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

Application of California-American Water Company (U210W) for Authorization to Increase its Revenues for Water Service by \$55,771,300 or 18.71% in the year 2024, by \$19,565,300 or 5.50% in the year 2025, and by \$19,892,400 or 5.30% in the year 2026.

Application 22-07-XXX

**DIRECT TESTIMONY OF PATRICK PILZ
(FINAL APPLICATION)
CORRECTED**

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TABLE OF CONTENTS

	<u>Page</u>
I. INTRODUCTION	1
II. PURPOSE OF TESTIMONY.....	2
III. CUSTOMER SERVICE	4
IV. CREDIT CARD FEE WAIVER PILOT.....	9
V. CUSTOMER ASSISTANCE PROGRAM.....	11
VI. LOW-INCOME DATA SHARING PROGRAM.....	15
VII. HARDSHIP BENEFIT PROGRAM	18
VIII. CONSERVATION	21
A. New Conservation Framework (SB 606, AB 1668, SB 555).....	21
B. Conservation Funding Request.....	27
C. Southern Division Service Areas (San Diego, Ventura and Los Angeles service areas).....	29
D. Central Division Service Area (Monterey County District).....	30
E. Northern Division Service Areas (Sacramento, Larkfield, Meadowbrook, Fruitridge, Geyserville).....	32
IX. WATER SHORTAGE CONTINGENCY PLANS	33
X. WATER LOSS PERFORMANCE STANDARDS	35
XI. SPECIAL REQUEST #15 – MONTEREY ANNUAL JOINT CONSERVATION REPORT	37
XII. SPECIAL REQUEST #16 – LOW-INCOME CONSERVATION PROGRAM AND CREDIT/DEBIT CARD BILL PAYMENT EXPENSE RECOVERY	39
XIII. SPECIAL REQUEST #19 - PAPERLESS BILLING OPT OUT PILOT	40
XIV. SPECIAL REQUEST #20 - CHANGES TO LATE PAYMENT FEES.....	42

LIST OF CORRECTIONS

Page and Line Number of Correction
Page 20, lines 13-27
Attachment 3

1
2
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4
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Application 22-07-XXX

**DIRECT TESTIMONY OF PATRICK PILZ
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CORRECTED**

I. INTRODUCTION

- Q1. Please state your name and business address for the record.
- A1. My name is Patrick Pilz. My business address is 655 W Broadway, #1410, San Diego, CA 92101.
- Q2. Briefly describe your present employment.
- A2. I am employed by California-American Water Company (“California American Water” or the “Company”) as Senior Manager of Field Operations.
- Q3. What are your responsibilities?
- A3. As Senior Manager of Field Operations, I oversee all conservation programs and activities for California American Water. I am also responsible for Customer Service at California American Water.
- Q4. Briefly describe your educational and professional background.
- A4. I received a Master’s of Business Administration (“MBA”) from the United States International University in San Diego, California, and a graduate degree in Economics from the University of Munich Germany. I have been employed by California American

1 Water since April 2004; as a Financial Analyst in the Rates Department from 2004 to
2 2011, as Manager of Conservation and Efficiencies since March 2011 and as Sr. Manager
3 of Field Operations since February 2014. I also currently serve on the Board of Directors
4 of the California Water Efficiency Partnership.

5
6 **II. PURPOSE OF TESTIMONY**

7 Q5. What is the purpose of your testimony?

8 A5. My testimony describes aspects of California American Water’s Customer Service,
9 Credit Card Fee Waiver Pilot, Low-Income Program/Customer Assistance Program,
10 Low-Income Data Sharing Program, Hardship Benefit Program, Conservation, and Water
11 Loss Performance Standards Compliance. Additionally, I am supporting four special
12 requests in this proceeding: Special Request #15, which seeks elimination of the
13 Monterey Joint Annual Conservation Report, Special Request #16, which addresses
14 recovery of conservation investments associated with the Company’s low-income
15 customers and the waiver of credit card fee charges, Special Request #19, which seeks
16 approval for a paperless billing pilot and lastly, Special Request #20, which seeks
17 changes in this general rate case (“GRC”) to some of its customer service practices
18 including a proposal to waive late fees for residential customers only.

19
20 Q6. Do you have any general comments that you want to make regarding California
21 American Water’s customer service approach and other objectives in this application?

22 A6. Yes. California American Water has been out in front of its peers on a number of
23 programs important to its customers. This has in part been out of necessity with the water
24 supply challenges the Company has faced in its Monterey District. In terms of
25 conservation, California American Water has led statewide conservation efforts in its
26 Monterey service area for over two decades and continues to offer innovative and highly
27 popular conservation programs in all its service areas helping to keep water bills
28 affordable while securing future water supplies. California American Water has also been

1 a leader in addressing the needs of low-income customers. California American Water
2 was the first Class A water utility to offer a low-income program and the program’s
3 design has often been used as a model for other companies. The Company proposed a
4 hardship fund in its last GRC that is currently expanding to all of its service areas and
5 proposes to refine the program in this GRC. While California American Water is
6 proposing changes to its rate design in this proceeding, my testimony addresses changes
7 to the Company’s low-income discount that will mitigate most if not all of the impacts in
8 this GRC. The Company has pursued a number of programs to support or improve
9 affordability. These are discussed in Sections III and IV of the Direct Testimony of
10 Jeffrey Linam.

11
12 In terms of conservation, these rate case years 2024-26 will play a crucial role in
13 preparing the Company’s service areas for compliance with California’s new Water Use
14 Objectives of its “Making Conservation a California Way of Life” Conservation
15 Framework¹. At the time of writing this testimony, California is facing its worst drought
16 since record keeping began and at least two service areas of California American Water
17 served by the State Water Project’s water supply have faced a one day and 2 day per
18 week outdoor watering restriction including the threat of an entire ban on outdoor
19 watering for this summer of 2022. Despite this, California American Water is faced with
20 the disallowance of previously authorized decoupling water revenue adjustment
21 mechanism/modified cost balancing account (“WRAM/MCBA”), which necessitates
22 striking a challenging balance between effective conservation initiatives and revenue
23 recovery. A component of California’s extensive Conservation Framework is the
24 introduction of Water Loss Performance Standards for water purveyors. This testimony
25
26
27

28 ¹ <https://water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/Water-Use-And-Efficiency/Make-Water-Conservation-A-California-Way-of-Life/Files/PDFs/Final-WCL-Primer.pdf>

1 includes requests to prepare for compliance with these new standards that California
2 American Water will need to meet in all its service areas by year 2027.

3
4 **III. CUSTOMER SERVICE**

5 Q7. Briefly describe California American Water’s efforts to reduce customer complaints and
6 improve customer satisfaction since California American Water’s previous 2019 GRC.

7 A7. Please see below for initiatives California American Water has undergone since the last
8 GRC to reduce customer complaints, create positive customer experiences and provide
9 customer tools that facilitate doing business with the Company. Measures and initiatives
10 were implemented in both the local service areas as well as at the national Customer
11 Service Organization (“CSO”) which receives most customer calls and contacts.

- 12
- 13 • Process for high bill/leaks customer follow up implemented and expanded – this
14 includes outbound phone calls made to all customers with high bills due to leaks
15 or excessive consumption to provide advice and resolution.
- 16 • New Interactive Voice Response (IVR) system implemented at the CSO –
17 allowing many self-service account functions without the need to speak to a
18 Customer Service Representative.
- 19 • Customer Call Back function added at the CSO allowing customers to get a call
20 back rather than wait in phone queue.
- 21 • Significantly expanded MyWater customer portal functionality by adding multiple
22 account self-service features to online account management portal
23 (“MyAccount”) such as scheduling Turn On/Offs (Move in and Move outs),
24 receiving emergency or planned outage information, historical usage info,
25 paperless billing, etc.
- 26 • New California Customer Advocacy Team (“CAT”) created to address escalated
27 customer issues and provide follow up and status updates to customer inquiries.
28 Also added local direct phone line to CAT for escalated issues.

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- New Turn On process – allows new move in customers to receive water service within 24 hours or faster of their service call. Updated the process in 2021 to allow for same day turn-ons in the event customers have no water.
- Daily tracking of customer satisfaction scores and customer comments/feedback.
- Implemented flume meter pilots that allowed customers to purchase flume water monitoring device at a much-discounted price to monitor their water usage hourly/daily/weekly and receive leak and threshold alerts.
- New high bill alert process implemented in the Monterey County District – alerts customers of high bills before receiving actual high bill. Causes of high bill are investigated and resolved and potential bill relief implemented oftentimes prior to customer receiving high bill.
- Implemented email line for unresolved and escalated customer complaints that allows customers to connect with California American Water’s President to get their issues heard and reviewed.
- Implemented payment kiosks in district offices for customers to make bill payments without seeing a teller.
- Implemented new bill redesign based on customer feedback. New design allows for an easier read, better explanation of charges and payments due and integrates installment plan payment schedules or budget billing where applicable. Also provides for customizable space for targeted outreach, custom message capabilities to different audiences (e.g., high water users, etc.) and other features
- Implemented California Public Utilities Commission (“Commission”) approved pilot on waiving bank card fees for bill pay. Previously customers were charged a \$1.95 fee when paying bills with a bank card. This fee is now waived.
- Implemented Monterey County District Hardship Benefit Program for customers unable to pay their water bill (2018). Customers are referred to United Way for possible eligibility for United Way’s payment of their outstanding bill amount up to One Thousand Dollars (\$1,000). Funding comes from a California American

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Water grant that is paid out of non-customer supported funds. Program is being expanded to be offered in all service areas (2022).

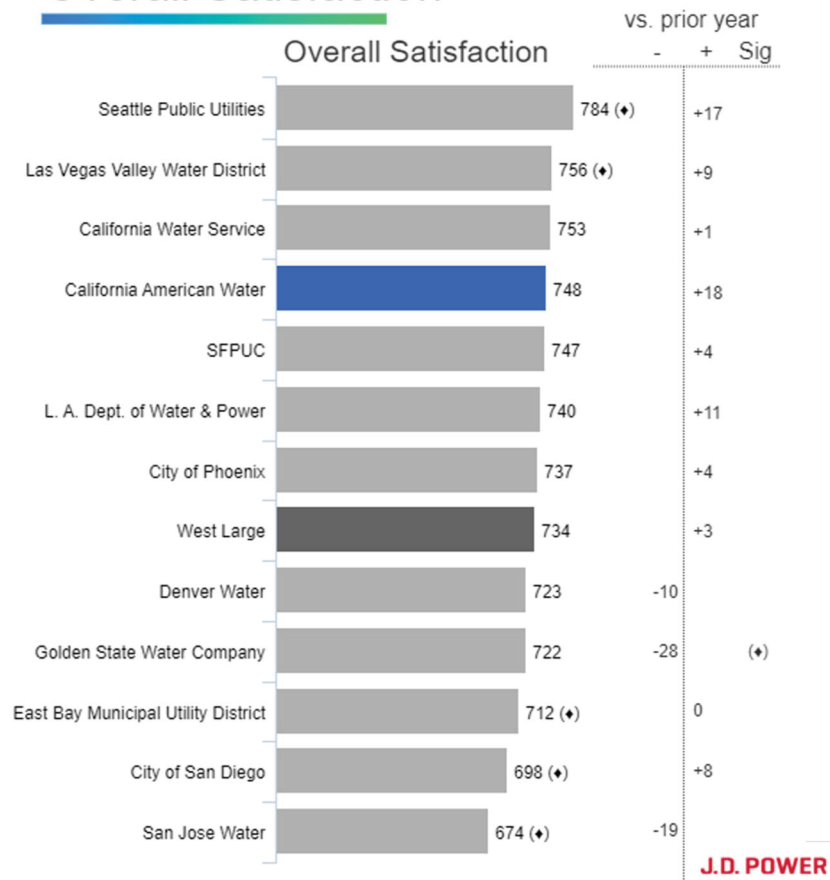
- Generous water bill relief and bill forgiveness provided to customers affected by the Sonoma and Ventura County wildfires.
- Implementing Advanced Metering Infrastructure (“AMI”) through length of service meter replacements throughout our service areas.

Q8. Please provide an example of how California American Water's above-described customer service initiatives have led to highly positive customer satisfaction rankings in comparison to similar water utilities in the Western United States.

A8. The table below shows California American Water’s recent ranking in J.D. Power’s Water Utility Residential Customer Satisfaction Survey (2022 Mid-Point results – Nov.11, 2021) of large Water Utilities in the Western U.S. California American Water ranked 4th of all surveyed large water utilities in the Western Region and ranked 2nd place in Overall Customer Satisfaction among surveyed California water utilities.²

² See Attachment 2 to this testimony.

Overall Satisfaction



- Q9. Please describe the role California American Water’s CAT plays in assisting customers.
- A9. In October of 2017, California American Water established a new CAT consisting of two customer service reps specially trained to provide additional enhanced levels of customer service not provided by existing customer service handling protocols. The goal was to provide customized customer service for customer inquiry/service order types that typically scored lower in customer surveys due to their more complex nature to resolve. Among them are, for example, high bill, leak and emergency inquiries. CAT members would provide additional customer care during and at the completion of the inquiry in form of phone call and email follow up and, where needed, coordination of field staff visits or scheduling of additional service calls. The team acts as a close liaison between local operations and customer service staff, the CSO’s Billing, Back Office and Account Resolution Team, Customer Care Agents and Collections. The CAT also closely

1 monitors satisfaction survey results in almost real time; satisfaction scores and customer
2 feedback verbatims to detect trends of dissatisfaction or emerging issues and then
3 escalates these for analysis and resolution. The pro-active customer-care this team helps
4 to provide has led to a significant increase in customer satisfaction scores of certain
5 (customer initiated or triggered) service orders leading to an overall increase in the
6 combined service quality, net promoter and customer experience satisfaction score. The
7 CAT is also responsible for managing and enrolling all Customer Assistance Program
8 (“CAP”)/Low-Income Applications received outside of the Low-Income Data Share
9 program described further below. CAP applications from customers are received by the
10 CAT and enrollment occurs typically within a week of receipt of the application. This
11 includes recertifications of CAP customers that occurs every two years where customers
12 have to recertify their eligibility in the program through a new application which is also
13 processed within the CAT.

14
15 2021 has also marked the year with one of the lowest numbers of Commission complaints
16 received for California American Water at a total of twenty-eight (28) versus a total of
17 fifty (50) in 2017.

18
19 Q10. Given the successful implementation of California American Water’s CAT, what is the
20 Company proposing regarding its CAT in this GRC?

21 A10. California American Water requests funding in this rate case to add a third staff member
22 to its CAT. The request is further detailed in Section VII of the Direct Testimony of
23 Garry Hofer.

24
25 Q11. Did California American Water take steps to address customer needs during the
26 Coronavirus pandemic?
27
28

1 A11. Yes, California American Water took action in compliance with Commission Resolutions
2 M-4842 and M-4849, and to help protect its customers during the Coronavirus
3 emergency, including through the following actions:

- 4 • Suspension of shut-offs for non-payment;
- 5 • Suspension of late payment fees;
- 6 • Offering payment options for up to one year;
- 7 • Restoration of service to previously shut-off customers; and
- 8 • Waiver of reconnection fees.

9
10
11 California American Water communicated these protections to customers through email,
12 bill text message, press release, social media, office signage in English, Spanish and
13 Chinese and on our website in English and Spanish. California American Water has also
14 provided information to customers in all languages commonly spoken in California by
15 mail. California American Water also launched additional communication efforts to
16 inform residential customers about the availability of our CAP for those suffering from
17 financial hardship. California American Water additionally held several webinars to walk
18 customers through its customer assistance programs. Customers can access the recording
19 on California American Water’s CAP webpage at:

20 [https://www.amwater.com/caaw/Customer-Service-Billing/customer-assistance-
22 programs](https://www.amwater.com/caaw/Customer-Service-Billing/customer-assistance-
21 programs).

23 **IV. CREDIT CARD FEE WAIVER PILOT**

24 Q12. Briefly describe California American Water’s Credit Card Fee Waiver Pilot.

25 A12. California-American Water requested, as part of its GRC Application 16-07-002,
26 authorization to establish a new credit card pilot program that would waive individual
27 credit card processing fees (typically around \$1.95 per transaction) for customers paying
28 their water bill via a debit or credit card. California American Water also requested

1 authority to open a memorandum account to track the costs associated with these waived
2 bank card transaction fees. The Commission granted California American Water's
3 requests for the pilot and the memorandum account in Decision ("D.")18-12-021.
4 Immediately after its implementation and waiving of the \$1.95 credit card fee for
5 customers on May 15, 2019, California American Water saw an increase in credit card
6 payments. Prior to implementation, a 70/30 split between payments made by echeck
7 (free) and by credit card was typically seen. Soon after the fee was waived and customers
8 learned about the fee waiver, California American Water saw this ratio go to a 50/50 split
9 between echeck and credit card online payments. The customer response to the fee
10 waiver has been overwhelmingly positive and complaints about the fee have ceased.
11 California American Water customers were charged a \$1.95 transaction fee when credit
12 or debit card payments were made prior to implementing the pilot. No other form of
13 payment was subject to an additional fee. Frequent conversations with customers have
14 revealed that paying an additional fee to pay a water utility bill by credit or debit card is
15 irritating and unwelcome. Many customers stop and choose other forms of payment
16 when they find out transaction fees are required. California American Water therefore
17 welcomed legislation approved in Assembly Bill No. 1058³ on Sept 24, 2021, allowing
18 water utilities of a certain size to recover expenses related to bill payment options such as
19 credit and debit card payments. This bill allows water utilities to cease imposing
20 transaction fees for such payments permanently and allows California American Water to
21 transition its Credit Card Fee Waiver Pilot into a permanent no-fee bill payment process
22 for customers.

23
24 Q13. Please describe the direction provided in Assembly Bill No. 1058 (2021-2022 Reg. Sess.)
25 ("AB 1058") for certain water utilities and California American Water's proposal
26 regarding credit/debit card fees and the cost recovery of the program going forward?
27

28 _____
³ https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB1058

1 A13. AB 1058 allows water utilities with 10,000 or more service connections to recover a
2 utility's reasonable expenses in providing bill payment options to its customers including
3 credit, debit and prepaid card without requiring the utility to impose a transaction fee on
4 its customers. The bill further instructs utilities not to recover such costs from its
5 customers participating in the utility's low-income assistance program. California
6 American Water currently still records its payment of vendor's card payment transaction
7 costs for the Credit Card Fee Waiver Pilot in the Credit Card Pilot memorandum account
8 but proposes a different accounting approach for recovering these fees going forward
9 now under AB 1058. Please refer to Special Request #16 below for the Company's
10 request to recover card bill payment costs going forward.
11

12 **V. CUSTOMER ASSISTANCE PROGRAM**

13 Q14. Please describe California American Water's CAP and explain what makes the program a
14 model for other low-income programs.

15 A14. California American Water's CAP provides a 20% discount on the service charge as well
16 as the quantity rate for tiers 1 and 2 in all service areas except for Monterey. For
17 Monterey, the discount is 30% and applies to rate tiers 1 through 4 to account for
18 Monterey's unique steeply inclining conservation rate design. California American
19 Water was the first Commission-regulated water utility to offer a low-income program.
20 The CAP provides one of the most generous discounts to customers. Providing the
21 discount only to the lower rate tiers provides affordability for mostly indoor, life-essential
22 water usage. The CAP is customer-funded through a statewide consolidated low-income
23 surcharge that ensures areas with larger low-income populations are not disproportionately
24 burdened by the cost of the program. Statewide consolidation of this program benefits all
25 customers through equitable and fair cost-sharing and distribution of the program.
26 California American Water has approximately 20,800 customers enrolled in its CAP and
27 is currently making changes to facilitate greater enrollment by eligible customers. The
28 application form for the program is now online, which makes it easier and more

1 convenient for customers to access and submit the application without the need to print or
2 mail a form. Changes have also been made to our Low-Income Data Sharing Program to
3 increase positive matches and therefore enrollment for eligible customers of the
4 partnering energy utilities' California Alternate Rates for Energy ("CARE") programs. I
5 discuss the Low-Income Data Sharing Program in further detail in Section VI below.
6 Based on verbatims obtained from satisfied customers responding to various customer
7 satisfaction surveys, customers participating in CAP value its benefits and ease of
8 enrollment. Providing a significant bill discount clearly helps keep California American
9 Water's service affordable in light of the ever-rising cost of living and increasing bills.
10 To promote this program to potentially eligible customers not yet participating, California
11 American Water has also hosted several customer webinars promoting its CAP program
12 and its various other assistance programs for customers in need of bill and payment
13 assistance. These webinars were well attended, and a recording has been posted on the
14 Company's website⁴. Information about the CAP program and enrollment are also widely
15 distributed through the Company's various media outreach channels and information
16 about the CAP is available in different languages.

17
18 California American Water's CAP as well as the Company's conservation programs are
19 key elements to maintaining affordability of water rates for customers. The Company's
20 conservation programs not only directly impact customer bills through lower water usage,
21 but an Alliance for Water Efficiency ("AWE") study⁵ has also demonstrated that
22 investing in conservation programs offers long-term affordability benefits by lowering a
23 utility's cost to supply water. In the case of Los Angeles Department of Water and
24 Power ("LAWDP"), which helped conduct the study, implementing conservation
25 programs and conservation rates helped LAWDP avoid roughly \$11 billion of water

26 ⁴ <https://www.amwater.com/caaw/Customer-Service-Billing/customer-assistance-programs>

27 ⁵ See: "Lower Water Bills, The City of Los Angeles Shows How Water Conservation and Efficient Water
28 Rates Produce Affordable and Sustainable Use", June 2018, California Water Efficiency Partnership
and Alliance for Water Efficiency, attached as Attachment 4.

1 supply costs from 1990 to 2016, which resulted in a 26.7% reduction of customers' water
2 bills. California American Water believes its customer assistance programs such as the
3 CAP and the Hardship Benefit Program coupled with its conservation programs are
4 powerful and vital tools for maintaining affordability of water service. Its proposals for
5 funding the Hardship Benefit Program and conservation programs are described further
6 below in this testimony.

7
8 Q15. Is there a specific conservation program that targets low-income customers and
9 complements California American Water's CAP?

10 A15. Yes, California American Water, back in late 2015, played a leadership role in
11 implementing the first large scale Low-Income Joint Water and Energy direct install
12 program of any water utility in California. The program offered free water and energy fit
13 installations to low-income customers combining Pacific Gas and Electric's Energy
14 Savings Assistance program with California American Water's conservation program
15 funding. The program is now in its third implementation round, has expanded to all
16 service areas of California American Water and has served as a model paving the way for
17 similar spin off programs at other investor-owned and public utilities that implemented
18 identical programs after seeing its successful implementation. Among these utilities are
19 City of Santa Cruz, San Diego County Water Authority, Sonoma Water, Solano County
20 Water Agency, and Alameda County Water District. Since inception of this program,
21 California American Water has served and retrofitted over 750 low-income families and
22 homes, replaced almost 1,000 toilets, and provided education and conservation advice to
23 thousands of participating low-income family members. The program saves
24 approximately 26.6 million gallons of water annually and provides approximately 30,200
25 kWh of embedded energy savings every year. The ongoing funding request for this
26 program during the rate case years is discussed in the Conservation Section of this
27 testimony further below.
28

1 Q16. What specific changes is the Company proposing for its CAP and Low-Income Balancing
2 Account?

3 A16. As discussed in Section X of the Direct Testimony of Bahman Pourtaherian, California
4 American Water is proposing to increase the CAP discount. California American Water
5 is proposing increases to the CAP discounts to mitigate any impacts rate proposed rate
6 design changes may have on lower income customers as a result of elimination of the
7 decoupling WRAM/MCBA. Given the importance the CAP program plays for customers
8 in need, my recommendation is to approve the increased CAP discount and any a
9 potential increase in CAP Balancing Account funding and the associated increase in a
10 CAP bill surcharge for non-CAP participating customers.

11
12 Q17. Are there any other initiatives from California American Water to address affordability of
13 water bills for low-income customers?

14 A17. Yes, California American Water has recently received Resolution W-5241 for Advice
15 Letter (“AL”) 1320 that was filed on Jan 4, 2021⁶ pursuant to Ordering Paragraph 5 of
16 D.20-08-047 directing the Company to outline a pilot program that would provide a
17 discount to water users in low-income multifamily buildings. The Decision’s Ordering
18 Paragraph 5 was in response to the Company’s initial Advice Letter filing AL 1221⁷ on
19 Jan 18, 2019, requesting permission to apply the Company’s CAP discount to certain
20 low-income multifamily housing facilities or owners in order to provide incentives for
21 low-income housing operators to continue providing such housing facilities at discounted
22 rates for low-income families and individuals. AL 1221 was rejected by the Commission
23 but D.20-08-047 directed California American Water to use the pilot program outlined in
24 AL 1221 as a starting point for the pilot proposals now submitted in AL 1320. AL 1320
25 proposed four multifamily low-income pilot projects that would 1) extend the low income
26 program discount to tenants behind a master metered account holder/owner, 2) offer the

27 ⁶ See Attachment 5, AL 1320.

28 ⁷ See Attachment 6, AL 1221.

1 low income program discount to the master metered account holder/owner to incentivize
2 low income housing offerings, 3) retrofit/(sub)meter suitable duplex and four-unit
3 multifamily buildings so occupants would be directly eligible for low-income programs
4 and 4) expand California American Water’s Water/Energy direct install program to low-
5 income residents in multifamily buildings and mobile home parks, both master metered
6 and individually metered to achieve water and energy savings.

7
8 Each program component had unique costs and challenges that are highlighted in the
9 details of AL 1320. Resolution W-5241 authorizes California American Water to
10 implement two of the four proposed pilot projects; namely project 1) and project 4) of the
11 above-mentioned pilots and requests a summary report on these pilots to be submitted
12 with California American Water's next GRC submission in 2025. California American
13 Water is currently preparing for the implementation of these two pilots, which would
14 extend low-income benefits to multi-family residents.

15
16 **VI. LOW-INCOME DATA SHARING PROGRAM**

17 Q18. Please describe the Low-Income Data Sharing Program that California American Water
18 is participating in and describe the Company’s recent efforts to increase customer
19 participation and eligibility in the program.

20 A18. D.11-05-020 set the guidelines and framework for water and energy utilities to share low-
21 income customer information in order to streamline customer participation and auto-
22 enrollment in the utilities’ low-income assistance (CARE and CAP) programs. As an
23 outcome of this process, Commission-regulated water and energy utilities set up
24 processes to share CARE and CAP customer enrollment data twice annually with each
25 other for their mutual customers in overlapping service areas.

26
27 D.21-07-029, issued in R.17-06-024, ordered water and energy investor-owned utilities
28 (“IOUs”) to increase the frequency of low-income customer data exchanges from twice

1 annually to quarterly exchanges. California American Water is currently working on
2 implementation of this increased frequency data exchange by setting up new agreements
3 and processes with its partnering energy utilities. A typical data share exchange for
4 California American Water with one of its energy IOUs involves (after setting up sharing
5 agreements and non-disclosure agreements) identifying mutual customers, preparing
6 customer data files of currently enrolled CAP customers to be transmitted to the energy
7 utility, identifying the technical staff in place at the time of data sharing at both utilities to
8 set up the technological requirements for secure and encrypted data transfers, setting up
9 file share platforms with the necessary login credentials, agreeing on file parameters,
10 formats, timelines and technical details prior to the actual sharing of (oftentimes multiple)
11 files. Once in and outbound files have been exchanged, work begins to match up CARE
12 customers on the energy IOU data files with customers on the California American Water
13 side.

14
15 This process is not as straightforward as it may seem. There are many obstacles to
16 identifying customer matches – with misspelled names or addresses or different spouses’
17 names on either account being the most obvious. Every utility provides their files in
18 different formats which also makes automation of this process difficult. This is due in
19 part to how customer records are being retained at each utility or what customer
20 information system (“CIS”) system the utility is using.

21
22 During the customer match identification process, “hard and soft matches” are being
23 identified with hard matches having identical customer first and last names and matching
24 address records. “Soft matches” are matches where either name or address records are not
25 fully identical and must further be researched. This could be a case where last names
26 match but not first names or where street address records differ and further research or
27 outreach to the customer is needed.
28

1 Once all matches are researched and identified, eligible customers are mailed an “opt-out
2 letter” basically explaining their automatic enrollment into the CAP unless the letter is
3 returned “opting out” of the otherwise automatic enrollment.

4
5 Every data exchange event is a labor intense process as responsible parties and staff at
6 each utility change over time, log-in credentials and file-sharing platforms change and
7 need to be re-established. California American Water is using in-house staff with the help
8 of American Water Technology Support to manage and conduct these data share events
9 including customer enrollment and re-enrollment (for re-certifications). The success of
10 the data exchange program relies on numerous employees across several departments.
11 Adequate staffing is essential to keep programs like the data exchange – a regulatory
12 requirement – operating as intended. See the Direct Testimony of Garry Hofer at Section
13 VII, regarding California American Water’s current staffing requests.

14
15 Q19. Are there any additional items California American Water wants to highlight about the
16 Low-Income Data Sharing Program?

17 A19. Yes, there are.

18
19 In order to further ease participation of eligible customers in the CAP, California
20 American Water has pro-actively implemented several steps to complement, increase
21 efficiency and increase positive customer matches of its Low-Income Data Sharing
22 Program with the Company’s partnering energy utilities. These steps were intended to
23 reduce missed customer matches between energy utility data and California American
24 Water data due to slight variations in the customer record between the two utilities:

- 25
26 • It was found that matches were being missed if either energy company or
27 California American Water customer records had the first and last names in
28

1 incorrect fields. An improvement was made for the system to search both first and
2 last name fields in both files.

- 3
- 4 • If multiple first names (spouses) or a middle initial were in the first name field,
5 oftentimes matches would either not be identified or considered a 100% match.
6 Improvements were made to identify such smaller record discrepancies and still
7 consider both customer records a match.
- 8
- 9 • Several improvements were made to identify matches of customer addresses using
10 street name alternates (e.g., White Horse St vs Whitehorse St).
- 11
- 12 • Another improvement in development will take any exact match of address and
13 provide a percentage match to customer name. This will allow for a manual
14 review of potential misspellings, nickname/shortened names, and family names.
15 The Company can then manually assess adding the customer to the CAP or, in the
16 case of similar, but not matching, family names, offer to send an application, as
17 the household may be eligible.
- 18

19 All these pro-active efforts by California American Water are leading to a higher
20 percentage of identified customer matches with each data exchange event. This results in
21 eligible customers automatically being identified and enrolled in the Company's CAP
22 without any additional paperwork required from the customer.

23

24 **VII. HARDSHIP BENEFIT PROGRAM**

25 Q20. Briefly describe California American Water's Hardship Benefit Program and any update
26 to the program since the last GRC, A.19-07-004.

27 A20. In early 2018, California American Water implemented a new innovative customer
28 assistance program, the Monterey District's Hardship Benefit Program. The program

1 was designed to help struggling customers avoid having their water shut-off due to non-
2 payment of their water bills. Monterey customers with impending water-shut offs due to
3 non-payment are advised by Customer Service Call Center staff to call 211, which gets
4 them in touch with Monterey's United Way, a local non-profit organization. United Way
5 will then approve or deny the request based on the organization's internal income and
6 eligibility criteria. If the request is approved, the customer shut-off is suspended and
7 United Way issues payment to California American Water on behalf of the customer for
8 any amount owed up to \$1,000 to bring the account current. The program was funded
9 through a grant from California American Water using non-ratepayer funds.

10
11 In A.19-07-004, California American Water proposed to expand the Hardship Benefit
12 Program to all other service areas of the Company, also proposing funding for the
13 program to come in part from customers using a 50/50 shareholder/customer split. This
14 was approved in D.21-11-018 and California American Water is in the process of
15 expanding the Hardship Benefit Program to all of its service areas communicating with
16 local United Way Chapters and other Community Based Organizations to set up
17 agreements and processes similar to the program originally set up with United Way
18 Monterey.

19
20 Q21. Does California American Water propose to continue to offer this Hardship Benefit
21 Program in all of its service areas during the rate case cycle years 2024 to 2026?

22 A21. Yes, California American Water is proposing to offer this program in all of its service
23 areas during this proposed GRC cycle. As of May 2022, the program has assisted 222
24 approved customers in Monterey since program inception in January 2018. Total benefit
25 payout equaled \$128,714 and prevented water shut-off for all 222 customers. The
26 average benefit payout during this time period for Monterey was \$551 per customer.
27 This success and customer demand for this program have encouraged the Company to
28 propose continuing such assistance for the rate case years.

1 Q22. Does the Company propose a change in funding this Hardship Benefit Program going
2 forward?

3 A22. California American Water proposes to use a combination of customer funds and non-
4 customer funds at a 70% to 30% ratio to fund this program during the GRC cycle years of
5 2024 to 2026. Monterey’s Hardship Benefit Program was initially grant funded with
6 \$50,000 provided by the Company. Additional non-customer funds continued to be
7 provided due to the higher-than-expected customer response to the program. These
8 amounts paid for both United Way’s set up and ongoing admin costs for the program, and
9 the benefit payout to customers. With the program now being in the process of statewide
10 rollout, the Company proposes the following funding breakdown for the GRC cycle years
11 2024 to 2026:

CAW 2024-2026 Hardship Benefit Program Funding							
Districts	United Way annual admin fees (estimate)	United Way one time set up fees (estimate)	Customer Benefit Payout annual	total combined first year annual cost	total three year program cost	total three year ratepayer funded program cost share (75%)	total three year non-ratepayer (Company funded) program cost share (25%)
San Diego	\$ 4,800	\$ 5,000	\$ 45,000	\$ 54,800	\$ 154,400	\$ 115,800	\$ 38,600
Ventura	\$ 4,800	\$ 5,000	\$ 45,000	\$ 54,800	\$ 154,400	\$ 115,800	\$ 38,600
Los Angeles	\$ 4,800	\$ 5,000	\$ 45,000	\$ 54,800	\$ 154,400	\$ 115,800	\$ 38,600
Monterey	\$ 9,600	\$ -	\$ 65,000	\$ 74,600	\$ 223,800	\$ 167,850	\$ 55,950
Sacramento	\$ 9,600	\$ 7,500	\$ 65,000	\$ 82,100	\$ 231,300	\$ 173,475	\$ 57,825
Larkfield	\$ 1,800	\$ 1,500	\$ 7,500	\$ 10,800	\$ 29,400	\$ 22,050	\$ 7,350
Total	\$ 35,400	\$ 24,000	\$ 272,500	\$ 331,900	\$ 947,700	\$ 710,775	\$ 236,925

CAW 2024-2026 Hardship Assistance Program Funding Proposed 70/30 Cost Split Ratepayers/Shareholders						
Districts	United Way annual admin fees (estimate)	Customer Benefit Payout annual	total combined first year annual cost	total three year program cost	total three year ratepayer funded program cost share (70%)	total three year non-ratepayer (Company funded) program cost share (30%)
San Diego	\$ 4,800	\$ 45,000	\$ 49,800	\$ 149,400	\$ 104,580	\$ 44,820
Ventura	\$ 4,800	\$ 45,000	\$ 49,800	\$ 149,400	\$ 104,580	\$ 44,820
Los Angeles	\$ 4,800	\$ 45,000	\$ 49,800	\$ 149,400	\$ 104,580	\$ 44,820
Monterey	\$ 9,600	\$ 65,000	\$ 74,600	\$ 223,800	\$ 156,660	\$ 67,140
Sacramento/Frtrdgc	\$ 9,600	\$ 65,000	\$ 74,600	\$ 223,800	\$ 156,660	\$ 67,140
Larkfield/Mdwbrk	\$ 1,800	\$ 7,500	\$ 9,300	\$ 27,900	\$ 19,530	\$ 8,370
Total	\$ 35,400	\$ 272,500	\$ 307,900	\$ 923,700	\$ 646,590	\$ 277,110

1 The funding detail is attached to this testimony⁸.

2
3 **VIII. CONSERVATION**

4 **A. New Conservation Framework (SB 606, AB 1668, SB 555)**

5 Q23. Please briefly summarize the significant developments that occurred in California
6 regarding the new Conservation Framework, Senate Bill No. 606 (2017-2018 Reg. Sess.)
7 (“SB 606”), Assembly Bill No. 1668 (2017-2018 Reg. Sess.) (“AB 1668”) and Senate
8 Bill No. 555 (2015-2016 Reg Sess.) (“SB 555”), and briefly describe California’s current
9 drought situation.

10 A23. SB 606 and AB 1668 build on California’s ongoing efforts to make water conservation a
11 way of life in California and create a new foundation for long-term improvements in
12 water conservation and drought planning. SB 606 and AB 1668 establish guidelines for
13 efficient water use and a framework for the implementation and oversight of the new
14 standards, which have been or are being finalized in 2022. The two bills strengthen the
15 state’s water resiliency in the face of future droughts with provisions that include
16 establishing water use objectives and long-term standards for efficient water use that
17 apply to urban retail water suppliers and are comprised of indoor and outdoor residential
18 water use, commercial, industrial and institutional (“CII”) use, irrigation with dedicated
19 meters, water loss, and other uses. The new framework requires both urban and
20 agricultural water suppliers to set annual water budgets and prepare for drought. The
21 anticipated impact of the new Conservation Framework on California American Water is
22 expected to be significant, and the Company has actively participated in various public
23 workshops that were set up by the agencies tasked with implementing the Conservation
24 Framework, the California Department of Water Resources (“DWR”), the State Water
25 Resources Control Board (“SWRCB”) and the Commission to assess best the
26
27

28 ⁸ See Attachment 3, Hardship Benefit Program.

1 Conservation Framework’s impact. The key provisions impacting California American
2 Water are:

- 3
- 4 • New urban water use targets and standards replacing those set under The
- 5 Water Conservation Act of 2009 (“SB X7-7”);
- 6 • Permanent monthly urban water reporting on water usage, amount of
- 7 conservation achieved and any related enforcement actions;
- 8 • Permanent prohibitions on wasteful water use practices;
- 9 • New rules for conducting validated water loss audits and minimizing
- 10 system water loss per SB 555 and new SWRCB water loss standards; and
- 11 • New performance measures for CII water use, including (1) classification
- 12 of all CII accounts using the North American Industry Classification
- 13 System (“NAICS”) and where feasible development of CII subsector
- 14 water use benchmarks for identification of CII accounts with potential for
- 15 water use efficiency improvements; (2) completion of water use audits or
- 16 water management plans for CII accounts over a specified size, volume, or
- 17 percentage threshold; and (3) conversion of all landscapes over a specified
- 18 size threshold that are served by a mixed-use meter CII account to
- 19 dedicated irrigation accounts.
- 20

21 In addition, the new Conservation Framework might necessitate significant changes to
22 the way a utility bills its customers. The currently utilized tiered rate structure at
23 California American Water might prove inadequate to disincentivize high users and
24 “water wasters” who significantly exceed their individual “allocation” to reduce their
25 consumption. An individual water budget-based billing system might be more adequate
26 in the future to address individual customers’ consumption behavior. Such individual
27 water budget-based billing system would necessitate significant resources to implement.

1 At time of filing this 2022 GRC application, California is in the midst of one of its worst
2 droughts in over 1,200 years, in 2022 endured the driest January through March on record
3 and has abysmal snow pack levels that would in “normal” years guarantee the summer
4 water supplies in California. All of California’s 58 counties are under a drought
5 emergency proclamation. Metropolitan Water District’s April 12, 2022 resolution about
6 drastically requiring outdoor irrigation cut backs in areas exclusively relying on the State
7 water project (SWP) supplies (such as our Ventura/Thousand Oaks service area and parts
8 of our Los Angeles service area) to one day watering per week and potentially banning
9 all outdoor watering in these areas in the summer is a dramatic “reality check” of what
10 might be to come for California residents, customers and water utilities dealing with this
11 “new normal.” California American Water took many steps during the last 2013-2017
12 drought to assure the reliability of our water supplies and has worked closely with its
13 customers to meet and exceed mandated conservation targets. Lessons learned from this
14 previous drought have led to numerous changes and actions to increase the effectiveness
15 of our outreach campaigns, conservation and efficiency programs and customer education
16 about the efficient use of water, all with the primary goal of preparedness for future
17 drought events. One such example was our award-winning high user outreach campaign
18 launched in 2021 that achieved a 11.7% usage reduction from high users in the
19 Sacramento area in 2021 compared to 2020. California American Water also closely
20 collaborates in its drought preparedness and drought response with its peers and
21 professional groups in the industry. One such example was the successful hosting of the
22 California Water Efficiency Partnership (“CalWEP”) Spring Plenary in San Diego in
23 March 2022. This event was sponsored and organized by California American Water’s
24 Conservation Team, it took place at the San Diego Water Conservation Garden in East
25 San Diego with which California American Water partners for its school conservation
26 education programs. The event had guest speakers including DWR and AWE and was
27 attended live and online by over 150 water professionals.
28

1 Q24. Please elaborate on the Conservation Framework’s implementation of new water use
2 targets for urban water agencies.

3 A24. The key element of the new Conservation Framework is for urban water suppliers to meet
4 new water use objectives that are replacing the previous 20 by 2020 targets set under SB
5 X7-7. These new targets are required to result in greater statewide water savings than the
6 20 by 2020 targets they replace and are set to establish initial indoor residential water use
7 per capita at 55 gallons per day. Outdoor usage is based on estimated landscape area
8 multiplied by a fraction of Reference Evapotranspiration (“ETo”) for each respective
9 area.

10
11 California American Water anticipates its greatest challenge to meet the new targets will
12 be in districts with large landscape and turf areas and irrigation water usage exceeding the
13 outdoor targets. This would be particularly likely in areas of its Ventura, Los Angeles
14 and Sacramento districts. These service areas are anticipated to need the most assistance
15 managing and reducing landscape irrigation water use and were the districts with the
16 highest mandated SWRCB water use reduction targets during the 2013-2017 drought, due
17 to their higher historical residential gallons per capita per day (“gpcd”) water use.

18
19 Q25. How will California American Water evaluate compliance gaps and prioritize steps to
20 achieve compliance with the Water Use Objective Framework?

21 A25. California American Water is proposing to use modeling software such as EagleAerial’s
22 “WaterView” or similar to identify Water Use Objective Framework compliance gaps
23 and identify areas of non-compliance or excessive usage. Such software would be able to:

- 24
25
- 26 • Analyze total water allocation at the parcel level, in compliance with new state
27 standards;
- 28

- 1 • Spot water use trends, track and manage over-allocation users within each district,
2 identify targeted land classification types like high turf areas for effective
3 rebating;
- 4 • Aid in upcoming DWR reporting requirement;
- 5 • Determine use and efficiency from parcel level to district level;
- 6 • Display high resolution aerial imagery;
- 7 • Have irrigated vegetation data obtained through the statewide irrigated vegetation
8 study conducted by DWR;
- 9 • Import and calculate Evapotranspiration readings;
- 10 • Supply demographic data for accurate indoor water use efficiency measurements;
11 and
- 12 • Provide GIS tools to zoom in/out, query by data (parcel, address, customer
13 number, etc.), draw/measure, search and query by designated areas.

