

Decision 23-11-061 November 16, 2023

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

In the matter of the Application of the CALIFORNIA WATER SERVICE COMPANY (U60W), a California corporation, for an order (1) authorizing it to increase rates for water service by \$80,484,801 or 11.1% in test year 2023, (2) authorizing it to increase rates on January 1, 2024 by \$43,582,644 or 5.4%, and (3) authorizing it to increase rates on January 1, 2025 by \$43,197,258 or 5.1% in accordance with the Rate Case Plan, and (4) adopting other related rulings and relief necessary to implement the Commission’s ratemaking policies.

Application 21-07-002

**ORDER EXTENDING STATUTORY DEADLINE**

**Summary**

This decision extends the statutory deadline in this proceeding to June 7, 2024.

**1. Background and Justification**

Public Utilities Code (Pub. Util. Code) Section 1701.5(a) provides that the Commission shall resolve the issues raised in the scoping memo of a ratesetting proceeding within 18 months of the date the proceeding is initiated, unless the Commission makes a written determination that the deadline cannot be met and issues an order extending the deadline. The current statutory deadline for

resolving this application is December 31, 2023. This deadline is extended to June 7, 2024.

The Applicant, California Water Service Company (Cal Water) is one of the largest Class A water companies regulated by the Commission. On July 1, 2021, Cal Water filed its application for a general rate increase for calendar years 2023, 2024, and 2025. A protest was filed by the Office of the Public Advocates (Cal Advocates) on August 5, 2021.

On October 25, 2021, the City of Bakersfield, California filed a motion seeking party status. The motion was granted at a prehearing conference (PHC) held on November 23, 2021. At this PHC, the potential issues in the proceeding and a potential schedule were discussed. The assigned Commissioner, Darcie L. Houck, issued her scoping memo on January 11, 2022, confirming that the proceeding was a ratesetting proceeding, identifying the issues to be addressed and finding that an evidentiary hearing was needed.

Two additional cities requested party status soon after the scoping memo issued. The City of Visalia moved for party status on January 27, 2022, and the City of Rancho Palos Verdes filed a motion for party status on March 23, 2022. Both motions were granted by the assigned Administrative Law Judge (ALJ) on March 24, 2022.

In April 2022, numerous Public Participation Hearings were held remotely for many Cal Water ratemaking areas.

On May 3, 2022, a status conference to prepare for the evidentiary hearing was held. A late motion for party status was filed by the California Water Association (CWA) on May 9, 2022. It was contested by Cal Advocates on May 10, 2022. The ALJ granted the motion but limited CWA's participation in the proceeding in a ruling issued on May 18, 2022.

Evidentiary hearings were conducted on May 11, 12, 13, and 17, 2022.

An interim rate ruling was issued by the ALJ on June 10, 2022.

Extensive briefings on contested issues were filed during the entire month of July 2022.

During August 2022, the parties, particularly Cal Water and Cal Advocates, engaged in settlement discussions with the aid of a Commission alternative dispute resolution (ADR) neutral and a partial settlement agreement was reached. On September 2, 2022, Cal Water and Cal Advocates filed a joint motion for approval of the partial settlement agreement.

Comments on the proposed partial settlement agreement by the City of Rancho Palos Verdes, Cal Water and Cal Advocates were filed on September 30, 2022, by Palos Verdes, and on October 17, 2022, by Cal Water and Cal Advocates, individually.

On November 3, 2022, the ALJ issued a ruling on a motion filed by Cal Water for interim rate relief, granting the motion in part and denying it in part.

Extension orders were issued on January 12, 2023 and June 29, 2023, extending the statutory deadline to its current date of December 31, 2023.

On July 13, 2023, ALJ, Douglas Long, was co-assigned to the proceeding.

A proposed decision is expected to issue in the near future. Given the voluminous record and number of complex and contested issues in this proceeding, an extension of the statutory deadline until June 7, 2024, will be made to allow sufficient time to issue a proposed decision for public review and comments, and to allow the Commission enough time to deliberate and issue its final decision.

**2. Waiver of Comment Period**

Under Rule 14.6(c)(4) of the Commission’s Rules of Practice and Procedure, the Commission may waive the otherwise applicable 30-day period for public review and comment on a decision that extends the deadline for resolving ratesetting or quasi-legislative proceedings pursuant to Pub. Util. Code § 1701.5. Under the circumstances of this proceeding, it is appropriate to waive the 30-day period for public review and comment.

**3. Assignment of Proceeding**

Darcie L. Houck is the assigned Commissioner and Charles Ferguson and Douglas Long are the assigned ALJs and the presiding officers in this proceeding.

**Findings of Fact**

1. The current statutory deadline for resolving A.21-07-002 is December 31, 2023.
2. A.21-07-002 cannot be completed by December 31, 2023.
3. An extension of the statutory deadline to June 7, 2024 is necessary to allow adequate time to complete this proceeding.

**Conclusion of Law**

1. Pursuant to the authority granted to the Commission under Pub. Util. Code § 1701.5(a), the statutory deadline should be extended to June 7, 2024.

**IT IS ORDERED** that the statutory deadline for completion of this proceeding is extended to June 7, 2024.

This order is effective today.

Dated November 16, 2023, at El Centro, California.

ALICE REYNOLDS

President

GENEVIEVE SHIROMA

DARCIE L. HOUCK

JOHN REYNOLDS

KAREN DOUGLAS

Commissioners