
Closed to the Public

Public Utilities Commission of the State of California

Ratesetting Deliberative Meeting Agenda No. 145

Monday, August 2, 2021, 10:00 a.m.

Remotely

Commissioners

Marybel Batjer, President

Martha Guzman Aceves

Clifford Rechtschaffen

Genevieve Shiroma

Darcie L. Houck

Pursuant to Executive Order N-29-20, paragraph 3, that was issued on March 17, 2020,
Commissioners may participate remotely from teleconferencing locations

Link to Executive Order N-29-20:

<https://www.gov.ca.gov/wp-content/uploads/2020/03/3.17.20-N-29-20-EO.pdf>

This Ratesetting Deliberative Meeting will commence at the above date and time and may be continued from day to day up to the convening of the August 5, 2021, Business Meeting. This Ratesetting Deliberative Meeting is being held pursuant to Pub. Util. Code § 1701.3(h)(6).

Website: <http://www.cpuc.ca.gov>

Ratesetting Deliberative Meeting

10:00 a.m.

Remotely

For further information contact the Public Advisor

Phone: (415) 703-2074 - E-mail: public.advisor@cpuc.ca.gov

AGENDA

(Agenda ID number corresponds to the August 5, 2021, Business Meeting Agenda)

NOTE: Ex Parte communications are prohibited on Agenda ID Number 19604 from the day of the Ratesetting Deliberative Meeting through the conclusion of the Business Meeting, at which a vote on the Proposed Decision is scheduled. Rule 8.2(c)(4).

[19604] California-American Water Company's Acquisition of East Pasadena Water Company

A.20-04-003

Joint Application of California-American Water Company and East Pasadena Water Company for an Order Authorizing East Pasadena Water Company to Sell and California-American Water to Purchase the Water Utility Assets of East Pasadena Water Company.

PROPOSED OUTCOME:

- Finds the acquisition of East Pasadena Water Company (East Pasadena) by California-American Water Company (Cal-Am) in the public interest consistent with governing laws in Public Utilities Code Sections 854 et. seq. and 2718 et. seq.
- Approves the acquisition of East Pasadena by Cal-Am and authorizes the purchase price of \$34 million as the new rate base of the acquired system, with an estimated \$1.945 million in additional revenue to be allocated and incorporated into rates through Cal-Am's 2024 General Rate Case.
- Denies Cal-Am's request to track and reconcile revenue requirement differences arising in the interim before new rates are established and implemented in Cal-Am's 2024 General Rate Case.
- Partially approves Cal-Am's request to track for potential future recovery costs associated with transaction and expands currently authorized Memorandum Account for Environmental Improvements and Compliance Issues for Acquisitions.
- Closes the proceeding.

SAFETY CONSIDERATIONS:

- Cal-Am is well equipped to continue East Pasadena's good safety record.

ESTIMATED COST:

- Additional \$1.945 million in revenue requirement to be allocated and incorporated into rates in 2024.

(Comr Shiroma - Judge Watts-Zagha)

<http://docs.cpuc.ca.gov/SearchRes.aspx?docformat=ALL&docid=394046615>

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

This matter may be considered during the Ratesetting Deliberative Meeting.

Agenda 3489, Item 20 7/15/2021 (Guzman Aceves)