14
15 Use of such software would help identify Water Use Objective Framework areas of non-
16 compliance within California American Water service areas and would allow for targeted
17 outreach and conservation measures to allocate conservation funds and resources most
18 efficiently to accounts and areas that would benefit most or have the greatest potential for
19 significant usage reduction. Cost estimates by service area for this software are included
20 in Attachment 1.⁹

21
22 Q26. What conservation programs are proposed in this Application and what is California
23 American Water hoping to achieve through its proposals?

24 A26. California American Water's proposed conservation programs are discussed below and in
25 Attachment 1 to my testimony. The Company's main objective with the proposed
26 conservation programs in this Application is to preserve gains achieved in water
27 conservation, reinject the momentum that widespread drought awareness had created

28 ⁹ See Attachment 1, Conservation Budget proposed.

1 among customers and educate customers that landscape and water usage practices in
2 place for decades have to change in order to use existing water supplies more wisely. For
3 example, when California American Water filed its last GRC in July 2019, California
4 was at the end of its most recent historical five-year drought. During those five years
5 there was widespread media outreach to spread conservation messages and a large array
6 of additional drought-initiated conservation programs aimed at significantly reducing
7 customers' water usage. Indeed, California American Water's extensive drought and
8 conservation initiatives resulted in usage reductions in some areas in excess of 30%
9 compared to 2013 base year usage. California American Water's conservation proposals
10 in this GRC build on those efforts.

11
12 A second objective of the proposed conservation programs is ensuring California
13 American Water's service areas are well positioned to comply with state regulations and
14 polices pertaining to water conservation, water loss management, and groundwater
15 management, including California's New Water Efficiency Laws (SB 606 and AB 1668),
16 SB 555 and the Sustainable Groundwater Management Act. Additionally, California
17 American Water seeks approval from the Commission to maintain the Company's ability
18 to implement successful conservation programs through flexibility and innovation that
19 allow cost-effective and efficient program execution and participation in partnerships
20 with other agencies' conservation programs where available.

21
22 Q27. What specific measures has California American Water taken to promote conservation in
23 the last five years and the proposed test years?

24 A27. California American Water has offered a range of programs to customers over the last
25 five years. California American Water submits Annual Conservation Reports to the
26 Commission which include detailed information on measures implemented in each
27 service area during this period. California American Water's proposed conservation
28 program is detailed further below. Also, please refer to the Company's response to

1 Minimum Data Request (“MDR”) II.F.1, which identifies specific measures taken to
2 promote water conservation in the last five years highlighted in the annual statewide
3 conservation reports attached to the MDR response.
4

5 Q28. How does California American Water propose to recover costs associated with
6 conservation programs?

7 A28. In D.21-11-018, California American Water was authorized to eliminate the Company’s
8 conservation expense one-way balancing account and instead include conservation
9 expenses in the Company’s base rates at the General Office level with allocation to the
10 district level based on non-contested conservation budgets. California American Water
11 requests this expense treatment to continue for this rate case.
12

13 Q29. D.21-11-018 also allowed California American Water flexibility to move authorized
14 funds from one year to another – what is the Company’s position about flexibility to
15 move conservation costs between years in this rate case?

16 A29. The parties’ settlement approved in D.21-11-018 allows flexibility and discretion to
17 utilize authorized conservation budgets where needed, and within the three-year rate case
18 cycle similar to other forecasted capital or expense budgets, with the exception of the
19 Monterey district where approved conservation budgets are required to be spent within
20 that district only. California American Water respectfully requests the Commission to
21 continue to allow these same provisions of flexibility for this rate case cycle years (2024-
22 2026).
23

24 **B. Conservation Funding Request**

25 Q30. What is the proposed conservation budget request for all districts?

26 A30. Please refer to Attachment 1 for details on the proposed three-year conservation budget
27 request of \$3,636,100. This amount, however, includes a capital expenditures
28 (“CAPEX”) portion of \$222,500 and expenditures of \$292,000 that are being proposed

1 for recovery through the Low-Income Balancing Account in Special Request #16. The
2 net conservation funding request amount is \$3,121,600.

3
4 Q31. How does the proposed conservation budget request compare to the 2019 GRC approved
5 budget adopted in D.21-11-018?

6 A31. Please see Attachment 1 for a comparison of the approved 2019 GRC budget and the
7 budget proposed in this proceeding. The total conservation budget requested by
8 California American Water in this application is approximately 10.9% lower than the
9 budget previously approved in D.21-11-018.

10
11 Q32. Why is California American Water proposing a decrease in overall conservation budget
12 in this proceeding despite the above explained Conservation Framework challenges the
13 utility is likely to encounter and the current ongoing severe drought?

14 A32. California American Water is faced with the challenge of unprecedented conservation,
15 water supply and regulatory compliance challenges and requirements. All these
16 challenges translate into costs: labor, outreach and educational costs to mitigate
17 customers' response to outdoor irrigation cutbacks and mandatory conservation
18 measures, costs to enforce water waste prohibitions and customers challenging or
19 resisting these prohibitions, costs to implement higher stages of Water Shortage
20 Contingency Plans, costs to comply with extensive drought and conservation reporting
21 requirements, and so on. The new Conservation Framework has added several levels of
22 complexity for all water purveyors to comply with and has triggered investments and
23 significant initial utility costs so that utilities can meet the many requirements of this new
24 legislation. California American Water with its proposed conservation budget is trying to
25 balance this challenge with an overall reduction in conservation budgets but will have
26 additional spending on the Water Loss Component of the Conservation Framework.
27 California American Water is carefully evaluating its proposed investments to minimize
28

1 the rate impact to customers while assuring that it will be able to meet all compliance
2 requirements of this new Conservation Framework.

3
4 Q33. How does California American Water propose to fund additional conservation and
5 outreach expenses should a continued, worsening, or new drought make such additional
6 initiatives necessary during the test year of this proceeding?

7 A33. California American Water requests retention of its existing Conservation/Rationing
8 Memorandum account in each district as filed and approved initially by the Commission
9 in AL 1047 and most recently in AL 1343. California American Water is proposing,
10 should drought conditions necessitate, to charge any additional expenses needed for
11 complying with drought-related regulations to the appropriate drought memorandum
12 account(s).

13
14 **C. Southern Division Service Areas (San Diego, Ventura and Los Angeles**
15 **service areas)**

16 Q34. Please provide a general description of the proposed budget for the three Southern
17 Division service areas of San Diego, Ventura and Los Angeles.

18 A34. The proposed total three-year conservation budget for San Diego, Ventura and Los
19 Angeles County is \$1,051,000. The proposed 2024-2026 budget represents an 18%
20 decrease over the currently authorized 2021-2023 budget (normalized for labor
21 previously included in the budget). Please see Attachment 1 for program proposal
22 details.

23
24 The proposed budget includes the addition of Framework Tracking Software described in
25 Q/A 25 above, which is being proposed to be a capitalized expense and the Low-Income
26 Water/Energy Direct Install program which is being proposed to be recovered through the
27 Customer Assistance Program Balancing Account. As mentioned, some reductions, as
28 compared to previously authorized funding levels, are being proposed to a number of

1 programs such as the public information program and the school education program. The
2 proposed budget for the school education program in San Diego will allow for the
3 continued funding of local school field trips to the San Diego Water Conservation Garden
4 and school auditorium sessions led by “Ms. Smarty Plants,” which is an award-winning
5 local program teaching water wise practices to students of various grade levels.

6
7 Outdoor water use in Southern California comprises a significant portion of urban water
8 usage. Thus, several proposed programs focus on activities and programs that continue
9 to influence customer behavior with regard to outdoor water use. For the Ventura and
10 Los Angeles service area, funding requests for turf removal programs have been
11 eliminated due to the availability of turf removal rebates through Metropolitan Water
12 District’s SoCal WaterSmart rebate program. The funding request for the large landscape
13 upgrade program, which previously provided funding for public demonstration gardens
14 or landscape retrofits, has been eliminated as well.

15
16 Labor costs requested for the Los Angeles and Ventura service areas are for paid
17 internships provided to local college students or high school graduates interested in
18 gaining water/conservation experience. California American Water’s conservation
19 program historically relied on the mutual benefit that offering internships provide to both
20 the intern and the Company. California American Water currently employs two interns
21 in its Southern and Northern division with great success. The interns provide help with
22 water waste enforcement, organizing events, webinars, outreach campaigns, field and turf
23 removal inspections and general administrative and conservation hotline phone help.

24
25 **D. Central Division Service Area (Monterey County District)**

26 Q35. Please provide a general description of the proposed budget for California American
27 Water’s Monterey County District.
28

1 A35. The proposed total three-year conservation budget for the Monterey District is
2 \$1,540,000. The proposed 2024-2026 budget represents a 10.3% decrease over the
3 currently authorized 2021-2023 budget. Please see Attachment 1 for program proposal
4 details.

5
6 Q36. Please explain what conservation programs were cut back resulting in an overall
7 reduction of the proposed Monterey County District's conservation budget.

8 A36. The following items in the Monterey County District's proposed conservation budget
9 were reduced compared to previously authorized levels: Public Information Program,
10 Large Landscape Upgrade Program and the Water/Energy Direct Install Program. For
11 budget details, please see Attachment 1 to this testimony¹⁰.

12
13 Q37. Please describe the issue of water rationing in the Monterey service area during this
14 2024-2026 GRC period.

15 A37. Due to SWRCB Order No. WR 95-10 and the SWRCB Order No. WR 2009-0060,
16 California American Water's obligation to reduce significantly over-withdrawals from
17 the Carmel River System during this GRC period might lead to rationing and water
18 shortages in Monterey. California American Water therefore requests continued
19 Commission approval of the Emergency Rationing Costs Memorandum Account to track
20 California American Water's related costs in the event rationing occurs. This rationing
21 memorandum account would track California American Water's own rationing related
22 expenditures should rationing in the Monterey County District occur. Such expenses
23 would include "unbudgeted ... activities mandated for rationing." The Commission
24 initially approved this memorandum account in D.03-02-030 and re-confirmed it in D.08-
25 07-010, D.09-05-029, D.15-04-007, D.18-12-021, and D.21-11-018. Please also see the
26 Direct Testimony of Michael Clarke at Section III.

27
28 ¹⁰ See Attachment 1 Conservation budget proposed.

1 **E. Northern Division Service Areas (Sacramento, Larkfield, Meadowbrook,**
2 **Fruitridge, Geyserville)**

3 Q38. Please provide a general description of the proposed budget for the Northern Division
4 service areas of California American Water.

5 A38. The proposed total three-year conservation budget for the Northern Division service areas
6 is \$741,000. The proposed 2024-2026 budget represents a 10.2% decrease over the
7 currently authorized 2021-2023 budget. The proposed budget would allow for reinstating
8 the popular landscape retrofit rebate to incentivize customers to change their landscape
9 from turf to more climate appropriate California native plants. Funding is also provided
10 to continue California American Water’s innovative Low-Income Water/Energy Direct
11 Install program in partnership with a local energy provider. Northern Division’s service
12 area has the highest number of low-income customers who would be exclusively served
13 by this program. The only residential rebates proposed are landscape retrofit rebates,
14 however, non-residential customers would be offered a variety of CII rebates including
15 irrigation upgrades. A part-time intern is proposed to assist Sacramento’s two
16 conservation staff members with the Northern Division service area workload, especially
17 during summer months, and to help with responding to calls to the local conservation
18 phone hot line. Please see Attachment 1 for program proposal details.

19
20 For Larkfield, funding includes membership in the recently joined Sonoma-Marín Saving
21 Water Partnership that allows California American Water’s Larkfield district to
22 participate in joint conservation and outreach programs together with other local water
23 purveyors at much reduced costs. Funding also provides for a part-time intern to help
24 with conservation program implementation during summer peak irrigation times.

25 Residential water surveys in Larkfield are completed, where feasible, by field service
26 staff or are otherwise contracted out and offered upon request. The CII rebate funding
27 request allows for offering non-residential rebates in partnership with Sonoma County
28 Sanitation District. Please see Attachment 1 for program proposal details.

1 The Meadowbrook system relies on ground water from the critically overdrafted Merced
2 Groundwater Sub-Basin and has, in addition, significantly higher per capita water usage
3 than California American Water's Sacramento district. California American Water's
4 proposed conservation budget includes various conservation programs and measures to
5 be implemented in Meadowbrook that would provide a strong incentive to reduce water
6 usage in Meadowbrook. Due to Meadowbrook's geographic distance from Sacramento,
7 conservation water surveys have been and would continue to be performed by in-house
8 Sacramento conservation staff and external contractors. Strong conservation outreach
9 would be provided together with a toilet direct install program for targeted customers.
10 California American Water has such a direct install Water/Energy program currently in
11 place for Meadowbrook's low-income customers. The proposed Sacramento conservation
12 intern would be utilized to assist with conservation program implementation in
13 Meadowbrook. Residential plumbing retrofit kits would be provided to customers to
14 achieve widespread indoor efficiency gains. Outdoor efficiency improvements would be
15 accomplished through outreach campaigns during irrigation season and sprinkler
16 hardware upgrades as well as locally provided irrigation scheduling assistance.
17 Conservation webinars and online content provided for the Northern service areas would
18 be made available for Meadowbrook and all northern districts as well. Please see
19 Attachment 1 for program proposal details.

20
21 **IX. WATER SHORTAGE CONTINGENCY PLANS**

22 Q39. Please explain California American Water's plan regarding its Water Shortage
23 Contingency Plans.

24 A39. California American Water's Rule and Schedules 14.1 and 14.1.1¹¹ set forth the
25 Company's currently authorized Water Shortage Contingency Plans. As mentioned
26 previously, California is currently under severe drought conditions and Governor
27 Newsom's recent Executive Order N-7-22 from March 28, 2022 orders the SWRCB to

28 _____
¹¹ Rule and Schedule 14.1.1 applies only to the Monterey Main service area.

1 consider a ban on watering non-functional turf for CII landscapes as well as requiring
2 water purveyors to activate (at the minimum) Stage 2 of their individual Water Shortage
3 Contingency Plans (“WSCPs”). California American Water had previously implemented
4 Stage 2 of its WSCPs in several service areas and has since filed Advice Letters to
5 implement Stage 2 for all other service areas that had remained in Stage 1. Approvals for
6 these remaining Stage 2 Advice Letters are expected in June/July of 2022. California
7 American Water has also provided revised (proposed) WSCPs as part of California Water
8 Code Section 10640(b)¹² in its filed 2021 Urban Water Management Plans (“UWMPs”).
9 These proposed WSCPs complied with Section 10632(a)(3) of the California Water
10 Code, which requires six mandatory conservation stages instead of the Company’s
11 existing five stages of Rule and Schedule 14.1:

12
13 California Water Code Section 10632(a)(3) (A): Six standard water shortage
14 levels corresponding to progressive ranges of up to 10, 20, 30, 40, and 50 percent
15 shortages and greater than 50 percent shortage. Urban water suppliers shall define
16 these shortage levels based on the suppliers’ water supply conditions, including
17 percentage reductions in water supply, changes in groundwater levels, changes in
18 surface elevation or level of subsidence, or other changes in hydrological or other
19 local conditions indicative of the water supply available for use.

20
21 The Company also provided a cross-reference table in its UWMPs to address Section
22 10632(a)(3) (B) of the California Water Code:

23
24
25
26 ¹² California Water Code Section 10640(b) states the requirement to complete a WSCP as follows: (b)
27 Every urban water supplier required to prepare a water shortage contingency plan shall prepare a
28 water shortage contingency plan pursuant to Section 10632. The supplier shall likewise periodically
review the water shortage contingency plan as required by paragraph (10) of subdivision (a) of
Section 10632 and any amendments or changes required as a result of that review shall be adopted
pursuant to this article.

1 An urban water supplier with an existing water shortage contingency plan that
2 uses different water shortage levels may comply with the requirement in
3 subparagraph (A) by developing and including a cross-reference relating its
4 existing categories to the six standard water shortage levels.

5
6 Should it become necessary to update California American Water's current Rule and
7 Schedule 14.1 to adopt the above six water shortage contingency levels with
8 corresponding percent shortages, the Company will use the Advice Letter process to
9 request timely rule updates rather than the GRC process which would not allow for quick
10 adaptation of potential legislation requiring this step.

11
12 **X. WATER LOSS PERFORMANCE STANDARDS**

13 Q40. Briefly outline the new Conservation Framework's Water Loss Performance Standards
14 for urban water retail suppliers.

15 A40. California Water Code Section 10608.34 requires the SWRCB to develop and adopt
16 water loss performance standards for urban retail water suppliers. The Water Loss
17 Performance Standards aim to reduce water loss, reduce the energy and associated
18 greenhouse gas emissions associated with supplying and treating water that is lost to
19 leakage and achieve more efficient water use in California. Executive Orders B-37-16
20 and B-40-17 direct the SWRCB and DWR to minimize water waste through system
21 leaks. Volumetric Water Loss Performance Standards were established that require urban
22 retail water suppliers such as California American Water to reduce real water losses from
23 its distribution system to these established water loss targets as reflected in the supplier's
24 reported real loss in the Company's annual audit to be submitted for 2027 in early 2028.

25
26 Q41. What steps has California American Water taken in response to this legislation that
27 potentially requires water purveyors in California to make significant operational and
28 capital expense investments to comply?

1 A41. In late 2021, California American Water partnered with E-Source (formerly “WSO” -
2 Water Systems Optimization) to assess the Company’s compliance gaps and assist in
3 development of cost estimates to bring all its systems in compliance with this regulation.
4 E-Source has significant expertise in assessing and reducing water loss and has assisted
5 the SWRCB and DWR in developing this current legislation.
6

7 Q42. Please describe California American Water's assessment of its 35 individual Public Water
8 Systems (“PWSIDs”) in terms of compliance gap with DWR’s December 2021 published
9 Water Loss Performance targets for each of the Company’s water systems.

10 A42. Attachment 7¹³ to this testimony shows an analysis that was prepared by California
11 American Water and E-Source assessing current water loss target gaps and estimated
12 costs to be incurred over the rate case years to close the gaps. The analysis shows a
13 comparison for each of the Company’s PWSID of “normalized baseline real water loss”
14 and “normalized real loss standard” resulting in the “normalized standard – Current Real
15 Loss”, which is the performance or compliance gap to the individual Water Loss Targets.
16 The Company’s current assessment shows that only 5 out of its 35 individual water
17 systems are currently meeting DWR’s compliance standards. The remaining 30 systems
18 will require, in some cases, significant efforts and investment over multiple years to
19 achieve the set compliance targets. California American Water has estimated for each
20 system that is not currently meeting the target a total estimated cost for the three rate case
21 years 2024 to 2026 to bring the system into compliance. This cost estimate is not
22 inclusive of additional spending and effort required post 2026 or spending and efforts
23 currently occurring in 2022 and 2023 – prior to the test year of this proposed rate case.
24 Urban water retailers are required to meet their targets and comply by 2027. It is
25 therefore crucial to focus compliance efforts and investments now and for the years
26 leading to 2027.
27

28 ¹³ See Attachment 7, Water Loss Estimates.

1 Q43. Please explain California American Water’s efforts, and the costs it expects and is
2 planning for, during the 2024-2026 GRC cycle to achieve compliance and avoid
3 potentially significant fines for non-compliance of these Water Loss Targets.

4 A43. Attachment 7 to this testimony shows a breakdown of estimated costs for compliance by
5 rate case year and by service area as well as costs divided between operating expenses
6 (“OPEX”) and CAPEX expenditures. California American Water included estimated
7 costs for both OPEX and CAPEX as part of this rate case’s revenue requirement. This
8 includes annual OPEX cost for E-Source to assist California American Water with
9 prioritizing and directing compliance efforts including water loss data validation. Other
10 OPEX cost drivers are for annual Acoustic Leak detection surveys in California
11 American Water service areas, production meter and customer meter testing. CAPEX
12 related costs are captured in California American Water’s Strategic Capital Expenditures
13 Plan and include service line and main leak repairs, customer meter replacement and
14 pressure reducing valve repairs.

15
16 **XI. SPECIAL REQUEST #15 – MONTEREY ANNUAL JOINT CONSERVATION**
17 **REPORT**

18 Q44. Please explain California American Water’s request to eliminate the Annual Joint
19 Conservation Report.

20 A44. California American Water is requesting the elimination Monterey’s Annual Joint
21 Conservation Program Report, which California American Water was directed to
22 complete with the Monterey Peninsula Water Management District (“MPWMD”). This
23 report is duplicative and unnecessary and California American Water seeks authorization
24 to discontinue it.

25
26 D.09-05-029, which approved a Settlement Agreement reached in A.07-12-010,
27 confirmed a previous requirement in D.06-11-050 for the California American Water to
28 file an Annual Joint Conservation Report for the Monterey district summarizing in detail

1 California American Water's conservation efforts *and* MPWMD's conservation efforts.
2 D.06-11-050 listed a detailed set of items to be reported on by both California American
3 Water and MPWMD. California American Water and MPWMD thereafter filed joint
4 annual reports with the Commission where California American Water would create,
5 manage and file the Annual Joint Conservation Report and MPWMD would provide their
6 respective section for the Company to add to the report.

7
8 Starting with the 2017 annual report, MPWMD decided to no longer participate in
9 providing input on their efforts for the report and the Annual Joint Conservation Report
10 became a California American Water only conservation report. MPWMD's decision to
11 no longer supply input to the Annual Joint Conservation Report coincided with a change
12 in how MPWMD received part of their operations funding (previously collected through
13 a California American Water bill pass through surcharge), which also caused California
14 American Water and MPWMD to have separated conservation budgets. Previous
15 Commission authorized GRC conservation budgets for Monterey included a separate
16 authorized budget for MPWMD conservation activities in Monterey.

17
18 With the Annual Joint Conservation Report now having data only on California
19 American Water, it has become duplicative of the Annual Conservation Summary report
20 filed as an attachment to the Company's Annual Report submitted to the Commission.
21 Special Request #15 therefore seeks Commission approval to eliminate the requirement
22 from D.06-11-050 to file an Annual Joint Conservation Report. Attachment 8 to this
23 testimony¹⁴ lists the original reporting requirements for both reports and demonstrates
24 that both reporting requirements are highly similar and therefore duplicative. California
25 American Water therefore requests approval to eliminate the requirement for filing an
26 Annual Joint Conservation Report.

27
28 _____
¹⁴ Please see Attachment 8, Reporting Requirements.

1 **XII. SPECIAL REQUEST #16 – LOW-INCOME CONSERVATION PROGRAM AND**
2 **CREDIT/DEBIT CARD BILL PAYMENT EXPENSE RECOVERY**

3 Q45. Please explain the Company’s request in Special Request #16.

4 A45. As mentioned in Q/A 13 above, AB 1058 allows water utilities to recover from customers
5 bill payment costs incurred from customers using credit and debit bank cards (including
6 prepaid cards) for bill payments. These costs (approximately \$240,000 annually) have so
7 far been tracked in a special credit card fee memorandum account that was set up as part
8 of the initial credit card fee waiver pilot. AB 1058 effectively makes the credit card pilot
9 a permanent program waiving this fee for customers. AB 1058 also provides an
10 exemption for customers participating in a utility’s CAP to not have to bear the cost for
11 the fee waiver. Therefore, CAP customers need to be exempt from incurring the cost
12 incurred by the utility when customers use credit cards for bill payments.

13
14 In order to implement this directive, California American Water proposes to add
15 projected credit/debit card expenses to the existing Customer Assistance Program
16 Balancing Account (“CAP Balancing Account”) and recover these costs, together with
17 CAP costs, from non-CAP participating customers through the CAP surcharge (which is
18 only levied against customers not enrolled in CAP). An alternative, less preferred,
19 accounting treatment for these costs would be to add these estimated card expenses into
20 base rates and then add a separate flat discount/credit for customers enrolled in the CAP
21 (in addition to the CAP credit they receive on bills) to offset for these card payment costs.
22 California American Water however prefers the former method of keeping these costs in
23 the CAP Balancing Account which would also reduce the number of separate bill line
24 items on customers’ bills.

25
26 Q46. What is California American Water proposing with respect to a Low-Income
27 Water/Energy Direct Install program?
28

1 A46. California American Water is also requesting to add cost recovery of a Low-Income
2 Water/Energy Direct Install program (described under Q/A 15 further above in this
3 testimony) to the CAP Balancing Account for recovery rather than recover it through
4 base rates. D.21-11-018 allowed conservation expenses to be added to base rates (instead
5 of the previous one-way balancing account). This means that authorized conservation
6 expenses for any program that is designed for CAP participants only would still be
7 funded in part by CAP customers through base rates. California American Water requests
8 to shift funding in the amount of \$292,000 (total for 3 years) for the proposed Water
9 Energy Low-Income Direct Install program (shown in the attachment tables for the
10 Conservation budget request) from conservation to the CAP Balancing Account so it
11 would be recovered via the CAP surcharge from non-CAP customers.

12

13 **XIII. SPECIAL REQUEST #19 - PAPERLESS BILLING OPT OUT PILOT**

14 Q47. Please describe California American Water’s proposal for a Paperless Billing Opt Out
15 Pilot.

16 A47. California American Water is proposing a pilot to increase customer participation in
17 paperless billing that would target all non CAP customers that (1) are participating (at the
18 onset of the pilot) in California American Water’s online myWater portal but (2) are not
19 signed up for paperless billing. The pilot is intended to explore customer acceptance of
20 an “opt out” versus “opt in” approach to shift to paperless billing. The pilot customer
21 group would receive a letter informing them of an upcoming automatic switch of their
22 water account to paperless billing unless they take action and opt out of the automatic
23 switch by either calling, emailing or mailing California American Water to opt out and
24 remain on paper billing. California American Water would conduct several surveys with
25 pilot customers about their satisfaction with the opt out program to document any
26 positive or negative feedback about the program design and chosen bill delivery option.
27 CAP customers would be excluded from the pilot target group and special considerations
28 would be given to non-native English speaking pilot customers to assure no language

1 barriers existed for them in participating in the pilot. Below are California American
2 Water's main reasons for this Special Request and the push for paperless billing for its
3 customers:

- 4
5 • California American Water has been focused on paperless billing for over 10
6 years and currently has approximately 56,000 customers (30%) enrolled in the
7 paperless program.
- 8
9 • California American Water has been pushing paperless billing to reduce paper
10 usage and the environmental impact of its billing process, reduce postage and
11 mailing costs, and increase the speed bills are delivered which give customers
12 more time to pay.
- 13
14 • Paperless is fast and secure, and through the MyWater portal, customers will have
15 access to their last 3 years' worth of bills and corresponding inserts.
- 16
17 • According to a Fiserv household survey, 75% of customers say paperless billing
18 helps them better manage their finances.
- 19
20 • The pilot will include customers who are enrolled in myWater, and who
21 California American Water has email addresses for but who are not enrolled in
22 paperless billing at the time the pilot is initiated.
- 23
24 • The communication plan includes multiple outreaches and varying channels
25 approximately 45 days in advance to inform customers of the transition to
26 paperless and giving them the option to remain on paper bills if they prefer. The
27 communications include two emails with a direct link to stay on paper, a direct
28 mail piece sent to the billing address, as well as opportunities to call our Customer

1 Service Center or utilize our customer portal, MyWater to opt to remain on paper
2 billing. Any customers whose emails bounce back or if the direct mail piece is
3 undeliverable will be removed from the transition and will remain on paper
4 billing.

- 5
- 6 • American Water’s experience has shown that approximately 14% of customers
7 remain on paper billing because of actively opting to remain (9%) and the
8 remaining because of undeliverable emails or mail pieces (5%).
- 9

10 The pilot would be initiated upon approval and would run through the rate case period of
11 2024-26. Prior to the next rate case (2025 GRC) customer satisfaction surveys would be
12 analyzed and an overall evaluation of the pilot would be conducted in order to decide on
13 future options for a roll out of a similar larger paperless billing program.

14

15 **XIV. SPECIAL REQUEST #20 - CHANGES TO LATE PAYMENT FEES**

16 Q48. Please describe California American Water’s proposal for late payment fees.

17 A48. The 2013 GRC Decision D.15-04-007 authorized California American Water to
18 implement Late Payment Fees for customers with an unpaid balance after the bill’s past
19 due date. The fees of 1.5% are assessed on all open unpaid past due balances and were
20 implemented with Advice Letter AL 1072 in June 2015. The late payment fees were
21 being recorded as revenue in a separate general ledger account. During the recent
22 Coronavirus emergency, California American Water suspended non-payment shut offs as
23 well as assessing late payment fees on customers in order to mitigate economic hardship.

24

25 California American Water is proposing to eliminate late payment fees for residential
26 customers only. Non-residential customers would continue to be assessed late payment
27 fees for payments made after the bill due date. California American Water is among few
28 investor-owned water utilities in California that assess late payment fees and the

1 Company has re-evaluated its policy towards, and the effectiveness and impact of such
2 fees. Customers being assessed late payment fees often struggle financially to make
3 monthly utility bill payments and the late payment fee adds to the financial burden rather
4 incentivizing prompt bill payments for these demographics. The fees are currently being
5 assessed for all customer classes including low-income customers, with the latter being
6 granted a waiver of late fees once per year per Senate Bill No. 998 (2017-2018 Reg.
7 Sess.) and Commission Resolution W-5223.¹⁵ When the Company requested
8 implementation of late payment fees in A.13-07-002¹⁶, it proposed these fees to offset
9 costs incurred by the utility for the late payment and to achieve more commonality to
10 energy utilities which had such fees in place. Re-evaluating these fees¹⁷ and their
11 internal Company impact to uncollectible amounts have shown small benefits while
12 being negatively perceived by customers. California American Water therefore proposes
13 to eliminate late payment fees for residential customers. The Company requests to
14 upkeep late payment fees for non-residential customers as the cost of water for
15 commercial customers is a business cost and the continuation of late payment fee is
16 appropriate.

17
18 Q49. Does this complete your testimony?

19 A49. Yes, it does.
20
21
22
23
24

25 ¹⁵ Sen. Bill No. 998 (2017-2018 Reg. Sess.), Res W-5223 and Rule 11 B.1.

26 ¹⁶ Special Request #9.

27 ¹⁷ In Advice Letter 4404-G/6121-E, dated April 1, 2021, Pacific Gas & Electric Company stated it does
28 not charge fees for late payments. In Advice Letter 5794, also dated April 1, 2021, Southern
California Gas stated it does not charge late fees to residential customers. San Diego Gas & Electric
also does not charge late fees to residential customers per its Rule 9.

ATTACHMENT 1

CAW 2024-2026 Conservation Expense budget proposed INCLUDING CAPEX and CAP items			(CAP = Customer Assistance/Low Income Program)
	2019 GRC approved Budget (incl. labor costs for conservation staff now part of district ops exps) 3 year total	2022 GRC Proposed Budget (includes CAPEX and CAP items) 3 Year total	2022 GRC Proposed Budget % Change from Prev. 2019 GRC (normalized for labor removal)
Districts	2021-23	2024-2026	% Change from Prev. 2019 GRC
San Diego	600,548	292,000	-9.3%
Ventura/El Rio	745,914	384,000	-14.6%
Los Angeles/East Pasadena	698,327	375,000	-10.1%
Monterey	1,845,397	1,655,000	-10.3%
Sacramento/Meadowbrook/Geyserville/Fr	1,106,071	741,000	-10.2%
Larkfield	72,115	64,100	-11.1%
New Acquisitions	150,000	125,000	-16.7%
Total	5,218,372	3,636,100	-10.9%

CAW 2024-2026 Conservation Expense budget proposed (EXCLUDING CAPEX and CAP items)		
	2019 GRC approved Budget (incl. labor costs for conservation staff now part of district ops exps) 3 year total	2022 GRC Proposed Budget (excludes CAPEX and CAP items) 3 Year total
Districts	2021-23	2024-2026
San Diego	600,548	227,000
Ventura/El Rio	745,914	294,000
Los Angeles/East Pasadena	698,327	265,000
Monterey	1,845,397	1,540,000
Sacramento/Meadowbrook/Geyserville/Fr	1,106,071	616,000
Larkfield	72,115	54,600
New Acquisitions	150,000	125,000
Total	5,218,372	3,121,600

San Diego County District				
Program	2019 GRC	2022 GRC	% Change from Prev. GRCs	Notes
	Approved Budget 3 yr total 2021-2023	Proposed Budget 3 yr total 2024-26		
Conservation Staff	252,720	-		labor now part of district ops
Public Information Programs	36,000	27,000		25% reduced (\$9k)
School Education Programs	75,000	65,000		reduced by \$10k
Residential Water Surveys	15,000	25,000		
Residential Plumbing Retrofit	15,000	15,000		
Water/Energy Direct Installation - Low Income	60,000	50,000		reduced by \$10k
CII and LL Surveys	45,000	25,000		reduced by \$15k
CII Rebates	10,000	10,000		
Turf Removal Rebate	60,000	60,000		reduced by \$10k
Landscape Upgrade Grant Program	20,000	-		eliminated (\$5k savings)
New Framework geospatial analysis (see separate tab "Geospatial Analysis")	11,828	-		
Framework Compliance Software/Tracking tools/Capital investment		15,000	2019 GRC:	now proposed as CAPEX
Total Conservation Budget	600,548	292,000		
		252,720		adding prev labor back in for comparison
		544,720	-9%	

Total Cons exps	292,000
CAPEX portion	(15,000)
CAP/low income	(50,000)
Net Cons exps	227,000

Ventura County District/El Rio				
Program	2019 GRC	2022 GRC	% Change from Prev. GRC	Notes
	Approved Budget 3 yr total 2021-2023	Proposed Budget 3 yr total 2024-26		
Conservation Coordinator	297,720	45,000		labor now part of district ops (except
Public Information Programs	70,000	49,000		reduced by 30% (\$21k)
School Education Programs	60,000	45,000		reduced by \$15k
Residential Water Surveys	30,000	50,000		
Residential Plumbing Retrofit	12,000	15,000		
Direct Install or Direct Delivery Multi Family Efficiency program		40,000		
Water/Energy Direct Installation - Low Income	80,000	40,000		
CII Rebates	20,000	20,000		
CII and LL Surveys	50,000	30,000		
Turf Removal Rebate	75,000	-		eliminated (\$75k savings)
Landscape Upgrade Grant Program	35,000	-		eliminated (\$20k savings)
New Framework geospatial analysis (see separate tab "Geospatial Analysis")	16,194	-		
Framework Compliance Software/Tracking tools/Capital investment		50,000	2019 GRC:	now proposed as CAPEX
Total Conservation Budget	745,914	384,000		
		252,720		adding prev labor back in for comparison
		636,720	-14.6%	

* adding salary for intern

1 intern assumed at \$15k/year: \$45,000

Total Cons exps	384,000
CAPEX portion	(50,000)
CAP/low income	(40,000)
Net Cons exps	294,000

Los Angeles County District/East Pasadena				
Program	2019 GRC	2022 GRC	% Change from Prev. GRC	Notes
	Approved Budget 3 yr total	Proposed Budget 3 yr total		
	2021-2023	2024-26		
Conservation Staff	297,720	45,000		labor now part of district ops (except
Public Information Program	60,000	48,000		reduced by 20% (\$12k)
School Education Program	60,000	45,000		reduced by \$15k
Residential Water Surveys*	25,000	35,000		
Residential Plumbing Retrofit	20,000	20,000		
Water/Energy Direct Installation - Low Income	75,000	60,000		reduced by \$15k
CII Rebates	22,000	22,000		
Turf Removal Rebate	75,000	-		eliminated (\$65k savings)
CII and LL Surveys	50,000	50,000		
New Framework geospatial analysis (see separate tab "Geospatial Analysis")	13,607	-		
Framework Compliance Software/Tracking tools/Capital investment		50,000	2019 GRC:	now proposed as CAPEX
Total Conservation Budget	698,327	375,000		

* adding salary for intern
1 intern assumed at \$15k/year: \$45,000

Total Cons exps	375,000
CAPEX portion	(50,000)
CAP/low income	(60,000)
Net Cons exps	265,000

Monterey County District				
Program	2019 GRC	2022 GRC	% Change from Prev. GRC	Notes
	Approved Budget 3 yr total	Proposed Budget 3 yr total		
	2021-2023	2024-26		
Conservation Coordinator & Training	45,000	0		
Conservation Workshops & Training	20,000	0		eliminated (\$20k savings)
Public Information Program	300,000	210,000		reduced by 30% (\$90k)
School Education Program	15,000	25,000		
Residential Water Surveys	30,000	30,000		
Residential Plumbing Retrofit	60,000	75,000		
Rebates (CII, Large Landscape, Residential-Toilet & Clothes Washer)	1,100,000	1,100,000		
CII and LL Surveys	65,000	50,000		
Soil Moisture and Rain Sensor program	25,000	50,000		
Large Landscape Upgrade Grant Program	45,000	0		eliminated (\$45k savings)

adding prev labor back in for comparison
-10.1%

Water/Energy Direct Installation - Low Income	75,000	60,000		reduced by \$15k
New Framework geospatial analysis (see separate tab "Geospatial Analysis")	65,397	0		
Framework Compliance Software/Tracking tools/Capital investment		55,000	2019 GRC:	now proposed as CAPEX
Total Conservation Budget	1,845,397	1,655,000		-10.3%

Total Cons exps	1,655,000
CAPEX portion	(55,000)
CAP/low income	(60,000)
Net Cons exps	1,540,000

Sacramento District/Meadowbrook/Geyserville/Fruitridge				
Program	2019 GRC	2022 GRC	% Change from Prev. GRC	Notes
	Approved Budget 3 yr total 2021-2023	Proposed Budget 3 yr total 2024-26		
Conservation Staff	297,720	45,000		labor now part of district ops (except
Public Information Programs	170,000	102,000		reduced by 40% (\$68k)
School Education Programs	105,000	84,000		reduced by 20% (\$21k)
Residential Water Surveys	60,000	51,000		
Residential Plumbing Retrofit	50,000	41,000		
Residential HECW Rebates				
Residential Rebates		18,000		
Residential Toilet Rebates				
HET Direct Installations - Low-Income				
Water/Energy Direct Installation - Low Income	120,000	75,000		reduced by \$35k
CII Rebates	40,000	60,000		
Turf Removal Rebate	150,000	140,000		
CII and LL Surveys	75,000	75,000		
New Framework geospatial analysis (see separate tab "Geospatial Analysis")	38,351	-		
Framework Compliance Software/Tracking tools/Capital investment		50,000	2019 GRC:	now proposed as CAPEX
Total Conservation Budget	1,106,071	741,000		
		252,720		adding prev labor back in for comparison
		993,720		-10.2%

* adding salary for intern
1 intern assumed at \$15k/year: \$45,000

Total Cons exps	741,000
CAPEX portion	(50,000)
CAP/low income	(75,000)
Net Cons exps	616,000

Larkfield District				
Program	2019 GRC	2022 GRC	% Change from Prev. GRC	Notes
	Approved Budget 3 yr total 2021-2023	Proposed Budget 3 yr total 2024-26		
Conservation Staff	22,500	22,500		1 intern*
Public Information Program	10,000	7,500		reduced by \$2.5k
School Education Program	1,600	1,600		
Residential Water Surveys	9,000	6,000		reduced by \$3k
Residential Plumbing Retrofit	5,000	3,000		reduced by \$2k
Washing Machine Rebates	4,000	-		
Residential Rebates/Turf		5,000		
CII Rebates	5,000	4,000		
CII and LL Surveys	7,000	5,000		
Low Income Direct Install/Water-Energy program	6,000	7,000		
New Framework geospatial analysis (see separate tab "Geospatial Analysis")	2,015	-		
Framework Compliance Software/Tracking tools/Capital investment		2,500	2019 GRC:	now proposed as CAPEX
Total Conservation Budget	72,115	64,100	-11%	

* adding salary for 1 intern:
 + 1 intern assumed at \$7.5k/year: \$22,500
 totals = \$22,500

Total Cons exps	64,100
CAPEX portion	(2,500)
CAP/low income	(7,000)
Net Cons exps	54,600

New or recent acquisitions				
Program	2019 GRC	2022 GRC	% Change from Prev. GRC	Notes
	Approved Budget 3 yr total 2021-2023	Proposed Budget 3 yr total 2024-26		
Conservation Campaigns to reduce usage	150,000	125,000		
Total Conservation Budget	150,000	125,000	-17%	

