 per Ccf is to be applied to the quantity rates for twelve months beginning July 1, 2018 to amortize the net under-collection in the Los Angeles Drought Lost Revenue and Drought Surcharge Revenue Balancing Accounts. (N)  
(N)

# PROPOSED RESOLUTION

Resolution W-5169 (Option A)  
WD

July 26, 2018

## APPENDIX D

SCHEDULE NO. FO-1  
Fontana Water Company  
GENERAL METERED SERVICE  
(continued)

RATES (continued)

	Per Meter Per Month
For two 2-inch meters	\$ 269.00
For three 2-inch meters	405.00
For four 2-inch meters	539.00
For two 3-inch meters	506.00
For two 4-inch meters	842.00
For one 8-inch meter, two 2-inch meters	1,613.00
For two 8-inch meters	2,692.00

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is added to the quantity charge computed at the Quantity Rates.

### SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF.
2. A surcharge of \$0.2425/Ccf is to be applied to the quantity rates of only non-CARW customers to recover the estimated benefits provided under the California Alternative Rates for Water (CARW) program.
3. A surcharge of \$0.1352 per Ccf is to be applied to the quantity rates of non-CARW customers for twenty-three months beginning on the effective date of Advice Letter 475-A and ending on January 31, 2018 to amortize the under-collection in the California Alternative Rates for Water (CARW) Balancing Account.
4. A surcharge of \$0.1484 per Ccf is to be applied to the quantity rates for twelve months effective August 13, 2017 to amortize the net under-collection in the Plant F23 Perchlorate Facilities Balancing Account.
5. A sur-credit of \$0.0084 per Ccf is to be applied to the quantity rates for twelve months effective September 15, 2017 to amortize the net over-collection in the Conservation Program Balancing Account.
6. A surcharge of \$0.1254 per Ccf is to be applied to the quantity rates for twenty-four months effective July 1, 2018 to amortize the net under-collection in the Fontana Drought Lost Revenue and Drought Surcharge Revenue Balancing Accounts.

(N)  
|  
(N)

# PROPOSED RESOLUTION

Resolution W-5169 (Option A)  
WD

July 26, 2018

## APPENDIX E

SCHEDULE NO. FO-1C  
Fontana Water Company  
GENERAL METERED SERVICE - CONSERVATION RATES

### APPLICABILITY

Applicable to all metered Residential customers, excluding apartments, trailer parks, and any other facility in which Residential customers receive service through a master meter.

### TERRITORY

Portions of Fontana, Rancho Cucamonga, Rialto, and vicinity, San Bernardino County.

### RATES

Quantity Rates:

For the first 16 Ccf of water used, per 100 cu. ft..... \$ 3.2859  
For all Ccf greater than 16 Ccf, per 100 cu. Ft..... \$ 3.7789

Service Charges:	Per Meter Per Month
For 5/8 x 3/4-inch meter	\$ 16.85
For 3/4-inch meter	25.27
For 1-inch meter	42.12
For 1-1/2-inch meter	84.24
For 2-inch meter	134.80
For 3-inch meter	252.68

### SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF.
2. A surcharge of \$0.2425/Ccf is to be applied to the quantity rates of only non-CARW customers to recover the estimated benefits provided under the California Alternative Rates for Water (CARW) program.
3. A surcharge of \$0.1352 per Ccf is to be applied to the quantity rates of non-CARW customers for twenty-four months beginning on the effective date of Advice Letter 475-A and ending on January 31, 2018 to amortize the under-collection in the California Alternative Rates for Water (CARW) Balancing Account.
4. A surcharge of \$0.1484 per Ccf is to be applied to the quantity rates for twelve months effective August 13, 2017 to amortize the net under-collection in the Plant F23 Perchlorate Facilities Balancing Account.
5. A sur-credit of \$0.0084 per Ccf is to be applied to the quantity rates for twelve months effective September 15, 2017 to amortize the net overcollection in the Conservation Program Balancing Account.
6. A surcharge of \$0.1254 per Ccf is to be applied to the quantity rates for twenty-four months effective July 1, 2018 to amortize the net under-collection in the Fontana Drought Lost Revenue and Drought Surcharge Revenue Balancing Accounts.

(N)  
|  
(N)

# PROPOSED RESOLUTION

Resolution W-5169 (Option A)  
WD

July 26, 2018

## APPENDIX F

SCHEDULE NO. FO-CARW  
Fontana Water Company  
CALIFORNIA ALTERNATIVE RATES FOR WATER  
*(continued)*

SPECIAL CONDITIONS *(continued)*

2. Application and Eligibility Declaration: An application and eligibility declaration on a form authorized by the Commission is required for each request for service under this schedule. Renewal of a customer's eligibility declaration will be required every two years and may be required on an annual basis. Customers are only eligible to receive service under this rate schedule at one residential location at any one time, and the rate applies only to the customer's permanent primary residence. The schedule is not applicable where, in the opinion of the Utility, either the accommodation or the occupancy is transitory.
3. Commencement of Rate: Eligible customers shall be billed on this schedule commencing no later than one billing period after receipt and approval of the customer's application by the Utility.
4. Verification: Information provided by the applicant is subject to verification by the Utility. Refusal or failure of a customer to provide documentation of eligibility acceptable to the Utility, upon the request of the Utility, shall result in removal from this rate schedule.
5. Notice from Customer: It is the customer's responsibility to notify the Utility if there is a change in the customer's eligibility status.
6. Customers may be re-billed for periods of ineligibility under the applicable rate schedule.
7. All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF.
8. A surcharge of \$0.1484 per Ccf is to be applied to the quantity rates for twelve months effective August 13, 2017 to amortize the net under-collection in the Plant F23 Perchlorate Facilities Balancing Account.
9. A sur-credit of \$0.0084 per Ccf is to be applied to the quantity rates for twelve months effective September 15, 2017 to amortize the net overcollection in the Conservation Program Balancing Account.
10. A surcharge of \$0.1254 per Ccf is to be applied to the quantity rates for twenty-four months effective July 1, 2018 to amortize the net under-collection in the Fontana Drought Lost Revenue and Drought Surcharge Revenue Balancing Accounts.

