

Decision 26-06-001

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of CALIFORNIA WATER SERVICE COMPANY (U60W), a California corporation, for an order

- (1) Authorizing it to increase rates for water service by \$140,558,101 or 17.1% in test year 2026;
- (2) Authorizing it to increase rates on January 1, 2027 by \$74,162,564 or 7.7%;
- (3) Authorizing it to increase rates on January 1, 2028 by \$83,574,190 or 8.1% in accordance with the Rate Case Plan; and
- (4) Adopting other related rulings and relief necessary to implement the Commissions ratemaking policies.

Application 24-07-003

ORDER CORRECTING ERRORS IN DECISION 26-04-045

The California Public Utilities Commission (Commission) has been informed of errors in Decision (D.) 26-04-045. By letters dated May 5 and May 20, 2026, and pursuant to Rule 16.5¹ of the Commission's Rules of Practice and Procedure, California Water Service Company (Cal Water) requested the correction of obvious errors in D.26-04-045, which resolved Cal Water's general rate case (GRC) in proceeding Application (A.) 24-07-003.

¹ Rule 16.5 provides that correction of obvious typographical errors or omissions in Commission decisions may be requested by letter to the Executive Director, with a copy sent at the same time to all parties to the proceeding.

Cal Water asserted that there are errors in the appendices to D.26-04-045, and that correction of the errors does not change the revenue requirements or capital budgets adopted in the decision, but does change rates and certain pages of the appendices.

Water Division staff has reviewed the identified errors and affirm that corrections requested by Cal Water are justified. This decision corrects D.26-04-045 to reflect the intended outcome accurately and completely as adopted in that decision by making corrections to the following pages of the appendices:

- Appendix A, page 1
- Appendix A, page 4
- Pages 7 and 11 in the Appendix for each ratemaking area (in Appendices B through T)
- Appendix W, page 35
- Appendix X

Table 1 attached hereto and incorporated herein by reference illustrates the bill changes in D.26-04-045 and how those bill changes are corrected for each ratemaking area. Below are more detailed explanations of the other corrections.

Appendix A, Page 1:

Cal Water consolidated regions in which there is one revenue requirement but two sets of rates. For greater transparency, the table on Page 1 of Appendix A provides adopted revenues for each area that has its own set of rates (each “rate area”). The errors corrected on page 1 of Appendix A only relate to those specific

rate areas, and fortunately do not impact the overall revenue requirement adopted for the company in D.26-04-045.

Correcting these errors does not change the total revenue requirement for each year because the excel spreadsheet has hidden rows that provide the total revenue requirement for each consolidated ratemaking area. Those numbers are correct, and they were the rows used to generate the company-wide revenue numbers.

These errors occurred because for the individual “rate area” revenues shown on page 1 of Appendix A, the cells were linked to the same erroneous revenue requirement spreadsheets as discussed in Item 3, the Rate Design Linking error.

The nature of these errors is typographical in that the “rate area” revenues shown in page 1 of Appendix A do not reflect the actual revenue requirements adopted for the consolidated regions, shown elsewhere in the appendices, even though the total company-wide numbers are correct. The errors are obvious in that the sum of the “rate area” revenues shown on page 1 of the original Appendix A do not match the adopted revenue requirements for the consolidated ratemaking regions.

Appendix A, Page 4:

For two advice letters, AL 2535 for the Bay Area Region and AL 2556 for the East Los Angeles District, the incremental revenue increases shown on page 4 of Appendix A are different from the revenues actually approved in those advice letters. These errors are typographical and obvious in that the numbers shown

on page 4 of Appendix A are not consistent with those approved in AL 2535 and AL 2556.