Total Cons exps	125,000
CAPEX portion	-
CAP/low income	-
Net Cons exps	125,000

ATTACHMENT 2

J.D. POWER



2022 Water Utility Residential Customer Satisfaction Study

Wave 2 Results

Andrew Heath, Senior Director

October 2021

2022 Water Utility Residential Study Overview

16,048

W1+W2 RESPONSES
NATIONALLY

7TH

YEAR OF THE
STUDY

90 BRANDS

WITH 400,000+
POPULATION
SERVED

KEY INDEX FACTORS



QUALITY
&
RELIABILITY

29%



PRICE

20%



CONSERVATION

16%



BILLING &
PAYMENT

14%



COMMUNICATIONS

15%



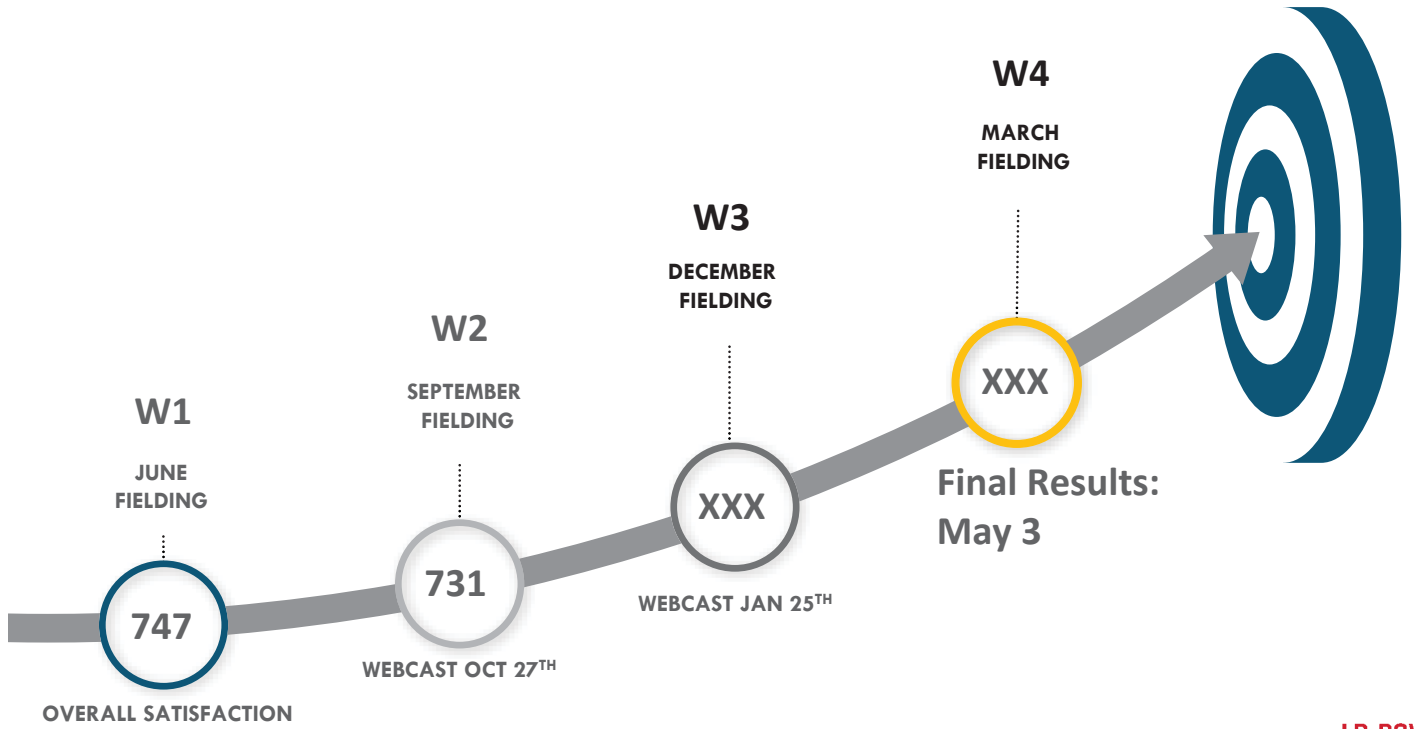
CUSTOMER
SERVICE

6%

WHEN
INTERACTION
IS PRESENT
24%

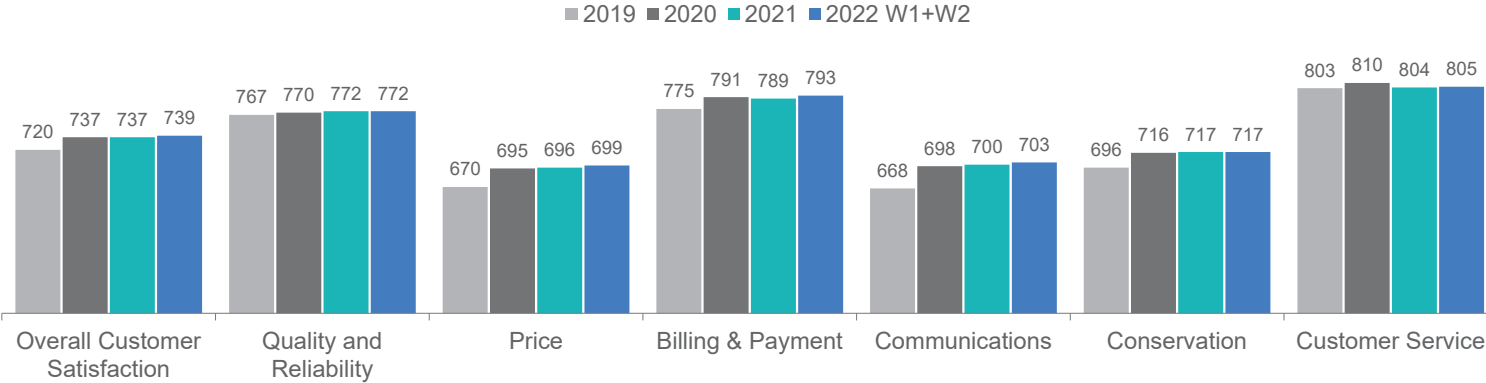
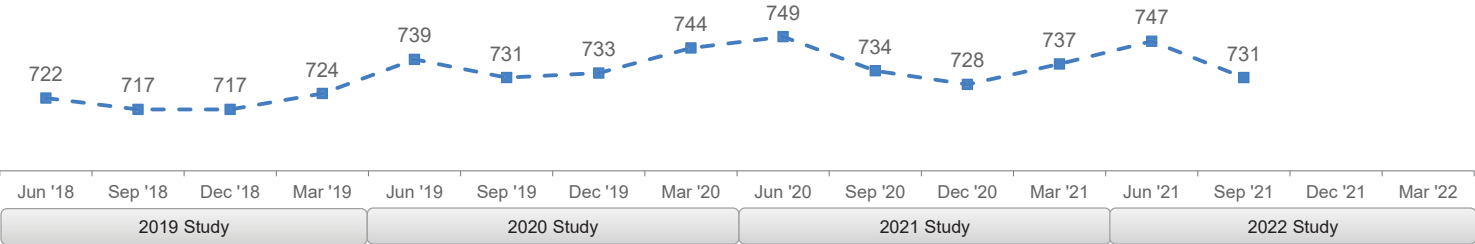
2022 Residential Fielding

Year-to-Date Overall Industry Satisfaction: 739



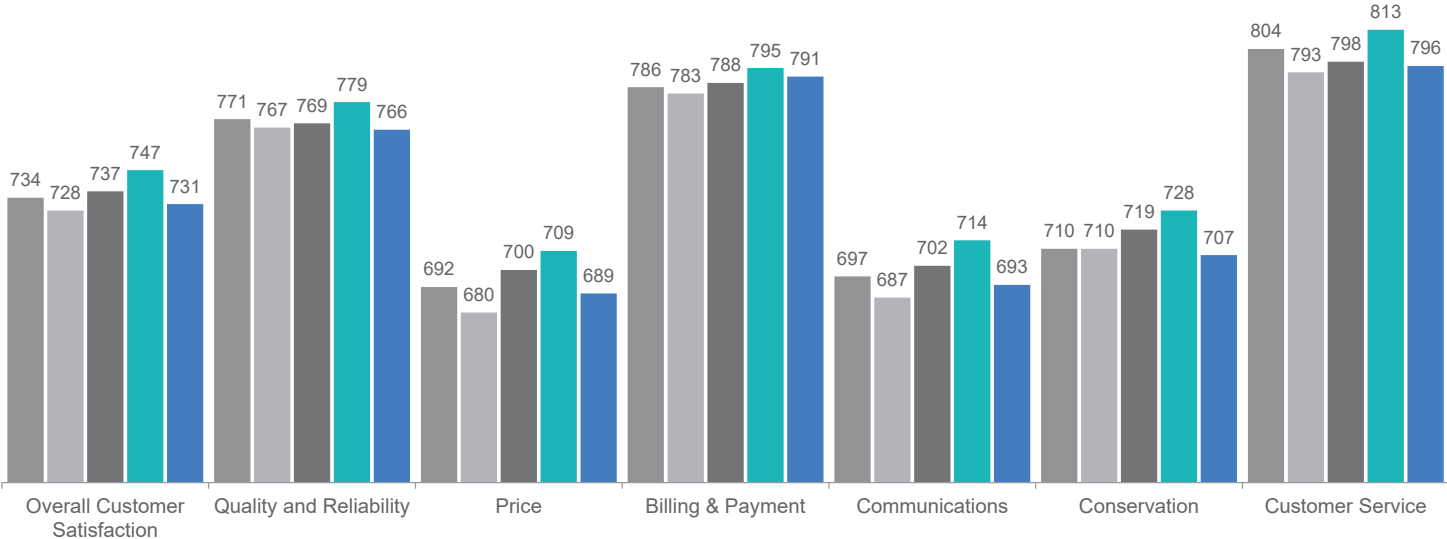
Industry satisfaction has remained steady over the past three years

Overall Satisfaction Index Trend



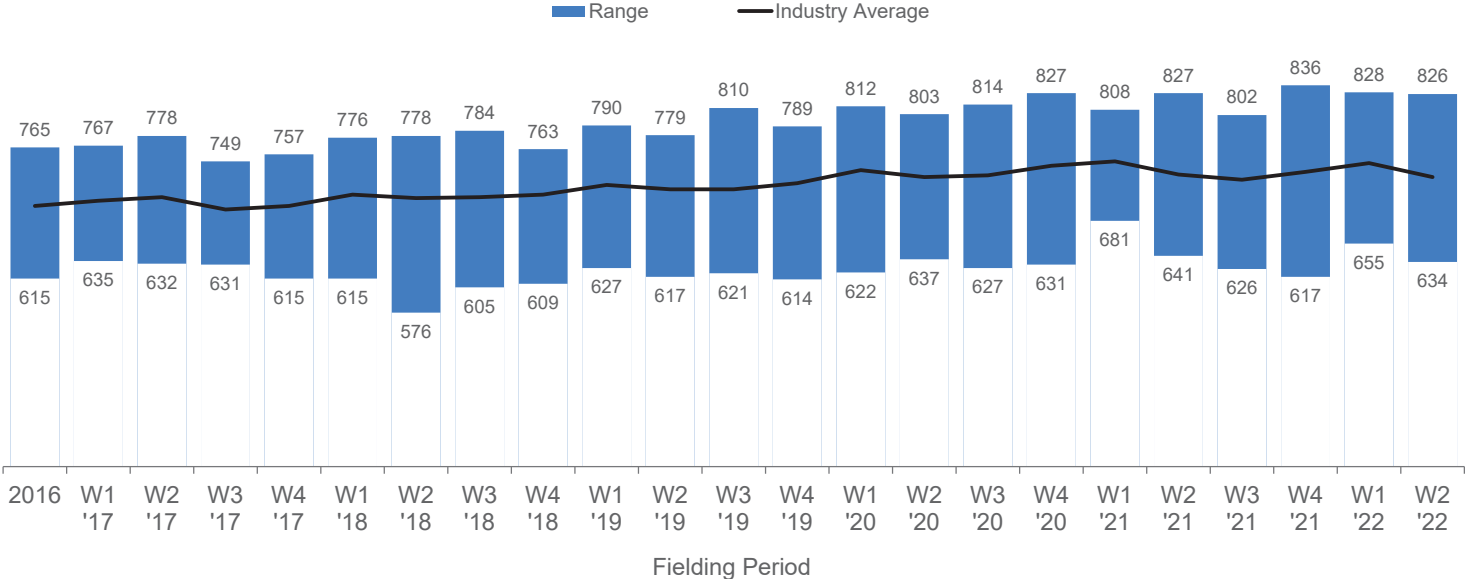
Overall CSI and Factor Performance – Trailing Five Waves

■ 2021 Study W2 (Sep '20) ■ 2021 Study W3 (Dec '20) ■ 2021 Study W4 (Mar '21) ■ 2022 Study W1 (Jun '21) ■ 2022 Study W2 (Sep '21)



Overall Satisfaction Index Trend by Wave

Overall satisfaction has improved since 2016. The gap between the top and bottom brands has averaged 169 index points. 2022 W2 is 192.

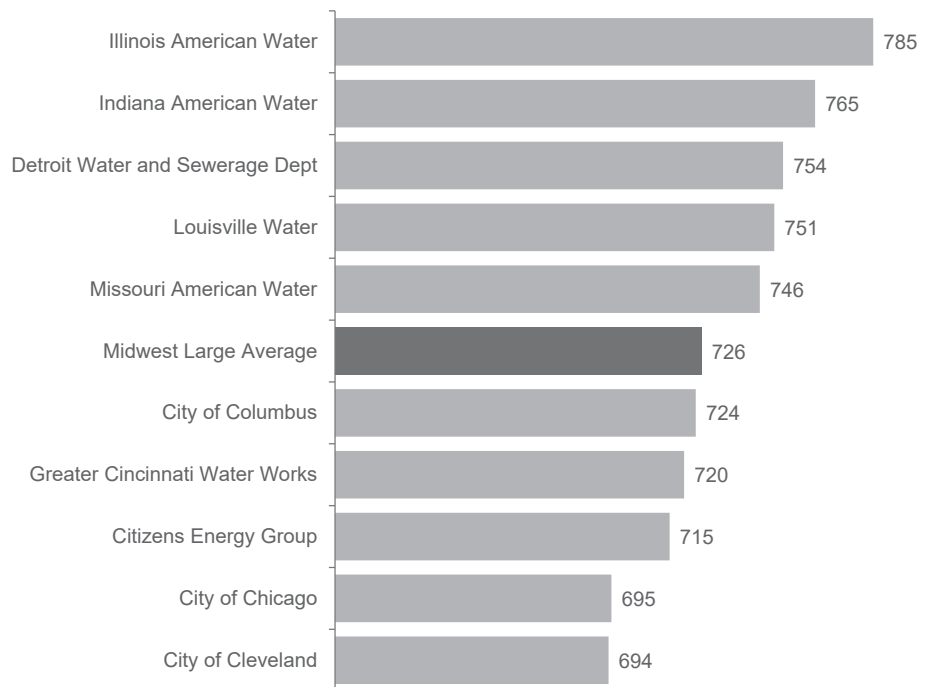




Industry Results

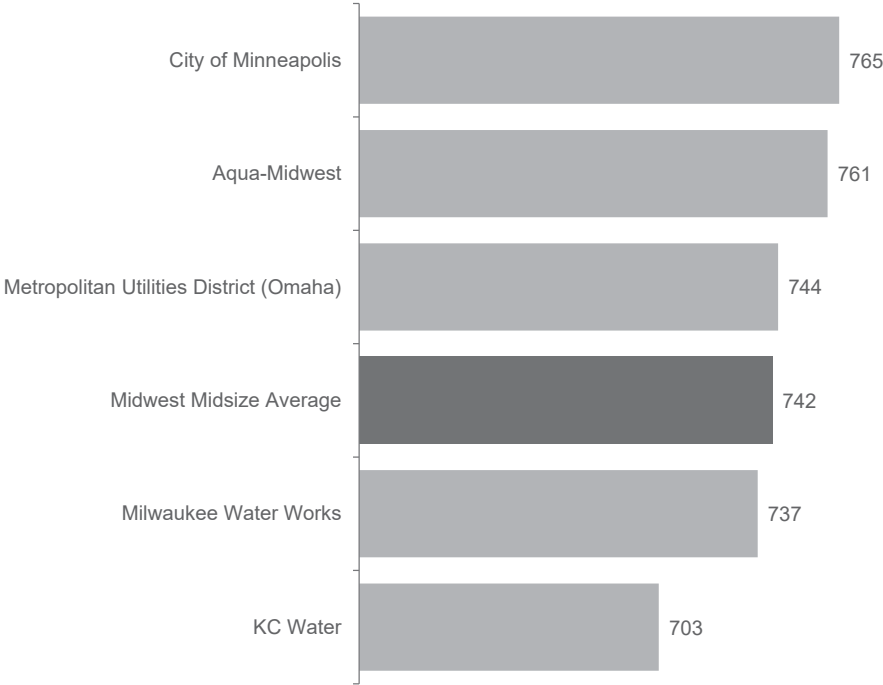
2022 Overall CSI

Midwest Large Segment



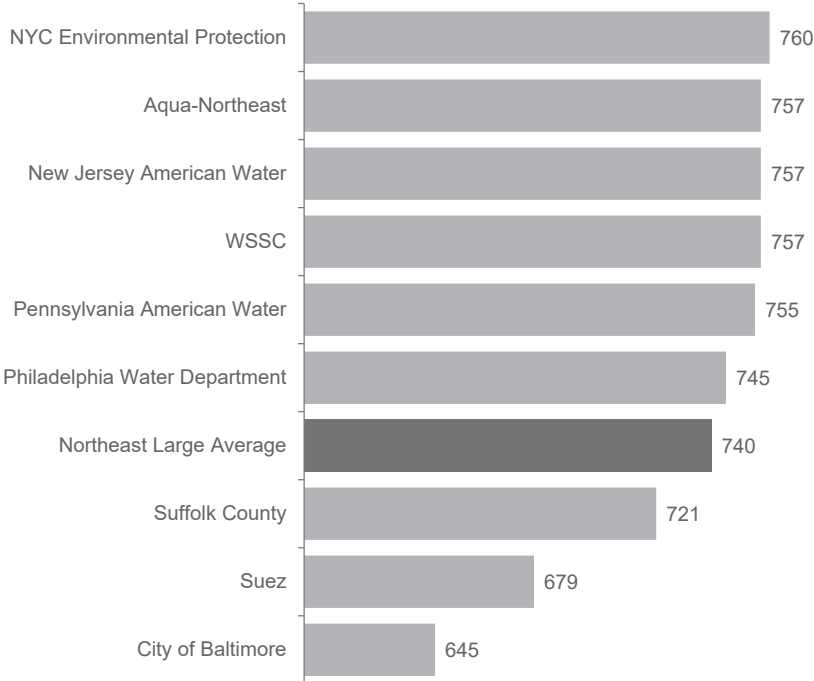
2022 Overall CSI

Midwest Midsize Segment



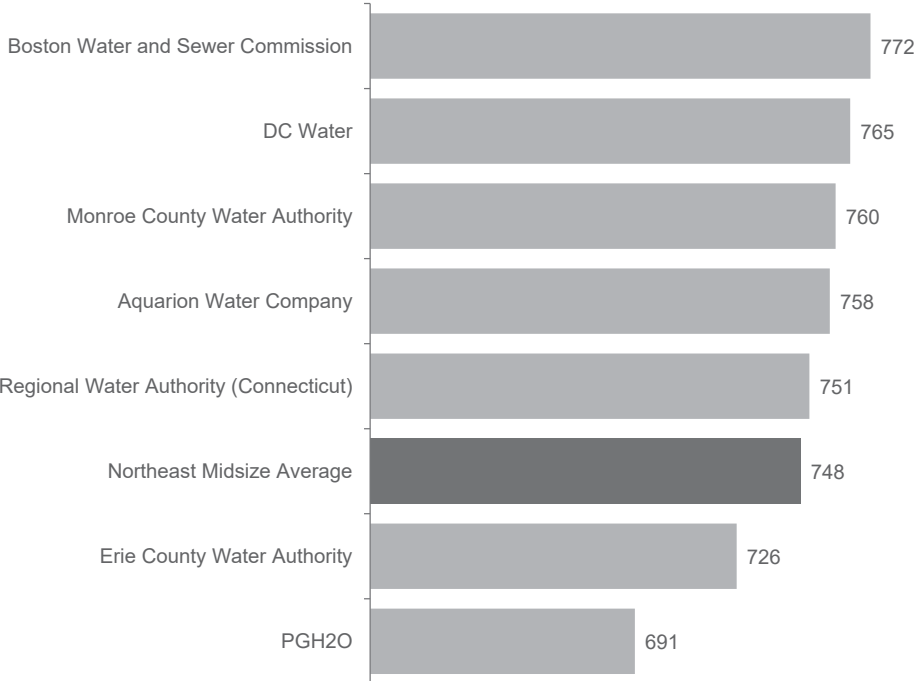
2022 Overall CSI

Northeast Large Segment



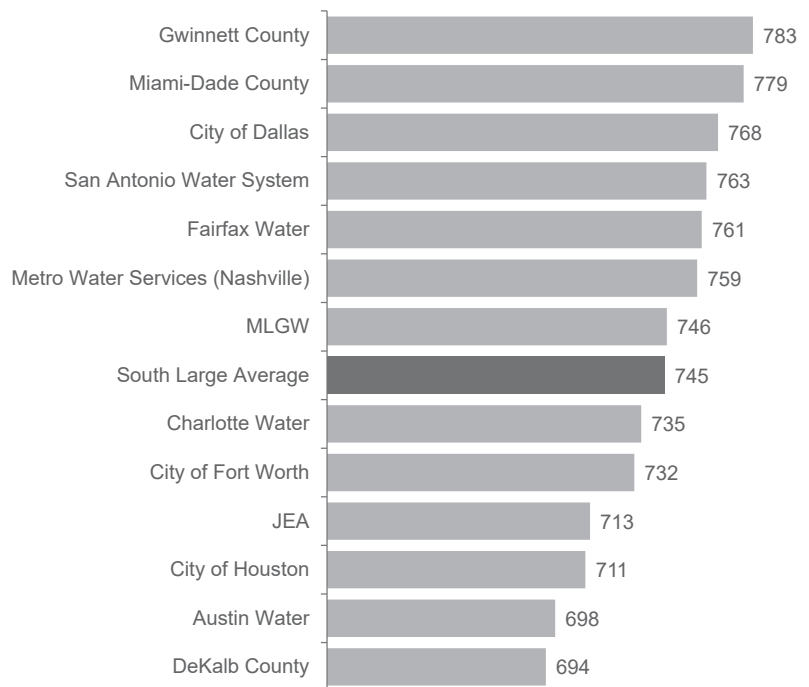
2022 Overall CSI

Northeast Midsize Segment



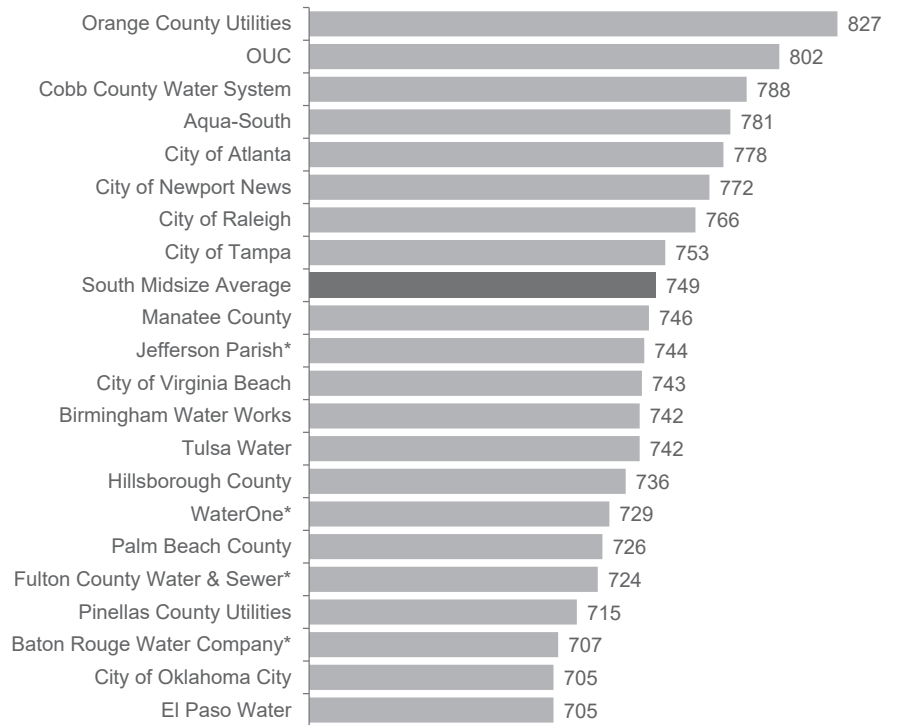
2022 Overall CSI

South Large Segment



2022 Overall CSI

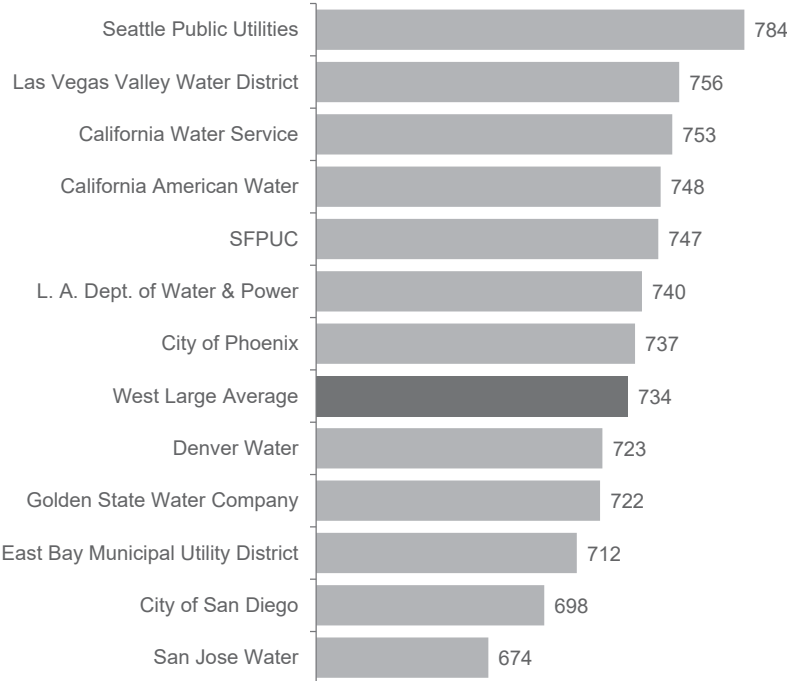
South Midsize Segment



* Small sample (29<n<100)

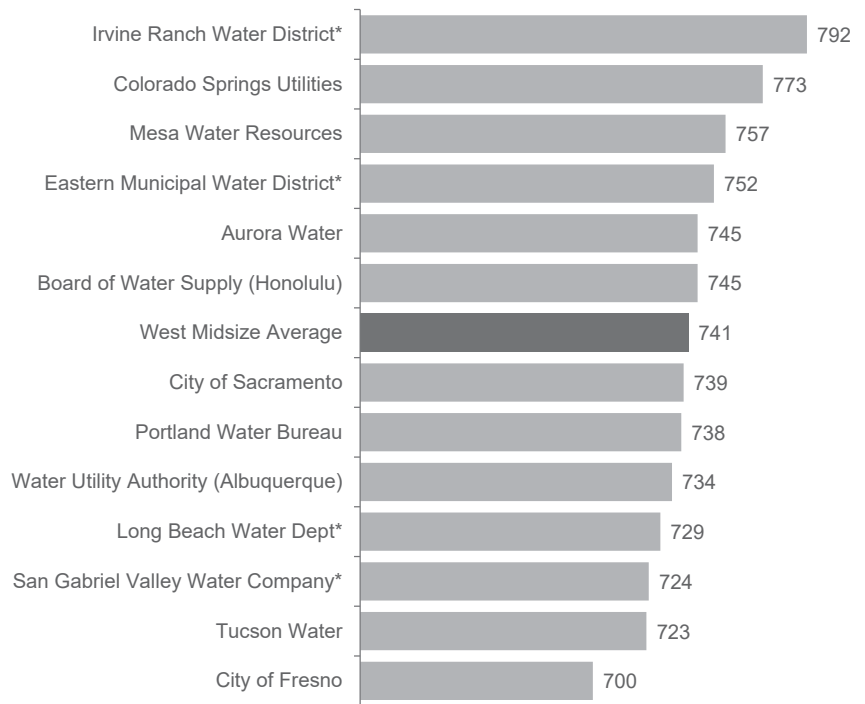
2022 Overall CSI

West Large Segment



2022 Overall CSI

West Midsize Segment



* Small sample (29<n<100)

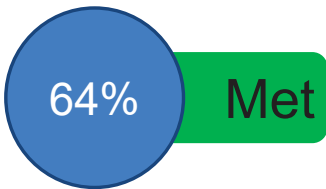


Key Findings

Top 3 KPIs

8 of 13 KPIs improve over 2021, including 1 of the top KPIs. Quality issues have increased year-over-year, with a 4% decrease in those who stated they had not experienced quality issues.

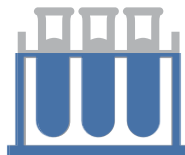
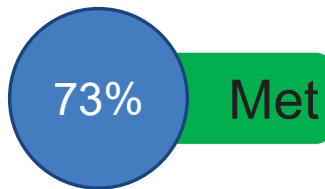
Utility does a good job maintaining current water infrastructure +107



VS
2021

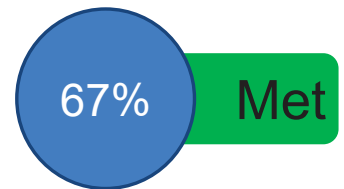
+0%

Water mineral content (soft/normal) +51



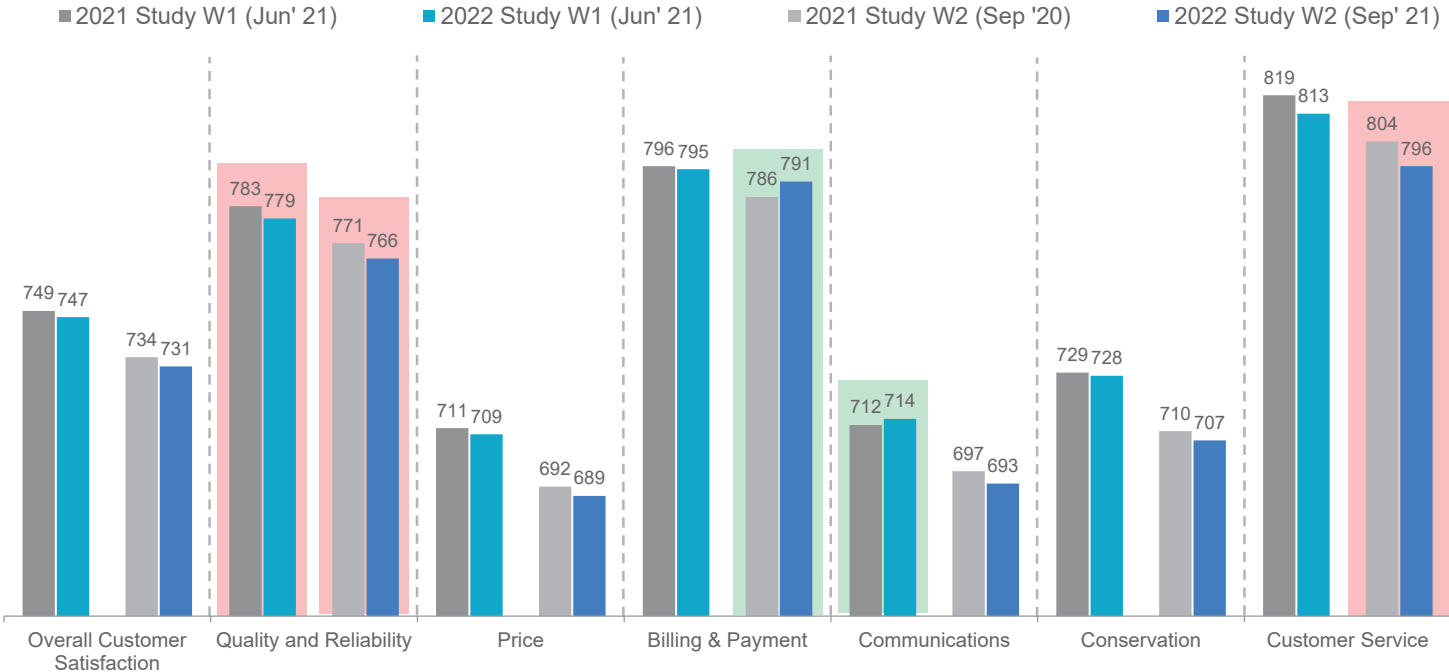
+1%

Have not experienced any quality issues +44



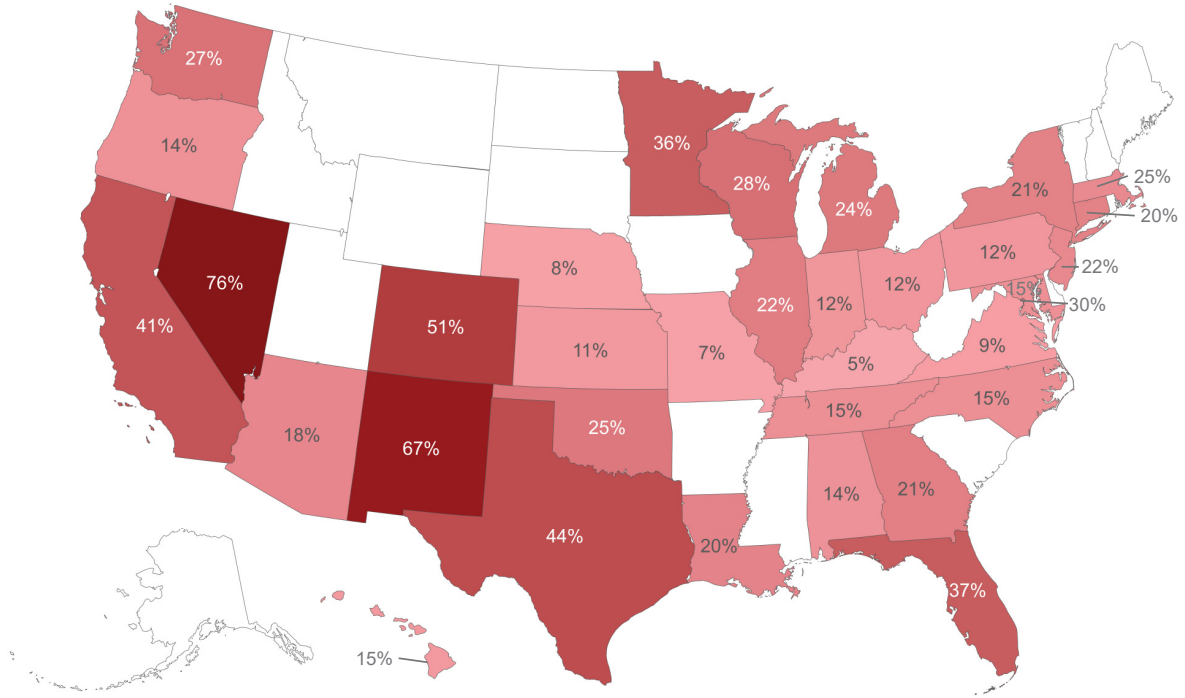
-4%

Overall CSI and Factor Performance – 2021-2022 W1/W2 comparison



Water Restrictions

Water Restrictions by State



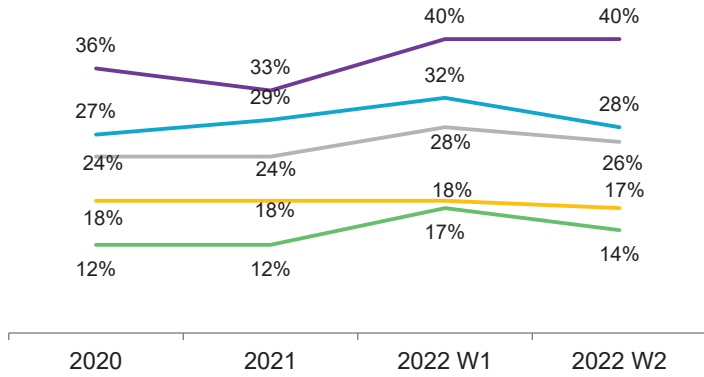
Water Restrictions

C1. Does brand have restrictions in place on your water usage (e.g., days allowed to water lawn, etc.)?

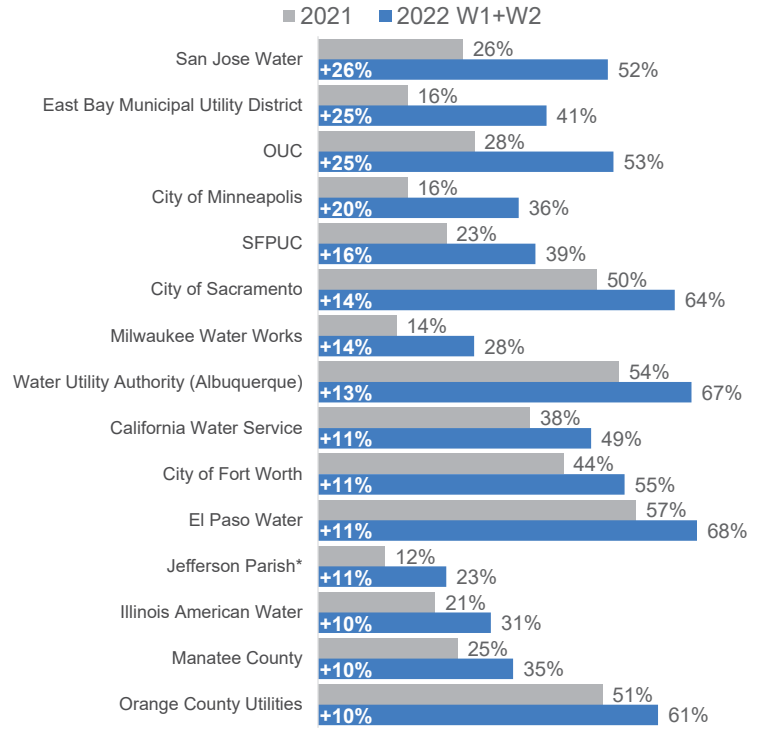
- 1 Yes, they are voluntary
- 2 Yes, they are mandatory
- 0 Not aware of any current restrictions

Water Restrictions – %Yes Mandatory/Voluntary

— Total — Midwest — Northeast — South — West



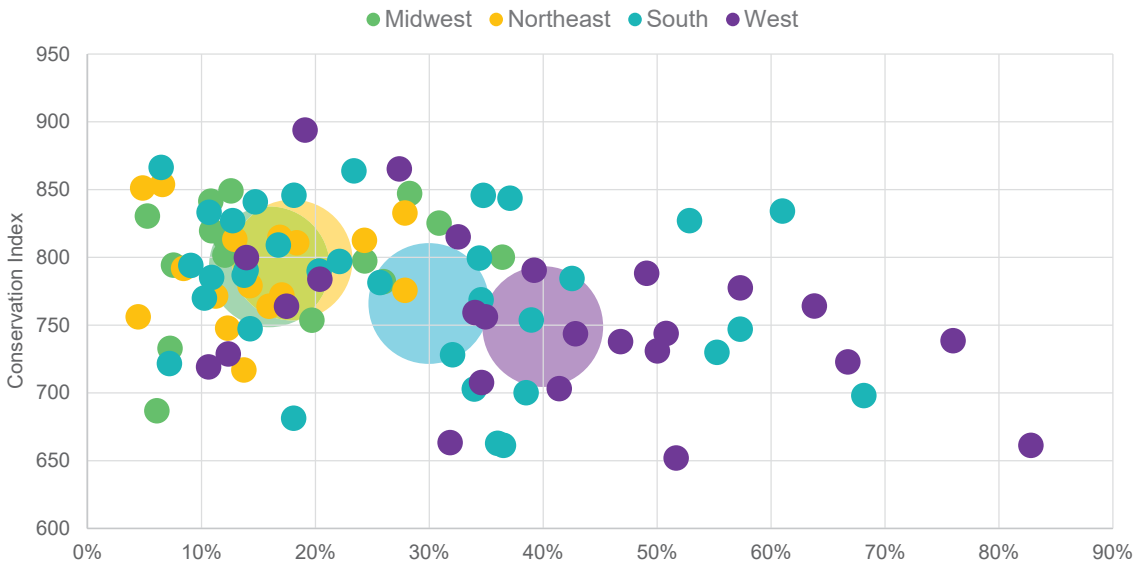
Brands with Largest Water Restrictions Increase 2021 vs 2022 W1+W2



Water Restrictions

While restrictions may lead to higher satisfaction, it heavily depends on the type and implementation of the restriction. Voluntary restrictions have higher satisfaction than mandatory restrictions, and some brands have not learned how to implement restrictions without suffering from lower satisfaction.

Water Restrictions and Conservation Index by Brand within Region



Voluntary	Mandatory	Not Aware
Midwest		
834	737	683
Northeast		
836	723	703
South		
809	734	705
West		
765	733	698

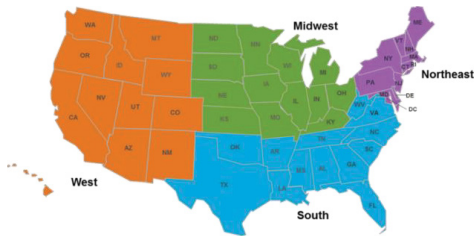


Wastewater/Sewage

US Wastewater Utilities— Four Regions

West

Board of Water Supply (Honolulu)
Aurora Water
City of Fresno
City of Phoenix
City of Sacramento
City of San Diego
Colorado Springs Utilities
Denver Water
East Bay Municipal Utility District
Eastern Municipal Water District
Irvine Ranch Water District
L.A. Dept. of Water & Power
Long Beach Water Dept
Mesa Water Resources
Portland Water Bureau
Seattle Public Utilities
SFPUC
Tucson Water
Water Utility Authority (Albuquerque)



Midwest

Citizens Energy Group	KC Water
City of Cleveland	Metropolitan Utilities District (Omaha)
City of Columbus	
City of Minneapolis	
Detroit Water and Sewerage Dept	
Greater Cincinnati Water Works	

Northeast

Boston Water and Sewer Commission
City of Baltimore
DC Water
NYC Environmental Protection
PGH20
Philadelphia Water Department
WSSC

South

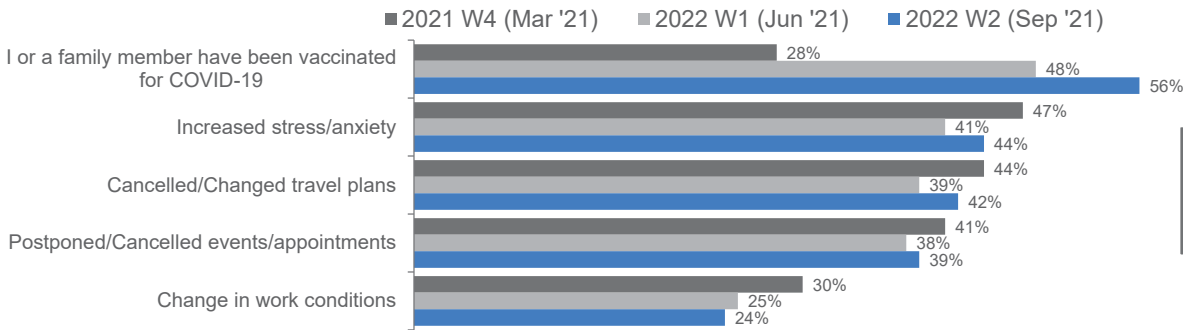
Austin Water	City of Virginia Beach	Metro Water Services (Nashville)
Birmingham Water Works	Cobb County Water System	Miami-Dade County
Charlotte Water	DeKalb County	MLGW
City of Atlanta	El Paso Water	Orange County Utilities
City of Dallas	Fairfax Water	Palm Beach County
City of Fort Worth	Fulton County Water & Sewer	Pinellas County Utilities
City of Houston	Gwinnett County	San Antonio Water System
City of Newport News	Hillsborough County	Tulsa Water
City of Oklahoma City	JEA	
City of Raleigh	Jefferson Parish	
City of Tampa	Manatee County	



COVID-19

COVID 19 Summary

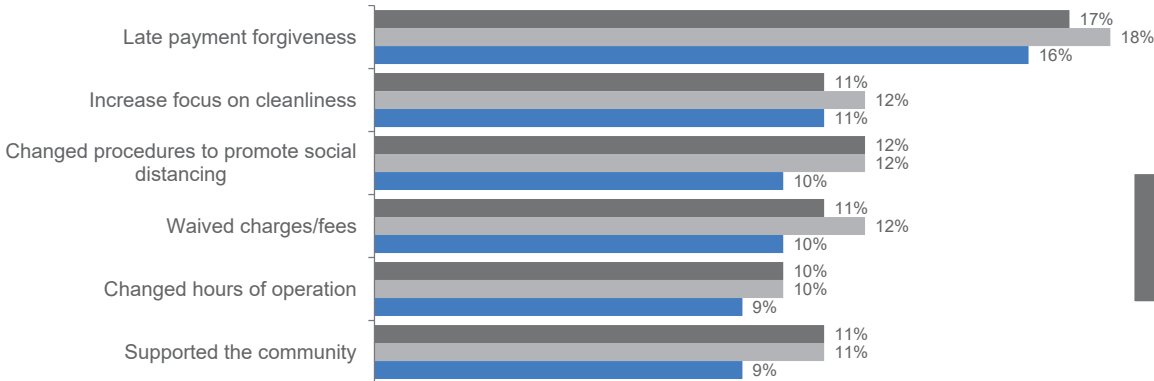
How Personally Impacted by the COVID-19 Outbreak



Have not been personally impacted

2021 W4 (Mar '21)	2022 W1 (Jun '21)	2022 W2 (Sep '21)
12%	14%	14%

What has Utility Done in Response to the COVID-19 Outbreak

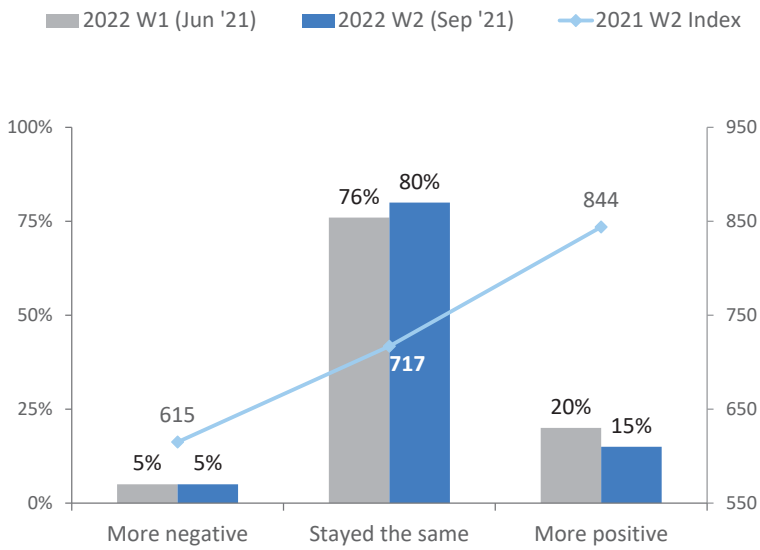


Not aware that any changes have been made

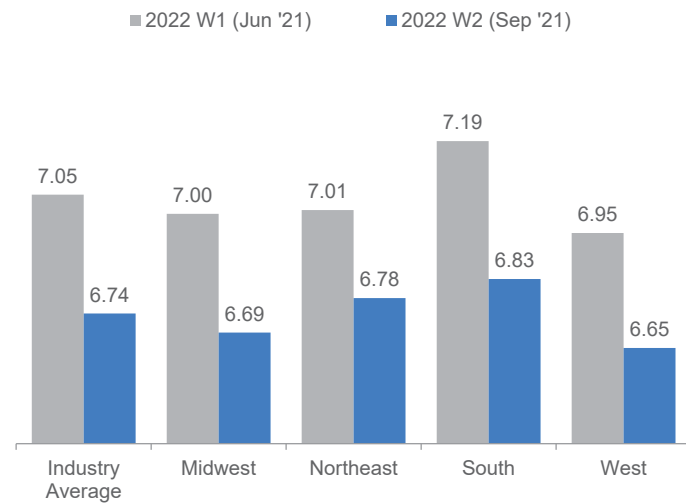
2021 W4 (Mar '21)	2022 W1 (Jun '21)	2022 W2 (Sep '21)
56%	56%	62%

COVID 19 Summary

How Utility Response has Changed Impression of them



Rating: Utility Response to COVID-19 by Region (10 Pt Scale)





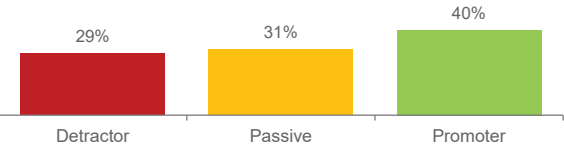
Net Promoter Score

How to Use NPS (Net Promoter Score)

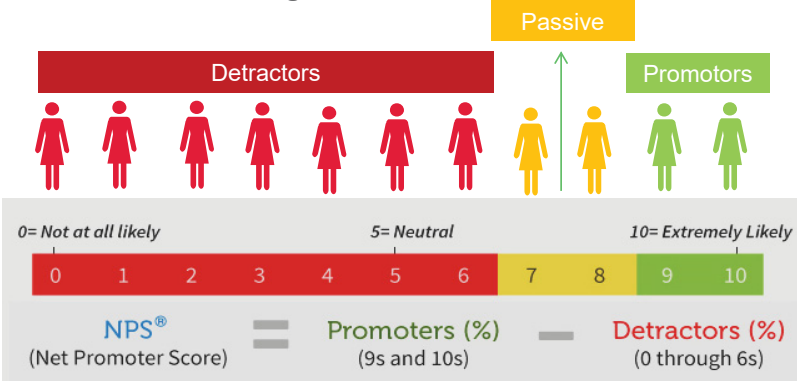
Industry Top NPS Scores

Orange County Utilities	47
City of Atlanta	42
OUC	38
Cobb County Water System	33
Gwinnett County	32
City of Dallas	31
Illinois American Water	31
Miami-Dade County	30
Irvine Ranch Water District*	30
Manatee County	29
Monroe County Water Authority	28
City of Raleigh	26
Aqua-South	26
Aqua-Northeast	24
City of Newport News	24
Overall Industry	11

Industry NPS Groups



“How likely are you to recommend your utility to a friend, relative or colleague?”



