

Decision \_\_\_\_\_

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

Application of CALIFORNIA WATER SERVICE COMPANY (U60W) for authority to discontinue fluoridation of the water in its Oroville Water System.

Application 24-10-003

**DECISION AUTHORIZING DISCONTINUATION OF FLUORIDE IN THE OROVILLE WATER SYSTEM**

**Summary**

This decision grants the request of California Water Service Company to remove fluoride from the Oroville water system.

The proceeding is closed.

**1. Background**

On January 29, 1957, the Commission issued Decision (D.) 54444, directing California Water Service Company (Cal Water) to fluoridate the Oroville water system.

On July 16, 2024, the City of Oroville (City) passed Resolution No. 9284, directing City staff to work with the Commission and Cal Water to discontinue the fluoridation of the Oroville water system.

On October 9, 2024, Cal Water submitted Application (A.) 24-10-003 requesting to discontinue the fluoridation of the water supply in the Oroville water system of the North Valley Region ratemaking area.<sup>1</sup> Specifically, Cal Water requests that the Commission eliminate the requirement to fluoridate the water in the Oroville system set forth in D.54444.

On January 31, 2025, the assigned Administrative Law Judge (ALJ) issued a ruling directing Cal Water to amend A.24-10-003 and provide additional information. On March 3, 2025, Cal Water filed an Amended Application to Discontinue Fluoridation in Oroville (Amended Application). The Amended Application provided additional information. For example, the Amended Application provided a copy of the amended domestic water supply permit authorizing the removal of fluoride from the Oroville water system, from the State Water Resources Control Board's (SWRCB) Division of Drinking Water (DDW).<sup>2</sup>

On April 11, 2025, a prehearing conference was held. On July 2, 2025, the assigned Commissioner issued a Scoping Memo and Ruling (Scoping Memo). Public participation hearings (PPHs) were held on September 23, 2025, at 2:00 p.m. and 6:00 p.m., at the Oroville City Council Chambers.

This matter was submitted on November 7, 2025, upon the passage of 45 days from the PPHs.

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<sup>1</sup> The Oroville District is a water system that is part of a larger ratemaking area, the North Valley Region, that also includes the Chico District. The two districts were consolidated for ratemaking purposes in D.24-03-042. This Application only relates to the water system in the Oroville District.

<sup>2</sup> Amended Application, Attachment E.

## **2. Issues Before the Commission**

The issues to be determined are:

1. Whether Cal Water's request is just and reasonable, and
2. To what extent does Cal Water's request align with the Commission's Environmental and Social Justice (ESJ) Action Plan?

## **3. Discussion**

### **3.1. Just and Reasonable Review**

#### **3.1.1. Statutory Authority**

The Commission's just and reasonable oversight authority over utilities stems from Public Utilities Code (Pub. Util. Code) Section 451, which states:

All charges demanded or received by any public utility . . . for any product or commodity furnished or to be furnished or any service rendered or to be rendered shall be just and reasonable. . . .

#### **3.1.2. California Water Service Company's Position**

Cal Water's Amended Application explained the cost impacts of removing fluoride from the Oroville water system. Cal Water noted there would be no capital costs involved with discontinuing fluoridation of the Oroville water system. However, some operating expenses are impacted, and the net effect of removing fluoride will be a cost savings. Cal Water states it will experience ongoing savings by no longer having to procure saturators and chemical additives. Saturators are tanks and pumps used to saturate the dry fluoride additive in water before it is put in the water supply. Cal Water stated it will

incur one-time costs for the disposal of saturators, fluoride chemical inventory, and other miscellaneous equipment.<sup>3</sup>

Cal Water estimates that it would have saved a hypothetical \$13,500 in 2025, if it had eliminated fluoride from the Oroville Water System at the beginning of 2025. Cal Water's estimate is based on an avoided fluoride expense (savings) of approximately \$17,000, plus an avoided saturator expense (savings) of approximately \$18,500, and a disposal expense (cost) of approximately \$22,000.<sup>4</sup>

Cal Water compares the hypothetical cost savings of \$13,500 with the annual revenue requirement for the North Valley Region in 2025 of \$39.8 million. Cal Water then states, "the net impact of having fully eliminated fluoridation at the beginning of 2025 would have been [a] . . . 0.034% [reduction] of the 2025 annual revenue requirement for the combined Oroville and Chico Districts."<sup>5</sup>

Going forward, Cal Water stated the relevant fluoride-related expenses would be removed from its 2026 rate calculations in A.24-07-003, its Test Year (TY) 2026 General Rate Case (GRC).<sup>6</sup> In its rebuttal testimony to its TY 2026 GRC,

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<sup>3</sup> Amended Application at 15-18.

<sup>4</sup> Amended Application at 18. The hypothetical cost savings in calendar year 2025 is based on the following equation: \$17,000 plus \$18,500 minus \$22,000 equals \$13,500.

<sup>5</sup> Amended Application at 18.