Rate Design Linking Error:

The excel files that calculate rates (the “rate design files”) incorporate the revenue requirements calculated in the excel files that reflected adopted capital, expenses, depreciation rates, etc. (the “revenue requirement files”). After the original Proposed Decision was issued, Cal Water generated new revenue requirement files because the text of the PD differed from the appendices attached to the PD. When guidance for the Revised PD was received, the parties updated the revenue requirement files and modified the rate design files to reflect the changes in the Revised PD. Rather than linking the correct revenue and rate design files to generate rates for the Revised PD, however, the rate design files were accidentally linked to the revenue requirement files created to reflect the text of the PD. As indicated in Cal Water’s May 5, 2026 letter, Cal Water conferred with the Public Advocates Office and Water Division staff on these and the other requested corrections.

Appendix W, Page 35:

While page 56 of D.26-04-045 indicates that PID #126484 should be “excluded from this GRC,” the project was inadvertently left in the Results of Operations Model (one of approximately 2500+ projects in the model), and in Appendix W of D.26-04-045, dollars for the project are still included in the list of capital projects for the district.

Striking out the reference to PID #126484 on page 35 of Appendix W clarifies that it should not have been included, and Cal Water’s Supplement to

AL 2579, submitted on May 20, 2026, has removed PID #126484 from East Los Angeles' proposed rates. This is an obvious error, and correcting it resolves the discrepancy between page 56 of D.26-04-045 and page 35 of the original Appendix W.

The above-described corrections and the corrections described on **Table 1** are reflected in a set of appendices labeled "Appendices A through X – Corrected" attached hereto and incorporated herein by reference.

Therefore, the order below is executed under the authority of Resolution A-4661 and Rule 16.5 of the Commission's Rules of Practice and Procedure.

O R D E R

IT IS ORDERED that Decision 26-04-045 is corrected by:

1. Replacing Appendices A through X with Appendices A through Appendices X – Corrected.
2. Application 24-07-003 is closed.

This order is effective today.

Dated June 1, 2026, at San Francisco, California.