NPS Score
Top of mind – Brand Reputation
(Quick measure of the health of your brand)

Overall Satisfaction Index Score
After detailed thought of utility
(Customer satisfaction performance)



Questions

2022 Study Timetable

Wave 1

June 2021 **COMPLETED**

- Readout: July 27, 2021

Wave 2

September 2021 **COMPLETED**

- Readout: October 27, 2021

Wave 3

December 2021

- Readout: January 25, 2022

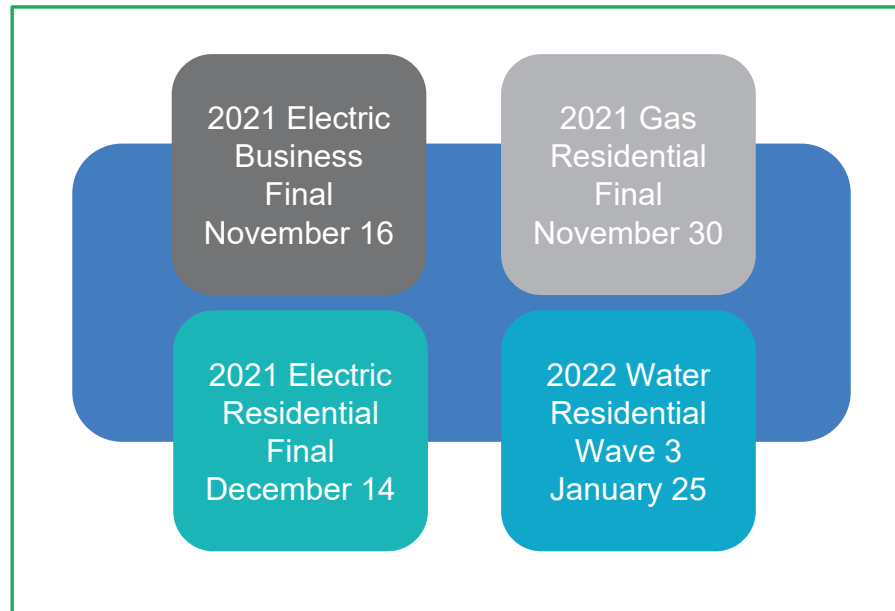
Wave 4

March 2022

- Subscriber Data Access: May 3rd, 2022
- PowerSource Engagement Platform
- PowerSource Cross Table Tool
- Executive Briefing
- Company specific presentation
- Best Practices Web Conference – May 2022

Press Release: May 4th, 2022

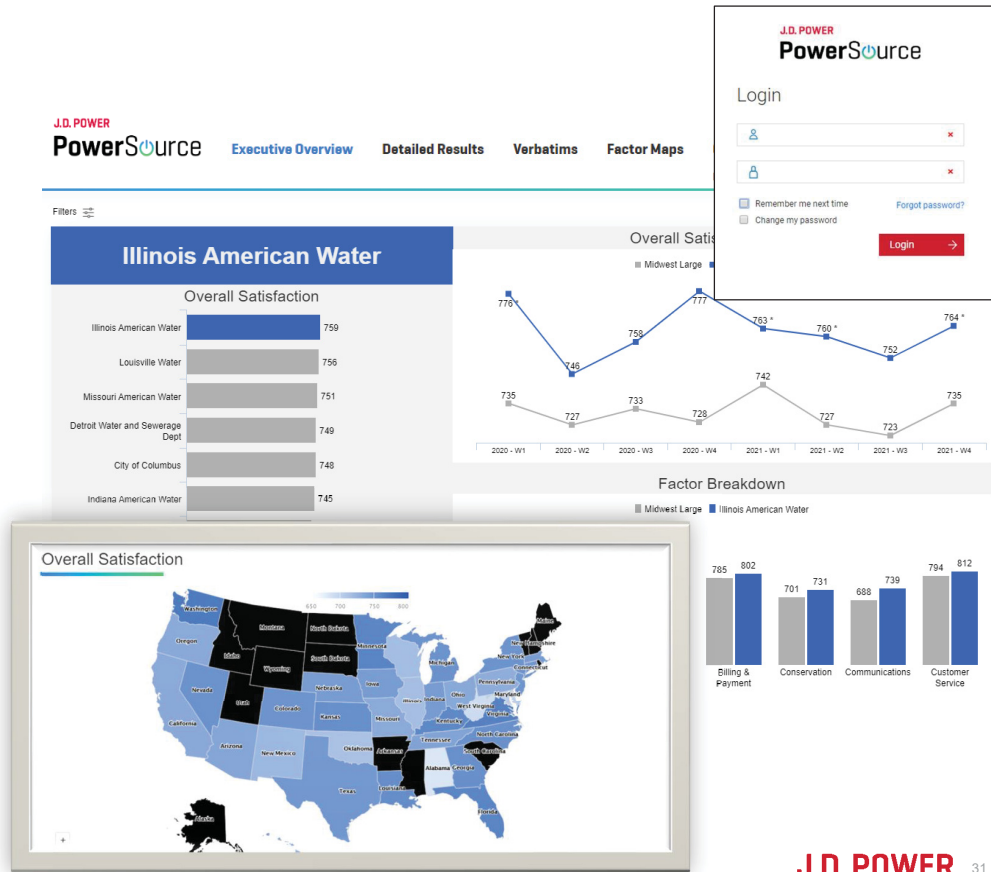
Upcoming Study Releases



PowerSource

- New home for JD Power study data (replaces VoX)
- Intuitive design with drop-downs to quickly select desired benchmarks and filters
- **Scorecards** → client-specific Executive Overview dashboard (study homepage)
- **Detailed Results** provides satisfaction and diagnostic metrics by factor
- Exportable PPT charts for EO and DR views
- Historical data (w/ subscription) is available within the platform
- Cross Table Tool will replace mTAB
- Interactive Factor Maps!
- Videos

<https://powersource.jdpower.com/>

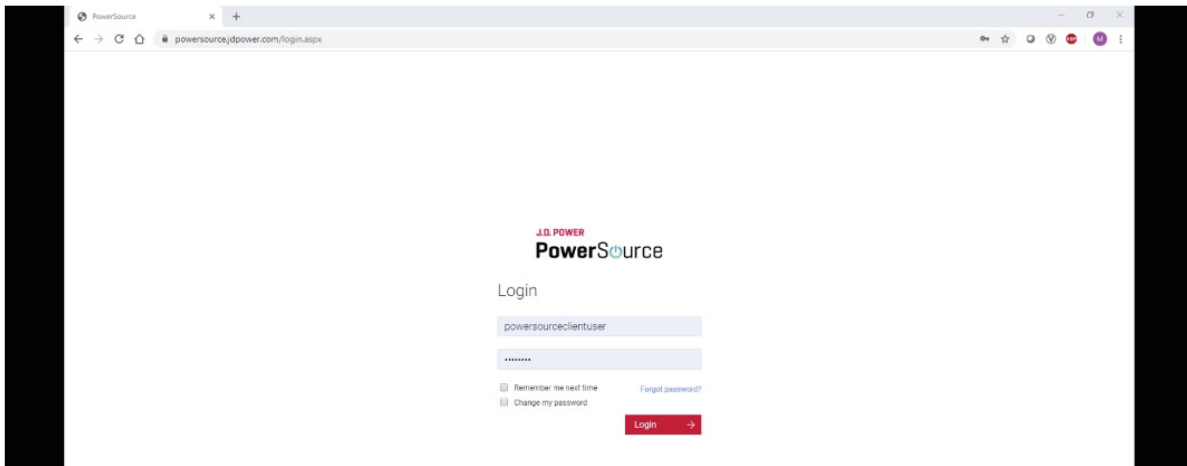


Webcast and Training Videos

Filters

Export Print

Training Video



J.D. POWER

Thank You!



ATTACHMENT 3

CORRECTED

CAW 2024-2026 Hardship Assistance Program Funding							
Districts	United Way annual admin fees (estimate)	United Way one time set up fees (estimate)	Customer Benefit Payout annual	total combined first year annual cost	total three year program cost	total three year ratepayer funded program cost share (75%)	total three year non-ratepayer (Company funded) program cost share (25%)
San Diego	\$ 4,800	\$ 5,000	\$ 45,000	\$ 54,800	\$ 154,400	\$ 115,800	\$ 38,600
Ventura	\$ 4,800	\$ 5,000	\$ 45,000	\$ 54,800	\$ 154,400	\$ 115,800	\$ 38,600
Los Angeles	\$ 4,800	\$ 5,000	\$ 45,000	\$ 54,800	\$ 154,400	\$ 115,800	\$ 38,600
Monterey	\$ 9,600	\$ -	\$ 65,000	\$ 74,600	\$ 223,800	\$ 167,850	\$ 55,950
Sacramento	\$ 9,600	\$ 7,500	\$ 65,000	\$ 82,100	\$ 231,300	\$ 173,475	\$ 57,825
Larkfield	\$ 1,800	\$ 1,500	\$ 7,500	\$ 10,800	\$ 29,400	\$ 22,050	\$ 7,350
Total	\$ 35,400	\$ 24,000	\$ 272,500	\$ 331,900	\$ 947,700	\$ 710,775	\$ 236,925

CAW 2024-2026 Hardship Assistance Program Funding Proposed 70/30 Cost Split Ratepayers/Shareholders							
Districts	United Way annual admin fees (estimate)	Customer Benefit Payout annual	total combined first year annual cost	total three year program cost	total three year ratepayer funded program cost share (70%)	total three year non-ratepayer (Company funded) program cost share (30%)	
San Diego	\$ 4,800	\$ 45,000	\$ 49,800	\$ 149,400	\$ 104,580	\$ 44,820	
Ventura	\$ 4,800	\$ 45,000	\$ 49,800	\$ 149,400	\$ 104,580	\$ 44,820	
Los Angeles	\$ 4,800	\$ 45,000	\$ 49,800	\$ 149,400	\$ 104,580	\$ 44,820	
Monterey	\$ 9,600	\$ 65,000	\$ 74,600	\$ 223,800	\$ 156,660	\$ 67,140	
Sacramento/Frtrdge	\$ 9,600	\$ 65,000	\$ 74,600	\$ 223,800	\$ 156,660	\$ 67,140	
Larkfield/Mdwbrk	\$ 1,800	\$ 7,500	\$ 9,300	\$ 27,900	\$ 19,530	\$ 8,370	
Total	\$ 35,400	\$ 272,500	\$ 307,900	\$ 923,700	\$ 646,590	\$ 277,110	

ATTACHMENT 4

Lower Water Bills

The City of Los Angeles Shows How
Water Conservation and Efficient
Water Rates Produce Affordable and
Sustainable Use

JUNE 2018



CALIFORNIA
WATER EFFICIENCY
PARTNERSHIP



Alliance
for Water
Efficiency



Table of Contents

2	Acknowledgements
3	Introduction
5	Scientific Methodology to Estimate the Economic Value of Conservation Savings
5	Water Demand: With and Without Conservation
7	Water Marginal Cost Estimates: Short and Long Run
9	Avoided Cost Impacts With and Without Conservation
11	Summary

Charts	5	Chart 1: Historic LADWP Population and System Water Demand
	6	Chart 2: LADWP Gallons per Capita per Day
	7	Chart 3: LADWP Actual System Water Demand and Projected Constant GPCD in AFY

Tables	4	Table 1: LADWP Residential Water Rates Fiscal Year 2015-16
	8	Table 2: Water Marginal Cost by Functional Area (LADWP 2014 MC Study, 2013 US\$)
	9	Table 3: Water Marginal Costs Affected by Per Capita Volumetric Conservation (2016 US\$)
	10	Table 4: Estimate of Economic Benefit of Conservation 1990 to 2016

Acknowledgements

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- Bill Christiansen, *Director of Programs*

California Water Efficiency Partnership

- Sarah Foley, *Deputy Director*

Borismetrics

- Boris Prokop, Ph.D., *Proprietor*



Introduction

The Los Angeles Department of Water and Power (LADWP) provides water service to residents of the City of Los Angeles, California. LADWP has been a leader in water efficiency, conservation, and recycled water for decades. In addition to water conservation programs, LADWP has also implemented efficient water rate structures based on marginal costs, and bills customers with a fully volumetric rate and no service charge. Its innovative strategies related to water efficiency and conservation and rates over the years beg the question, “What would the economic impact on bills have been in the City of Los Angeles if none of these activities occurred?” “Are rate payers better off?” The relationship between conservation and water rates is not always well understood. Many water professionals and customers are perplexed by rate increases when system-wide water use has gone down, and blame water conservation and efficiency as the culprit for higher rates.

This white paper argues that this causality needs to be reversed: Higher water rates in a tiered structure send an intentional price signal to customers about the cost consequences of consumptive choices. Water rates that communicate cost consequences to customers provide the information basis for informed choices about efficient water use. Implementation of efficient water rates, efficient plumbing standards, and long-term conservation programs have lowered utility operating costs in the short and long term. This ultimately lowers the cost burden on water customers. This paper explores this dynamic by evaluating the costs that have been avoided by LADWP’s water efficiency and conservation efforts, and the impact on customer bills.

The City of Los Angeles implemented water rate reform in 1992 that incorporated conservation pricing (tiered water rates), conservation programs, and the concept of marginal/incremental cost pricing set to the cost of recycled water. (The City selected recycled water as the least cost incremental water supply source.) Environmental advocates were instrumental in the passage of this rate reform. The City also advocated for national water efficiency standards that were incorporated as plumbing fixture standards (for low-flow shower heads and 1.6 gallon per flush toilets) in the National Energy Policy Act of 1992. California water agencies, including LADWP, also invested money in public media campaigns to advocate for wise water use. Further, California has experienced historic drought conditions in recent years and the City is currently implementing extraordinary conservation measures.

The City recently developed a water marginal cost of service model to set conservation water rates as a continued path to sustainable and affordable rates. The use of marginal cost of service is a progressive methodology in water planning and rate design in contra-distinction to average embedded methods. The existence of the City’s marginal cost of service studies affords a method to measure the economic costs that were avoided by conservation efforts, both by rate design and direct programs such as rebates. The City performed the equivalent of integrated resource plans for water, which provided estimates of incremental supply costs that supported the water marginal cost study. Using the marginal cost study the City adopted the residential four-tier water rate design shown in Table1 (next page).



Table 1: LADWP Residential Water Rates Fiscal Year 2015-16

FY 2015-16	
Schedule A	\$/HCF
Tier 1	\$4.45
Tier 2	\$5.41
Tier 3	\$6.31
Tier 4	\$7.91

This paper sets out to answer the question, “What would have been the economic impact on bills in the City of Los Angeles if none of these activities occurred?”--that is, if conservation had never happened. This is the payoff from more than two decades of efficient water rates and investments in conservation.

The paper provides a technical estimation of the economic benefit of conservation efforts over the last twenty-six years by using avoided marginal costs to value the savings. Historical roots of this analysis can be found in the public purposes of (Dupuit, 1844) and the institutionalist literature on avoided costs and efficient utility pricing (Boiteux, 1949).

The City’s water department lies within the Los Angeles Department of Water and Power (LADWP), which is a joint water and electric department of the City of Los Angeles.

This is the payoff from more than two decades of efficient water rates and investments in conservation.

Scientific Methodology to Estimate the Economic Value of Conservation Savings

The study sets forth what would have happened to water demand and water costs in the City of Los Angeles in the absence of efficiency-oriented rates and conservation programs. It uses the following steps:

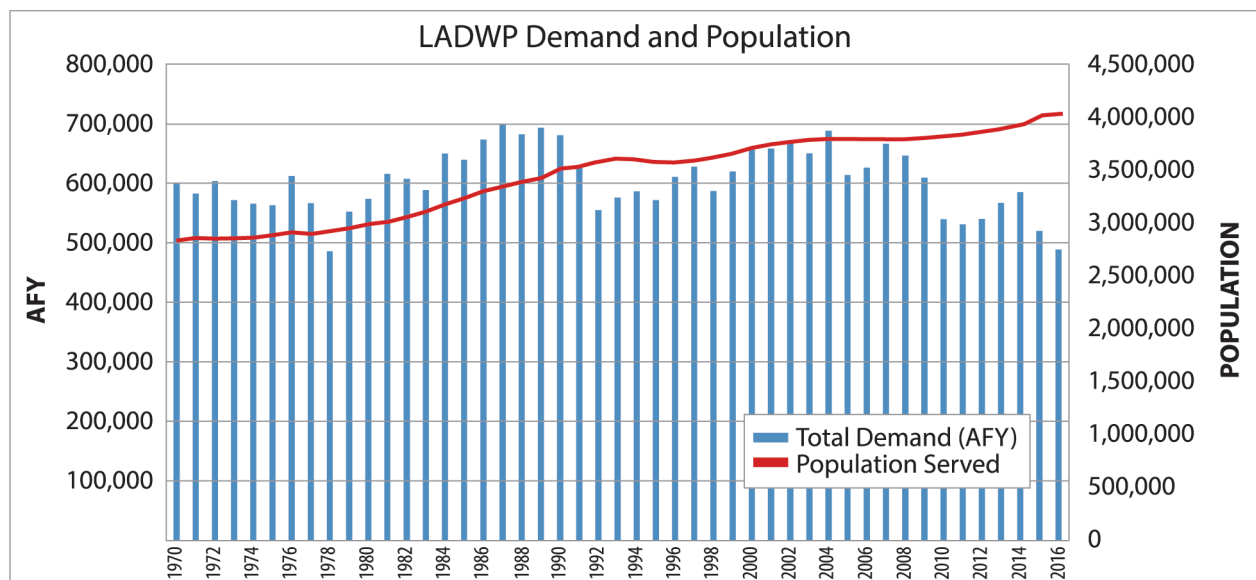
1. Estimate water demand at a constant per capita level (no conservation) and compare to the actual water demand historic path.
2. Estimate short-run marginal costs (O&M), taken from the City's marginal cost model.
3. Estimate long-run marginal costs (supply), taken from the City's marginal cost model.
4. Assess the impact on water revenue requirement and rates, both with and without conservation.

Note that the frame for this economic calculation is bound by the LADWP service area. It is likely that LADWP-sponsored conservation efforts produced benefits outside its service area; outside-of-area benefits are not calculated in this white paper. Similarly, LADWP-sponsored state-level efficiency standards, which have repeatedly set the stage for national water efficiency standards (Vickers, 2001, AWWA M54, 2017), are not separately broken out in the valuation.

Water Demand: With and Without Conservation

To determine the effect of conservation on water demands, annual population (persons) and system water demand (acre-feet per year, AFY) were examined for 1974 to 2016. Chart 1 illustrates annual water demand in acre-feet and the population served by LADWP.

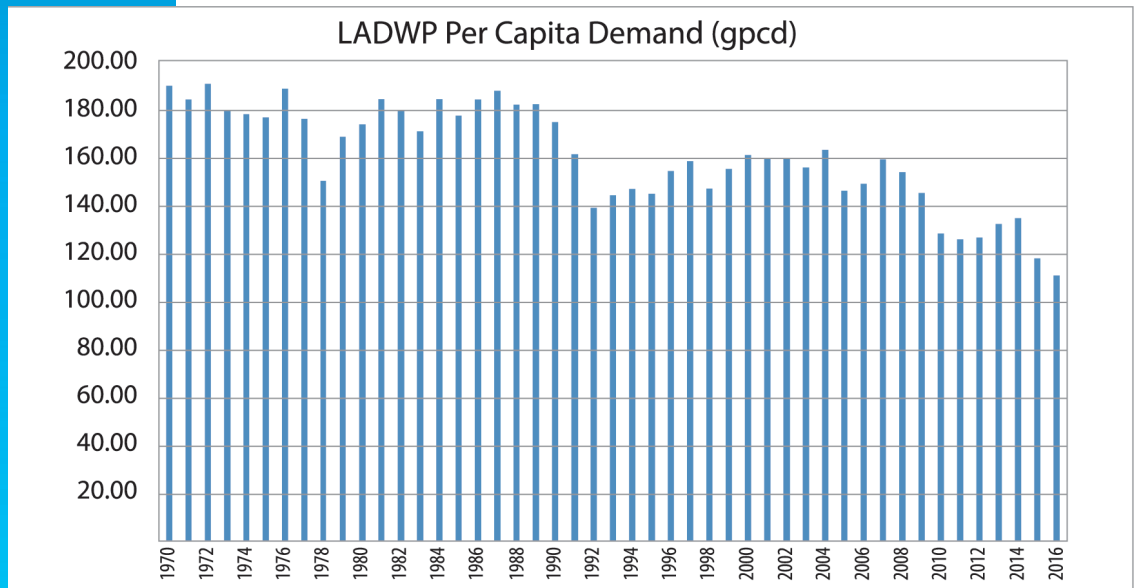
Chart 1: Historic LADWP Population and System Water Demand



Annual water demand fluctuates due to factors such as weather variation and cyclical economic conditions. As can be seen in Chart 1, population is clearly trending upward.

The period of study when significant conservation programs and tiered rate structures occurs from 1990 to the present. To better determine the effect of conservation starting in the 1990s, the data displayed in Chart 1 were converted to gallons per capita per day (gpcd), effectively taking the population trend out of the data. The resulting gallons per capita per day are displayed in Chart 2.

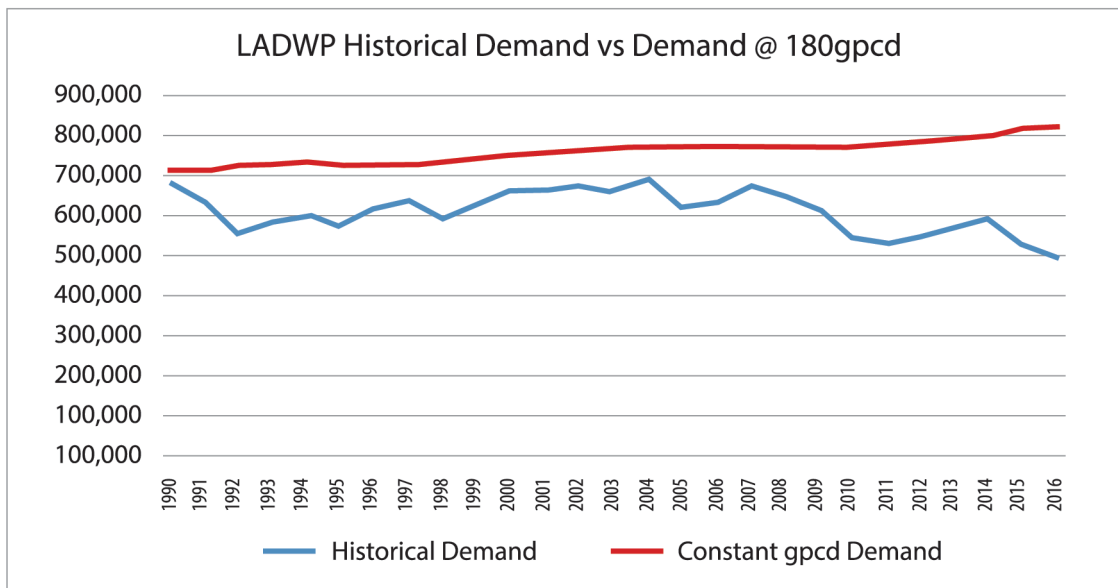
Chart 2: LADWP Gallons per Capita per Day



If one examines the gpcd for the decade before the 1990s, the water demand per person averages 180.2 with limited variation. After 1990, the demand drops below 160 gpcd never to rebound. The analysis uses the difference between the actual annual system water demand from 1990 to 2016 and holds the gallons per capita per day constant at the 180.2 level times the population. This is illustrated in Chart 3.



Chart 3: LADWP Actual System Water Demand and Projected Constant GPCD in AFY



Water Marginal Cost Estimates: Short and Long Run

For over two decades, the City has utilized marginal cost principles to inform water rates. The City was one of the first to implement an increasing tiered rate structure in the United States. In the last year, the City has updated its marginal cost model in anticipation of instituting a new four-tier rate structure. The current marginal cost model summarized by major functional categories is shown in Table 2 in 2013 US dollars per Hundred Cubic Feet (HCF).

**Table 2: Water Marginal Cost by Functional Area
(LADWP 2014 MC Study, 2013 US\$)**

Marginal Unit Cost By Function	MC	Units
Transmission		
Los Angeles Aqueduct Annual Cost (Plant)	\$ 0.08	\$/HCF/annual
Supply		
Supply (O&M)	\$0.31	\$/HCF/annual
Supply (Plant)	\$0.81	\$/HCF/annual
Purchased Water/Long-Run Marginal Supply Cost	\$3.63	\$/HCF/annual
Adder for Bay Delta Conservation Plan Delta Fix, Cap n Trade	\$0.29	\$/HCF/annual
Local Pumping		
	\$0.11	\$/HCF/annual
Water Quality & Regulatory		
Water Quality & Regulatory Capital	\$1.40	\$/HCF/annual
Water Purification (O&M)		
	\$0.19	\$/HCF/annual
Distribution		
Distribution Storage Plant	\$0.18	\$/HCF/annual
Distribution Storage O&M	\$0.09	\$/HCF/annual
Distribution Plant	\$1.16	\$/HCF/annual
Distribution O&M	\$0.42	\$/HCF/annual
Customer Service, Billing		
	\$0.34	\$/HCF/annual
A&G		
	\$0.40	\$/HCF/annual
Total Marginal Cost	\$9.40	

The total marginal cost across all functional categories was \$9.40/HCF (Hundred Cubic Feet) in 2013 US dollars. Only a portion of these costs are affected by per capita volumetric conservation: supply, treatment and local pumping. Table 3 describes the subset of marginal costs affected by the assumed per capita conservation that sums to \$4.25/HCF. The short-run water marginal cost was \$267.83 (2013 US\$) per acre-foot, the long run \$1,582.28 (2013 US\$). Short-run marginal costs were derived from a General Ledger analysis of actual historical year costs. The long-run marginal supply cost was set to the marginal cost of recycled water, adjusted for distribution system loss (i.e., each acre-foot of delivered supply requires more than one acre-foot produced).



Table 3: Water Marginal Costs Affected by Per Capita Volumetric Conservation (2016 US\$)

Marginal Unit Cost By Function	MC/unit	Short-Run	Long-Run	Source Notes
	\$/HCF/annual	\$/AFY	\$/AFY	
Supply (O&M)	\$ 0.31	\$133.34		MC derived from General Ledger analysis of actual historical year costs
Long-Run Marginal Supply Cost	\$3.63		\$1,582.28	MC of Recycled Water from UWMP \$1500/AF (ad. for 5.2% system loss)
Local Pumping	\$0.11	\$49.60		MC derived from General Ledger analysis of actual historical year costs
Water Purification (O&M)	\$0.19	\$84.90		MC derived from General Ledger analysis of actual historical year costs
Total	\$4.25	\$267.83	\$1,582.28	(2013 \$)
Total		\$275.36	\$1,626.74	(2016 \$)

Adjusted for inflation using the California All Urban Consumer Price Index for Los Angeles

Avoided Cost Impacts With and Without Conservation

Given the water marginal cost estimates and the difference in water demand attributed to the study period of 1990 to 2016, the value of water saved can be assessed. The short and long-run water marginal cost estimates in 2016 US dollars are multiplied by the water demand difference. Table 4 shows the resulting sum over the study period for both short and long-run marginal costs is \$7.71 billion in constant dollars (2016 US\$). For comparison purposes, operating revenue for LADWP from 1990 to 2016 was \$21.19 billion in constant dollars (2016 US\$). Thus, actual customer bills would have increased an average of 36.4% ($\sim = \$7.71 / \21.19) to pay for the additional costs caused by constant per capita consumption. Equivalently, one can state that reductions from constant per capita demand—induced by efficient water rates and conservation—produced an average 26.68% ($\sim = \$7.71 / (\$7.71 + \$21.19)$) reduction in customer bills over this period. Table 4 provides a summary of this computation.

Table 4: Estimate of Economic Benefit of Conservation 1990 to 2016

Calculation Step	Short-Run Avoided Costs Real 2016 US \$	Long-Run Avoided Costs Real 2016 US \$	Total
Marginal Cost (2016 US\$/AF)	\$275.36	\$1,626.74	\$1,902.09
Marginal Cost multiplied by the Demand Difference, Summed over 1990-2016 (2016 US\$)	\$1,116,280,476	\$6,594,712,331	\$7,710,992,807
Summed Operating Revenue 1990-2016 total (2016 US\$)			\$21,192,930,837
Percent Bill Reduction, 1990-2016			26.7%
Marginal Cost times Demand Difference, Summed over 1990-2016; Timed Value Adjusted (@ 3.186% real discount rate)	\$1,600,448,745	\$9,455,060,179	\$11,055,508,924

To arrive at an absolute dollar amount, the time stream (1990-2016) of avoided costs in Table 4 were adjusted to reflect the time value of money. A dollar saved in 1990 could have been invested using the real interest rate of 3.19% (financial assumptions in the LADWP Marginal Cost study) resulting in a higher value in 2016. The real interest rate is derived from the LADWP cost of capital (5.25%) and inflation rate (2%) that were the financial assumptions used in the LADWP Marginal Cost Study.¹ The standard present value formula is applied by year to the avoided costs. The sum of the time value adjusted savings over the study period across short and long-term avoided costs is \$11,055,508,924. In other words, an estimate of the present value of savings in water supply, treatment and pumping since 1990 is on the order of \$11 billion (2016 US\$).

¹ An exact formula for the real discount rate can be derived from the Fisher Equation: $r = (n - i) / (1 + i)$ where r is the real discount rate, n is the nominal discount rate, and i is the expected inflation rate. Hanke and Wentworth pointed out material problems to using an additive approximation ($r \approx n - i$) to real interest rates in water resource cost-benefit analysis.



Summary

This paper sets out to answer the question, “What would have been the economic impact on bills in the City of Los Angeles if water rate reform and water conservation had never happened?” Customer bills have been reduced from what they would have otherwise been due to the costs of avoided water supply. Readers should note that this study has focused only on the avoided costs of water supply. Wastewater/stormwater revenue and avoided costs have not been examined in this study, but other studies (Fiske and Chesnutt, 2010) have shown wastewater avoided costs were at least as large as the water supply only costs. Therefore the overall bill savings of both water, wastewater, and stormwater costs from conservation could have been twice as high as the magnitude of the summed water supply costs of \$11 billion (2016 US\$), a significant sum.² Thus, our estimate of a 26.7% real reduction in water supply costs constitutes a lower bound on total water avoided costs as it does not include the effects on customer wastewater bills.

The use of marginal cost of service is a progressive methodology (Boiteux, 1949; Kahn, 1991) in water planning and rate design in contra-distinction to the sole use of average embedded methods. Both are allowed under American rate design standards (AWWA, 2017).³ The marginal cost of service, by measuring and communicating the forward-looking economic costs avoided by demand reduction to customers (whose value Dupuis explicated in 1844), has the advantage of both reducing customer bills and avoiding rate shock (AWWA, 2017). Full cost water pricing using marginal cost methods

² We also note that wastewater avoided costs are more involved and must include the complications from reduced volumetric flow. See the CUWA white papers on the topic, “Adapting to Change: Utility Systems and Declining Flows” November 2017. We note that LADWP appears to have successfully adapted. http://cuwa.org/pubs/CUWA_DecliningFlowsWhitePaper_11-28-17.pdf

³ Both methods are, in fact, still needed. Average-embedded costs still form the basis for determining revenue requirements and marginal/incremental cost methods inform the appropriate price signal in a rate design. See Chesnutt, T.W., et al., (2014) Building Better Water Rates in an Uncertain World, A Water Rates Handbook, Appendix A: Costing Methods.

communicates cost consequences to customers; Customers respond to this price signal. The City of Los Angeles has a long history of water rate innovation, implementation of large scale water-end-use efficiency programs, and has established the political feasibility of instrumental uses of water rates to modulate scarcity and improve customer affordability. The summed avoided water supply costs of \$11 billion (2016 US\$) reduced customer water bills by 26.7%, improved the long-term water sustainability of Los Angeles, and constitutes a meaningful sustainability payoff from two and a half decades of water conservation efforts and efficient water rates.

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ATTACHMENT 5



4701 Beloit Drive
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P (916)-568-4251
F (916) 568-4260

January 4, 2021

California Public Utilities Commission
Water Division
Room 3102, State Building
505 Van Ness Ave.
San Francisco, CA 94102-3298

Dear Division of Water and Audits:

Enclosed please find an original and three copies of Advice Letter No. 1320. Along with the Advice Letter, two copies of the work papers have been enclosed as well.

Regards,

/s/ Kamilah Jones

Kamilah Jones
Financial Analyst III - Rates & Regulatory

CC: Richard Rauschmeier, California Public Utilities Commission, The Public Advocates Office, 505 Van Ness Ave., San Francisco, CA 94102-3298

**CALIFORNIA PUBLIC UTILITIES COMMISSION
DIVISION OF WATER AND AUDITS**

Advice Letter Cover Sheet

Utility Name: California American Water
District: All Districts
CPUC Utility #: U210W
Advice Letter #: 1320
Tier: 1 2 3 Compliance
Authorization: A.20-08-047
Description: Multifamily Assistance Pilot Program

Date Mailed to Service List: January 4, 2021
Protest Deadline (20th Day): January 24, 2021
Review Deadline (30th Day): February 3, 2021
Requested Effective Date: TBD
Rate Impact: \$See AL
See AL%

The protest or response deadline for this advice letter is 20 days from the date that this advice letter was mailed to the service list. Please see the "Response or Protest" section in the advice letter for more information.

Utility Contact: Kamilah Jones
Phone: 916-568-4232
Email: Kamilah.Jones@amwater.com

Utility Contact: Jonathan Morse
Phone: 916-568-4237
Email: Jonathan.Morse@amwater.com

DWA Contact: Tariff Unit
Phone: (415) 703-1133
Email: Water.Division@cpuc.ca.gov

DWA USE ONLY

<u>DATE</u>	<u>STAFF</u>	<u>COMMENTS</u>
_____	_____	_____
_____	_____	_____

[] APPROVED [] WITHDRAWN [] REJECTED

Signature: _____

Comments: _____

Date: _____



4701 Beloit Drive
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P (916)-568-4251
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January 4, 2021

ADVICE LETTER NO. 1320

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

California-American Water Company (U210W) hereby submits for review this advice letter, including the following attached tariff sheets applicable to its California Districts.

Purpose:

The purpose of this advice letter is to comply with Ordering Paragraph 5 of D.20-08-047 which directs California American Water to outline a pilot program that provides a discount to water users in low-income multifamily buildings. California American Water proposes four individual targeted benefits to comply with the request to outline a pilot program. California American Water puts forth these four targeted benefits because it believes together these benefits will provide the best opportunity to explore the potential benefits and challenges of addressing the needs of low-income multi-family water users currently behind a master meter.

The benefits and challenges of developing a water rate assistance program for residents who are behind a master meter, and thus not responsible for paying their water bill, has been widely discussed in recent years. In addition to ratepayer assistance discussions in the Commission's current Low-Income Ratepayer Assistance Order Instituting Rulemaking, R.17-06-024 ("LIRA OIR"), the State Water Resources Control Board ("Water Board") was tasked with examining how to improve water rate assistance with the passage of Assembly Bill ("AB") 401 in 2015. Water Board members, staff and a multi-disciplinary working group that included Commissioners, Staff and regulated water utilities helped develop a report in response to AB 401. In February 2020 the "AB 401 Report" was presented to the Legislature. One component of the AB 401 Report is a recommendation to develop a renters' tax credit to offset the cost of water service for renters who are served through a master meter or are not connected to a community water system.

The AB 401 Report estimates that as many as 44 percent of residential water users in California do not pay their own water bill and that as many as 60 percent of low income Californians are not responsible for paying a water bill directly. These statistics highlight how expanding ratepayer assistance programs to disadvantaged Californians who are not ratepayers would provide benefits to many families.

The AB 401 report is candid in its assessment of the challenge:

While there is no perfect approach to delivering affordability assistance to low-income households which do not directly hold accounts with CWS [community water systems], the renter's water credit approach is feasible because it relies on an existing, successful benefit delivery mechanism instead of creating a new one.

Moreover, its advantages outweigh the disadvantages of alternative approaches such as direct cash assistance (cash, check, electronic bank transfer, other) to eligible households via a new state fund, or working with stakeholders to develop an expanded EBT program that could be safely accessed by all low-income households. (SWRCB Low Income Rate Assistance Final Report, Page 34)

California American Water proposes a multi-pronged approach to delivering benefits in this advice letter because there is no “silver bullet” to address this challenge. California American Water believes that the different housing types and residents who reside in them provide different opportunities to chip away at the issue. Given the amount of study and thinking that has gone into the problem in California by academics, government leaders, advocates and service providers the only clear model that has emerged is one in which a benefit is provided through tax credit and water utilities are not involved.

Nonetheless, California American Water is prepared to work “outside the box” and innovate solutions which is why a multi-pronged approach makes sense for a pilot study. We believe that each component will provide an opportunity to evaluate the efficacy of the solution. The actual benefits delivered to low income residents in multi-family housing should be balanced by the cost, effort and efficiency of benefit delivery methods. This data will help inform future programs for California American Water customers and will also be useful in any number of larger policy efforts in the coming years. As always, scale is important because unlike the energy sector, where a handful of utilities serve most Californians, there are over 400 medium and large water utilities in the state and thousands of smaller systems. California American Water has been a leader in water affordability since introducing the first ratepayer assistance program in the state in 1996 and believes this filing is an important opportunity to further the policy discussion in the state.

Background:

Ordering Paragraph 5 of D.20-08-047, issued on September 3, 2020, states:

California-American Water Company shall file a Tier 3 advice letter, within 120-days of the issuance of this decision, outlining a pilot program that provides a discount to water users in low-income multi-family through their housing providers.

D.20-08-047 also directed California American Water to use the pilot program outlined in AL 1221 as a starting point for its pilot proposals. Specifically, Finding of Fact No. 23 provides:

California-American Water Company’s Advice Letter 1221 for establishing a tariff that provided a discount to low-income multi-family renters through their housing providers establishes a good starting point for a pilot.

In AL 1221 California American Water requested extending Low-Income Ratepayer Assistance (“LIRA”)¹ programs to master metered Affordable Housing Facilities in its Monterey Service area. The proposal extended rate relief to providers/owners, mitigating cost impacts to low-income housing providers, in cases where lease payments, including utilities, are set by government regulation and potential rate increases cannot be passed on to tenants. Eligibility would be based on the California Tax Credit Allocation Committee (“TCAC”). Ultimately, advice Letter was rejected by the CPUC.

Below are the proposed four targeted solutions for the Commission’s review and approval. As stated above, California American Water believes that each component of the overall program (1) supports the aim of extending assistance to residents of multifamily properties, and (2) may provide insight on possible solutions to address the needs of low income water users that reside behind a master meter and thus currently do not qualify for California American Water’s LIRA benefit.