<sup>6</sup> Amended Application at 18.

Cal Water proposed rates going forward that excluded fluoride chemical costs from its Oroville water system.<sup>7</sup>

### **3.1.3. Just and Reasonable Analysis**

The request to remove fluoride from the Oroville water system was uncontested. Moreover, SWRCB's DDW issued an amended domestic water supply permit authorizing the removal of fluoride from the Oroville water system. It is reasonable for Cal Water to remove recurring expenses associated with fluoridating the Oroville water system, as they are no longer necessary and eliminating recurring expenses is appropriate.

Cal Water shall remove recurring expenses associated with fluoridating the Oroville water system, including but not limited to chemical additive expenses and saturator expenses, from the 2026 test year and all forecast years in A.24-07-003. Moreover, such expenses should not be included in future Cal Water general rate case applications, unless otherwise directed by the Commission.

## **3.2. Environmental and Social Justice Review**

### **3.2.1. Commission's ESJ Action Plan**

As part of its mission to regulate essential utility services to protect consumers and safeguard the environment, assuring safe and reliable access to all Californians, the Commission created the ESJ Action Plan to serve as both a

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<sup>7</sup> Cal Water A.24-07-003 Rebuttal Testimony, Chapter 2 at 14 ("Cal Water proposes to recalculate the Oroville District's 2026 rates to exclude fluoride-related expenses in this rebuttal."); Cal Water A.24-07-003 Rebuttal Testimony, Chapter 6 at 105 ("Cal Water estimates an expense saving of \$11,833 annually from this request that will be reduced from Oroville's chemical costs.").

commitment to furthering ESJ principles, as well as an operating framework with which to integrate ESJ considerations throughout the agency's work. One of the goals of the ESJ Action Plan includes the availability of high-quality water for ESJ Communities, which are defined as follows:

[P]redominately communities of color or low-income communities that are underrepresented in the policy setting or decision-making process, subject to a disproportionate impact from one or more environmental hazards, and are likely to experience disparate implementation of environmental regulations and socioeconomic investments in their communities.<sup>8</sup>

The ESJ Action Plan notes that a disadvantaged community (DAC) designation is one of many considerations available for identifying an ESJ community.<sup>9</sup>

An additional goal of the ESJ Action Plan is to monitor efforts and establish public mechanisms for reporting.<sup>10</sup>

### **3.2.2. California Water Service Company's Position**

Cal Water notes that the Oroville water system may serve pockets of ESJ communities, in part because the SWRCB has identified the Oroville water system to be in a DAC. Cal Water also notes that it currently provides high-quality water that meets all drinking water standards set by SWRCB's DDW and would continue to do so after the discontinuation of fluoridation.

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<sup>8</sup> ESJ Action Plan at 97.

<sup>9</sup> See ESJ Action Plan at 10-11, 21-22.

<sup>10</sup> ESJ Action Plan at 25.

Additionally, Cal Water notes that while it obtained a DDW permit to remove fluoride from the Oroville water system, that:

According to DDW, tooth decay is the number one chronic condition for children. Fluoridated water in the optimum quantity appears to be the most economical approach to improve the oral health of residents in a community. . . .

While beneficial overall, health authorities have also found that there are also risks to ingesting too much fluoride. For example, some people who drink water containing fluoride more than the federal maximum contaminant level ("MCL") of 4 mg/L over many years may get bone disease, including pain and tenderness of the bones . . . . [I]n April 2015, the U.S. Department of Health and Human Services adjusted the recommended fluoride levels in drinking water to 0.7 mg/L.<sup>11</sup>

### **3.2.3. Monitoring and Reporting Analysis**

It is informative that the SWRCB considers the Oroville water system to be in a DAC and that Cal Water considers it to potentially have pockets of ESJ communities. We find that the Oroville water system serves an ESJ community, given the SWRCB's DAC identification, Cal Water's belief about ESJ pockets, and potential impacts associated with discontinuing fluoridation.

Given the removal of fluoride from the Oroville water system will impact the water system, Cal Water is encouraged to reach out to public health professionals in an effort to monitor the impact of removing fluoride from the water system. For example, Cal Water can reach out to public health professionals, such as staff at SWRCB's DDW and those who spoke at the September 22, 2025, PPHs. Cal Water is encouraged to provide information to

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<sup>11</sup> Amended Application at 6-7.

public health professionals to monitor the impact of removing fluoride from the water supply.

If Cal Water provides any reports to the SWRCB regarding fluoride in the Oroville water system, it should also provide those reports to the Commission's Water Division via information-only filings.<sup>12</sup> Moreover, should Cal Water seek to reintroduce fluoride into the Oroville water system, Cal Water should contact the Commission's Water Division regarding implementation, expenditures, and rate impacts.

#### **4. Summary of Public Comment**

The Commission actively sought to engage with the community served by the Oroville water system. Numerous public comments were submitted online and at the PPHs.<sup>13</sup> Public comment informed the Commission's consideration of the issues in this proceeding.