/s/ LEUWAM TESFAI

Leuwam Tesfai
Executive Director

Table 1

District	Essential Usage	Present Bill	Proposed Bill	D.26-04-045						Corrected					
				2026 Bill Change		2027 Bill Change		2028 Bill Change		2026 Bill Change		2027 Bill Change		2028 Bill Change	
Bay Area Region	6	\$ 49.80	\$ 57.02	\$ 7.22	14.5%	\$ 2.51	4.4%	\$ 2.75	4.6%	\$ 6.55	13.2%	\$ 2.50	4.4%	\$ 2.81	4.8%
Bakersfield	6	\$ 30.28	\$ 37.78	\$ 7.49	24.7%	\$ 1.81	4.8%	\$ 2.18	5.5%	\$ 8.37	27.6%	\$ 1.75	4.5%	\$ 2.08	5.2%
Bear Gulch	6	\$ 55.10	\$ 69.44	\$ 14.35	26.0%	\$ 2.60	3.7%	\$ 2.73	3.8%	\$ 13.57	24.6%	\$ 2.54	3.7%	\$ 2.72	3.8%
Dixon with consolidation	6	\$ 62.99	\$ 70.67	\$ 7.68	12.2%	\$ 0.21	0.3%	\$ 0.76	1.1%	\$ 3.58	5.7%	\$ 0.24	0.4%	\$ 0.94	1.4%
East Los Angeles	6	\$ 43.32	\$ 50.19	\$ 6.87	15.9%	\$ 1.44	2.9%	\$ 1.89	3.7%	\$ 6.57	15.2%	\$ 1.35	2.7%	\$ 1.77	3.4%
Kern River Valley	3	\$ 74.12	\$ 77.93	\$ 3.81	5.1%	\$ 4.44	5.7%	\$ 5.96	7.2%	\$ 3.96	5.3%	\$ 3.34	4.3%	\$ 5.40	6.6%
Livermore with consolidation	6	\$ 41.15	\$ 50.81	\$ 9.67	23.5%	\$ 2.08	4.1%	\$ 2.74	5.2%	\$ 9.23	22.4%	\$ 1.79	3.6%	\$ 2.56	4.9%
Los Altos	6	\$ 51.39	\$ 56.64	\$ 5.25	10.2%	\$ 3.40	6.0%	\$ 3.96	6.6%	\$ 4.61	9.0%	\$ 3.31	5.9%	\$ 3.90	6.6%
Los Angeles County Region - AV	6	\$ 38.54	\$ 46.14	\$ 7.60	19.7%	\$ 2.03	4.4%	\$ 2.36	4.9%	\$ 8.20	21.3%	\$ 2.04	4.4%	\$ 2.42	5.0%
Los Angeles County Region - PV	6	\$ 51.51	\$ 61.17	\$ 9.66	18.8%	\$ 1.68	2.8%	\$ 2.05	3.3%	\$ 10.26	19.9%	\$ 1.69	2.7%	\$ 2.11	3.3%
Marysville	6	\$ 43.13	\$ 46.37	\$ 3.24	7.5%	\$ 3.53	7.6%	\$ 2.17	4.4%	\$ 3.00	7.0%	\$ 3.27	7.1%	\$ 2.03	4.1%
NVR – Chico	6	\$ 28.16	\$ 32.25	\$ 4.09	14.5%	\$ 1.91	5.9%	\$ 2.23	6.5%	\$ 3.88	13.8%	\$ 1.80	5.6%	\$ 2.08	6.2%
NVR – Oroville	6	\$ 43.81	\$ 50.09	\$ 6.28	14.3%	\$ 1.23	2.4%	\$ 1.51	2.9%	\$ 5.95	13.6%	\$ 1.07	2.2%	\$ 1.32	2.6%
Salinas Valley Region	6	\$ 40.59	\$ 45.83	\$ 5.24	12.9%	\$ 2.71	5.9%	\$ 3.62	7.5%	\$ 4.95	12.2%	\$ 2.55	5.6%	\$ 3.40	7.1%
Selma	6	\$ 27.14	\$ 33.41	\$ 6.26	23.1%	\$ 2.44	7.3%	\$ 2.86	8.0%	\$ 7.14	26.3%	\$ 2.31	6.7%	\$ 2.69	7.4%
South Bay Region - DOM	6	\$ 37.24	\$ 37.80	\$ 0.56	1.5%	\$ 1.43	3.8%	\$ 1.48	3.8%	\$ 0.57	1.5%	\$ 1.36	3.6%	\$ 1.40	3.6%
South Bay Region - HR	6	\$ 37.24	\$ 37.80	\$ 0.56	1.5%	\$ 1.43	3.8%	\$ 1.48	3.8%	\$ 0.57	1.5%	\$ 1.36	3.6%	\$ 1.40	3.6%
Stockton	6	\$ 42.79	\$ 49.97	\$ 7.18	16.8%	\$ 2.40	4.8%	\$ 2.42	4.6%	\$ 6.78	15.8%	\$ 2.24	4.5%	\$ 2.24	4.3%
Travis	Flat	\$ 272.7K	\$ 338.6K	\$ 65.8K	24.1%	\$ 32.5K	9.6%	\$ 37.0K	10.0%	\$ 63.9K	23.4%	\$ 32.5K	9.7%	\$ 37.2K	10.1%
Visalia	6	\$ 18.42	\$ 22.20	\$ 3.78	20.5%	\$ 1.40	6.3%	\$ 1.68	7.1%	\$ 4.60	25.0%	\$ 1.33	5.8%	\$ 1.60	6.6%
Westlake	6	\$ 43.59	\$ 59.09	\$ 15.50	35.5%	\$ 1.73	2.9%	\$ 2.41	4.0%	\$ 18.31	42.0%	\$ 1.79	2.9%	\$ 2.51	3.9%
Willows	6	\$ 49.53	\$ 58.02	\$ 8.49	17.1%	\$ 2.49	4.3%	\$ 2.54	4.2%	\$ 8.20	16.6%	\$ 2.36	4.1%	\$ 2.40	4.0%