Program Component 1 – Multifamily Housing in Disadvantaged Communities – San Diego Service Area

Program Component 1 would be applicable only to master metered buildings in a disadvantaged or severely disadvantaged community (“DAC/SDAC”) in California American Water’s San Diego Service Area. Under this component, California American Water would target one or more master metered building(s) in a disadvantaged or severely disadvantaged community (“DAC/SDAC”) and establish a partnership to provide Low-Income Ratepayer Assistance program discounts to tenants. This program component would deliver assistance directly to a tenant through a partnership between California American Water and a Community Based-Organization (“CBO”). California American Water intends to use data from the CARE data share with energy companies to identify properties that have individually metered units for energy. Through this process, California American Water may be able to identify water master metered properties with tenants that are qualified for the CARE program. California American Water would use the CARE data share methodology and provide discounts for eligible tenants to a CBO which would then pass the credit directly to the tenant. California American Water currently uses a CBO to administer its crisis assistance fund in Monterey and would build on this experience including developing an agreement to supply reasonable administrative costs.

Eligible tenants would receive the LIRA discount in the applicable service area which includes a meter-based discount and a discount on volumetric charges.

This program will require building partnerships with local CBOs. Resources will need to be devoted to building and maintaining these partnerships and tracking and verifying that discounts are reaching eligible tenants.

¹ D.20-08-047 ordered regulated water utilities to name or rename low-income ratepayer assistance programs “Customer Assistance Program” or (“CAP”). California American Water is putting together a filing which will change the name of its Low-Income Ratepayer Assistance Programs (“LIRA”) to CAP on all applicable tariffs and forms. For the purposes of this filing, California American Water uses the LIRA classification to be consistent with current tariffs.

California American Water would track costs within a separate sub-account of its LIRA Balancing account.

Program Component 2 – Multifamily Low-Income Housing Tax Credit Recipients – Sacramento and Monterey Service Areas

Program Component 2 would provide a discount directly to non-profit and for-profit affordable housing properties in California American Water's Sacramento and Monterey Service Areas that receive the California Low-Income Housing Tax Credit for all units. California American Water has identified 39 candidate properties, 31 in Sacramento and 8 in Monterey, that would be eligible to receive this discount. The utility portion of customer rent in these properties is generally fixed, so rather than providing the discount to tenants, the discount would go to the building owner with the aim of assisting the financial viability and availability of affordable housing in California American Water's service areas.

California American Water has had several conversations with the California Housing Partnership and the California Housing Consortium both of which are supportive of this program component as a means to support the availability of affordable housing in California and with the hope that discounts for affordable housing providers could be expanded across the state.

Eligible master metered account holders would receive the LIRA discount in the applicable service area which includes a meter-based discount and a discount on volumetric charges. Master metered multi-residential buildings are billed under one quantity rate in all California American Water service areas except for Monterey. In Monterey, some buildings may be billed under a multi-residential rate which is a tiered rate. The volumetric rate discount would apply to all usage in both Sacramento and Monterey.

This program will require resources for building and maintaining relationships with willing property owners. It will also require verification of current and ongoing affordable housing tax credit status for 100 percent of the units. To be eligible for this benefit the housing provider must have a minimum of five years remaining on affordable housing deed restrictions for the property. Requiring there be a minimum length of time remaining on deed restrictions provides the best assurance that this benefit will allow housing providers to continue to support the operations and maintenance of affordable housing in the state. This program will apply to eligible tax credit recipient properties in California American Water's Sacramento and Monterey service areas.

Like Program Component 1, California American Water would track costs within a separate sub-account of its LIRA Balancing account.

Program Component 3 – Meter Retrofit for Fruitridge Vista Multifamily units

For Program Component 3, California American Water would identify suitable duplex and four unit multifamily buildings in its Fruitridge Vista Service Area and install individual meters. By installing individual meters, multifamily building tenants would be able to take advantage of the full menu of services offered by California American Water. These services include ratepayer assistance programs, conservation programs and services, payment options and arrangements including payment plans and budget billing, and improved information about water quality including Consumer Confidence Reports and water quality and service emergency notifications.

California American Water acquired the Fruitridge Vista system in February 2020. The Fruitridge Vista system has around 4,400 customers of which almost 3,200 are unmetered. The California Department of Water Resources identifies the Fruitridge Vista Service Area as a “severely disadvantaged community”. California American Water is beginning a meter installation program in Fruitridge Vista, and under Program Component 3 would identify certain multifamily units where the configuration makes installing individual meters practical at a cost similar to installing a meter for single family homes. This service area has approximately 150 duplexes and 50 multifamily buildings which contain four units and a common hot water and laundry facility for each building. Typically, in the Sacramento service area these types of buildings will have individual meters installed. This meter installation expansion could be performed under the current meter installation project, however there would be additional incremental costs associated with installing these meters. California American Water currently estimates a cost for materials and construction of \$6,945 for each single-family property in its meter retrofit program, so a similar incremental cost for each unit in a multi-family building could be expected.

During the previous meter retrofit program for its Sacramento District from around 2003 to 2013, California American Water was successful in placing individual meters for a number of similar units. The total number of individual units that could be individually metered in Fruitridge Vista is unknown at this time because some customer plumbing configurations do not easily lend themselves to this type of meter retrofit work and would remain master metered. Our engineering and construction teams believe the main limiting factor is the configuration of the plumbing between each unit and the property line.

California American Water requests authority to establish a memorandum account to track incremental costs associated with installing meters in these multifamily properties.

Program Component 4 – Low-Income Joint Water and Energy Install Program – Recently Acquired Systems

This Program Component would expand existing water energy retrofit programs that are currently conducted jointly with energy providers to multifamily buildings and mobile home parks. The program that currently extends hot and cold-water measures including appliances, fixtures, and weatherization to low income housing is funded jointly by California American Water and the energy utilities and has predominantly been utilized by single family dwelling households. Typically, the participating energy utility covers the cost of hot water measures such as water heater, showerhead and washing machine upgrades with the water utility covering cold water measure costs such as toilet upgrades, aerators and leak repairs. This program would explore extending the program reach to multifamily buildings and mobile home parks, both master metered and individually metered. Similar to Program Component 1, California American Water would use CARE data to identify tenants that are in individually metered units for electricity, but are master metered for water to qualify them for this program. The extent of program benefits and upgrade measures for each tenant would be based on condition and age of the applicant’s current fixtures and appliances and any previous program participation. Tenants would directly benefit from the measures and owners would benefit from lower water bills. The program will target the recently acquired service areas of Meadowbrook, Hillview, and Dunnigan.

This is a comprehensive program with significant associated costs. California American Water would need to devote resources to identify willing owners, maintain these relationships, and roll out the program. The program budget would not exceed \$200,000.

Like components 1 and 2, California American Water would track costs within a separate sub-account of its Low-Income Ratepayer Assistance Program (“LIRA”) Balancing account .

Request:

Approval to implement the pilot program, including all four components, described herein. California American Water proposes that a report be prepared 12 months after the implementation of the first two project components to examine their effectiveness and will also report on the progress of implementing the third and fourth components. The third component will continue until the meter retrofit project in Fruitridge Vista is completed in 2023 and the fourth component will continue until the end of the 2023 or the approved funding amount is exhausted.

California American Water requests the following tariff changes:

- Modify the language on the Low-Income Ratepayer Assistance (LIRA) Balancing Account preliminary statement to create a subaccount within to record and recover the low-income discounts and incremental costs associated with components 1, 2 and 4 herein.
- Create a Fruitridge Vista Multi-family Meter Retrofit Memorandum Account (“MFMRMA”) preliminary statement which will track the incremental capital necessary to separately meter individual dwelling units on target properties located within a disadvantaged community.
- Modify LIRA-Tariff in the following manner:
 - Modify special condition applicability language in the CA-LIRA tariff.
 - Add special condition language outlining the pilot program, including the four program components.
 - Add LIRA rates based on commercial service and volumetric charges for applicable pilot-program service areas.

Tier Designation:

This advice letter is submitted with a Tier 3 designation.

Effective Date:

Given the this is a Tier 3 filing and requires a Commission resolution, California American Water does not request a specific effective date. However, given the current economic crisis, likely legislative action as a result of the AB 401 Report and the ongoing proceedings related to water affordability that will benefit from additional data we believe this advice letter should be expedited and approved as soon as possible.

Service List:

In accordance with Section 4.3 of General Order 96-B, a copy of this advice letter has been served upon all interested and affected parties as shown in Exhibit A.

Protests and Responses:

Anyone may respond to or protest this advice letter. A response supports the filing and may contain information that proves useful to the Commission in evaluating the advice letter.

A protest objects to the advice letter in whole or in part and must set forth the specific grounds on which it is based. These grounds are:

- (1) The utility did not properly serve or give notice of the advice letter;
- (2) The relief requested in the advice letter would violate statute or Commission order, or is not authorized by statute or Commission order on which the utility relies;
- (3) The analysis, calculations, or data in the advice letter contain material errors or omissions;
- (4) The relief requested in the advice letter is pending before the Commission in a formal proceeding; or
- (5) The relief requested in the advice letter requires consideration in a formal hearing, or is otherwise inappropriate for the advice letter process; or
- (6) The relief requested in the advice letter is unjust, unreasonable, or discriminatory (provided that such a protest may not be made where it would require relitigating a prior order of the Commission).

A protest shall provide citations or proofs where available to allow staff to properly consider the protest.

A response or protest must be made in writing or by electronic mail and must be received by the Water Division within 20 days of the date this advice letter is filed. The address for mailing or delivering a protest is:

Tariff Unit, Water Division, 3rd floor
California Public Utilities Commission,
505 Van Ness Avenue, San Francisco, CA 94102
water_division@cpuc.ca.gov

On the same date the response or protest is submitted to the Water Division, the respondent or protestant shall send a copy by mail (or e-mail) to us, addressed to:

Recipients:
CA Rates
.....

E-Mail:
ca.rates@amwater.com
.....

Mailing Address:
4701 Beloit Drive
Sacramento, CA 95838
Fax: (916) 568-4260

Sarah E. Leeper	sarah.leeper@amwater.com	333 Hayes Street, Ste. 202
.....	San Francisco, CA 94102
<i>Vice President – Legal, Regulatory</i>		Fax: (415) 863-0615
Kamilah Jones	Kamilah.jones@amwater.com	4701 Beloit Drive
.....	Sacramento, CA 95838
<i>Senior Financial Analyst – Rates & Regulatory</i>		Fax: (916) 568-4232

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform the Water Division, within the 20-day protest period, so that a late filed protest can be entertained. The informing document should include an estimate of the date the proposed protest might be voted on.

If you have not received a reply to your protest within 10 business days, contact this person at (916) 568-4232.

CALIFORNIA-AMERICAN WATER COMPANY

/s/ Kamilah Jones

Kamilah Jones
Senior Financial Analyst - Rates & Regulatory

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
XXXX-W	PRELIMINARY STATEMENT (Continued) Sheet 1	9648-W
XXXX-W	PRELIMINARY STATEMENT (Continued) Sheet 1	
XXXX-W	Schedule No. CA-LIRA California American Water LOW INCOME RATEPAYER ASSISTANCE PROGRAM Sheet 1	XXXX-W
XXXX-W	Schedule No. CA-LIRA California American Water LOW INCOME RATEPAYER ASSISTANCE PROGRAM Sheet 8	9751-W
XXXX-W	Schedule No. CA-LIRA California American Water LOW INCOME RATEPAYER ASSISTANCE PROGRAM Sheet 12	9755-W
XXXX-W	Schedule No. CA-LIRA California American Water LOW INCOME RATEPAYER ASSISTANCE PROGRAM Sheet 13	

PRELIMINARY STATEMENT
Summary Table

Sheet 1

Reference	Account	Tariff
A	Territory Served by Utility	9631-W
B	Types and Classes of Service	9631-W
C	Description of Service	9632-W
D	Procedure to Obtain Service	9632-W
E	Symbols	9632-W
F	Affiliate Transaction Rule IV.D.2 Memorandum Account (ATMEMO)	9633-W
G	Catastrophic Event Memorandum Account (CEMA)	9634-W, 9635-W, 9636-W
H	CAW Conservation Surcharge Balancing Account	9637-W
I	Cease and Desist Order Memorandum Account (CDOMA)	9638-W
J	Cease and Desist Order - Penalties and Fines Memorandum Account	9639-W
K	Chromium-6 Memorandum Accounts - Los Angeles County and Sacramento Districts	9640-W, 9641-W
L	Consolidated Expense Balancing Account	9642-W
M	Emergency Rationing Costs Incurred by CAW Memorandum Account	9643-W
N	Endangered Species Act (ESA) Memorandum Account (Monterey Main Service Area)	9644-W
O	Garrapata Service Area Memorandum Accounts	9645-W
P	Garrapata Service Area - SDWSRF Loan Repayment Balancing Account	9646-W
Q	MPWMD Conservation Balancing Account	9647-W
R	Low-Income Ratepayer Assistance Program (LIRA) Balancing Account	XXXX-W, XXXX-W
S	NOAA ESA Memorandum Account	9650-W
T	Other Post-Employment Benefits Balancing Account	9651-W
U	Pension Balancing Account (PBA)	9652-W
V	San Clemente Dam Balancing Account	9653-W
W	Coastal Water Project Memorandum Account	9654-W
X	Seaside Basin Adjudication Balancing Account	9655-W
Y	Seaside Groundwater Basin Balancing Account	9656-W
Z	Water Contamination Litigation Expense Memorandum Account ("WCLEMA")	9657-W
AA	West Placer Memorandum Account	9658-W
AB	Water Revenue Adjustment Mechanism/Modification Cost Balancing Account ("WRAM/MCBA")	9659-W, 9660-W, 9661-W, 9662-W
AC	Leak Adjustment Memorandum Account	9663-W
AD	Water Cost if Capital Adjustment Mechanism	9664-W
AE	Credit Card Fee Memorandum Account	9665-W
AF	Purchased Water, Purchased Power, and Pump Tax Balancing Account	9666-W

(C)

(Continued)

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Advice 1320	J. T. LINAM	Date Filed _____
Decision	DIRECTOR - Rates & Regulatory	Effective _____
		Resolution _____

PRELIMINARY STATEMENT
Summary Table

Sheet 2

Reference	Account	Tariff
AG	School Lead Testing Memorandum Account (SLTMA)	9667-W
AH	The Memorandum Account for Environmental Improvement and Compliance Issues for Acquisitions	9668-W
AI	Dunnigan Consulting Memorandum Account	9669-W
AJ	Water-Energy Nexus Program Memorandum Account (WENMA)	9670-W
AK	Special Facilities Fee Memorandum Account	9671-W
AL	Monterey Service Area Pre-2015 Residential Water Revenue Adjustment Mechanism/Modified Cost Balancing Account ("WRAM/MCBA") Under-collection/recovery Balancing Account	9673-W
AM	Monterey Service Area Pre-2015 Non-Residential Water Revenue Adjustment Mechanism/Modified Cost Balancing Account ("WRAM/MCBA") Under-collection/recovery Balancing Account	9674-W
AN	Public Safety Power Shut-Off Memorandum Account (PSPSMA)	9675-W, 9676-W
AO	General Rate Case Interim Rate True-up Memorandum Account	9677-W
AP	Central Division Leak Adjustment Balancing Account	9678-W
AQ	Two-Way Tax Accounting Memorandum Account (TMA)	9679-W
AR	Sustainable Groundwater Management Act Memorandum Account (SGMA)	9680-W
AS	Group Insurance Balancing Account (GIBA)	9681-W
AT	Rio Plaza Groundwater Management Memorandum Account	9682-W
AU	Rio Plaza Transaction Memorandum Account	9683-W
AV	MPSWP Phase 1 Project Cost Memorandum Account (PCMA)	9684-W
AW	MPSWP Operations and Maintenance Memorandum Account (MOMMA)	9685-W
AX	Meadowbrook CIAC Regulatory Asset	9686-W
AY	All District Conservation Rationing Memorandum Account	9687-W
AZ	Monterey Wastewater Purchased Power Balancing Account	9688-W
BA	Sand City Desalination Plant Purchased Water Balancing Account (SCDPPWBA)	9689-W
BB	Chromium-6 Balancing Account	9690-W
BC	Fruitridge Vista Meter Installation Memorandum Account (FVMIMA)	9691-W
BD	Fruitridge Vista Transaction Memorandum Account (FVTMA)	9692-W
BE	Sacramento Service Area Voluntary Conservation or Mandatory Rationing Memorandum Account (VCMRMA)	9693-W
BF	Hillview Service Area Memorandum & Balancing Accounts	9758-W
BG	Hillview Memorandum Account for Deferred Income Taxes (HMADIT)	9759-W
BH	Fruitridge Vista Multifamily Meter Retrofit Memorandum Account (MFMRMA)	XXXX-W

(N)

(Continued)

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Advice 1320	J. T. LINAM	Date Filed _____
Decision	DIRECTOR - Rates & Regulatory	Effective _____
		Resolution _____

PRELIMINARY STATEMENT
(Continued)

Sheet 1

R. Low-Income Ratepayer Assistance Program (“LIRA”) Balancing Account

1. PURPOSE:

The purpose of the LIRA Balancing Account is to track the LIRA discounts provided, the LIRA surcharges collected, and to adjust the LIRA surcharges on January 1 of each year. The surcharge will be applicable to all non-low-income water and wastewater customers. California American Water was granted authority to continue this account in Decision (D.) 18-12-021. Decision (D.) 20-08-047 ordered California American Water to implement a pilot program providing low-income customer discounts for water users in master metered multi-family housing. This balancing account contains a sub-account which records low-income discounts and incremental costs associated with the: 1) San Diego Service Area Multifamily Housing in Disadvantaged Communities Program, 2) Sacramento and Monterey Service Area Multifamily Low-Income Housing Tax Credit Recipients Program, and 3) Low-Income Joint Water and Energy Install Program in Recently Acquired Systems. Specifics of the pilot program are included in California American Water Low-Income Ratepayer Assistance Program tariff. This pilot will run from the time of actual implementation of all components of the pilot program for a period of 12-month period, after which time a report will be submitted to the Commission. However, the component costs and low-income discounts will continue to be tracked in this account until such time as the Commission approves the component to become a permanent part of the low income program, or rejects the particular component and all customers currently receiving discounts from the program are notified 3-months in advance of the termination of the program component. Costs accumulated in this subaccount will be recovered as part of the annual surcharge in the first Rate Case after the Commission rejects, partially accepts/rejects or fully accepts the components of the pilot program.

(N)

(N)

2. APPLICABILITY:

All areas served by California American Water.

3. ANNUAL SURCHARGE ADJUSTMENT:

The surcharge will be evaluated and adjusted annually in the annual Step Rate filings and will reflect:

- a. A forecast of the December 31st balance in the LIRA for the current year that reflects.
 - i. The most recent recorded balance;
 - ii. The assumption that the proportion of LIRA to non-LIRA residential enrollment in September will remain constant as a proportion of adopted numbers for October through December; and
 - iii. The assumption that current LIRA surcharges will be applied to the estimated non-LIRA portion of adopted sales (adopted sales minus estimated LIRA sales based on the proportion of LIRA to non-LIRA residential customers in September), plus interest; and

(Continued)

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Advice	1320	J. T. LINAM	Date Filed	_____
Decision		DIRECTOR - Rates & Regulatory	Effective	_____
			Resolution	_____

PRELIMINARY STATEMENT
(Continued)

Sheet 2

R. Low-Income Ratepayer Assistance Program (“LIRA”) Balancing Account (continued):

b. A forecast of the December 31 balance in the LIRA for the following year that reflects:

- i. The assumption that the proportion of LIRA to non-LIRA residential enrollment in September of the previous year will remain constant as a proportion of adopted numbers; and
- ii. The assumption that the new surcharges will be applied to the estimated non-LIRA portion of adopted sales (adopted sales minus estimated LIRA sales based on the proportion of LIRA to non-LIRA residential customers in September of the previous year), plus interest.

(L)
|
(L)

4. ACCOUNTING PROCEDURE:

The following entries will be recorded continued with the date of Decision (D.) 18-12-021:

- a. A debit entry equal to the recorded customer discounts.
- b. A credit entry equal to the surcharges collected from the customers not qualified to participate in the LIRA.
- c. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90-day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

5. RATEMAKING PROCEDURE:

Low income discount of 20%, for all districts except for the Monterey Service Area within Central Division, shall be applied to all monthly service fees, the tier one billed usage amount and the tier two usage amount. A low-income discount of 30% for Monterey Service Area shall be applied to all monthly service fees, and the first four tiers billed usage. Surcharges will be evaluated and adjusted annually in the annual Step Rate filings to ensure appropriate collection.

(Continued)

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Advice	1320	J. T. LINAM	Date Filed	_____
Decision		DIRECTOR - Rates & Regulatory	Effective	_____
			Resolution	_____

PRELIMINARY STATEMENT
(Continued)

Sheet 1

BH. Fruitridge Vista Multifamily Meter Retrofit Memorandum Account (MFMRMA)

(N)

1. PURPOSE:

The purpose of the Fruitridge Vista Multifamily Meter Retrofit Memorandum Account is to track the incremental costs incurred to individually meter the currently master-metered duplex and multi-plex units in the newly acquired Fruitridge Vista service area. The Fruitridge system has around 4,400 customers of which almost 3,200 are unmetered. California-American Water is currently authorized, and must by law, install meters on all current unmetered services by 2025. This program will run for three years from 2021 to 2023 and California-American Water Company (California American Water) will track all incremental costs, above those already authorized to convert the current meters, including those that are master metered and will be this program become individually metered, in this account and request recovery of the tracked costs through a Tier 3 advice letter to place into rates the cost tracked to the MFMRMA, according to the procedures described below. The cost associated with the MFMRMA will be recovered from non-low-income customers on a statewide basis.

1. APPLICABILITY:

Applicable to the Fruitridge Vista Service Area.

2. ACCOUNTING PROCEDURE:

During the three year program period from 2021 to 2023, the "incremental costs", those costs to individually meter currently master metered services, will be tracked in this account including: engineering, design, permitting, construction, capital carrying, labor, overhead, operations and maintenance, and capital related costs (including return on investment, income taxes, ad valorem tax, depreciation, and other taxes and fees), as well as, Allowance for Funds Used During Construction ("AFUDC") on the capital investment that are over and above those that the Commission has approved for recovery through base rates.

- a. A debit or credit entry equal to incremental expenses, as described above;
- b. A debit or credit entry equal to the incremental revenue requirement of each operationally in-service and closed to plant capital investment for meters (including return on investment, income taxes, ad valorem tax, depreciation, and other taxes and fees), as described above;
- c. A monthly debit or credit entry equal to the average balance in each segment of the account multiplied by 1/12th of the most recent month's interest rate on Commercial Paper (prime, 90-day) published in the Federal Reserve Statistical Release H-15.
- d. Account balances will be amortized as part of a general rate case or via advice letter, at the Company's discretion, per Standard Practice U-27-W.

3. RATEMAKING PROCEDURE:

Currently there is no ratemaking component to this memorandum account. Request for recovery of any balances may be made through a one-time Tier 3 advice letter or through California American Water's next GRC and are to be processed according to General Order 96-B and Standard Practices or otherwise determined in a Commission decision. Upon Commission review and approval, of balances. Cost incurred will be collected statewide for this memorandum account.

(N)

(Continued)

<p>(TO BE INSERTED BY UTILITY)</p> <p>Advice 1320</p> <p>Decision</p>	<p>ISSUED BY</p> <p>J. T. LINAM</p> <p>DIRECTOR - Rates & Regulatory</p>	<p>(TO BE INSERTED BY C.P.U.C.)</p> <p>Date Filed _____</p> <p>Effective _____</p> <p>Resolution _____</p>
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Schedule No. CA-LIRA
California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

Sheet 1

APPLICABILITY

Applicable to individually metered and flat rate residential customers, qualified non-profit group living facilities, qualified agricultural employee housing facilities, and migrant farm worker housing centers, and qualified Multifamily housing providers under the Multi-family Ratepayer Assistance Pilot Program where the customer meets all the special conditions of this schedule. (N)

TERRITORY

All territories served by California American Water Company

RATES:

Northern Division:

Sacramento Service Area

Quantity Rates:

	<u>Base Rate</u>	
	<u>Per 100 gal (CGL)</u>	
For the first 74.8 CGL	\$0.3170	(P)
For next 74.8 CGL	\$0.4250	(P)
For all water delivered over 149.6 CGL.....	\$0.8315	(P)

Multi-Family Pilot Customers: \$0.3696 (N)

Service Charge: General Metered

	<u>Per Meter Per Month</u>	
For 5/8 x 3/4-inch meter.....	\$11.94	(P)
For 3/4-inch meter.....	\$17.92	
For 1-inch meter.....	\$29.86	
For 1-1/2-inch meter.....	\$59.71	
For 2-inch meter.....	\$95.53	
For 3-inch meter.....	\$179.12	
For 4-inch meter.....	\$298.54	
For 6-inch meter.....	\$597.08	
For 8-inch meter.....	\$955.33	
For 10-inch meter.....	\$1,373.28	
For 12-inch meter.....	\$2,567.44	(P)

Larkfield Service Area

Quantity Rates:

	<u>Base Rate</u>	
	<u>Per 100 gal (CGL)</u>	
For the first 52.4 CGL	\$0.7204	(P)
For the next 52.4 CGL.....	\$0.7788	
For the next 139.4 CGL.....	\$1.3849	(P)
For all water delivered over 243.9 CGL.....	\$1.8010	

(Continued)

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Advice 1320	J. T. LINAM	Date Filed _____
Decision	DIRECTOR - Rates & Regulatory	Effective _____
		Resolution _____

Schedule No. CA-LIRA
 California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

RATES:

Central Division:

Monterey Service Area

Residential Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>	
For the first 29.9 CGL.....	\$0.6260	(P)
For the next 29.9 CGL.....	\$0.9389	
For the next 44.9 CGL.....	\$2.1909	
For the next 67.3 CGL.....	\$4.0688	
For all water over 172.0 CGL.....	\$7.1539	(P)

Multifamily Pilot Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>	
For the first 29.9 CGL.....	\$0.5959	(N)
For the next 29.9 CGL.....	\$0.8939	
For the next 44.9 CGL.....	\$2.0858	
For the next 67.3 CGL.....	\$5.5337	
For all water over 172.0 CGL.....	\$6.8107	(N)

Service Charge: General Metered

	<u>Per Meter</u> <u>Per Month</u>	
For 5/8 x 3/4-inch meter.....	\$15.03	(P)
For 3/4-inch meter.....	\$26.32	
For 1-inch meter.....	\$52.60	
For 1-1/2-inch meter.....	\$164.91	
For 2-inch meter.....	\$281.45	
For 3-inch meter.....	\$527.71	
For 4-inch meter.....	\$923.50	
For 6-inch meter.....	\$1,978.93	
For 8-inch meter.....	\$3,166.29	(P)

Central Satellite -- Ambler Park, Toro, Ralph Lane, Garrapata Service Areas

Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>	
For the first 59.8 CGL.....	\$0.5239	(P)
For the next 74.8 CGL.....	\$0.8731	
For the next 650.8 CGL.....	\$1.0478	
For all water over 785.4 CGL.....	\$1.9100	(P)

(Continued)

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Advice 1320	J. T. LINAM	Date Filed _____
Decision	DIRECTOR - Rates & Regulatory	Effective _____
		Resolution _____

Schedule No. CA-LIRA
California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

RATES (Continued):

Rio Plaza Service Area

Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>	
For the first 45 CGL.....	\$0.1569	(P)
For the next 45 CGL.....	\$0.2543	(P)
For all water delivered over 90 CGL.....	\$0.4546	(P)

Service Charge: General Metered

	<u>Per Meter</u> <u>Per Month</u>	
For 3/4-inch meter.....	\$24.18	 (P)
For 1-inch meter.....	\$40.32	
For 1-1/2-inch meter.....	\$80.61	
For 2-inch meter.....	\$129.03	
For 3-inch meter.....	\$241.88	
For 4-inch meter.....	\$403.12	

San Diego Service Area

Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>	
For the first 59.8 CGL.....	\$0.6199	 (P)
For the next 52.4 CGL.....	\$0.6966	
For the next 112.2 CGL.....	\$1.2821	
For all water delivered over 224.4 CGL.....	\$1.7218	(P)

Multi-Family Pilot Customers \$0.6884 (N)

Service Charge: General Metered

	<u>Per Meter</u> <u>Per Month</u>	
For 5/8 x 3/4-inch meter.....	\$6.04	 (P)
For 3/4-inch meter.....	\$9.06	
For 1-inch meter.....	\$15.11	
For 1-1/2-inch meter.....	\$30.21	
For 2-inch meter.....	\$48.34	
For 3-inch meter.....	\$90.64	
For 4-inch meter.....	\$151.07	
For 6-inch meter.....	\$302.13	
For 8-inch meter.....	\$483.41	
For 10-inch meter.....	\$694.91	

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Advice 1320	J. T. LINAM	Date Filed _____
Decision	DIRECTOR - Rates & Regulatory	Effective _____
		Resolution _____

Schedule No. CA-LIRA
California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

SPECIAL CONDITIONS APPLICABLE TO LOW INCOME (Continued):

(L)

General Items:

(L)

3. Low-Income Ratepayer Assistance Program (LIRA) for Nonprofit Group Living Facilities: (Continued)

4. Additional requirements:

Group living facilities must provide special-needs social services such as meals or rehabilitation and may have satellite facilities in the name of one licensed organization that meet the same requirements as the main facility.

Homeless shelters, hospices and women's shelters must provide lodging as the primary Function, must be open for operation with at least six beds for a minimum of 180 days and/or nights per year and may also have satellite facilities in the name of one licensed organization that meet the same requirements as the main facility.

Separate applications must be filed for each type of facility (a homeless shelter, a women's shelter, a hospice or group living facility), even if they are under one licensed organization.

5. Low-Income Ratepayer Assistance Program for Multi-Family Units: Per Ordering Paragraph 5 of D.20-08-047, California American Water will offer discounts on water usage for low-income multifamily buildings under a pilot program as defined in the Preliminary Statement authorizing such program. The pilot program will consist of four program components:

(N)

a. Multi-Family Housing in Disadvantaged Communities: This Program component would be applicable only to master metered buildings in a disadvantaged or severely disadvantaged community ("DAC/SDAC") in the San Diego Service Area.

1. Eligible master metered account holders would receive the Low-Income Ratepayer Assistance Discount in the applicable service area which includes a meter-based discount and a discount on volumetric charges, based on the percentage of eligible residents as compared to the total residents.

2. This program will require building partnerships with local community-based organizations in our San Diego Service Area.

(N)

(Continued)

Table with 3 columns: (TO BE INSERTED BY UTILITY), ISSUED BY, (TO BE INSERTED BY C.P.U.C.). Includes fields for Advice, Decision, J. T. LINAM, DIRECTOR - Rates & Regulatory, Date Filed, Effective, and Resolution.

Schedule No. CA-LIRA
California American Water

LOW INCOME RATEPAYER ASSISTANCE PROGRAM

SPECIAL CONDITIONS APPLICABLE TO LOW-INCOME RATEPAYER ASSISTANCE PROGRAM

(N)

(Continued):

General Items

4. **Low-Income Ratepayer Assistance Program for Multifamily Units:** (Continued)

- b. **Multifamily Low-Income Housing Tax Credit:** This program component would provide a discount directly to the owner/operators of non-profit and for-profit affordable housing properties tax credit recipients. California American Water has identified properties in Sacramento and Monterey Service Areas eligible for this credit.
 - 1. Eligible master metered account holders would receive the Low-Income Ratepayer Assistance discount of 20% in Sacramento and 30% in Monterey which includes a discount on meter-based and volumetric charges.
 - 2. Eligibility is defined as rental housing developments that are subject to a regulatory agreement with the California Tax Credit Allocation committee. And to be eligible for this benefit the housing provider must have a minimum of five years remaining on affordable housing deed restrictions for the housing provider of the property.
 - 3. This program will require building partnerships with local community-based organizations in the Sacramento and Monterey Service Areas.
- c. **Meter Retrofit for Fruitridge Vista Multifamily Units:** This program component would identify suitable duplex and four-unit multifamily buildings and install individual meters, instead of master meters as currently projected and authorized to be installed.
- d. **Low-Income Joint Water and Energy Install Program:** This program component would expand existing water energy retrofit programs that are currently conducted jointly with energy providers to currently un-served multifamily buildings and mobile home parks. The program that currently extends hot and cold-water measures including appliances, fixtures, and weatherization to low-income housing is funded jointly by California American Water and the energy utility.

(N)

Fees and Surcharges

- 1. Please reference each district's Tariff Schedule 1 for a list of applicable fees and surcharges. Low-Income Ratepayer Assistance Program customers are exempt from the Low-Income Ratepayer Assistance Balancing Account surcharge.

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			Resolution	_____

ALL DISTRICTS SERVICE LIST
CALIFORNIA-AMERICAN WATER COMPANY
ADVICE LETTER 1320

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ADVICE LETTER 1320

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CALIFORNIA-AMERICAN WATER COMPANY
ADVICE LETTER 1320

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CALIFORNIA-AMERICAN WATER COMPANY
ADVICE LETTER 1320
SUPPORTING DOCUMENTATION FOR STAFF

Multifamily Pilot Program – All Districts
TABLE OF CONTENTS

	<u>Page</u>
Ordering Paragraph D.20-08-047	1-1
Cancelled Tariffs	2-1

R.17-06-024 COM/MGA/avs

9. The process to achieve consolidation should be as effective and efficient as possible.
10. Water utilities should provide analysis in their next GRC case to determine the appropriate Tier 1 breakpoint that aligns with the baseline amount of water for basic human needs for each ratemaking area.
11. Water utilities should consider and provide analysis for establishing a baseline not set below both the Essential Indoor Usage of 600 cubic feet per household per month, as stated in the Affordability Rulemaking (R.18-07-006) and the average winter use in each ratemaking district.
12. California-American Water Company should be directed to file a Tier 3 advice letter, within 120-days of the issuance of this decision, outlining a pilot program based on AL1221 that provides a discount to low-income multi-family dwellings through their housing providers.
13. All other Class A water utilities interested in creating a low-income multi-family pilot program should file a Tier 3 advice letter that includes at least the same level of detail.
14. All pending motions in this proceeding not specifically addressed in this decision, or not previously addressed, should be denied as moot.
15. This proceeding should remain open to consider Phase II issues.

O R D E R

IT IS ORDERED that:

1. In any future general rate case applications filed after the effective date of this decision, a water utility must discuss how these specific factors impact the sales forecast presented in the application:

R.17-06-024 COM/MGA/avs

- (a) Impact of revenue collection and rate design on sales and revenue collection;
- (b) Impact of planned conservation programs;
- (c) Changes in customer counts;
- (d) Previous and upcoming changes to building codes requiring low flow fixtures and other water-saving measures, as well as any other relevant code changes;
- (e) Local and statewide trends in consumption, demographics, climate population density, and historic trends by ratemaking area; and
- (f) Past Sales Trends.

2. Water utilities shall provide analysis in their next general rate case applications to determine the appropriate Tier 1 breakpoint that is not less than the baseline amount of water for basic human needs for each ratemaking area.

3. California-American Water Company, California Water Service Company, Golden State Water Company, Liberty Utilities (Park Water) Corporation, and Liberty Utilities (Apple Valley Ranchos Water) Corporation, in their next general rate case applications, shall not propose continuing existing Water Revenue Adjustment Mechanisms/Modified Cost Balancing Accounts but may propose to use Monterey-Style Water Revenue Adjustment Mechanisms and Incremental Cost Balancing Accounts.

4. Commission regulated water utilities shall name or rename their respective low-income water assistance program as "Customer Assistance Program" as part of their next general rate case applications. Water utilities with low-income programs shall describe their programs in filings and public

R.17-06-024 COM/MGA/avs

outreach with the name “Customer Assistance Program.” Water utilities may use the CAP acronym where appropriate.

5. California-American Water Company shall file a Tier 3 advice letter, within 120-days of the issuance of this decision, outlining a pilot program that provides a discount to water users in low-income multi-family through their housing providers.

6. Each water utility shall comply with existing reporting requirements as summarized below:

- Annual reporting requirements from Decision (D.) 11-05-004.
- To each Annual Report, reference Minimum Data Requests submitted in the prior year period as part of 1) General Rate Case (GRC) filing, 2) applications for acquisitions (or expansion based on new requirement in this decision).
- Compliance, and associated data and analysis with orders from D.14-10-047, and D.16-12-026 in each GRC filing.
- Inclusion of disconnection and payment behaviors required in this proceeding beginning in June 2020 through June 2021.

7. In any application by a water utility for consolidation or acquisition of another system, the utility shall provide the information identified in Section 10, Water Consolidation Timelines, above as part of the application or with the Minimum Data Request in order to help streamline consideration of its application.

R.17-06-024 COM/MGA/avs

8. All pending motions in this proceeding not specifically addressed in this decision, or not previously addressed, are denied.

9. Rulemaking 17-06-024 remains open to consider Phase II issues.

This order is effective today.

Dated August 27, 2020, at San Francisco, California.

MARYBEL BATJER

President

MARTHA GUZMAN ACEVES

CLIFFORD RECHTSCHAFFEN

GENEVIEVE SHIROMA

Commissioners

I will file a dissent.

LIANE M. RANDOLPH

Commissioner

Reference	Account	Tariff	
AG	School Lead Testing Memorandum Account (SLTMA)	9667-W	(L) (T)
AH	The Memorandum Account for Environmental Improvement and Compliance Issues for Acquisitions	9668-W	(D)
AI	Dunnigan Consulting Memorandum Account	9669-W	(D)
AJ	Water-Energy Nexus Program Memorandum Account (WENMA)	9670-W	(T)
AK	Special Facilities Fee Memorandum Account	9671-W	(T) (D)
AL	Monterey Service Area Pre-2015 Residential Water Revenue Adjustment Mechanism/Modified Cost Balancing Account ("WRAM/MCBA") Under-collection/recovery Balancing Account	9673-W	(T)
AM	Monterey Service Area Pre-2015 Non-Residential Water Revenue Adjustment Mechanism/Modified Cost Balancing Account ("WRAM/MCBA") Under-collection/recovery Balancing Account	9674-W	(T)
AN	Public Safety Power Shut-Off Memorandum Account (PSPSMA)	9675-W, 9676-W	(T)
AO	General Rate Case Interim Rate True-up Memorandum Account	9677-W	
AP	Central Division Leak Adjustment Balancing Account	9678-W	
AQ	Two-Way Tax Accounting Memorandum Account (TMA)	9679-W	
AR	Sustainable Groundwater Management Act Memorandum Account (SGMA)	9680-W	
AS	Group Insurance Balancing Account (GIBA)	9681-W	(D)
AT	Rio Plaza Groundwater Management Memorandum Account	9682-W	(L) (T)
AU	Rio Plaza Transaction Memorandum Account	9683-W	(L)
AV	MPSWP Phase 1 Project Cost Memorandum Account (PCMA)	9684-W	(L)
AW	MPSWP Operations and Maintenance Memorandum Account (MOMMA)	9685-W	(L)
AX	Meadowbrook CIAC Regulatory Asset	9686-W	(L) (N)
AY	All District Conservation Rationing Memorandum Account	9687-W	(N)
AZ	Monterey Wastewater Purchased Power Balancing Account	9688-W	(N)
BA	Sand City Desalination Plant Purchased Water Balancing Account (SCDPPWBA)	9689-W	(N)
BB	Chromium-6 Balancing Account	9690-W	(N)
BC	Fruitridge Vista Meter Installation Memorandum Account (FVMIMA)	9691-W	(L)
BD	Fruitridge Vista Transaction Memorandum Account (FVTMA)	9692-W	(L)
BE	Sacramento Service Area Voluntary Conservation or Mandatory Rationing Memorandum Account (VCMRMA)	9693-W	(N)
BF	Hillview Service Area Memorandum & Balancing Accounts	9758-W	
BG	Hillview Memorandum Account for Deferred Income Taxes (HMADIT)	9759-W	

06/22/2020
02/10/2020

CANCELLED

R. Low-Income Ratepayer Assistance Program (“LIRA”) Balancing Account

(L)(T)

1. PURPOSE:

The purpose of the LIRA Balancing Account is to track the LIRA discounts provided, the LIRA surcharges collected, and to adjust the LIRA surcharges on January 1 of each year. The surcharge will be applicable to all non-low-income water and wastewater customers. California American Water was granted authority to continue this account in Decision (D.) 18-12-021.

(T)

(T)

(T)

2. APPLICABILITY:

All areas served by California American Water.

3. ANNUAL SURCHARGE ADJUSTMENT:

The surcharge will be evaluated and adjusted annually in the annual Step Rate filings and will reflect:

(T)

a. A forecast of the December 31st balance in the LIRA for the current year that reflects.

(T)

i. The most recent recorded balance;

ii. The assumption that the proportion of LIRA to non-LIRA residential enrollment in September will remain constant as a proportion of adopted numbers for October through December; and

(T)

iii. The assumption that current LIRA surcharges will be applied to the estimated non-LIRA portion of adopted sales (adopted sales minus estimated LIRA sales based on the proportion of LIRA to non-LIRA residential customers in September), plus interest; and

(T)

(T)

(T)

b. A forecast of the December 31 balance in the LIRA for the following year that reflects:

(T)

i. The assumption that the proportion of LIRA to non-LIRA residential enrollment in September of the previous year will remain constant as a proportion of adopted numbers; and

(T)

ii. The assumption that the new surcharges will be applied to the estimated non-LIRA portion of adopted sales (adopted sales minus estimated LIRA sales based on the proportion of LIRA to non-LIRA residential customers in September of the previous year), plus interest.