(N)  
|  
(N)

# PROPOSED RESOLUTION

**Resolution W-5169 (Option A)  
WD**

**July 26, 2018**

## **SAN GABRIEL VALLEY WATER COMPANY ADVICE LETTER NO. 507-W AND 508-W SERVICE LIST**

City Clerk, City of La Puente  
15900 East Main Street  
La Puente, CA 91744

La Puente Valley County Water District  
112 North 1st Street  
La Puente, CA 91744

City of Montebello  
1600 West Beverly Boulevard  
Montebello, CA 90640

City of Monterey Park Water Department  
320 West Newmark Avenue  
Monterey Park, CA 91754

City of Pico Rivera Water Department  
6615 Passons Boulevard  
Pico Rivera, CA 90660

Pico Water District  
Post Office Box 758  
Pico Rivera, CA 90660-0758

City Clerk, City of West Covina  
1444 West Garvey Avenue  
West Covina, CA 91790

City Clerk, City of San Gabriel  
425 South Mission Drive  
San Gabriel, CA 91778

San Gabriel County Water District  
8366 East Grand Avenue  
Rosemead, CA 91770

City of Santa Fe Springs Water Department  
Post Office Box 2120  
Santa Fe Springs, CA 90670

City Clerk, City of South El Monte  
1415 Santa Anita Avenue  
South El Monte, CA 91733

Valley County Water District  
14521 East Ramona Boulevard  
Baldwin Park, CA 91706

City of Whittier Water Department  
13230 East Penn Street  
Whittier, CA 90602

City Clerk, City of Rosemead  
8838 Valley Boulevard  
Rosemead, CA 91770

City of Colton Water Department  
650 North La Cadena Drive  
Colton, CA 92324

City of Ontario Water Department  
303 East B Street  
Ontario, CA 91764

Cucamonga Valley Water District  
Post Office Box 638  
Rancho Cucamonga, CA 91730

City of Rialto Water Department  
150 South Palm Avenue  
Rialto, CA 92376

Chuck Hays  
Public Works Director  
City of Fontana Public Service Department  
16489 Orange Way  
Fontana, CA 92335

Marvin T. Sawyer, District Counsel  
Fontana Unified School District  
Business Services Office  
9680 Citrus Avenue  
Fontana, CA 92335

West Valley Water District  
Post Office Box 920  
Rialto, CA 92377

City of Arcadia  
240 West Huntington Drive  
Arcadia, CA 91006

# PROPOSED RESOLUTION

## Resolution W-5169 (Option A) WD

July 26, 2018

Kathleen Rollings-McDonald, Executive Director  
Local Agency Formation Commission for  
San Bernardino County  
215 North D Street, Suite 204  
San Bernardino, CA 92415

Kiki Carlson  
[kcarlson@swwc.com](mailto:kcarlson@swwc.com)

Jeffrey T. Linam  
[Jeffrey.Linam@amwater.com](mailto:Jeffrey.Linam@amwater.com)

City of Industry Waterworks System  
Post Office Box 3136  
La Puente, CA 91744

Kendall H. MacVey, Esq.  
Best, Best & Krieger, LLP  
3390 University Avenue 5th Floor  
Riverside, CA 92501

Richard Smith  
[Richard.Smith@cpuc.ca.gov](mailto:Richard.Smith@cpuc.ca.gov)

Office of Ratepayer Advocates  
[ORA@cpuc.ca.gov](mailto:ORA@cpuc.ca.gov)

Joel M. Reiker  
[jmreiker@sgvwater.com](mailto:jmreiker@sgvwater.com)

Robert L. Kelly  
[bkelly@swwc.com](mailto:bkelly@swwc.com)

Debbie Brazill  
Deputy City Manager  
City of Fontana  
8353 Sierra Avenue  
Fontana, CA 92335

City Clerk, City of Baldwin Park  
14403 East Pacific Avenue  
Baldwin Park, CA 91706

City of El Monte Water Department  
11333 Valley Boulevard  
El Monte, CA 91734

City Clerk, City of Irwindale  
5050 North Irwindale Avenue  
Irwindale, CA 91706

Ronald K. Moore  
[RKMOORE@gswater.com](mailto:RKMOORE@gswater.com)

Richard Rauschmeier  
[Richard.Rauschmeier@cpuc.ca.gov](mailto:Richard.Rauschmeier@cpuc.ca.gov)

Daniel Dell'Osa  
[dadellosa@sgvwater.com](mailto:dadellosa@sgvwater.com)

Christine Sluss  
[csluss@sgvwater.com](mailto:csluss@sgvwater.com)