##### **4.1. Online Comments**

Supporters of A.24-10-003, including one Oroville resident, argue that water fluoridation is not safe; it is a healthcare issue, not a water quality issue; and it is antithetical to personal choice. One supporter noted a recent federal court decision found fetal exposure to water fluoridation lowers intelligence quotient (IQ) by up to seven points. Some were concerned with the risk of toxic

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<sup>12</sup> See General Order 96-b at Water Rule 2.

<sup>13</sup> Rule 1.18 of the Commission's Rules of Practice and Procedure (Rules) allows any member of the public to submit written comment in any Commission proceeding using the "Public Comment" tab of the online Docket Card for that proceeding on the Commission's website. Rule 1.18(b) requires that relevant written comment submitted in a proceeding be summarized in the final decision issued in that proceeding.

exposure due to the cumulative intake of fluoride from water and other sources, such as toothpaste, tea, and grape products. Others object to adding fluoride as it violates their desire to have personal choice. Additionally, one notes it is a chemical for medication purposes, not water quality, and the City's desire to remove fluoride should be upheld.

Opponents of A.24-10-003, primarily dentists and public health officials, argued that water fluoridation is safe, cost-effective, and provides equitable benefits in preventing tooth decay. One opponent noted that the efficacy and safety of fluoride is recognized by numerous public health organizations, such as American Medical Association and the American Dental Association. Some noted fluoride works to prevent tooth infections, which can spread and create life-threatening conditions like septicemia and brain abscesses. Some point to studies and real-world examples from communities like Antigo, Wisconsin, where fluoride was removed, and within five years, tooth decay for second-grade children increased 200 percent. Furthermore, others highlight that fluoridation particularly helps vulnerable populations (children, seniors, and low-income families) who may not have access to regular dental care. Lastly, one notes downstream costs to insurers, Medi-Cal, and ultimately taxpayers from removing fluoride.

#### **4.2. Public Participation Hearing Comments**

Similar comments were made at the PPHs held on September 23, 2025, at 2:00 p.m. and 6:00 p.m. Supporters of A.24-10-003 were mostly local residents and public officials. There was general concern about the residents' health and their desire to have choice. The mayor of Oroville stated he wants people in his

community to have the choice, and if they want fluoride, it is readily available in toothpaste. One speaker noted concern about toxicity. Some discussed that other local water utilities, serving other parts of Oroville, do not fluoridate their water systems.

Opponents of A.24-10-003 discussed the risks of removing fluoride from the Oroville water system. A pediatrician from the University of California San Francisco shared that simple cavities could spread to an abscess which requires antibiotics, and in Calgary, Canada, the hospital rate for such antibiotics went up 700 percent. They noted upcoming cuts to Medicaid and that hospitals in the area are at risk of being cut. All this poses risks to families with the greatest need. A dentist from Ampla Health, who provides care in Oroville, noted many concerns; for example, some children lack access to health insurance and removing fluoride from the water system would increase emergency visits, school delays, and other things.

## **5. Assignment of Proceeding**

Matthew Baker is the assigned Commissioner and Brandon Gerstle is the assigned ALJ in this proceeding.

### **Findings of Fact**

1. Cal Water's A.24-10-003, a request to remove fluoride from the Oroville water system, was unprotested.
2. The SWRCB's DDW issued an amended domestic water supply permit authorizing the removal of fluoride from the Oroville water system.
3. Cal Water historically fluoridated the Oroville water system and had fluoride-related expenses, including but not limited to chemical additive

expenses and saturator expenses. Those expenses will no longer be necessary if A.24-07-003 is granted.

4. The net impact of removing fluoride from the Oroville water system will save Cal Water money, after considering avoided fluoride chemical expenses, avoided saturator expenses, and one-time disposal costs.
5. The Oroville water system serves an ESJ community.
6. The removal of fluoride from the Oroville water system will impact the water system.

### **Conclusions of Law**

1. Pub. Util. Code Section 451 requires that all charges demanded or received by a public utility be just and reasonable.
2. It is reasonable for Cal Water to remove recurring expenses associated with fluoridating the Oroville water system. Cal Water should no longer include these expenses in rate requests if it is not fluoridating the Oroville water system.
3. Cal Water should notify the Commission's Water Division and pursue all necessary regulatory approvals should it seek to reintroduce fluoride into the Oroville water system.

### **O R D E R**

#### **IT IS ORDERED** that:

1. California Water Service Company's Application 24-10-003, a request to remove fluoride from the Oroville water system, is granted.
2. California Water Service Company shall remove all recurring expenses associated with fluoridating the Oroville water system, including but not limited to chemical additive expenses and saturator expenses, from the 2026 test year

and all forecast years in Application 24-07-003. Moreover, such expenses shall not be included in future California Water Service Company general rate case applications, unless otherwise directed by the Commission.

3. Application 24-10-003 is closed.

This order is effective today.

Dated \_\_\_\_\_, at Santa Maria, California.