(T)

(T)

(L)

06/22/2020
02/10/2020

CANCELLED

APPLICABILITY

Applicable to individually metered and flat rate residential customers, qualified non-profit group living facilities, qualified agricultural employee housing facilities, and migrant farm worker housing centers where the customer meets all the special conditions of this schedule. (C)
(C)

TERRITORY

All territories served by California American Water Company

RATES:

Northern Division:

Sacramento Service Area

Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>
For the first 74.8 CGL	\$0.3133
For next 74.8 CGL	\$0.4200
For all water delivered over 149.6 CGL.....	\$0.8217

Service Charge: General Metered

	<u>Per Meter</u> <u>Per Month</u>
For 5/8 x 3/4-inch meter.....	\$11.80
For 3/4-inch meter.....	\$17.70
For 1-inch meter.....	\$29.50
For 1-1/2-inch meter.....	\$59.00
For 2-inch meter.....	\$94.40
For 3-inch meter.....	\$177.00
For 4-inch meter.....	\$295.00
For 6-inch meter.....	\$590.00
For 8-inch meter.....	\$944.00
For 10-inch meter.....	\$1,357.00
For 12-inch meter.....	\$2,537.00

Larkfield Service Area

Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>
For the first 52.4 CGL	\$0.7119
For the next 52.4 CGL	\$0.7696
For the next 139.4 CGL.....	\$1.3685
For all water delivered over 243.9 CGL.....	\$1.7798

09/11/2020
10/12/2020

RATES (Continued):

Rio Plaza Service Area

Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>
For the first 45 CGL.....	\$0.1550
For the next 45 CGL.....	\$0.2513
For all water delivered over 90 CGL.....	\$0.4492

Service Charge: General Metered

	<u>Per Meter</u> <u>Per Month</u>
For 3/4-inch meter.....	\$23.90
For 1-inch meter.....	\$39.84
For 1-1/2-inch meter.....	\$79.66
For 2-inch meter.....	\$127.50
For 3-inch meter.....	\$239.01
For 4-inch meter.....	\$398.34

San Diego Service Area

Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>
For the first 59.8 CGL.....	\$0.6126
For the next 52.4 CGL.....	\$0.6884
For the next 112.2 CGL.....	\$1.2670
For all water delivered over 224.4 CGL.....	\$1.7015

Service Charge: General Metered

	<u>Per Meter</u> <u>Per Month</u>
For 5/8 x 3/4-inch meter.....	\$5.97
For 3/4-inch meter.....	\$8.96
For 1-inch meter.....	\$14.93
For 1-1/2-inch meter.....	\$29.86
For 2-inch meter.....	\$47.77
For 3-inch meter.....	\$89.57
For 4-inch meter.....	\$149.28
For 6-inch meter.....	\$298.55
For 8-inch meter.....	\$477.68
For 10-inch meter.....	\$686.67

(L)

(N)

(N)

(L)

(L)

09/11/2020
10/12/2020

CANCELLED

CALIFORNIA-AMERICAN WATER COMPANY

655 W. Broadway, Suite 1410
San Diego, CA 92101

Cancelling Revised
Revised

Cal. P.U.C. Sheet No. 9862-W
Cal. P.U.C. Sheet No. 9747-W

Schedule No. CA-LIRA
California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

Sheet 4

RATES:

Central Division:

Monterey Service Area

Quantity Rates:

	<u>Base Rate</u>	
	<u>Per 100 gal (CGL)</u>	
For the first 29.9 CGL.....	\$0.6185	(R)
For the next 29.9 CGL.....	\$0.9278	
For the next 44.9 CGL.....	\$2.1649	
For the next 67.3 CGL.....	\$4.0205	
For all water over 172.0 CGL.....	\$7.0690	(R)

Service Charge: General Metered

	<u>Per Meter</u>
	<u>Per Month</u>
For 5/8 x 3/4-inch meter.....	\$14.85
For 3/4-inch meter.....	\$26.01
For 1-inch meter.....	\$51.98
For 1-1/2-inch meter.....	\$162.95
For 2-inch meter.....	\$278.11
For 3-inch meter.....	\$521.46
For 4-inch meter.....	\$912.55
For 6-inch meter.....	\$1,955.46
For 8-inch meter.....	\$3,128.75

Central Satellite -- Ambler Park, Toro, Ralph Lane, Garrapata Service Areas

Quantity Rates:

	<u>Base Rate</u>
	<u>Per 100 gal (CGL)</u>
For the first 59.8 CGL.....	\$0.5177
For the next 74.8 CGL.....	\$0.8629
For the next 650.8 CGL.....	\$1.2943
For all water over 785.4 CGL.....	\$1.8875

(Continued)

(TO BE INSERTED BY UTILITY)

Advice 1315
Decision

ISSUED BY

J. T. LINAM
DIRECTOR - Rates & Regulatory

(TO BE INSERTED BY C.P.U.C.)

Date Filed 11/13/2020
Effective 01/01/2021
Resolution _____

CANCELLED

SPECIAL CONDITIONS APPLICABLE TO LOW INCOME (Continued):

(L)

General Items:3. **Low-Income Ratepayer Assistance Program (LIRA) for Nonprofit Group Living Facilities:**
(Continued)

c. Additional requirements:

Group living facilities must provide special-needs social services such as meals or rehabilitation and may have satellite facilities in the name of one licensed organization that meet the same requirements as the main facility. Group living facilities include transitional housing such as drug rehabilitation centers or halfway houses, short-or long-term – care facilities, group homes for the physically or mentally Challenged and other nonprofit group living facilities.

Homeless shelters, hospices and women’s shelters must provide lodging as the primary Function, must be open for operation with at least six beds for a minimum of 180 days and/or nights per year and may also have satellite facilities in the name of one licensed organization that meet the same requirements as the main facility.

Separate applications must be filed for each type of facility (a homeless shelter, a women’s shelter, a hospice or group living facility), even if they are under one licensed organization.

Fees and Surcharges:

1. Please reference each district’s Tariff Schedule 1 for a list of applicable fees and surcharges. Low Income Rate Assistance customers are exempt from the Low-Income Ratepayer Assistance Program (“LIRA”) Balancing Account surcharge.

(L) (T)

09/11/2020
10/12/2020

CANCELLED

DATE OF ISSUANCE: 06/03/2022

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

WATER DIVISION

RESOLUTION W-5241

June 2, 2022

RESOLUTION

(RES. W-5241), CALIFORNIA-AMERICAN WATER COMPANY, ORDER AUTHORIZING IMPLEMENTATION OF A MULTI-FAMILY ASSISTANCE PILOT PROGRAM AND ASSOCIATED COST TRACKING IN A MODIFIED CUSTOMER ASSISTANCE PROGRAM BALANCING ACCOUNT.

By Advice Letter 1320, filed January 4, 2021.

SUMMARY

By Advice Letter (AL) 1320, filed on January 4, 2021, California-American Water Company (Cal-Am) seeks authority to implement a multi-family assistance pilot program as directed by Decision 20-08-047, Ordering Paragraph 5, and track associated costs in a modified Customer Assistance Program (CAP) balancing account and a new Fruitridge Vista Multi-family Meter Retrofit (MFMR) Memorandum Account. This Resolution authorizes Cal-Am to implement a multi-family assistance pilot program and track associated costs in a modified CAP balancing account.

BACKGROUND

In Order Instituting Rulemaking (R.) 17-06-024, the Commission seeks to examine rate assistance for all low-income water users of investor-owned water utilities. Decision (D.) 20-08-047, adopted by the Commission on August 27, 2020, directs California-American Water Company (Cal-Am) to outline a pilot program that provides a discount to water users in low-income multi-family housing:

“Ordering Paragraph 5. California-American Water Company shall file a Tier 3 advice letter, within 120-days of the issuance of this decision, outlining a pilot program that provides a discount to water users in low-income multi-family through their housing providers.”

In Advice Letter (AL) 1320, filed on January 4, 2021, Cal-Am seeks to implement a multifamily assistance pilot program through four components:

1. Program Component 1 – Multi-family Housing Discounts in Disadvantaged Communities – San Diego Service Area.
2. Program Component 2 – Multi-family Low-Income Housing Tax Credit Recipients – Sacramento and Monterey Area.
3. Program Component 3 – Meter Retrofit for Fruitridge Vista Multi-family Units.
4. Program Component 4 – Low-Income Joint Water and Energy Install Program – Recently Acquired Systems.

Through Component 1, Cal-Am will identify eligible tenants in the San Diego Service Area within master metered buildings and work with Community Based Organizations to provide CAP discounts directly to tenants, who pay a share of the master metered bill. A total CAP discount for the building would be calculated by using the proportion of CARE/CAP eligible tenants out of the total amount of housing units, which would then be divided equally among eligible tenants.

Component 2 would provide discounts in the Sacramento and Monterey Service Areas to affordable housing properties,¹ which as a whole are eligible for California Low-Income Housing Tax Credits for all units. The building owner would receive the discount because tenants are charged a fixed fee for utilities, regardless of the actual master metered bill. The tenants would not receive a discount directly.

Component 3 would provide individual water meters to tenants in duplexes and four-unit multifamily buildings in the Fruitridge service area. The metered tenants will be able to utilize Cal-Am's ratepayer assistance programs, conservation programs, and payment options.

Component 4 would expand existing water energy retrofit programs in all of Cal-Am's service areas that are currently conducted jointly with energy providers to multifamily buildings and mobile home parks. The retrofit program that currently extends hot and cold-water measures, including appliances, fixtures, and weatherization, to low-income housing is funded jointly by Cal-Am and the energy investor-owned utilities and has

¹ Affordable housing properties have verified affordable housing tax credit status for 100 percent of its units.

predominantly been utilized by single-family households. Typically, the participating energy utility covers the cost of hot water measures, such as water heater, showerhead, and washing machine upgrades, with the water utility covering cold water measure costs, such as toilet upgrades, aerators, and leak repairs. This component would explore extending the program applicability to multifamily buildings and mobile home parks, both master metered and individually metered.

Costs of Components 1, 2, and 4 would be tracked in Cal-Am's existing Customer Assistance Program (CAP)² balancing account. Component 3 costs would be tracked in Cal-Am's proposed Multi-family Meter Retrofit (MFMR) memorandum account.

In AL 1320, Cal-Am requests to implement a multi-family assistance pilot program, track costs in a sub-account of the CAP balancing account, and establish the MFMR memorandum account with the proposed modified tariffs attached to this Resolution (Attachment A³):

1. Customer Assistance Program (CAP) Balancing Account. This balancing account will contain a sub-account which records low-income discounts and incremental costs associated with the multi-family assistance pilot program. Costs accumulated in this sub-account may be requested for recovery as part of the annual surcharge in Cal-Am's first General Rate Case Proceeding following approval of this Resolution.
2. Fruitridge Vista Multi-family Meter Retrofit Memorandum Account (MFMR). This memorandum account would track incremental costs incurred to individually meter the currently master-metered duplex and multi-plex units in the newly acquired Fruitridge Vista service area. Recovery of the tracked costs may be requested by Tier 3 advice letter to place into rates the costs tracked in the MFMR memorandum account.

Cal-Am would include a report in the General Rate Case Proceeding expected to be filed in July 2025 that examines the effectiveness, enrollment figures, and a quantification of benefits of the first project component. The report would also describe in detail the progress of implementing the fourth component.

² Cal-Am's Low Income Ratepayer Assistance (LIRA) program was renamed the Customer Assistance Program (CAP) by advice letter 1326 filed on March 5, 2021.

³ MFMR removed from requested tariffs in Attachment A.

NOTICE AND PROTESTS

Consistent with General Order (GO) 96-B, General Rule 4.2 and Water Industry Rule 3.1, Cal-Am provided notice of this request in customer bills.

In accordance with GO 96-B, General Rules 4.3 and 7.2, and Water Industry Rule 4.1, Cal-Am mailed or electronically transmitted a copy of this advice letter on January 4, 2021 to competing and adjacent utilities and other utilities or interested parties having requested such notification.

No protests were received.

DISCUSSION

D.20-08-047 authorizes Cal-Am to outline a pilot program that provides a discount to water users in low-income multi-family through their housing providers modeled after Cal-Am's previously filed and rejected AL 1221. In AL 1221, Cal-Am requested to provide CAP discounts to operators of "Affordable Housing Facilities" that qualify through California Tax Credit Allocation Committee compliance. The advice letter was rejected because the request did not provide detail on how the cost of water service is factored into "Affordable Housing Facilities" lease rates and would not provide substantial assistance to the majority of low-income tenants in multi-family residences. The new discounts would have only applied to a low number of facilities in the Monterey District and tenants would not receive discounts directly.

In compliance with D.20-08-047, Cal-Am filed AL 1320 on January 4, 2021 seeking to implement a multifamily assistance pilot program through four components. Program Component 1 offers a discount to water users in low-income multi-family housing as prescribed in D.20-08-047.

Through Program Component 1, Cal-Am would target one or more master metered building(s) in a disadvantaged or severely disadvantaged community and establish a partnership to provide Customer Assistance Program (CAP) discounts to tenants. For Program Component 1, Water Division has determined that there are approximately 2,057 potential discount recipients in the San Diego district. The cost of these discounts, based on typical customer usage, is estimated to be \$209,000 per year, or \$101.60 per recipient.

Program Component 2 would offer a discount to the owners of affordable housing properties with verified affordable housing tax credit status and who charge a fixed fee for utilities. For Program Component 2, Water Division has determined that there are approximately 2,488 potential discount recipients in the Sacramento and Monterey districts. The cost of these discounts is estimated to be \$160,000 per year, or \$64.31 per recipient.

Program Component 3 proposes retrofitting meters to multi-family buildings in the Fruitridge Vista service area to individual metering. Water Division has determined that Program Component 3 costs to retrofit Fruitridge Vista's 150 duplex and 50 four-unit buildings are estimated to be \$6,945 per unit for a total of \$3,472,500. The costs would be tracked in the MFMR memorandum accounting and Cal-Am would request recovery by Tier 3 advice letter if this memorandum account was approved.

Program Component 4 proposes to expand Cal-Am's existing water energy retrofit programs to include multi-family buildings and mobile home parks. Cal-AM proposes that the budget for the water energy multi-family retrofit program will not exceed \$200,000 for the duration of the pilot program. Costs would be tracked in a sub-account of the CAP balancing account to be recovered by surcharge in Cal-Am's General Rate Case expected to be filed in July 2025.

We find that the multi-family assistance pilot program consisting of Components 1 and 4 are reasonable and in compliance with D.20-08-047. These pilot program components offer an opportunity to deliver benefits to low-income renters in multi-family buildings that do not pay a water bill directly. Costs for Program Component 1 should be capped at \$250,000 per year to capture the estimated costs and allow for a degree of uncertainty. We find Cal-Am's proposed \$200,000 budget for component 4 is reasonable and should be approved.

We find that Program Component 2 is not consistent with the parameters outlined for pilot programs in D.20-08-047. Specifically, this decision required among other things that an advice letter proposing pilot programs outline and address "[h]ow the utility will trace the program benefit directly to the users who do not receive water bills?" D.20-08-047 page 81. Program Component 2 does not deliver discounts or benefits directly to low-income renters as described in D.20-08-047, and therefore the program benefits do not trace directly to the users of water. For this reason, Program Component 2 should be rejected.

We also find that Program Component 3 is not a prudent and reasonable component of the multi-family low-income discount pilot program outlined by D.20-08-047. The installation of individual meters is not based on the discount program proposed in Advice Letter 1221. Furthermore, the installation costs are high given that there are no quantifiable benefits. Program Component 3 of the proposed multi-family low-income discount pilot program should be rejected, as should the request to open a memorandum account for the purpose of implementing Component 3.

Cost tracking of for pilot program Components 1 & 4 through modifications to Cal-Am's existing CAP balancing account will allow for review of the pilot program and associated costs. Program Component 1 and 4 costs should be capped at the amounts outlined above. Costs accumulated in this sub-account may be requested for recovery as part of the annual CAP surcharge collected from all non-customer assistance program customers in Cal-Am's General Rate Case Proceeding expected to be filed in July 2025. All associated tariffs are attached to this Resolution as Attachment A.

In the General Rate Case proceeding expected to be filed in July 2025, Cal-Am should include a report that examines the effectiveness of Program Components 1 and 4. This report shall examine the effectiveness, enrollment figures, and a quantification of benefits of the first project component. The report shall describe in detail the progress of implementing the fourth component. In the aforementioned General Rate Case proceeding, continuation of the pilot program can be determined.

ENVIRONMENTAL AND SOCIAL JUSTICE

In February 2019, the Commission adopted version 1.0 of its Environmental and Social Justice Action Plan (ESJ Action Plan) to serve as a roadmap to expand public inclusion in Commission decision-making processes to targeted communities across California. The ESJ Action Plan establishes a series of goals related to health and safety, consumer protection, program benefits, and enforcement in all the sectors the Commission regulates. On October 26, 2021, the Commission issued for public comment a Draft of its ESJ Action Plan Version 2.0, which enhances the underlying objectives of the nine goals identified in Version 1.0 of the adopted ESJ Action Plan. All goals remained the same with the exception of goal #7 related to workforce development, which has been revised to include emphasis on job quality and access. With this Resolution, the Commission addresses Goals #1 and #3 of the ESJ Action Plan, "Consistently integrate equity and access considerations throughout

WD

Commission regulatory activities; and strive to improve access to high-quality water, communications, and transportation services for ESJ communities.”

The Commission acknowledges that some populations in California, such as those served in multi-family housing situations, are unable to take advantage of the Commission’s Consumer Assistance Programs. The ESJ Action Plan tasks the Commission with the responsibility to serve Californians in a way that helps address these inequities. The actions proposed in this Resolution for establishing a multi-family assistance pilot program creates a pathway to provide affordable water service to communities that currently do not have access to the Commission’s Consumer Assistance Programs.

Meadowbrook, located in Merced County, is classified as a disadvantaged community, as defined by Health and Safety Code Section 116275, subd. (aa). The California Communities Environmental Health Screening Tool, Version 3 (CalEnviroScreen 3.0) provided by the California Environmental Protection Agency, identifies disadvantaged communities by collecting multiple metrics and outputting a single value at the census tract scale. CalEnviroScreen 3.0 ranks Meadowbrook in the 90-95th percentile of the highest scoring census tracts statewide. The census tract falls into the 84th percentile for Impaired Water and in the 78th percentile for Groundwater Threats.

A portion of Rosemont, located in Sacramento County, is classified as a disadvantaged community, as defined by Health and Safety Code Section 116275, subd. (aa). CalEnviroScreen 3.0 ranks Rosemont in the 90-95th percentile of the highest scoring census tracts statewide. The census tract falls into the 72nd percentile for Impaired Water and in the 93rd percentile for Groundwater Threats.

Fruitridge, located in Sacramento County, is classified as a disadvantaged community, as defined by Health and Safety Code Section 116275, subd. (aa). CalEnviroScreen 3.0 ranks Fruitridge in the 75-80th percentile of the highest scoring census tracts statewide. The census tract falls into the 49th percentile for Impaired Water and in the 85th percentile for Groundwater Threats.

Cal-Am's San Diego service area is not classified as a disadvantaged community, as defined by Health and Safety Code Section 116275, subd. (aa). CalEnviroScreen 3.0 ranks San Diego in the 60-65th percentile of the highest scoring census tracts statewide. The census tract falls into the 29th percentile for Impaired Water and in the 64th percentile for Groundwater Threats.

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Cal-Am's Monterey service area is not classified as a disadvantaged community, as defined by Health and Safety Code Section 116275, subd. (aa). CalEnviroScreen 3.0 ranks Monterey in the 20-25th percentile of the highest scoring census tracts statewide. The census tract falls into the 63rd percentile for Impaired Water and in the 90th percentile for Groundwater Threats.

Dunnigan, located in Yolo County, is not classified as a disadvantaged community, as defined by Health and Safety Code Section 116275, subd. (aa). CalEnviroScreen 3.0 ranks Dunnigan in the 55-60th percentile of the highest scoring census tracts statewide. The census tract falls into the 96th percentile for Impaired Water and in the 93rd percentile for Groundwater Threats.

Hillview, located in Madera County, is not classified as a disadvantaged community, as defined by Health and Safety Code Section 116275, subd. (aa). CalEnviroScreen 3.0 ranks Hillview in the 20-25th percentile of the highest scoring census tracts statewide. The census tract falls into the 15th percentile for Impaired Water and in the 61st percentile for Groundwater Threats.

Given these definitions and considerations, we find that Cal-Am's pilot program will provide rate relief to low-income water users not otherwise eligible under the Commission's Consumer Assistance Program.

AFFORDABILITY OF PROPOSED RATES

The affordability impact of the pilot program shall be evaluated in Cal-Am's pilot program report in the General Rate Case expected to be filed in July 2025.

COMMENTS

Public Utilities Code Section 311(g)(1) provides that resolutions generally must be served on all parties and subject to at least 30 days public review and comment prior to a vote of the Commission.

Accordingly, this Proposed Resolution was mailed for public comment on April 29, 2022.

No Comments were received.

FINDINGS AND CONCLUSIONS

1. On January 4, 2021, California-American Water Company (Cal-Am) filed Advice Letter (AL) 1320 requesting authority to implement a multifamily assistance pilot program as directed by Decision 20-08-047, Ordering Paragraph 5, and track associated costs in a modified Customer Assistance Program (CAP) balancing account and a new Fruitridge Vista Multi-family Meter Retrofit (MFMR) Memorandum Account as laid out in Attachment A, with exception for the MFMR Memorandum Account, to this Resolution.
2. The Customer Assistance Program (CAP) Balancing Account will contain a sub-account which records low-income discounts and incremental costs associated with the multi-family assistance pilot program. Costs accumulated in this sub-account may be requested for recovery as part of the annual CAP surcharge collected from all non-customer assistance program water and wastewater customers in Cal-Am's General Rate Case expected to be filed in July 2025.
3. On February 2, 2021, Water Division suspended AL 1320 for additional time to review.
4. Program Component 1 proposes to offer a CAP discount to water users in low-income multi-family housing in the San Diego service area.
5. Program Component 1 pilot costs are estimated to total \$209,000 per year.
6. Program Component 1 should be approved with costs capped at \$250,000 per year and tracked in a sub-account of the CAP balancing account.
7. Program Component 2 proposes to offer a discount to owners of affordable housing properties with verified affordable housing tax credit status and who charge a fixed fee for utilities.
8. Program Component 2 pilot costs are estimated to total \$160,000 per year.
9. Program Component 2 should be rejected because it does not provide discounts directly to low-income renters and consequently the program benefits to water users as contemplated in Decision 20-08-047.
10. Program Component 3 proposes retrofitting multi-family buildings in the Fruitridge Vista service area with individual water meters.

11. Program Component 3 pilot costs are estimated to total \$3,472,500 and would be tracked in a newly established memorandum account.
12. Program Component 3 of the pilot program to retrofit meters in the Fruitridge district is not a prudent use of funding from the CAP program because the benefits to prospective recipients do not exceed the program costs and should be rejected.
13. Program Component 4 proposed expanding existing water energy retrofit programs available to single-family residences to include multi-family buildings and mobile home parks.
14. Program Component 4 pilot costs are estimated to total \$200,000 per year.
15. The Program Component 4 should be approved with a budget that should not exceed \$200,000 for the duration of the pilot program.
16. California-American Water Company should be allowed to implement a sub-account to the Customer Assistance Program (CAP) Balancing Account as set forth in this Resolution (Attachment A).
17. The tariff schedules attached to this Resolution (Attachment A) should be approved in a subsequent Tier 1 advice letter filing.
18. Cal-Am should include a report in the General Rate Case proceeding expected to be filed in July 2025 that examines the effectiveness, enrollment figures, and a quantification of benefits of the first project component. The report shall describe in detail the progress of implementing the fourth component. In the aforementioned General Rate Case proceeding, the continuation of the pilot program should be determined.

THEREFORE, IT IS ORDERED THAT:

1. California-American Water Company's Advice Letter 1320 requesting Commission authorization to implement a multi-family assistance pilot program as directed by Decision 20-08-047, Ordering Paragraph 5, and track associated costs in a modified Customer Assistance Program (CAP) balancing account is approved as modified and set forth in this Resolution.
2. Program Component 1 of the pilot program to offer low-income discounts to water users in low-income multi-family housing in the San Diego service area is approved.
3. Program Component 1 pilot costs shall be capped at \$250,000 per year.
4. Program Component 2 of the pilot program to offer low-income discounts to owners of affordable housing properties is rejected.
5. Program Component 3 of the pilot program to retrofit multi-family buildings in the Fruitridge Vista service area to individual metering is rejected.
6. The request for establishment of a new Fruitridge Vista Multi-family Meter Retrofit Memorandum Account is rejected.
7. Program Component 4 of the pilot program to expand the water energy retrofit program to include multi-family buildings and mobile home parks is approved.
8. The Program Component 4 budget shall not exceed \$200,000 for the entirety of the pilot program.
9. California-American Water Company is authorized to file a Tier 1 advice letter to make effective the tariff schedules in Attachment A to this Resolution.
10. California-American Water Company is authorized to cancel the presently-effective tariff schedules corresponding to the tariff schedules in Attachment A to this Resolution.
11. Cal-Am shall include a report in the General Rate Case expected to be filed in July 2025 that examines the effectiveness, enrollment figures, and a quantification of benefits of the first project component. The report shall also describe in detail the progress of implementing the fourth component.

12. In the General Rate Case proceeding expected to be filed in July 2025, continuation of the pilot program shall be determined.

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 June 2, 2022; the following Commissioners voting favorably thereon:

/s/RACHEL PETERSON

RACHEL PETERSON
Executive Director

ALICE BUSCHING REYNOLDS
President

CLIFFORD RECHTSCHAFFEN

GENEVIEVE SHIROMA

DARCIE L. HOUCK

JOHN REYNOLDS

Commissioners

ATTACHMENT A

CALIFORNIA-AMERICAN WATER COMPANY 655 W. Broadway, Suite 1410 San Diego, CA 92101	Cancelling Revised Revised	Cal. P.U.C. Sheet No. Cal. P.U.C. Sheet No.	XXXX-W 9648-W
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PRELIMINARY STATEMENT Sheet 1
(Continued)

R. Low-Income Ratepayer Assistance Program ("LIRA") Balancing Account

1. PURPOSE:

The purpose of the LIRA Balancing Account is to track the LIRA discounts provided, the LIRA surcharges collected, and to adjust the LIRA surcharges on January 1 of each year. The surcharge will be applicable to all non-low-income water and wastewater customers. California American Water was granted authority to continue this account in Decision (D.) 18-12-021. Decision (D.) 20-08-047 ordered California American Water to implement a pilot program providing low-income customer discounts for water users in master metered multi-family housing. This balancing account contains a sub-account which records low-income discounts and incremental costs associated with the: 1) San Diego Service Area Multifamily Housing in Disadvantaged Communities Program, 2) Sacramento and Monterey Service Area Multifamily Low-Income Housing Tax Credit Recipients Program, and 3) Low-Income Joint Water and Energy Install Program in Recently Acquired Systems. Specifics of the pilot program are included in California American Water Low-Income Ratepayer Assistance Program tariff. This pilot will run from the time of actual implementation of all components of the pilot program for a period of 12-month period, after which time a report will be submitted to the Commission. However, the component costs and low-income discounts will continue to be tracked in this account until such time as the Commission approves the component to become a permanent part of the low income program, or rejects the particular component and all customers currently receiving discounts from the program are notified 3-months in advance of the termination of the program component. Costs accumulated in this subaccount will be recovered as part of the annual surcharge in the first Rate Case after the Commission rejects, partially accepts/rejects or fully accepts the components of the pilot program.

(N)
|
(N)

2. APPLICABILITY:

All areas served by California American Water.

3. ANNUAL SURCHARGE ADJUSTMENT:

The surcharge will be evaluated and adjusted annually in the annual Step Rate filings and will reflect:

- a. A forecast of the December 31st balance in the LIRA for the current year that reflects.
 - i. The most recent recorded balance;
 - ii. The assumption that the proportion of LIRA to non-LIRA residential enrollment in September will remain constant as a proportion of adopted numbers for October through December; and
 - iii. The assumption that current LIRA surcharges will be applied to the estimated non-LIRA portion of adopted sales (adopted sales minus estimated LIRA sales based on the proportion of LIRA to non-LIRA residential customers in September), plus interest; and

(Continued)

(TO BE INSERTED BY UTILITY)	ISSUED BY	(TO BE INSERTED BY C.P.U.C.)
Advice 1320	J. T. LINAM	Date Filed _____
Decision	DIRECTOR - Rates & Regulatory	Effective _____
		Resolution _____

CALIFORNIA-AMERICAN WATER COMPANY
655 W. Broadway, Suite 1410
San Diego, CA 92101

Cancelling Revised
Revised

Cal. P.U.C. Sheet No.
Cal. P.U.C. Sheet No.

XXXXX-W
9649-W

PRELIMINARY STATEMENT
(Continued)

Sheet 2

R. Low-Income Ratepayer Assistance Program ("LIRA") Balancing Account (continued):

b. A forecast of the December 31 balance in the LIRA for the following year that reflects:

- i. The assumption that the proportion of LIRA to non-LIRA residential enrollment in September of the previous year will remain constant as a proportion of adopted numbers; and
- ii. The assumption that the new surcharges will be applied to the estimated non-LIRA portion of adopted sales (adopted sales minus estimated LIRA sales based on the proportion of LIRA to non-LIRA residential customers in September of the previous year), plus interest.

(L)
|
(L)

4. ACCOUNTING PROCEDURE:

The following entries will be recorded continued with the date of Decision (D.) 18-12-021:

- a. A debit entry equal to the recorded customer discounts.
- b. A credit entry equal to the surcharges collected from the customers not qualified to participate in the LIRA.
- c. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90-day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

5. RATEMAKING PROCEDURE:

Low income discount of 20%, for all districts except for the Monterey Service Area within Central Division, shall be applied to all monthly service fees, the tier one billed usage amount and the tier two usage amount. A low-income discount of 30% for Monterey Service Area shall be applied to all monthly service fees, and the first four tiers billed usage. Surcharges will be evaluated and adjusted annually in the annual Step Rate filings to ensure appropriate collection.

(Continued)

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Advice	1320	J. T. LINAM	Date Filed	_____
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CALIFORNIA-AMERICAN WATER COMPANY		Revised	Cal. P.U.C. Sheet No.	XXXX-W
655 W. Broadway, Suite 1410	Cancelling	Revised	Cal. P.U.C. Sheet No.	XXXX-W
San Diego, CA 92101				

Schedule No. CA-LIRA Sheet 1
California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

APPLICABILITY

Applicable to individually metered and flat rate residential customers, qualified non-profit group living facilities, qualified agricultural employee housing facilities, and migrant farm worker housing centers, and qualified Multifamily housing providers under the Multi-family Ratepayer Assistance Pilot Program where the customer meets all the special conditions of this schedule. (N)

TERRITORY

All territories served by California American Water Company

RATES:

Northern Division:

Sacramento Service Area

Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>	
For the first 74.8 CGL	\$0.3170	(P)
For next 74.8 CGL	\$0.4250	(P)
For all water delivered over 149.6 CGL	\$0.8315	(P)

Multi-Family Pilot Customers: \$0.3696 (N)

Service Charge: General Metered

	<u>Per Meter Per Month</u>	
For 5/8 x 3/4-inch meter.....	\$11.94	(P)
For 3/4-inch meter.....	\$17.92	
For 1-inch meter.....	\$29.86	
For 1-1/2-inch meter.....	\$59.71	
For 2-inch meter.....	\$95.53	
For 3-inch meter.....	\$179.12	
For 4-inch meter.....	\$298.54	
For 6-inch meter.....	\$597.08	
For 8-inch meter.....	\$955.33	
For 10-inch meter.....	\$1,373.28	
For 12-inch meter.....	\$2,567.44	(P)

Larkfield Service Area

Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>	
For the first 52.4 CGL	\$0.7204	(P)
For the next 52.4 CGL	\$0.7788	
For the next 139.4 CGL	\$1.3849	(P)
For all water delivered over 243.9 CGL.....	\$1.8010	

(Continued)

(TO BE INSERTED BY UTILITY)		ISSUED BY	(TO BE INSERTED BY C.P.U.C.)	
Advice	1320	J. T. LINAM	Date Filed	_____
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CALIFORNIA-AMERICAN WATER COMPANY 655 W. Broadway, Suite 1410 San Diego, CA 92101	Cancelling Revised	Revised Revised	Cal. P.U.C. Sheet No. Cal. P.U.C. Sheet No.	XXXX-W XXXX-W
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Schedule No. CA-LIRA Sheet 4
 California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

RATES:

Central Division:

Monterey Service Area

Residential Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>	
For the first 29.9 CGL.....	\$0.6260	(P)
For the next 29.9 CGL.....	\$0.9389	
For the next 44.9 CGL.....	\$2.1909	
For the next 67.3 CGL.....	\$4.0888	
For all water over 172.0 CGL.....	\$7.1539	(P)

Multifamily Pilot Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>	
For the first 29.9 CGL.....	\$0.5959	(N)
For the next 29.9 CGL.....	\$0.8939	
For the next 44.9 CGL.....	\$2.0858	
For the next 67.3 CGL.....	\$5.5337	
For all water over 172.0 CGL.....	\$8.8107	(N)

Service Charge: General Metered

	<u>Per Meter</u> <u>Per Month</u>	
For 5/8 x 3/4-inch meter.....	\$15.03	(P)
For 3/4-inch meter.....	\$26.32	
For 1-inch meter.....	\$52.60	
For 1-1/2-inch meter.....	\$164.91	
For 2-inch meter.....	\$281.45	
For 3-inch meter.....	\$527.71	
For 4-inch meter.....	\$923.50	
For 6-inch meter.....	\$1,978.93	
For 8-inch meter.....	\$3,166.29	(P)

Central Satellite – Ambler Park, Toro, Ralph Lane, Garrapata Service Areas

Quantity Rates:

	<u>Base Rate</u> <u>Per 100 gal (CGL)</u>	
For the first 59.8 CGL.....	\$0.5239	(P)
For the next 74.8 CGL.....	\$0.8731	
For the next 650.8 CGL.....	\$1.0478	
For all water over 785.4 CGL.....	\$1.9100	(P)

(Continued)

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CALIFORNIA-AMERICAN WATER COMPANY
655 W. Broadway, Suite 1410
San Diego, CA 92101

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Cal. P.U.C. Sheet No.
Cal. P.U.C. Sheet No.

XXXX-W
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Schedule No. CA-LIRA
California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

Sheet 8

RATES (Continued):

Rio Plaza Service Area

Quantity Rates:

	Base Rate Per 100 gal (CGL)		
For the first 45 CGL.....	\$0.1569		(P)
For the next 45 CGL.....	\$0.2543		(P)
For all water delivered over 90 CGL.....	\$0.4546		(P)

Service Charge: General Metered

	Per Meter Per Month		
For 3/4-inch meter.....	\$24.18		 (P)
For 1-inch meter.....	\$40.32		
For 1-1/2-inch meter.....	\$80.61		
For 2-inch meter.....	\$129.03		
For 3-inch meter.....	\$241.88		
For 4-inch meter.....	\$403.12		

San Diego Service Area

Quantity Rates:

	Base Rate Per 100 gal (CGL)		
For the first 59.8 CGL.....	\$0.6199		(P)
For the next 52.4 CGL.....	\$0.6966		
For the next 112.2 CGL.....	\$1.2821		
For all water delivered over 224.4 CGL.....	\$1.7218		(P)

Multi-Family Pilot Customers \$0.6884 (N)

Service Charge: General Metered

	Per Meter Per Month		
For 5/8 x 3/4-inch meter.....	\$6.04		 (P)
For 3/4-inch meter.....	\$9.06		
For 1-inch meter.....	\$15.11		
For 1-1/2-inch meter.....	\$30.21		
For 2-inch meter.....	\$48.34		
For 3-inch meter.....	\$90.64		
For 4-inch meter.....	\$151.07		
For 6-inch meter.....	\$302.13		
For 8-inch meter.....	\$483.41		
For 10-inch meter.....	\$694.91		

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Advice 1320	J. T. LINAM	Date Filed _____
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CALIFORNIA-AMERICAN WATER COMPANY 655 W. Broadway, Suite 1410 San Diego, CA 92101	Cancelling	Revised Original	Cal. P.U.C. Sheet No. Cal. P.U.C. Sheet No.	XXXX-W 9755-W
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Schedule No. CA-LIRA Sheet 12
 California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

SPECIAL CONDITIONS APPLICABLE TO LOW INCOME (Continued): (L)
General Items: (L)

- 3. **Low-Income Ratepayer Assistance Program (LIRA) for Nonprofit Group Living Facilities:**
 (Continued)
- 4. Additional requirements:

Group living facilities must provide special-needs social services such as meals or rehabilitation and may have satellite facilities in the name of one licensed organization that meet the same requirements as the main facility. Group living facilities include transitional housing such as drug rehabilitation centers or halfway houses, short-or long-term – care facilities, group homes for the physically or mentally Challenged and other nonprofit group living facilities.

Homeless shelters, hospices and women's shelters must provide lodging as the primary Function, must be open for operation with at least six beds for a minimum of 180 days and/or nights per year and may also have satellite facilities in the name of one licensed organization that meet the same requirements as the main facility.

Separate applications must be filed for each type of facility (a homeless shelter, a women's shelter, a hospice or group living facility), even if they are under one licensed organization.

- 5. **Low-Income Ratepayer Assistance Program for Multi-Family Units:** Per Ordering Paragraph 5 of D.20-08-047, California American Water will offer discounts on water usage for low-income multifamily buildings under a pilot program as defined in the Preliminary Statement authorizing such program. The pilot program will consist of four program components: (N)
 - a. **Multi-Family Housing in Disadvantaged Communities:** This Program component would be applicable only to master metered buildings in a disadvantaged or severely disadvantaged community ("DAC/SDAC") in the San Diego Service Area.
 - 1. Eligible master metered account holders would receive the Low-Income Ratepayer Assistance Discount in the applicable service area which includes a meter-based discount and a discount on volumetric charges, based on the percentage of eligible residents as compared to the total residents.
 - 2. This program will require building partnerships with local community-based organizations in our San Diego Service Area. (N)

(Continued)

(TO BE INSERTED BY UTILITY)	ISSUED BY	(TO BE INSERTED BY C.P.U.C.)
Advice 1320	J. T. LINAM	Date Filed _____
Decision	DIRECTOR - Rates & Regulatory	Effective _____
		Resolution _____

END ATTACHMENT A

CALIFORNIA-AMERICAN WATER COMPANY Original Cal. P.U.C. Sheet No. XXXX-W
655 W. Broadway, Suite 1410
San Diego, CA 92101

Schedule No. CA-LIRA Sheet 13
California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

SPECIAL CONDITIONS APPLICABLE TO LOW-INCOME RATEPAYER ASSISTANCE PROGRAM (N)
(Continued):
General Items

5. Low-Income Ratepayer Assistance Program for Multifamily Units: (Continued)

- b. **Low-Income Joint Water and Energy Install Program:** This program component would expand existing water energy retrofit programs that are currently conducted jointly with energy providers to currently un-served multifamily buildings and mobile home parks. The program that currently extends hot and cold-water measures including appliances, fixtures, and weatherization to low-income housing is funded jointly by California American Water and the energy utility.

Fees and Surcharges (N)

- 1. Please reference each district's Tariff Schedule 1 for a list of applicable fees and surcharges. Low-Income Ratepayer Assistance Program customers are exempt from the Low-Income Ratepayer Assistance Balancing Account surcharge.

(Continued)

(TO BE INSERTED BY UTILITY)		ISSUED BY	(TO BE INSERTED BY C.P.U.C.)	
Advice	1320	J. T. LINAM	Date Filed	_____
Decision		DIRECTOR - Rates & Regulatory	Effective	_____
			Resolution	_____

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ADVICE LETTER 1320

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ATTACHMENT 6



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January 18, 2019

California Public Utilities Commission
Water Division
Room 3102, State Building
505 Van Ness Ave.
San Francisco, CA 94102-3298

Dear Division of Water and Audits:

Enclosed please find an original and three copies of Advice Letter No. 1221. Along with the Advice Letter, two copies of the workpapers have been enclosed as well.

Regards,

/s/ Kamilah Jones

Kamilah Jones
Sr. Financial Analyst

CC: Richard Rauschmeier, California Public Utilities Commission, Public Advocates
Office, 505 Van Ness Ave., San Francisco, CA 94102-3298



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January 18, 2019

ADVICE LETTER NO. 1221

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

California-American Water Company (California American Water) (U210W) hereby submits for review this advice letter, including the following tariff sheets applicable to all service areas' Low Income Special Condition which are attached hereto:

C.P.U.C. Sheet No.	Title of Sheet	Canceling Sheet No.
XXXX-W	Schedule No. CA-LIRA (Continued) California American Water Low Income Ratepayer Assistance Program TABLE OF CONTENTS (Continued)	New
XXXX-W	(Page 2)	XXXX-W
XXXX-W	TABLE OF CONTENTS (Continued) (Page 1)	XXXX-W

Purpose:

This advice letter filing is to request review and approval of an additional Special Condition to California American Water's Low Income Ratepayer Assistance Program (LIRA) Tariff.

Background:

California is experiencing an extreme housing shortage with 2.2 million extremely low income and very low income renter households competing for only 664,000 affordable rental homes. California is also home to 21 of the 30 most expensive rental housing markets in the country and requires the third highest wage in the country to afford housing.¹ Historically, low income tenants of master metered housing units would not qualify for a utility's low income discount due to the tenant not being the utility account holder. This advice letter seeks approval to apply the low income discount for certain certified low income housing facilities to help with water affordability in such facilities.

¹ From SB-879 Affordable Housing Bond Act of 2018, Section 1

Request:

California American Water requests review and approval of a necessary addition proposed to its Low Income Ratepayer Assistance Program tariff. The additional tariff language would extend eligibility of the LIRA discount to Affordable Housing Facilities that are master metered with an entirety of tenants who each individually meet applicable low income qualification.

As proposed in our request, the discount necessarily would need to be provided to the facility's master account holder and would be equal to the applicable low income monthly discount in the service area with the exception of the discount being applicable to all rate tiers of either the residential or multi residential tariff. Additionally, this tariff would only need to be in place in service areas where there is a tier differential for the highest tier rate that is equal to or greater than four times the first tier rate. Extending eligibility of the LIRA discount to Affordable Housing Facilities provides water rate relief to providers/owners of such facilities assuring their viability particularly in cases where lease payments, including utilities, are set by government regulation and a potential increase in water rates cannot be passed on to tenants. The tenants would in turn receive the low income benefits through the lease rate negotiated through the government regulation of the facility. It is in the tenants' interest that the Commission assures the viability of such facilities by approving the application of the LIRA surcredit and thus lowering the water cost to the provider.

In most cases, conventional residential or multi residential conservation rate designs that are employed within California American Water do not provide adequate water allotments per tier for the typical higher than average Affordable Housing Facilities' occupation rates. This is especially true in the case of certain service areas where water is allocated based on assuring the lower tiers are meant to support the basic needs of the customers in that service area. In these water restricted areas, the intent is to ensure the best and wisest use of water at each premise. In the case of larger Affordable Housing Facilities, however, because of higher occupancy rates per living unit, the facility is pushed into higher rates due solely to individual occupancy and not unwise water use. Extending LIRA discount rate relief provides a solution to help with water affordability in such households.

To be eligible for the proposed surcredit and ensure the overall impact of this LIRA program addition is applicable to provide relief only for water efficient facilities, eligibility requirements include proof of California Tax Credit Allocation Committee ("TCAC") compliance and the retrofitting of high efficiency water fixtures indoor and outdoor to the Affordable Housing Facility's units and grounds.

Tier Designation:

This advice letter is submitted pursuant to General Order No 96-B and this advice letter is designated as a Tier 3 filing.

Effective Date:

California American Water requests an effective date of February 18, 2019.

RESPONSE OR PROTEST²

Anyone may submit a response or protest for this AL. When submitting a response or protest, **please include the utility name and advice letter number in the subject line.**

A **response** supports the filing and may contain information that proves useful to the Commission in evaluating the AL. A **protest** objects to the AL in whole or in part and must set forth the specific grounds on which it is based. These grounds³ are:

1. The utility did not properly serve or give notice of the AL;
2. The relief requested in the AL would violate statute or Commission order, or is not authorized by statute or Commission order on which the utility relies;
3. The analysis, calculations, or data in the AL contain material error or omissions;
4. The relief requested in the AL is pending before the Commission in a formal proceeding; or
5. The relief requested in the AL requires consideration in a formal hearing, or is otherwise inappropriate for the AL process; or
6. The relief requested in the AL is unjust, unreasonable, or discriminatory, provided that such a protest may not be made where it would require relitigating a prior order of the Commission.

A protest may not rely on policy objections to an AL where the relief requested in the AL follows rules or directions established by statute or Commission order applicable to the utility. A protest shall provide citations or proofs where available to allow staff to properly consider the protest.

DWA must receive a response or protest via email (**or** postal mail) within 20 days of the date the AL is filed. When submitting a response or protest, **please include the utility name and advice letter number in the subject line.**

The addresses for submitting a response or protest are:

Email Address:

Water.Division@cpuc.ca.gov

Mailing Address:

CA Public Utilities Commission
Division of Water and Audits
505 Van Ness Avenue
San Francisco, CA 94102

On the same day the response or protest is submitted to DWA, the respondent or protestant shall send a copy of the protest to Cal-Am at:

Email Address:

ca.rates@amwater.com

Mailing Address:

4701 Beloit Drive
Sacramento, CA 95838

¹ G.O. 96-B, General Rule 7.4.1

² G.O. 96-B, General Rule 7.4.2

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Sacramento, CA 95838

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform DWA, within the 20 day protest period, so that a late filed protest can be entertained. The informing document should include an estimate of the date the proposed protest might be voted on.

REPLIES⁴

The utility shall reply to each protest and may reply to any response. Any reply must be received by DWA within five business days after the end of the protest period, and shall be served on the same day on each person who filed the protest or response to the AL.

The actions requested in this advice letter are not now the subject of any formal filings with the California Public Utilities Commission, including a formal complaint, nor action in any court of law.

This filing will not cause the withdrawal of service, nor conflict with other schedules or rules.

If you have not received a reply to your protest within 10 business days, please contact me at (916) 568-4232.

CALIFORNIA-AMERICAN WATER COMPANY

/s/ Kamilah Jones

Kamilah Jones
Financial Analyst - Rates & Regulatory

³ G.O. 96-B, General Rule 7.4.3

Schedule No. CA-LIRA
California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

Sheet 11

SPECIAL CONDITIONS APPLICABLE TO LOW INCOME (Continued):

(N)

General Items:

4. **Low-Income Ratepayer Assistance Program (LIRA) for Affordable Housing Facilities**
Facilities providing low income housing exclusively for low income qualified tenants may be eligible for the low-income discount. Qualifying facilities can be Nonprofit and/or For-profit operated master metered housing units wherein the entirety of the tenants are low income qualified. Qualifying facilities receive a surcredit equal to the applicable Low Income monthly discount in the service area, except the surcredit is applied to usage in all rate tiers. Qualification criteria are outlined below.
 - a. **LIRA for Affordable Housing Facilities:** Affordable Housing Facilities applying for acceptance into the program must meet the requirements listed below:
 1. All tenants and residents occupying individual units within the Affordable Housing Facility must individually meet applicable current low income qualification requirements upon move-in.
 2. The Affordable Housing Facility must be located in a service area where billing for such facility is under a residential or multi-residential tariff (not a commercial or other tariff), and the tariff tier rates must be designed to have the highest tier rate equal to or greater than four times the lowest tier rate.
 3. Affordable Housing Facilities applying for this LIRA discount are required to have all living units upgraded to high efficiency water use appliances, shower heads and faucet aerators to maximize conservation and water efficiency.
 4. Affordable Housing Facilities must show proof of California Tax Credit Allocation Committee ("TCAC") compliance and are required to provide a copy of their TCAC Property Status Report (PSR) every two years to the utility.
 - b. **Additional requirements:**
 1. **Affordable Housing Facilities** must provide proof of having high efficient indoor water fixtures installed in all units including high efficient toilets (1.28gpf or less), showerheads (2gpm or less) and faucet aerators. Irrigation of outdoor landscape area must be through drip emitters or, if overhead spray, through high efficiency rotary nozzles and might be subject to inspection prior to approval.

(N)

(Continued)

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Advice 12XX-3	J. T. LINAM	Date Filed _____
Decision	DIRECTOR - Rates & Regulatory	Effective _____
		Resolution _____

TABLE OF CONTENTS
(Page 1)

Sheet 1

<u>SUBJECT MATTER OF SHEET</u>	<u>C.P.U.C. SHEET NO.</u>
TITLE PAGE	8662-W
TABLE OF CONTENT	XXXX-W, 8874-W, 8873-W, 8850-W, (C) 8870-W, 8770-W, 8869-W, 8868-W, 8593-W, 8071-W
PRELIMINARY STATEMENTS	7828-W, 8517-W, 8755-W 7748-W, 7749-W, 7750-W, 7751-W, 7752-W, 7753-W, 7754-W, 7755-W, 7756-W, 7757-W, 8079-W, 7759-W, 7830-W, 7831-W, 7832-W, 7833-W, 7834-W, 7835-W, 7836-W, 7837-W, 7838-W, 7769-W, 7770-W, 7771-W, 7772-W, 7773-W, 7774-W, 7775-W, 7776-W, 7777-W, 7778-W, 7779-W, 7780-W, 7781-W, 7782-W, 7783-W, 7784-W, 7785-W, 7786-W, 7787-W, 7788-W, 7789-W, 7790-W, 7791-W, 7792-W, 7793-W, 7794-W, 7839-W, 7796-W, 7797-W, 7798-W, 7799-W, 7800-W, 7801-W, 7802-W, 7803-W, 7804-W, 8510-W, 8081-W, 8082-W, 8178-W, 8302-W, 8459-W, 8460-W, 8516-W, 8756-W
<u>SERVICE AREA MAP:</u>	
California-American Water Company	5470-W
Larkfield	6569-W
Los Angeles County	6570-W
Baldwin Hills	6571-W, 6572-W,
Duarte	6578-W
San Marino	6573-W, 6574-W, 6575-W, 6576-W, 8211-W
Monterey County	7053-W, 6580-W, ,6581-W, 6582-W, 6583-W, 6584-W, 6585-W, 6586-W, 6587-W, 6588-W, 6589-W, 6590-W, 944 -W, 945 -W, 947 -W, 948 -W, 949 -W, 950 -W, 951 -W, 952 -W, 953 -W, 954 -W, 955 -W, 957 -W, 958 -W, 959 -W, 960 -W, 961 -W, 962-W, 963 -W, 964 -W, 966 -W, 967 -W, 968 -W, 969 -W, 971 -W, 972 -W, 973 -W, 974 -W, 975 -W, 976 -W, 977 -W, 978 -W, 979 -W, 980 -W, 981 -W, 982 -W, 983 -W, 984 -W, 7054-W

(Continued)

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Resolution _____

TABLE OF CONTENTS
(Page 1)

Sheet 2

<u>SUBJECT MATTER OF SHEET</u>		<u>C.P.U.C. SHEET NO.</u>	
<u>SERVICE AREA MAP (Continued):</u>			
Sacramento		8511-W, 6592-W, 6593-W, 8664-W, 6595-W, 8872-W, 7500-W, 8794-W, 6599-W, 6600-W	
Sacramento- Dunnigan		8163-W	
Sacramento- Geyserville		8321-W	
Sacramento - Meadowbrook		8512-W	
San Diego County		6601-W, 6602-W	
Ventura County		6603-W, 6604-W	
<u>RATE SCHEDULES:</u>			
All Districts -- Low Income Ratepayer Assistance Program			
CA-LIRA	California American Water	XXXX-W, 8745-W, 8746-W, 8747-W,	(C)
	Low Income Ratepayer Assistance Program	8748-W, 8749-W, 8750-W, 8762-W, 7724-W, 7725-W, 7726-W	
CA-4	California American Water	8473-W, 8744-W, 7739-W, 7740-W,	
	Private Fire Protection Service	7741-W, 8001-W, 8020-W, 8021-W, 7628-W, 7625-W, 7636-W, 7640-W, 7643-W, 7632-W, 7634-W, 8197-W, 8206-W	
CA-4H	Private Fire Hydrant Service	8742-W, 7743-W, 7744-W, 8186-W, 8002-W, 8022-W, 7626-W, 7641-W	
Larkfield District			
LK-1	General Metered Service	8720-W, 8797-W, 8791-W, 8845-W, 8018-W, 7633-W	
Larkfield District			
LK-F	Facilities Fees	7651-W	
Los Angeles County District			
LA-1	General Metered Service	8722-W, 8723-W, 8798-W, 8784-W, 8785-W, 8852-W, 8016-W, 7630-W	
LA-3M	Measured Irrigation Service	8725-W, 7712, 8547-W, 8853-W, 8017-W, 7631-W	
Monterey County District			
<i>(Monterey Main, Hidden Hills, Ryan Ranch, & Bishop Service Areas)</i>			
MO-1-SF	General Metered Service	8811-W, 8813-W, 8814-W, 8815-W,	
	Single Family Residential Customers	8839-W, 8399-W, 8817-W, 8023-W, 8812-W	
MO-1-MF	General Metered Service	8818-W, 8820-W, 8821-W, 8822-W,	
	Multi-Residential Customers	8840-W, 8824-W, 8819-W	
MO-1C	General Metered Service	8825-W, 7673-W, 7674-W, 7675-W,	
	Non-Residential Customers	8826-W, 8454-W, 8827-W, 8841-W, 8227-W, 8829-W,	
MO-1O	General Metered Service	8830-W, 8831-W, 8832-W, 8833-W,	
	Other Customers	8834-W, 8842-W, 8836-W,	

(Continued)

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SUPPORTING DOCUMENTATION FOR STAFF

**Low Income Supplemental Special Condition #4– All District
TABLE OF CONTENTS**

	<u>Page</u>
Excerpt from SB-879 Affordable Housing Bond Act of 2018	1-1
Cancelled Tariffs	2-1



California

LEGISLATIVE INFORMATION

[Home](#)
[Bill Information](#)
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SB-879 Affordable Housing Bond Act of 2018. (2015-2016)

SHARE THIS:



AMENDED IN ASSEMBLY AUGUST 19, 2016

AMENDED IN ASSEMBLY AUGUST 15, 2016

AMENDED IN ASSEMBLY JUNE 16, 2016

AMENDED IN ASSEMBLY JUNE 09, 2016

AMENDED IN SENATE MAY 05, 2016

AMENDED IN SENATE APRIL 28, 2016

AMENDED IN SENATE MARCH 30, 2016

CALIFORNIA LEGISLATURE— 2015–2016 REGULAR SESSION

SENATE BILL

No. 879

Introduced by Senator Beall
(Principal coauthor: Senator Glazer)
(Coauthors: Senators Allen, Cannella, Hill, Huff, and Monning)
(Coauthor: Assembly Member Chiu)

January 15, 2016

An act to add Part 16 (commencing with Section 54000) to Division 31 of the Health and Safety Code, relating to housing, by providing the funds necessary therefor through an election for the issuance and sale of bonds of the State of California and for the handling and disposition of those funds, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 879, as amended, Beall. Affordable Housing Bond Act of 2018.

Under existing law, there are programs providing assistance for, among other things, emergency housing, multifamily housing, farmworker housing, home ownership for very low and low-income households, and downpayment assistance for first-time home buyers. Existing law also authorizes the issuance of bonds in specified amounts pursuant to the State General Obligation Bond Law and requires that proceeds from the sale of these bonds be used to finance various existing housing programs, capital outlay related to infill development, brownfield cleanup that promotes infill development, and housing-related parks.

This bill would enact the Affordable Housing Bond Act of 2018, which, if adopted, would authorize the issuance of bonds in the amount of \$3,000,000,000 pursuant to the State General Obligation Bond Law. Proceeds from the sale of these bonds would be used to finance various existing housing programs, as well as infill infrastructure financing and affordable housing matching grant programs, as provided.

The bill would provide for submission of the bond act to the voters at the November 6, 2018, statewide general election in accordance with specified law.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: 2/3 Appropriation: no Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. The Legislature finds and declares all of the following:

(a) California is experiencing an extreme housing shortage with 2.2 million extremely low income and very low income renter households competing for only 664,000 affordable rental homes. This leaves more than 1.54 million of California's lowest income households without access to affordable housing.

(b) While homelessness across the United States is in an overall decline, homelessness in California is rising. In 2015, California had 115,738 homeless people, which accounted for 21 percent of the nation's homeless population. This is an increase of 1.6 percent from the prior year. California also had the highest rate of unsheltered people, at 64 percent or 73,699 people; the largest numbers of unaccompanied homeless children and youth, at 10,416 people or 28 percent of the national total; the largest number of veterans experiencing homelessness, at 11,311 or 24 percent of the national homeless veteran population; and the second largest number of people in families with chronic patterns of homelessness, at 22,582 or 11 percent of the state's homeless family population.

(c) California is home to 21 of the 30 most expensive rental housing markets in the country, which has had a disproportionate impact on the middle class and the working poor. California requires the third highest wage in the country to afford housing, behind Hawaii and Washington, D.C. The fair market rent, which indicates the amount of money that a given property would require if it were open for leasing, for a two-bedroom apartment is \$1,386. To afford this level of rent and utilities, without paying more than 30 percent of income on housing, a household must earn an hourly "housing wage" of \$26.65 per hour. This means that a person earning minimum wage must work an average of three jobs to pay the rent for a two-bedroom unit. In some areas of the state, these numbers are even higher.

(d) Low-income families are forced to spend more and more of their income on rent, which leaves little else for other basic necessities. Many renters must postpone or forgo home ownership, live in more crowded housing, commute further to work, or, in some cases, choose to live and work elsewhere.

(e) California has seen a significant reduction of state funding in recent years. The funds from Proposition 46 of 2002 and Proposition 1C of 2006, totaling nearly \$5 billion for a variety of affordable housing programs, have been expended. Combined with the loss of redevelopment funds, \$1.5 billion of annual state investment dedicated to housing has been lost, leaving several critical housing programs unfunded.

(f) High housing costs and the shortage of housing stock in California directly affect the future health of California's economy and, given the staggering numbers indicated above, bold action is necessary. Investment in existing and successful housing programs to expand the state's housing stock should benefit California's homeless and low-income earners, as well as some of the state's most vulnerable populations, including foster and at-risk youth, persons with developmental and physical disabilities, farmworkers, the elderly, single parents with children, and survivors of domestic violence. Investments should also be made in housing for Medi-Cal recipients served through a county's Section 1115 Waiver Whole Person Care Pilot program and family day care providers.

(g) Investment in housing creates jobs and provides local benefits. The estimated one-year impacts of building 100 rental apartments in a typical local area include \$11.7 million in local income, \$2.2 million in taxes and other revenue for local governments, and 161 local jobs or 1.62 jobs per apartment. The additional annually recurring impacts of building 100 rental apartments in a typical local area include \$2.6 million in local income, \$503,000 in taxes and other revenue for local governments, and 44 local jobs or .44 jobs per apartment.

SEC. 2. Part 16 (commencing with Section 54000) is added to Division 31 of the Health and Safety Code, to read:

PART 16. Affordable Housing Bond Act of 2018
CHAPTER 1. General Provisions

54000. This part shall be known, and may be cited, as the Affordable Housing Bond Act of 2018.

54002. As used in this part, the following terms have the following meanings:

(a) "Board" means the Department of Housing and Community Development for programs administered by the department, and the California Housing Finance Agency for programs administered by the agency.

(b) "Committee" means the Housing Finance Committee created pursuant to Section 53524 and continued in existence pursuant to Sections 53548 and 54014.

(c) "Fund" means the Affordable Housing Bond Act Trust Fund of 2018 created pursuant to Section 54006.

54004. This part shall only become operative upon adoption by the voters at the November 6, 2018, statewide general election.

CHAPTER 2. Affordable Housing Bond Act Trust Fund of 2018 and Program

54006. The Affordable Housing Bond Act Trust Fund of 2018 is hereby created within the State Treasury. It is the intent of the Legislature that the proceeds of bonds deposited in the fund shall be used to fund the housing-related programs described in this chapter. The proceeds of bonds issued and sold pursuant to this part for the purposes specified in this chapter shall be allocated in the following manner:

(a) One billion five hundred million dollars (\$1,500,000,000) to be deposited in the Multifamily Housing Account, which is hereby created in the fund. Upon appropriation by the Legislature, the moneys in the account may be appropriated for the Multifamily Housing Program authorized by Chapter 6.7 (commencing with Section 50675) of Part 2, to be expended to assist in the new construction, rehabilitation, and preservation of permanent and transitional rental housing for persons with incomes of up to 60 percent of the area median income (AMI).

(b) Six hundred million dollars (\$600,000,000) to be deposited in the Transit-Oriented Development and Infill Infrastructure Account, which is hereby created within the fund. The moneys in the account shall be used for the following purposes:

(1) ~~Three-Two~~ hundred million dollars ~~(\$300,000,000)~~ *(\$200,000,000)* to be deposited into the Transit-Oriented Development Implementation Fund, established pursuant to Section 53561, for expenditure, upon appropriation by the Legislature, pursuant to the Transit-Oriented Development Implementation Program authorized by Part 13 (commencing with Section 53560) to provide local assistance to cities, counties, cities and counties, transit agencies, and developers for the purpose of developing or facilitating the development of higher density uses within close proximity to transit stations that will increase public transit ridership. These funds may also be expended for any authorized purpose of this program.

(2) Three hundred million dollars (\$300,000,000) to be deposited in the Infill Infrastructure Financing Account, which is hereby created within the fund. Moneys in the account shall be available, upon appropriation by the Legislature, for infill incentive grants to assist in the new construction and rehabilitation of infrastructure that supports high-density affordable and mixed-income housing in locations designated as infill, including, but not limited to, any of the following:

(A) Park creation, development, or rehabilitation to encourage infill development.

(B) Water, sewer, or other public infrastructure costs associated with infill development.

(C) Transportation improvements related to infill development projects.

(D) Traffic mitigation.

These funds may also be expended for any authorized purpose of this program.

(3) One hundred million dollars (\$100,000,000) to be deposited into the Building Equity and Growth in Neighborhoods (BEGIN) Program Fund, established pursuant to Section 50860, for expenditure, upon

appropriation by the Legislature, pursuant to the BEGIN Program authorized by Chapter 14.5 (commencing with Section 50860) of Part 2 to make grants to qualifying cities, counties, or cities and counties that shall be used for downpayment assistance to qualifying first-time home buyers or low- and moderate-income buyers purchasing newly constructed homes in a BEGIN project. These funds may also be expended for any authorized purpose of this program.

(c) Six hundred million dollars (\$600,000,000) to be deposited in the Special Populations Housing Account, which is hereby created within the fund. The moneys in the account shall be used for the following purposes:

(1) Three hundred million dollars (\$300,000,000) to be deposited in the Joe Serna, Jr. Farmworker Housing Grant Fund, established pursuant to Section 50517.5, for expenditure, upon appropriation by the Legislature, to fund grants or loans, or both, for local public entities, nonprofit corporations, limited liability companies, and limited partnerships, for the construction or rehabilitation of housing for agricultural employees and their families or for the acquisition of manufactured housing as part of a program to address and remedy the impacts of current and potential displacement of farmworker families from existing labor camps, mobilehome parks, or other housing. These funds may also be expended for any authorized purpose of this program.

(2) Three hundred million dollars (\$300,000,000) to be deposited in the Local Housing Trust Matching Grant Program Account, which is hereby created within the fund. Moneys in the account shall be available, upon appropriation by the Legislature, to fund competitive grants or loans to local housing trust funds that develop, own, lend, or invest in affordable housing and used to create pilot programs to demonstrate innovative, cost-saving approaches to creating or preserving affordable housing. Local housing trust funds shall be derived on an ongoing basis from private contribution or governmental sources that are not otherwise restricted in use for housing programs. These funds may also be expended for any authorized purpose of this program.

(d) Three hundred million dollars (\$300,000,000) to be deposited in the Home Ownership Development Account, which is hereby created within the fund. The moneys in the account shall be, upon appropriation by the Legislature, available for the CalHome Program authorized by Chapter 6 (commencing with Section 50650) of Part 2, to provide direct, forgivable loans to assist development projects involving multiple home ownership units, including single-family subdivisions, for self-help mortgage assistance programs, and for manufactured homes. These funds may also be expended for any authorized purpose of this program.

54008. (a) The Legislature may, from time to time, amend any law related to programs to which funds are, or have been, allocated pursuant to this chapter for the purposes of improving the efficiency and effectiveness of those programs or to further the goals of those programs.

(b) The Legislature may amend this chapter to reallocate the proceeds of bonds issued and sold pursuant to this part among the programs to which funds are to be allocated pursuant to this chapter as necessary to effectively promote the development of affordable housing in this state.

CHAPTER 3. Fiscal Provisions

54010. Bonds in the total amount of three billion dollars (\$3,000,000,000), exclusive of refunding bonds issued pursuant to Section 54026, or so much thereof as is necessary as determined by the committee, are hereby authorized to be issued and sold for carrying out the purposes expressed in this part and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. All bonds herein authorized which have been duly issued, sold, and delivered as provided herein shall constitute valid and binding general obligations of the state, and the full faith and credit of the state is hereby pledged for the punctual payment of both principal of and interest on those bonds when due.

54012. The bonds authorized by this part shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), except subdivisions (a) and (b) of Section 16727 of the Government Code to the extent that those provisions are inconsistent with this part, and all of the provisions of that law as amended from time to time apply to the bonds and to this part, except as provided in Section 54028, and are hereby incorporated in this part as though set forth in full in this part.

54014. (a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this part, the committee is continued in existence. For the purposes of this part, the Housing Finance Committee is "the committee" as that term is used in the State General Obligation Bond Law.

(b) The committee may adopt guidelines establishing requirements for administration of its financing programs to the extent necessary to protect the validity of, and tax exemption for, interest on the bonds. The guidelines shall not constitute rules, regulations, orders, or standards of general application and are not subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(c) For the purposes of the State General Obligation Bond Law, the Department of Housing and Community Development is designated the "board" for programs administered by the department, and the California Housing Finance Agency is the "board" for programs administered by the agency.

54016. Upon request of the board stating that funds are needed for purposes of this part, the committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this part in order to carry out the actions specified in Section 54006, and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and are not required to be sold at any one time. Bonds may bear interest subject to federal income tax.

54018. There shall be collected annually, in the same manner and at the same time as other state revenue is collected, a sum of money in addition to the ordinary revenues of the state, sufficient to pay the principal of, and interest on, the bonds each year. It is the duty of all officers charged by law with any duty in regard to the collections of state revenues to do or perform each and every act which is necessary to collect that additional sum.

54020. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this part, an amount that will equal the total of both of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this part, as the principal and interest become due and payable.

(b) The sum which is necessary to carry out Section 54024, appropriated without regard to fiscal years.

54022. The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account, in accordance with Section 16312 of the Government Code, for purposes of this part. The amount of the request shall not exceed the amount of the unsold bonds that the committee has, by resolution, authorized to be sold, excluding any refunding bonds authorized pursuant to Section 54026, for purposes of this part, less any amount withdrawn pursuant to Section 54024. The board shall execute any documents as required by the Pooled Money Investment Board to obtain and repay the loan. Any amount loaned shall be deposited in the fund to be allocated in accordance with this part.

54024. For purposes of carrying out this part, the Director of Finance may, by executive order, authorize the withdrawal from the General Fund of any amount or amounts not to exceed the amount of the unsold bonds that the committee has, by resolution, authorized to be sold, excluding any refunding bonds authorized pursuant to Section 54026, for purposes of this part, less any amount withdrawn pursuant to Section 54022. Any amounts withdrawn shall be deposited in the fund to be allocated in accordance with this part. Any moneys made available under this section shall be returned to the General Fund, plus the interest that the amounts would have earned in the Pooled Money Investment Account, from moneys received from the sale of bonds which would otherwise be deposited in that fund.

54026. The bonds may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code. Approval by the electors of this act shall constitute approval of any refunding bonds issued to refund bonds issued pursuant to this part, including any prior issued refunding bonds. Any bond refunded with the proceeds of a refunding bond as authorized by this section may be legally defeased to the extent permitted by law in the manner and to the extent set forth in the resolution, as amended from time to time, authorizing that refunded bond.

54028. Notwithstanding any provisions in the State General Obligation Bond Law, the maturity date of any bonds authorized by this part shall not be later than 35 years from the date of each such bond. The maturity of each series shall be calculated from the date of each series.

54030. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this part are not "proceeds of taxes" as that term is used in Article XIII B of the California

Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

54032. Notwithstanding any provision of the State General Obligation Bond Law with regard to the proceeds from the sale of bonds authorized by this part that are subject to investment under Article 4 (commencing with Section 16470) of Chapter 3 of Part 2 of Division 4 of Title 2 of the Government Code, the Treasurer may maintain a separate account for investment earnings, may order the payment of those earnings to comply with any rebate requirement applicable under federal law, and may otherwise direct the use and investment of those proceeds so as to maintain the tax-exempt status of tax-exempt bonds and to obtain any other advantage under federal law on behalf of the funds of this state.

54034. All moneys derived from premiums and accrued interest on bonds sold pursuant to this part shall be transferred to the General Fund as a credit to expenditures for bond interest; provided, however, that amounts derived from premiums may be reserved and used to pay the costs of issuance of the related bonds prior to transfer to the General Fund.

SEC. 3. Section 2 of this act shall become operative upon the adoption by the voters of the Affordable Housing Bond Act of 2018.

SEC. 4. Section 2 of this act shall be submitted by the Secretary of State to the voters at the November 6, 2018, statewide general election.

SEC. 5. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to maximize the time available for the analysis and preparation of the bond act proposed by Section 2 of this act, it is necessary that this act take effect immediately.

CALIFORNIA-AMERICAN WATER COMPANY

655 W. Broadway, Suite 1410
San Diego, CA 92101

Cancelling

Revised
Revised

Cal. P.U.C. Sheet No. 8874-W
Cal. P.U.C. Sheet No. 8871-W

TABLE OF CONTENTS

Sheet 1

<u>SUBJECT MATTER OF SHEET</u>	<u>C.P.U.C. SHEET NO.</u>
TITLE PAGE	8662-W
TABLE OF CONTENT	8874-W, 8873-W, 8850-W, 8870-W, 8770-W, 8869-W, 8868-W, 8593-W, 8071-W (C)
PRELIMINARY STATEMENTS	7828-W, 8517-W, 8755-W 7748-W, 7749-W, 7750-W, 7751-W, 7752-W, 7753-W, 7754-W, 7755-W, 7756-W, 7757-W, 8079-W, 7759-W, 7830-W, 7831-W, 7832-W, 7833-W, 7834-W, 7835-W, 7836-W, 7837-W, 7838-W, 7769-W, 7770-W, 7771-W, 7772-W, 7773-W, 7774-W, 7775-W, 7776-W, 7777-W, 7778-W, 7779-W, 7780-W, 7781-W, 7782-W, 7783-W, 7784-W, 7785-W, 7786-W, 7787-W, 7788-W, 7789-W, 7790-W, 7791-W, 7792-W, 7793-W, 7794-W, 7839-W, 7796-W, 7797-W, 7798-W, 7799-W, 7800-W, 7801-W, 7802-W, 7803-W, 7804-W, 8510-W, 8081-W, 8082-W, 8178-W, 8302-W, 8459-W, 8460-W, 8516-W, 8756-W
<u>SERVICE AREA MAP:</u> California-American Water Company	5470-W
Larkfield	6569-W
Los Angeles County Baldwin Hills Duarte San Marino	6570-W 6571-W, 6572-W, 6578-W 6573-W, 6574-W, 6575-W, 6576-W, 8211-W
Monterey County	7053-W, 6580-W, 6581-W, 6582-W, 6583-W, 6584-W, 6585-W, 6586-W, 6587-W, 6588-W, 6589-W, 6590-W, 944 -W, 945 -W, 947 -W, 948 -W, 949 -W, 950 -W, 951 -W, 952 -W, 953 -W, 954 -W, 955 -W, 957 -W, 958 -W, 959 -W, 960 -W, 961 -W, 962-W, 963 -W, 964 -W, 966 -W, 967 -W, 968 -W, 969 -W, 971 -W, 972 -W, 973 -W, 974 -W, 975 -W, 976 -W, 977 -W, 978 -W, 979 -W, 980 -W, 981 -W, 982 -W, 983 -W, 984 -W, 7054-W

(Continued)

(TO BE INSERTED BY UTILITY)

Advice 1219
Decision

ISSUED BY

J. T. LINAM
DIRECTOR - Rates & Regulatory

(TO BE INSERTED BY C.P.U.C.)

Date Filed 12/03/2018
Effective 01/02/2019
Resolution _____

CANCELLED

CALIFORNIA-AMERICAN WATER COMPANY
 655 W. Broadway, Suite 1410
 San Diego, CA 92101

Cancelling
 Revised

Revised
 Revised

Cal. P.U.C. Sheet No. 8873-W
 Cal. P.U.C. Sheet No. 8854-W

TABLE OF CONTENTS

Sheet 2

<u>SUBJECT MATTER OF SHEET</u>	<u>C.P.U.C. SHEET NO.</u>
<u>SERVICE AREA MAP (Continued):</u>	
Sacramento	8511-W, 6592-W, 6593-W, 8664-W, 6595-W, 8872-W, 7500-W, 8794-W, (C) 6599-W, 6600-W
Sacramento- Dunnigan	8163-W
Sacramento- Geyserville	8321-W
Sacramento - Meadowbrook	8512-W
San Diego County	6601-W, 6602-W
Ventura County	6603-W, 6604-W
<u>RATE SCHEDULES:</u>	
All Districts -- Low Income Ratepayer Assistance Program	
CA-LIRA	California American Water 8745-W, 8746-W, 8747-W, 8748-W, Low Income Ratepayer Assistance 8749-W, 8750-W, 8762-W, 7724-W, Program 7725-W, 7726-W
CA-4	California American Water 8473-W, 8744-W, 7739-W, 7740-W, Private Fire Protection Service 7741-W, 8001-W, 8020-W, 8021-W, 7628-W, 7625-W, 7636-W, 7640-W, 7643-W, 7632-W, 7634-W, 8197-W, 8206-W
CA-4H	Private Fire Hydrant Service 8742-W, 7743-W, 7744-W, 8186-W, 8002-W, 8022-W, 7626-W, 7641-W
Larkfield District	
LK-1	General Metered Service 8720-W, 8797-W, 8791-W, 8845-W, 8018-W, 7633-W
LK-F	Facilities Fees 7651-W
Los Angeles County District	
LA-1	General Metered Service 8722-W, 8723-W, 8798-W, 8784-W, 8785-W, 8852-W, 8016-W, 7630-W
LA-3M	Measured Irrigation Service 8725-W, 7712, 8547-W, 8853-W, 8017- W, 7631-W
Monterey County District	
<i>(Monterey Main, Hidden Hills, Ryan Ranch, & Bishop Service Areas)</i>	
MO-1-SF	General Metered Service 8811-W, 8813-W, 8814-W, 8815-W, Single Family Residential Customers 8839-W, 8399-W, 8817-W, 8023-W, 8812-W
MO-1-MF	General Metered Service 8818-W, 8820-W, 8821-W, 8822-W, Multi-Residential Customers 8840-W, 8824-W, 8819-W
MO-1C	General Metered Service 8825-W, 7673-W, 7674-W, 7675-W, Non-Residential Customers 8826-W, 8454-W, 8827-W, 8841-W, 8227-W, 8829-W,
MO-1O	General Metered Service 8830-W, 8831-W, 8832-W, 8833-W, Other Customers 8834-W, 8842-W, 8836-W,

(Continued)

(TO BE INSERTED BY UTILITY)		ISSUED BY	(TO BE INSERTED BY C.P.U.C.)	
Advice	1219	J. T. LINAM	Date Filed	12/03/2018
Decision		DIRECTOR - Rates & Regulatory	Effective	01/02/2019
			Resolution	_____

CANCELLED

ATTACHMENT 7

Sum of Cost	Column Labels			
Row Labels	Larkfield	Los Angeles	Monterey	Sacramento
Cap-Ex	\$ 39,755.27	\$ 1,955,693.17	\$ 336,790.73	\$ 1,908,145.12
Customer Meter Testing and Replacement	\$ 6,375.00	\$ 204,000.00	\$ 102,000.00	\$ 306,000.00
Pressure Management - PRV Maintenance & Repair	\$ -	\$ 20,862.00	\$ 94,748.25	\$ 11,300.25
Proactive Main/Service Repair due to Leak Detection Findings	\$ 33,380.27	\$ 1,721,899.17	\$ 122,178.48	\$ 1,523,854.87
Production Meter Replacement	\$ -	\$ 8,932.00	\$ 17,864.00	\$ 66,990.00
Op-Ex	\$ 299,214.50	\$ 730,839.76	\$ 722,964.02	\$ 1,186,522.93
Customer Meter Testing and Replacement	\$ 1,250.00	\$ 40,000.00	\$ 20,000.00	\$ 60,000.00
Leak Detection	\$ 34,564.50	\$ 383,519.76	\$ 289,744.02	\$ 706,882.93
Pressure Management - Pressure reduction	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00
Pressure Management - PRV Maintenance & Repair	\$ -	\$ 25,920.00	\$ 117,720.00	\$ 14,040.00
Production Meter Testing	\$ 900.00	\$ 18,900.00	\$ 33,000.00	\$ 143,100.00
Water Loss Consulting	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Grand Total	\$ 338,969.77	\$ 2,686,532.93	\$ 1,059,754.75	\$ 3,094,668.05

Sum of Cost			
Row Labels	San Diego	Ventura	Grand Total
Cap-Ex	\$ 583,654.25	\$ 974,685.59	\$ 5,798,724.13
Customer Meter Testing and Replacement	\$ 63,750.00	\$ 70,125.00	\$ 752,250.00
Pressure Management - PRV Maintenance & Repair	\$ 11,300.25	\$ 11,300.25	\$ 149,511.00
Proactive Main/Service Repair due to Leak Detection Findings	\$ 504,138.00	\$ 893,260.34	\$ 4,798,711.13
Production Meter Replacement	\$ 4,466.00	\$ -	\$ 98,252.00
Op-Ex	\$ 462,589.03	\$ 546,516.34	\$ 3,948,646.58
Customer Meter Testing and Replacement	\$ 12,500.00	\$ 13,750.00	\$ 147,500.00
Leak Detection	\$ 173,549.03	\$ 256,226.34	\$ 1,844,486.58
Pressure Management - Pressure reduction	\$ 12,500.00	\$ 12,500.00	\$ 75,000.00
Pressure Management - PRV Maintenance & Repair	\$ 14,040.00	\$ 14,040.00	\$ 185,760.00
Production Meter Testing	\$ -	\$ -	\$ 195,900.00
Water Loss Consulting	\$ 250,000.00	\$ 250,000.00	\$ 1,500,000.00
Grand Total	\$ 1,046,243.28	\$ 1,521,201.93	\$ 9,747,370.71

		Category:	
		Baseline	Baseline
		Data Source:	
		2017-2020 audit	2017-2020 audit
		Assumptions:	
		Average baseline real loss (AF)	Average length of mains (mi)
CAW System	CAW District		
CA-Larkfield Water System	Larkfield	58.56	34.97
CA-Baldwin Hills Water System	Los Angeles	246.75	69.62
CA-Duarte Water System	Los Angeles	964.38	100.27
CA-East Pasadena	Los Angeles		32.14
CA-Rio Plaza (El Rio)	Los Angeles	23.92	4.30
CA-San Marino Water System	Los Angeles	572.86	181.67
CA-Ambler Park Water System	Monterey	13.30	11.61
CA-Bishop Water System	Monterey	7.60	16.58
CA-Chualar Water System	Monterey	16.10	3.00
CA-Garrapata	Monterey	2.37	2.47
CA-Hidden Hills Water System	Monterey	25.57	22.13
CA-Monterey Water System (Monterey Main)	Monterey	255.82	567.63
CA-Ralph Lane Water System	Monterey	1.72	0.55
CA-Ryan Ranch Water System	Monterey	4.34	4.87
CA-Toro Water System	Monterey	23.45	18.07
CA-Antelope Water System	Sacramento	198.30	95.73
CA-Arden Water System	Sacramento	97.51	21.80
CA-Dunnigan	Sacramento	7.89	2.47
CA-Fruitridge Vista	Sacramento	334.27	52.00
CA-Geyserville	Sacramento	33.64	6.09
CA-Grove Water System	Sacramento	5.77	3.03
CA-Hillview - Coursegold	Sacramento		
CA-Hillview - Goldside	Sacramento		
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento		64.15
CA-Hillview - Raymond	Sacramento		
CA-Isleton Water System	Sacramento	28.75	10.07
CA-Lincoln Oaks Water System	Sacramento	129.03	143.53
CA-Meadowbrook	Sacramento	39.44	22.04
CA-Parkway Water System	Sacramento	388.43	167.14
CA-Security Park Water System	Sacramento	9.05	3.99
CA-Suburban Rosemont Water System	Sacramento	697.49	185.66
CA-West Placer County Water System	Sacramento	77.70	24.42
CA-Coronado Water System	San Diego	760.80	175.57
CA-CA-Los Posas Estates Water System	Ventura	16.61	13.89
CA-Thousand Oaks/Newbury Water System	Ventura	1177.28	253.88
Totals			

Category: Baseline

Data Source: 2017-2020 audit

Assumptions:
Average number of service connections

CAW System	CAW District	
CA-Larkfield Water System	Larkfield	2403
CA-Baldwin Hills Water System	Los Angeles	6694
CA-Duarte Water System	Los Angeles	8015
CA-East Pasadena	Los Angeles	3032
CA-Rio Plaza (El Rio)	Los Angeles	591
CA-San Marino Water System	Los Angeles	15420
CA-Ambler Park Water System	Monterey	416
CA-Bishop Water System	Monterey	414
CA-Chualar Water System	Monterey	195
CA-Garrapata	Monterey	47
CA-Hidden Hills Water System	Monterey	452
CA-Monterey Water System (Monterey Main)	Monterey	38481
CA-Ralph Lane Water System	Monterey	27
CA-Ryan Ranch Water System	Monterey	208
CA-Toro Water System	Monterey	415
CA-Antelope Water System	Sacramento	10798
CA-Arden Water System	Sacramento	1327
CA-Dunnigan	Sacramento	140
CA-Fruitridge Vista	Sacramento	4831
CA-Geyserville	Sacramento	319
CA-Grove Water System	Sacramento	205
CA-Hillview - Coursegold	Sacramento	
CA-Hillview - Goldside	Sacramento	
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	1556
CA-Hillview - Raymond	Sacramento	
CA-Isleton Water System	Sacramento	497
CA-Lincoln Oaks Water System	Sacramento	14908
CA-Meadowbrook	Sacramento	1753
CA-Parkway Water System	Sacramento	15419
CA-Security Park Water System	Sacramento	51
CA-Suburban Rosemont Water System	Sacramento	17096
CA-West Placer County Water System	Sacramento	1371
CA-Coronado Water System	San Diego	21938
CA-CA-Los Posas Estates Water System	Ventura	629
CA-Thousand Oaks/Newbury Water System	Ventura	20839

Totals

Category: Baseline

Data Source: 2017-2020 audit

Assumptions:
Average variable production cost of water (\$/AF)

CAW System	CAW District		
CA-Larkfield Water System	Larkfield	\$	693.11
CA-Baldwin Hills Water System	Los Angeles	\$	956.37
CA-Duarte Water System	Los Angeles	\$	399.16
CA-East Pasadena	Los Angeles		
CA-Rio Plaza (El Rio)	Los Angeles	\$	475.27
CA-San Marino Water System	Los Angeles	\$	436.50
CA-Ambler Park Water System	Monterey	\$	376.48
CA-Bishop Water System	Monterey	\$	410.53
CA-Chualar Water System	Monterey	\$	343.94
CA-Garrapata	Monterey	\$	1,142.22
CA-Hidden Hills Water System	Monterey	\$	438.98
CA-Monterey Water System (Monterey Main)	Monterey	\$	482.50
CA-Ralph Lane Water System	Monterey	\$	413.03
CA-Ryan Ranch Water System	Monterey	\$	436.34
CA-Toro Water System	Monterey	\$	500.94
CA-Antelope Water System	Sacramento	\$	252.26
CA-Arden Water System	Sacramento	\$	110.02
CA-Dunnigan	Sacramento	\$	91.98
CA-Fruitridge Vista	Sacramento	\$	117.82
CA-Geyserville	Sacramento	\$	193.64
CA-Grove Water System	Sacramento	\$	157.67
CA-Hillview - Coursegold	Sacramento		
CA-Hillview - Goldside	Sacramento		
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento		
CA-Hillview - Raymond	Sacramento		
CA-Isleton Water System	Sacramento	\$	200.90
CA-Lincoln Oaks Water System	Sacramento	\$	249.17
CA-Meadowbrook	Sacramento	\$	100.73
CA-Parkway Water System	Sacramento	\$	174.39
CA-Security Park Water System	Sacramento	\$	286.72
CA-Suburban Rosemont Water System	Sacramento	\$	171.34
CA-West Placer County Water System	Sacramento	\$	783.00
CA-Coronado Water System	San Diego	\$	1,909.89
CA-CA-Los Posas Estates Water System	Ventura	\$	1,510.93
CA-Thousand Oaks/Newbury Water System	Ventura	\$	1,572.74

Totals

		Category:	
		Baseline	Baseline
		Data Source:	
		2017-2020 audit	2017-2020 audit
		Assumptions:	
		Average operating pressure (psi)	Average baseline apparent loss (gpcd)
CAW System	CAW District		
CA-Larkfield Water System	Larkfield	67.72	4.94
CA-Baldwin Hills Water System	Los Angeles	75.37	10.27
CA-Duarte Water System	Los Angeles	76.46	14.86
CA-East Pasadena	Los Angeles		
CA-Rio Plaza (El Rio)	Los Angeles	70.80	10.52
CA-San Marino Water System	Los Angeles	75.42	15.25
CA-Ambler Park Water System	Monterey	79.78	4.67
CA-Bishop Water System	Monterey	78.43	4.34
CA-Chualar Water System	Monterey	61.00	7.18
CA-Garrapata	Monterey	87.85	4.36
CA-Hidden Hills Water System	Monterey	96.18	3.36
CA-Monterey Water System (Monterey Main)	Monterey	89.53	3.70
CA-Ralph Lane Water System	Monterey	80.30	3.61
CA-Ryan Ranch Water System	Monterey	82.00	3.35
CA-Toro Water System	Monterey	101.56	5.53
CA-Antelope Water System	Sacramento	65.15	4.86
CA-Arden Water System	Sacramento	84.20	12.39
CA-Dunnigan	Sacramento	59.90	2.01
CA-Fruitridge Vista	Sacramento	49.00	7.81
CA-Geyserville	Sacramento	66.75	5.81
CA-Grove Water System	Sacramento	61.03	7.07
CA-Hillview - Coursegold	Sacramento		
CA-Hillview - Goldside	Sacramento		
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento		
CA-Hillview - Raymond	Sacramento		
CA-Isleton Water System	Sacramento	76.03	4.31
CA-Lincoln Oaks Water System	Sacramento	63.30	5.49
CA-Meadowbrook	Sacramento	54.48	6.77
CA-Parkway Water System	Sacramento	61.43	6.76
CA-Security Park Water System	Sacramento	60.93	2.23
CA-Suburban Rosemont Water System	Sacramento	69.98	6.22
CA-West Placer County Water System	Sacramento	68.18	9.39
CA-Coronado Water System	San Diego	73.50	6.59
CA-CA-Los Posas Estates Water System	Ventura	72.00	11.92
CA-Thousand Oaks/Newbury Water System	Ventura	97.01	8.22
Totals			

		Category:	Baseline	Baseline
		Data Source:	2017-2020 audit	2017-2020 audit
		Assumptions:	Normalized Baseline Real Loss (gpcd or gpm/d)	Baseline Real Loss Units
CAW System	CAW District			
CA-Larkfield Water System	Larkfield		21.75 gal/conn./day	
CA-Baldwin Hills Water System	Los Angeles		32.91 gal/conn./day	
CA-Duarte Water System	Los Angeles		107.42 gal/conn./day	
CA-East Pasadena	Los Angeles			
CA-Rio Plaza (El Rio)	Los Angeles		36.13 gal/conn./day	
CA-San Marino Water System	Los Angeles		33.17 gal/conn./day	
CA-Ambler Park Water System	Monterey		28.58 gal/conn./day	
CA-Bishop Water System	Monterey		408.97 gal/mile/day	
CA-Chualar Water System	Monterey		73.79 gal/conn./day	
CA-Garrapata	Monterey		854.75 gal/mile/day	
CA-Hidden Hills Water System	Monterey		1031.45 gal/mile/day	
CA-Monterey Water System (Monterey Main)	Monterey		5.93 gal/conn./day	
CA-Ralph Lane Water System	Monterey		56.48 gal/conn./day	
CA-Ryan Ranch Water System	Monterey		18.60 gal/conn./day	
CA-Toro Water System	Monterey		1158.71 gal/mile/day	
CA-Antelope Water System	Sacramento		16.40 gal/conn./day	
CA-Arden Water System	Sacramento		65.60 gal/conn./day	
CA-Dunnigan	Sacramento		50.31 gal/conn./day	
CA-Fruitridge Vista	Sacramento		61.78 gal/conn./day	
CA-Geyserville	Sacramento		94.06 gal/conn./day	
CA-Grove Water System	Sacramento		25.09 gal/conn./day	
CA-Hillview - Coursegold	Sacramento			
CA-Hillview - Goldside	Sacramento			
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento			
CA-Hillview - Raymond	Sacramento			
CA-Isleton Water System	Sacramento		51.68 gal/conn./day	
CA-Lincoln Oaks Water System	Sacramento		7.73 gal/conn./day	
CA-Meadowbrook	Sacramento		20.09 gal/conn./day	
CA-Parkway Water System	Sacramento		22.49 gal/conn./day	
CA-Security Park Water System	Sacramento		2023.34 gal/mile/day	
CA-Suburban Rosemont Water System	Sacramento		36.42 gal/conn./day	
CA-West Placer County Water System	Sacramento		50.58 gal/conn./day	
CA-Coronado Water System	San Diego		30.96 gal/conn./day	
CA-CA-Los Posas Estates Water System	Ventura		23.58 gal/conn./day	
CA-Thousand Oaks/Newbury Water System	Ventura		50.43 gal/conn./day	
Totals				

		Category:	
		Standard	Standard
		Data Source:	
		swrcb model	swrcb model
		Assumptions:	
		out_target	out_target_normalized
		Real Loss Standard (AF)	Normalized Real Loss Standard
CAW System	CAW District		
CA-Larkfield Water System	Larkfield	47.18	17.53
CA-Baldwin Hills Water System	Los Angeles	135.89	18.12
CA-Duarte Water System	Los Angeles	171.91	19.15
CA-East Pasadena	Los Angeles		
CA-Rio Plaza (El Rio)	Los Angeles	10.59	15.99
CA-San Marino Water System	Los Angeles	321.59	18.62
CA-Ambler Park Water System	Monterey	13.30	28.58
CA-Bishop Water System	Monterey	13.84	744.96
CA-Chualar Water System	Monterey	3.50	16.04
CA-Garrapata	Monterey	2.37	854.75
CA-Hidden Hills Water System	Monterey	21.41	863.96
CA-Monterey Water System (Monterey Main)	Monterey	1075.82	24.96
CA-Ralph Lane Water System	Monterey	0.71	23.10
CA-Ryan Ranch Water System	Monterey	5.81	24.89
CA-Toro Water System	Monterey	19.70	973.59
CA-Antelope Water System	Sacramento	198.30	16.40
CA-Arden Water System	Sacramento	33.93	22.82
CA-Dunnigan	Sacramento	2.56	16.33
CA-Fruitridge Vista	Sacramento	65.94	12.19
CA-Geyserville	Sacramento	6.66	18.62
CA-Grove Water System	Sacramento	3.65	15.87
CA-Hillview - Coursegold	Sacramento		
CA-Hillview - Goldside	Sacramento		
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento		
CA-Hillview - Raymond	Sacramento		
CA-Isleton Water System	Sacramento	12.13	21.79
CA-Lincoln Oaks Water System	Sacramento	250.73	15.02
CA-Meadowbrook	Sacramento	27.02	13.76
CA-Parkway Water System	Sacramento	257.69	14.92
CA-Security Park Water System	Sacramento	1.86	416.29
CA-Suburban Rosemont Water System	Sacramento	324.56	16.95
CA-West Placer County Water System	Sacramento	28.65	18.65
CA-Coronado Water System	San Diego	413.95	16.84
CA-CA-Los Posas Estates Water System	Ventura	16.61	23.58
CA-Thousand Oaks/Newbury Water System	Ventura	576.88	24.71
Totals			

		Category: Standard Standard	
		Data Source: swrcb model swrcb model	
		Assumptions: out_target_units calc_full_survey_months	
		Normalized Real Loss Standard Units Full Survey Duration (months)	
CAW System	CAW District		
CA-Larkfield Water System	Larkfield	gal/conn./day	24
CA-Baldwin Hills Water System	Los Angeles	gal/conn./day	24
CA-Duarte Water System	Los Angeles	gal/conn./day	24
CA-East Pasadena	Los Angeles		24
CA-Rio Plaza (El Rio)	Los Angeles	gal/conn./day	24
CA-San Marino Water System	Los Angeles	gal/conn./day	24
CA-Ambler Park Water System	Monterey	gal/conn./day	24
CA-Bishop Water System	Monterey	gal/mile/day	24
CA-Chualar Water System	Monterey	gal/conn./day	24
CA-Garrapata	Monterey	gal/mile/day	24
CA-Hidden Hills Water System	Monterey	gal/mile/day	24
CA-Monterey Water System (Monterey Main)	Monterey	gal/conn./day	30
CA-Ralph Lane Water System	Monterey	gal/conn./day	24
CA-Ryan Ranch Water System	Monterey	gal/conn./day	24
CA-Toro Water System	Monterey	gal/mile/day	24
CA-Antelope Water System	Sacramento	gal/conn./day	24
CA-Arden Water System	Sacramento	gal/conn./day	24
CA-Dunnigan	Sacramento	gal/conn./day	24
CA-Fruitridge Vista	Sacramento	gal/conn./day	24
CA-Geyserville	Sacramento	gal/conn./day	24
CA-Grove Water System	Sacramento	gal/conn./day	24
CA-Hillview - Coursegold	Sacramento		
CA-Hillview - Goldside	Sacramento		
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento		24
CA-Hillview - Raymond	Sacramento		
CA-Isleton Water System	Sacramento	gal/conn./day	24
CA-Lincoln Oaks Water System	Sacramento	gal/conn./day	24
CA-Meadowbrook	Sacramento	gal/conn./day	24
CA-Parkway Water System	Sacramento	gal/conn./day	24
CA-Security Park Water System	Sacramento	gal/mile/day	24
CA-Suburban Rosemont Water System	Sacramento	gal/conn./day	24
CA-West Placer County Water System	Sacramento	gal/conn./day	24
CA-Coronado Water System	San Diego	gal/conn./day	24
CA-CA-Los Posas Estates Water System	Ventura	gal/conn./day	24
CA-Thousand Oaks/Newbury Water System	Ventura	gal/conn./day	24
Totals			

		Standard	Standard	Standard
			(Normalized Standard - Current Real Loss)/Normalized Baseline Real Loss (gpcd or gpm)	If (Normalized Standard - Current Real Loss)<0, "Yes", Else "No"
Category:	Data Source:	Normalized Real Loss Standard - Normalized Baseline Real Loss (gpcd or gpm)	Real Loss (gpcd or gpm)	
Assumptions:		Normalized Standard - Current Real Loss	% Change	Target Reduction?
CAW System	CAW District			
CA-Larkfield Water System	Larkfield	-4.23	-19%	Yes
CA-Baldwin Hills Water System	Los Angeles	-14.8	-45%	Yes
CA-Duarte Water System	Los Angeles	-88.3	-82%	Yes
CA-East Pasadena	Los Angeles			Yes
CA-Rio Plaza (El Rio)	Los Angeles	-20.1	-56%	Yes
CA-San Marino Water System	Los Angeles	-14.5	-44%	Yes
CA-Ambler Park Water System	Monterey	0.0	0%	Yes
CA-Bishop Water System	Monterey	336.0	82%	No
CA-Chualar Water System	Monterey	-57.8	-78%	Yes
CA-Garrapata	Monterey	0.0	0%	Yes
CA-Hidden Hills Water System	Monterey	-167.5	-16%	Yes
CA-Monterey Water System (Monterey Main)	Monterey	19.0	321%	No
CA-Ralph Lane Water System	Monterey	-33.4	-59%	Yes
CA-Ryan Ranch Water System	Monterey	6.3	34%	No
CA-Toro Water System	Monterey	-185.1	-16%	Yes
CA-Antelope Water System	Sacramento	0.0	0%	Yes
CA-Arden Water System	Sacramento	-42.8	-65%	Yes
CA-Dunnigan	Sacramento	-34.0	-68%	Yes
CA-Fruitridge Vista	Sacramento	-49.6	-80%	Yes
CA-Geyserville	Sacramento	-75.4	-80%	Yes
CA-Grove Water System	Sacramento	-9.2	-37%	Yes
CA-Hillview - Coursegold	Sacramento			
CA-Hillview - Goldside	Sacramento			
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento			Yes
CA-Hillview - Raymond	Sacramento			
CA-Isleton Water System	Sacramento	-29.9	-58%	Yes
CA-Lincoln Oaks Water System	Sacramento	7.3	94%	No
CA-Meadowbrook	Sacramento	-6.3	-31%	Yes
CA-Parkway Water System	Sacramento	-7.6	-34%	Yes
CA-Security Park Water System	Sacramento	-1607.0	-79%	Yes
CA-Suburban Rosemont Water System	Sacramento	-19.5	-53%	Yes
CA-West Placer County Water System	Sacramento	-31.9	-63%	Yes
CA-Coronado Water System	San Diego	-14.1	-46%	Yes
CA-CA-Los Posas Estates Water System	Ventura	0.0	0%	No
CA-Thousand Oaks/Newbury Water System	Ventura	-25.7	-51%	Yes
Totals				

Category:	Leak Detection Cost	Leak Detection Cost
Data Source:	E Source Estimate	baseline
Assumptions:	At least one round of leak detection per system. If reduction system, full round in year 1. If not a reduction system, assume leak detection frequency in state model. If system < 50 miles, full round in year 1.	

CAW System	CAW District	Leak Detection Cost (\$/mi)	Leak Detection Mileage - 2024
CA-Larkfield Water System	Larkfield	\$380	34.97
CA-Baldwin Hills Water System	Los Angeles	\$380	69.62
CA-Duarte Water System	Los Angeles	\$380	100.27
CA-East Pasadena	Los Angeles	\$380	32.14
CA-Rio Plaza (El Rio)	Los Angeles	\$380	4.30
CA-San Marino Water System	Los Angeles	\$380	181.67
CA-Ambler Park Water System	Monterey	\$380	11.61
CA-Bishop Water System	Monterey	\$380	16.58
CA-Chualar Water System	Monterey	\$380	3.00
CA-Garrapata	Monterey	\$380	2.47
CA-Hidden Hills Water System	Monterey	\$380	22.13
CA-Monterey Water System (Monterey Main)	Monterey	\$380	227.05
CA-Ralph Lane Water System	Monterey	\$380	0.55
CA-Ryan Ranch Water System	Monterey	\$380	4.87
CA-Toro Water System	Monterey	\$380	18.07
CA-Antelope Water System	Sacramento	\$380	95.73
CA-Arden Water System	Sacramento	\$380	21.80
CA-Dunnigan	Sacramento	\$380	2.47
CA-Fruitridge Vista	Sacramento	\$380	52.00
CA-Geyserville	Sacramento	\$380	6.09
CA-Grove Water System	Sacramento	\$380	3.03
CA-Hillview - Coursegold	Sacramento	\$380	
CA-Hillview - Goldside	Sacramento	\$380	
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	\$380	64.15
CA-Hillview - Raymond	Sacramento	\$380	
CA-Isleton Water System	Sacramento	\$380	10.07
CA-Lincoln Oaks Water System	Sacramento	\$380	71.76
CA-Meadowbrook	Sacramento	\$380	22.04
CA-Parkway Water System	Sacramento	\$380	167.14
CA-Security Park Water System	Sacramento	\$380	3.99
CA-Suburban Rosemont Water System	Sacramento	\$380	185.66
CA-West Placer County Water System	Sacramento	\$380	24.42
CA-Coronado Water System	San Diego	\$380	175.57
CA-CA-Los Posas Estates Water System	Ventura	\$380	13.89
CA-Thousand Oaks/Newbury Water System	Ventura	\$380	253.88
Totals			1,903

Category:	Leak Detection Cost	Leak Detection Cost
Data Source:	baseline	swrcb model - survey frequency
Assumptions:	Two rounds if reduction required. If reduction not required, continue leak detection at state model frequency (if full round not completed in year 1).	If reduction required, continue at state model frequency. If reduction not required, continue leak detection at state model frequency (if full round not completed in year 1).

CAW System	CAW District	Leak Detection Mileage - 2025	Leak Detection Mileage - 2026
CA-Larkfield Water System	Larkfield	34.97	17.48
CA-Baldwin Hills Water System	Los Angeles	69.62	34.81
CA-Duarte Water System	Los Angeles	100.27	50.14
CA-East Pasadena	Los Angeles	32.14	16.07
CA-Rio Plaza (El Rio)	Los Angeles	4.30	2.15
CA-San Marino Water System	Los Angeles	181.67	90.83
CA-Ambler Park Water System	Monterey	11.61	5.81
CA-Bishop Water System	Monterey	0.00	0.00
CA-Chualar Water System	Monterey	3.00	1.50
CA-Garrapata	Monterey	2.47	1.24
CA-Hidden Hills Water System	Monterey	22.13	11.06
CA-Monterey Water System (Monterey Main)	Monterey	227.05	113.53
CA-Ralph Lane Water System	Monterey	0.55	0.28
CA-Ryan Ranch Water System	Monterey	0.00	0.00
CA-Toro Water System	Monterey	18.07	9.03
CA-Antelope Water System	Sacramento	95.73	47.87
CA-Arden Water System	Sacramento	21.80	10.90
CA-Dunnigan	Sacramento	2.47	1.23
CA-Fruitridge Vista	Sacramento	52.00	26.00
CA-Geyserville	Sacramento	6.09	3.04
CA-Grove Water System	Sacramento	3.03	1.51
CA-Hillview - Coursegold	Sacramento		
CA-Hillview - Goldside	Sacramento		
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	64.15	32.08
CA-Hillview - Raymond	Sacramento		
CA-Isleton Water System	Sacramento	10.07	5.04
CA-Lincoln Oaks Water System	Sacramento	71.76	0.00
CA-Meadowbrook	Sacramento	22.04	11.02
CA-Parkway Water System	Sacramento	167.14	83.57
CA-Security Park Water System	Sacramento	3.99	2.00
CA-Suburban Rosemont Water System	Sacramento	185.66	92.83
CA-West Placer County Water System	Sacramento	24.42	12.21
CA-Coronado Water System	San Diego	175.57	87.79
CA-CA-Los Posas Estates Water System	Ventura	0.00	0.00
CA-Thousand Oaks/Newbury Water System	Ventura	253.88	126.94
Totals		1,868	898

		Leak Detection Cost	Repair - Proactive
Category:			
Data Source:	sum(Leak Detection Mileage - 2024 to 2026) * Leak Detection Cost (+5% escalation per year)		(Standard - Baseline Real Loss) * x%/(Average volume of main leak)
Assumptions:			Assumed 1.25 times difference between current real loss and standard will be found during 2 consecutive rounds of leak detection plus portion of system (specified by swrcb leak detection frequency) in third year. Assume 10% of leaks will be found on mains. Assume leaks run for 6-months during the year. Assume flow rate provided in swrcb model of 28 gpm
CAW System	CAW District	Total Leak Detection Cost	Count of Proactive Main Repairs
CA-Larkfield Water System	Larkfield	\$34,564.50	1
CA-Baldwin Hills Water System	Los Angeles	\$68,817.63	1
CA-Duarte Water System	Los Angeles	\$99,114.39	5
CA-East Pasadena	Los Angeles	\$31,765.99	0
CA-Rio Plaza (El Rio)	Los Angeles	\$4,250.44	1
CA-San Marino Water System	Los Angeles	\$179,571.31	2
CA-Ambler Park Water System	Monterey	\$11,476.19	1
CA-Bishop Water System	Monterey	\$6,300.40	0
CA-Chualar Water System	Monterey	\$2,967.90	1
CA-Garrapata	Monterey	\$2,444.00	1
CA-Hidden Hills Water System	Monterey	\$21,872.48	1
CA-Monterey Water System (Monterey Main)	Monterey	\$224,433.25	0
CA-Ralph Lane Water System	Monterey	\$543.66	1
CA-Ryan Ranch Water System	Monterey	\$1,849.33	0
CA-Toro Water System	Monterey	\$17,856.80	1
CA-Antelope Water System	Sacramento	\$94,629.18	1
CA-Arden Water System	Sacramento	\$21,543.81	1
CA-Dunnigan	Sacramento	\$2,436.59	1
CA-Fruitridge Vista	Sacramento	\$51,400.70	2
CA-Geyserville	Sacramento	\$6,014.87	1
CA-Grove Water System	Sacramento	\$2,990.14	1
CA-Hillview - Coursegold	Sacramento	\$0.00	0
CA-Hillview - Goldside	Sacramento	\$0.00	0
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	\$63,413.10	0
CA-Hillview - Raymond	Sacramento	\$0.00	0
CA-Isleton Water System	Sacramento	\$9,956.41	1
CA-Lincoln Oaks Water System	Sacramento	\$55,902.99	0
CA-Meadowbrook	Sacramento	\$21,781.05	1
CA-Parkway Water System	Sacramento	\$165,211.24	1
CA-Security Park Water System	Sacramento	\$3,946.49	1
CA-Suburban Rosemont Water System	Sacramento	\$183,517.80	3
CA-West Placer County Water System	Sacramento	\$24,138.56	1
CA-Coronado Water System	San Diego	\$173,549.03	2
CA-CA-Los Posas Estates Water System	Ventura	\$5,277.25	1
CA-Thousand Oaks/Newbury Water System	Ventura	\$250,949.09	4
Totals		\$1,844,486.58	38

Category: Repair - Proactive

Data Source: (Standard - Baseline Real Loss) *
y%/(Average volume of service leak)

Assumptions: Assumed 1.25 times difference between current real loss and standard will be found during 2 consecutive rounds of leak detection plus portion of system (specified by swrcb leak detection frequency) in third year. . Assume 90% of leaks will be found on services. Assume leaks run for 6-months during the year. Assume flow rate provided in swrcb model of 7.84 gpm Assi

CAW System	CAW District	Count of Proactive Service Repairs	Count of Proactive Main Repairs 2024
CA-Larkfield Water System	Larkfield	3	0.5
CA-Baldwin Hills Water System	Los Angeles	20	0.5
CA-Duarte Water System	Los Angeles	141	2.5
CA-East Pasadena	Los Angeles	0	0
CA-Rio Plaza (El Rio)	Los Angeles	3	0.5
CA-San Marino Water System	Los Angeles	45	1
CA-Ambler Park Water System	Monterey	1	0.5
CA-Bishop Water System	Monterey	0	0
CA-Chualar Water System	Monterey	3	0.5
CA-Garrapata	Monterey	1	0.5
CA-Hidden Hills Water System	Monterey	1	0.5
CA-Monterey Water System (Monterey Main)	Monterey	0	0
CA-Ralph Lane Water System	Monterey	1	0.5
CA-Ryan Ranch Water System	Monterey	0	0
CA-Toro Water System	Monterey	1	0.5
CA-Antelope Water System	Sacramento	1	0.5
CA-Arden Water System	Sacramento	12	0.5
CA-Dunnigan	Sacramento	1	0.5
CA-Fruitridge Vista	Sacramento	48	1
CA-Geyserville	Sacramento	5	0.5
CA-Grove Water System	Sacramento	1	0.5
CA-Hillview - Coursegold	Sacramento	0	0
CA-Hillview - Goldside	Sacramento	0	0
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	0	0
CA-Hillview - Raymond	Sacramento	0	0
CA-Isleton Water System	Sacramento	3	0.5
CA-Lincoln Oaks Water System	Sacramento	0	0
CA-Meadowbrook	Sacramento	3	0.5
CA-Parkway Water System	Sacramento	24	0.5
CA-Security Park Water System	Sacramento	2	0.5
CA-Suburban Rosemont Water System	Sacramento	67	1.5
CA-West Placer County Water System	Sacramento	9	0.5
CA-Coronado Water System	San Diego	62	1
CA-CA-Los Posas Estates Water System	Ventura	1	0.5
CA-Thousand Oaks/Newbury Water System	Ventura	107	2
Totals		566	19

Category:

Data Source:

Assumptions: Assumes 50% in 2024, 30% in 2025, and 20% in 2026

CAW System	CAW District	Count of Proactive Main Repairs 2025	Count of Proactive Main Repairs 2026
CA-Larkfield Water System	Larkfield	0.3	0.2
CA-Baldwin Hills Water System	Los Angeles	0.3	0.2
CA-Duarte Water System	Los Angeles	1.5	1
CA-East Pasadena	Los Angeles	0	0
CA-Rio Plaza (El Rio)	Los Angeles	0.3	0.2
CA-San Marino Water System	Los Angeles	0.6	0.4
CA-Ambler Park Water System	Monterey	0.3	0.2
CA-Bishop Water System	Monterey	0	0
CA-Chualar Water System	Monterey	0.3	0.2
CA-Garrapata	Monterey	0.3	0.2
CA-Hidden Hills Water System	Monterey	0.3	0.2
CA-Monterey Water System (Monterey Main)	Monterey	0	0
CA-Ralph Lane Water System	Monterey	0.3	0.2
CA-Ryan Ranch Water System	Monterey	0	0
CA-Toro Water System	Monterey	0.3	0.2
CA-Antelope Water System	Sacramento	0.3	0.2
CA-Arden Water System	Sacramento	0.3	0.2
CA-Dunnigan	Sacramento	0.3	0.2
CA-Fruitridge Vista	Sacramento	0.6	0.4
CA-Geyserville	Sacramento	0.3	0.2
CA-Grove Water System	Sacramento	0.3	0.2
CA-Hillview - Coursegold	Sacramento	0	0
CA-Hillview - Goldside	Sacramento	0	0
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	0	0
CA-Hillview - Raymond	Sacramento	0	0
CA-Isleton Water System	Sacramento	0.3	0.2
CA-Lincoln Oaks Water System	Sacramento	0	0
CA-Meadowbrook	Sacramento	0.3	0.2
CA-Parkway Water System	Sacramento	0.3	0.2
CA-Security Park Water System	Sacramento	0.3	0.2
CA-Suburban Rosemont Water System	Sacramento	0.9	0.6
CA-West Placer County Water System	Sacramento	0.3	0.2
CA-Coronado Water System	San Diego	0.6	0.4
CA-CA-Los Posas Estates Water System	Ventura	0.3	0.2
CA-Thousand Oaks/Newbury Water System	Ventura	1.2	0.8
Totals		11	8

Category:

Data Source:

Assumptions: Assumes 50% in 2024, 30% in 2025, and 20% in 20

CAW System	CAW District	Count of Proactive Service Repairs 2024	Count of Proactive Service Repairs 2025
CA-Larkfield Water System	Larkfield	1.5	0.9
CA-Baldwin Hills Water System	Los Angeles	10	6
CA-Duarte Water System	Los Angeles	70.5	42.3
CA-East Pasadena	Los Angeles	0	0
CA-Rio Plaza (El Rio)	Los Angeles	1.5	0.9
CA-San Marino Water System	Los Angeles	22.5	13.5
CA-Ambler Park Water System	Monterey	0.5	0.3
CA-Bishop Water System	Monterey	0	0
CA-Chualar Water System	Monterey	1.5	0.9
CA-Garrapata	Monterey	0.5	0.3
CA-Hidden Hills Water System	Monterey	0.5	0.3
CA-Monterey Water System (Monterey Main)	Monterey	0	0
CA-Ralph Lane Water System	Monterey	0.5	0.3
CA-Ryan Ranch Water System	Monterey	0	0
CA-Toro Water System	Monterey	0.5	0.3
CA-Antelope Water System	Sacramento	0.5	0.3
CA-Arden Water System	Sacramento	6	3.6
CA-Dunnigan	Sacramento	0.5	0.3
CA-Fruitridge Vista	Sacramento	24	14.4
CA-Geyserville	Sacramento	2.5	1.5
CA-Grove Water System	Sacramento	0.5	0.3
CA-Hillview - Coursegold	Sacramento	0	0
CA-Hillview - Goldside	Sacramento	0	0
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	0	0
CA-Hillview - Raymond	Sacramento	0	0
CA-Isleton Water System	Sacramento	1.5	0.9
CA-Lincoln Oaks Water System	Sacramento	0	0
CA-Meadowbrook	Sacramento	1.5	0.9
CA-Parkway Water System	Sacramento	12	7.2
CA-Security Park Water System	Sacramento	1	0.6
CA-Suburban Rosemont Water System	Sacramento	33.5	20.1
CA-West Placer County Water System	Sacramento	4.5	2.7
CA-Coronado Water System	San Diego	31	18.6
CA-CA-Los Posas Estates Water System	Ventura	0.5	0.3
CA-Thousand Oaks/Newbury Water System	Ventura	53.5	32.1
Totals		283	170

Category: Repair - Proactive

Count of Proactive Main Repairs *
 Average Cost of Main Repairs +
 Count of Proactive Service Repairs
 * Average Cost of Service Repairs

Data Source:

Assumptions: 26

CAW System	CAW District	Count of Proactive Service Repairs 2026	Total Cost of Proactive Repair
CA-Larkfield Water System	Larkfield	0.6	\$33,380
CA-Baldwin Hills Water System	Los Angeles	4	\$166,156
CA-Duarte Water System	Los Angeles	28.2	\$1,151,001
CA-East Pasadena	Los Angeles	0	\$0
CA-Rio Plaza (El Rio)	Los Angeles	0.6	\$33,380
CA-San Marino Water System	Los Angeles	9	\$371,363
CA-Ambler Park Water System	Monterey	0.2	\$17,760
CA-Bishop Water System	Monterey	0	\$0
CA-Chualar Water System	Monterey	0.6	\$33,380
CA-Garrapata	Monterey	0.2	\$17,760
CA-Hidden Hills Water System	Monterey	0.2	\$17,760
CA-Monterey Water System (Monterey Main)	Monterey	0	\$0
CA-Ralph Lane Water System	Monterey	0.2	\$17,760
CA-Ryan Ranch Water System	Monterey	0	\$0
CA-Toro Water System	Monterey	0.2	\$17,760
CA-Antelope Water System	Sacramento	0.2	\$17,760
CA-Arden Water System	Sacramento	2.4	\$103,673
CA-Dunnigan	Sacramento	0.2	\$17,760
CA-Fruitridge Vista	Sacramento	9.6	\$394,794
CA-Geyserville	Sacramento	1	\$49,001
CA-Grove Water System	Sacramento	0.2	\$17,760
CA-Hillview - Coursegold	Sacramento	0	\$0
CA-Hillview - Goldside	Sacramento	0	\$0
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	0	\$0
CA-Hillview - Raymond	Sacramento	0	\$0
CA-Isleton Water System	Sacramento	0.6	\$33,380
CA-Lincoln Oaks Water System	Sacramento	0	\$0
CA-Meadowbrook	Sacramento	0.6	\$33,380
CA-Parkway Water System	Sacramento	4.8	\$197,397
CA-Security Park Water System	Sacramento	0.4	\$25,570
CA-Suburban Rosemont Water System	Sacramento	13.4	\$553,139
CA-West Placer County Water System	Sacramento	1.8	\$80,242
CA-Coronado Water System	San Diego	12.4	\$504,138
CA-CA-Los Posas Estates Water System	Ventura	0.2	\$17,760
CA-Thousand Oaks/Newbury Water System	Ventura	21.4	\$875,501
Totals		113	\$4,798,711

Category: Repair - Reactive

Data Source: Data Provided by Cal Am (File: Cost per Main-Service Repairs_Meter Purchase Costs v.2(3-28-22))

Assumptions: Average of the last three years

CAW System	CAW District	Count of Reactive Main Repairs (ave number of repairs)
CA-Larkfield Water System	Larkfield	6
CA-Baldwin Hills Water System	Los Angeles	246
CA-Duarte Water System	Los Angeles	
CA-East Pasadena	Los Angeles	
CA-Rio Plaza (El Rio)	Los Angeles	
CA-San Marino Water System	Los Angeles	
CA-Ambler Park Water System	Monterey	
CA-Bishop Water System	Monterey	
CA-Chualar Water System	Monterey	
CA-Garrapata	Monterey	
CA-Hidden Hills Water System	Monterey	
CA-Monterey Water System (Monterey Main)	Monterey	124
CA-Ralph Lane Water System	Monterey	
CA-Ryan Ranch Water System	Monterey	
CA-Toro Water System	Monterey	
CA-Antelope Water System	Sacramento	34
CA-Arden Water System	Sacramento	
CA-Dunnigan	Sacramento	
CA-Fruitridge Vista	Sacramento	
CA-Geyserville	Sacramento	
CA-Grove Water System	Sacramento	
CA-Hillview - Coursegold	Sacramento	
CA-Hillview - Goldside	Sacramento	
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	
CA-Hillview - Raymond	Sacramento	
CA-Isleton Water System	Sacramento	
CA-Lincoln Oaks Water System	Sacramento	
CA-Meadowbrook	Sacramento	
CA-Parkway Water System	Sacramento	
CA-Security Park Water System	Sacramento	
CA-Suburban Rosemont Water System	Sacramento	
CA-West Placer County Water System	Sacramento	
CA-Coronado Water System	San Diego	9
CA-CA-Los Posas Estates Water System	Ventura	
CA-Thousand Oaks/Newbury Water System	Ventura	6
Totals		426

		Repair - Reactive	Repair - Reactive
		Data Provided by Cal Am (File: California H-Services Replacements 2019-2021 v.3(jmb 4-4-22))	Data Provided by Cal Am (File: Cost per Main-Service Repairs_Meter Purchase Costs v.2(3-28-22))
		Average of the last three years	Average of the last three years
CAW System	CAW District	Count of Reactive Service Repairs	Average Cost of Main Repairs
CA-Larkfield Water System	Larkfield	8	\$ 9,949.33
CA-Baldwin Hills Water System	Los Angeles	139	\$ 9,949.33
CA-Duarte Water System	Los Angeles		\$ 9,949.33
CA-East Pasadena	Los Angeles		\$ 9,949.33
CA-Rio Plaza (El Rio)	Los Angeles		\$ 9,949.33
CA-San Marino Water System	Los Angeles		\$ 9,949.33
CA-Ambler Park Water System	Monterey		\$ 9,949.33
CA-Bishop Water System	Monterey		\$ 9,949.33
CA-Chualar Water System	Monterey		\$ 9,949.33
CA-Garrapata	Monterey		\$ 9,949.33
CA-Hidden Hills Water System	Monterey		\$ 9,949.33
CA-Monterey Water System (Monterey Main)	Monterey	270	\$ 9,949.33
CA-Ralph Lane Water System	Monterey		\$ 9,949.33
CA-Ryan Ranch Water System	Monterey		\$ 9,949.33
CA-Toro Water System	Monterey		\$ 9,949.33
CA-Antelope Water System	Sacramento	267	\$ 9,949.33
CA-Arden Water System	Sacramento		\$ 9,949.33
CA-Dunnigan	Sacramento		\$ 9,949.33
CA-Fruitridge Vista	Sacramento		\$ 9,949.33
CA-Geyserville	Sacramento		\$ 9,949.33
CA-Grove Water System	Sacramento		\$ 9,949.33
CA-Hillview - Coursegold	Sacramento		\$ 9,949.33
CA-Hillview - Goldside	Sacramento		\$ 9,949.33
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento		\$ 9,949.33
CA-Hillview - Raymond	Sacramento		\$ 9,949.33
CA-Isleton Water System	Sacramento		\$ 9,949.33
CA-Lincoln Oaks Water System	Sacramento		\$ 9,949.33
CA-Meadowbrook	Sacramento		\$ 9,949.33
CA-Parkway Water System	Sacramento		\$ 9,949.33
CA-Security Park Water System	Sacramento		\$ 9,949.33
CA-Suburban Rosemont Water System	Sacramento		\$ 9,949.33
CA-West Placer County Water System	Sacramento		\$ 9,949.33
CA-Coronado Water System	San Diego	60	\$ 9,949.33
CA-CA-Los Posas Estates Water System	Ventura		\$ 9,949.33
CA-Thousand Oaks/Newbury Water System	Ventura	71	\$ 9,949.33
Totals		816	

Category:	Repair - Reactive	PRV Maintenance	PRV Maintenance
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Data Source:	Data Provided by Cal Am (File: California H-Services Replacements 2019-2021 v.3(jmb 4-4-22))	Data Provided by Cal Am (File: Number of PRVs - by Systems)	Assumed
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Assumptions:	Average of the last three years	Assumes 25% of repairs across all PRVs per year
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CAW System	CAW District	Average Cost of Service Repairs	Count of PRVs	Count Repaired per Year
CA-Larkfield Water System	Larkfield	\$ 7,810.31	0	0
CA-Baldwin Hills Water System	Los Angeles	\$ 7,810.31	3	1
CA-Duarte Water System	Los Angeles	\$ 7,810.31	14	4
CA-East Pasadena	Los Angeles	\$ 7,810.31	2	1
CA-Rio Plaza (El Rio)	Los Angeles	\$ 7,810.31	0	0
CA-San Marino Water System	Los Angeles	\$ 7,810.31	5	1
CA-Ambler Park Water System	Monterey	\$ 7,810.31	3	1
CA-Bishop Water System	Monterey	\$ 7,810.31	2	1
CA-Chualar Water System	Monterey	\$ 7,810.31	2	1
CA-Garrapata	Monterey	\$ 7,810.31	0	0
CA-Hidden Hills Water System	Monterey	\$ 7,810.31	14	4
CA-Monterey Water System (Monterey Main)	Monterey	\$ 7,810.31	76	19
CA-Ralph Lane Water System	Monterey	\$ 7,810.31	0	0
CA-Ryan Ranch Water System	Monterey	\$ 7,810.31	1	0
CA-Toro Water System	Monterey	\$ 7,810.31	11	3
CA-Antelope Water System	Sacramento	\$ 7,810.31	0	0
CA-Arden Water System	Sacramento	\$ 7,810.31	0	0
CA-Dunnigan	Sacramento	\$ 7,810.31	0	0
CA-Fruitridge Vista	Sacramento	\$ 7,810.31	0	0
CA-Geyserville	Sacramento	\$ 7,810.31	0	0
CA-Grove Water System	Sacramento	\$ 7,810.31	0	0
CA-Hillview - Coursegold	Sacramento	\$ 7,810.31	0	0
CA-Hillview - Goldside	Sacramento	\$ 7,810.31	0	0
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	\$ 7,810.31	13	3
CA-Hillview - Raymond	Sacramento	\$ 7,810.31	0	0
CA-Isleton Water System	Sacramento	\$ 7,810.31	0	0
CA-Lincoln Oaks Water System	Sacramento	\$ 7,810.31	0	0
CA-Meadowbrook	Sacramento	\$ 7,810.31	0	0
CA-Parkway Water System	Sacramento	\$ 7,810.31	0	0
CA-Security Park Water System	Sacramento	\$ 7,810.31	0	0
CA-Suburban Rosemont Water System	Sacramento	\$ 7,810.31	0	0
CA-West Placer County Water System	Sacramento	\$ 7,810.31	0	0
CA-Coronado Water System	San Diego	\$ 7,810.31	13	3
CA-CA-Los Posas Estates Water System	Ventura	\$ 7,810.31	3	1
CA-Thousand Oaks/Newbury Water System	Ventura	\$ 7,810.31	10	3
Totals			172	43

		PRV Maintenance	PRV Maintenance	PRV Maintenance
Category:				
Data Source:	Cal Am Recommendation of 3 hours at \$120/hour (supported by example invoices)	Invoice for PRV Repair (Invoice #11476 for PO 3000505766, May 1, 2021)	Count of PRVs * 3 years * Cost of Maintenance	
Assumptions:	One maintenance inspection per PRV per year	Includes Labor and Parts and is based on one invoice example.	Assumed annual maintenance	
CAW System	CAW District	Cost of Maintenance	Cost of Repair	PRV Maintenance Cost
CA-Larkfield Water System	Larkfield	\$360	\$1,159	\$0
CA-Baldwin Hills Water System	Los Angeles	\$360	\$1,159	\$3,240
CA-Duarte Water System	Los Angeles	\$360	\$1,159	\$15,120
CA-East Pasadena	Los Angeles	\$360	\$1,159	\$2,160
CA-Rio Plaza (El Rio)	Los Angeles	\$360	\$1,159	\$0
CA-San Marino Water System	Los Angeles	\$360	\$1,159	\$5,400
CA-Ambler Park Water System	Monterey	\$360	\$1,159	\$3,240
CA-Bishop Water System	Monterey	\$360	\$1,159	\$2,160
CA-Chualar Water System	Monterey	\$360	\$1,159	\$2,160
CA-Garrapata	Monterey	\$360	\$1,159	\$0
CA-Hidden Hills Water System	Monterey	\$360	\$1,159	\$15,120
CA-Monterey Water System (Monterey Main)	Monterey	\$360	\$1,159	\$82,080
CA-Ralph Lane Water System	Monterey	\$360	\$1,159	\$0
CA-Ryan Ranch Water System	Monterey	\$360	\$1,159	\$1,080
CA-Toro Water System	Monterey	\$360	\$1,159	\$11,880
CA-Antelope Water System	Sacramento	\$360	\$1,159	\$0
CA-Arden Water System	Sacramento	\$360	\$1,159	\$0
CA-Dunnigan	Sacramento	\$360	\$1,159	\$0
CA-Fruitridge Vista	Sacramento	\$360	\$1,159	\$0
CA-Geyserville	Sacramento	\$360	\$1,159	\$0
CA-Grove Water System	Sacramento	\$360	\$1,159	\$0
CA-Hillview - Coursegold	Sacramento	\$360	\$1,159	\$0
CA-Hillview - Goldside	Sacramento	\$360	\$1,159	\$0
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	\$360	\$1,159	\$14,040
CA-Hillview - Raymond	Sacramento	\$360	\$1,159	\$0
CA-Isleton Water System	Sacramento	\$360	\$1,159	\$0
CA-Lincoln Oaks Water System	Sacramento	\$360	\$1,159	\$0
CA-Meadowbrook	Sacramento	\$360	\$1,159	\$0
CA-Parkway Water System	Sacramento	\$360	\$1,159	\$0
CA-Security Park Water System	Sacramento	\$360	\$1,159	\$0
CA-Suburban Rosemont Water System	Sacramento	\$360	\$1,159	\$0
CA-West Placer County Water System	Sacramento	\$360	\$1,159	\$0
CA-Coronado Water System	San Diego	\$360	\$1,159	\$14,040
CA-CA-Los Posas Estates Water System	Ventura	\$360	\$1,159	\$3,240
CA-Thousand Oaks/Newbury Water System	Ventura	\$360	\$1,159	\$10,800
Totals				\$185,760

Category:	PRV Maintenance	PRV Maintenance
Data Source:	Count of PRVs * 25% * 3 years * Cost of Maintenance	PRV Maintenance Cost + PRV Repair Cost
Assumptions:	Assumed 25% of PRVs would be repaired each year	

CAW System	CAW District	PRV Repair Cost	Total PRV Maintenance and Repair Cost
CA-Larkfield Water System	Larkfield	\$0	\$0
CA-Baldwin Hills Water System	Los Angeles	\$2,608	\$5,848
CA-Duarte Water System	Los Angeles	\$12,170	\$27,290
CA-East Pasadena	Los Angeles	\$1,739	\$3,899
CA-Rio Plaza (El Rio)	Los Angeles	\$0	\$0
CA-San Marino Water System	Los Angeles	\$4,346	\$9,746
CA-Ambler Park Water System	Monterey	\$2,608	\$5,848
CA-Bishop Water System	Monterey	\$1,739	\$3,899
CA-Chualar Water System	Monterey	\$1,739	\$3,899
CA-Garrapata	Monterey	\$0	\$0
CA-Hidden Hills Water System	Monterey	\$12,170	\$27,290
CA-Monterey Water System (Monterey Main)	Monterey	\$66,063	\$148,143
CA-Ralph Lane Water System	Monterey	\$0	\$0
CA-Ryan Ranch Water System	Monterey	\$869	\$1,949
CA-Toro Water System	Monterey	\$9,562	\$21,442
CA-Antelope Water System	Sacramento	\$0	\$0
CA-Arden Water System	Sacramento	\$0	\$0
CA-Dunnigan	Sacramento	\$0	\$0
CA-Fruitridge Vista	Sacramento	\$0	\$0
CA-Geyserville	Sacramento	\$0	\$0
CA-Grove Water System	Sacramento	\$0	\$0
CA-Hillview - Coursegold	Sacramento	\$0	\$0
CA-Hillview - Goldside	Sacramento	\$0	\$0
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	\$11,300	\$25,340
CA-Hillview - Raymond	Sacramento	\$0	\$0
CA-Isleton Water System	Sacramento	\$0	\$0
CA-Lincoln Oaks Water System	Sacramento	\$0	\$0
CA-Meadowbrook	Sacramento	\$0	\$0
CA-Parkway Water System	Sacramento	\$0	\$0
CA-Security Park Water System	Sacramento	\$0	\$0
CA-Suburban Rosemont Water System	Sacramento	\$0	\$0
CA-West Placer County Water System	Sacramento	\$0	\$0
CA-Coronado Water System	San Diego	\$11,300	\$25,340
CA-CA-Los Posas Estates Water System	Ventura	\$2,608	\$5,848
CA-Thousand Oaks/Newbury Water System	Ventura	\$8,693	\$19,493
Totals		\$149,511	\$335,271

		Production Meter Testing	
		Production Meter Testing	Production Meter Testing
		Cal Am Provided List of Production Meters (File: List of sources with Production Meters (3-18-22))	
		Documentation of Production Meter Tests Provided by Cal Am (multiple files)	
		Does not include import meters that are not owned or operated by Cal Am	
		Assumed these are already in a testing regimen.	
		Count of Production Meters (owned by Cal Am)	Count of Production Meters Tested in 2020
CAW System	CAW District		
CA-Larkfield Water System	Larkfield	1	0
CA-Baldwin Hills Water System	Los Angeles	4	0
CA-Duarte Water System	Los Angeles	9	2
CA-East Pasadena	Los Angeles	2	0
CA-Rio Plaza (El Rio)	Los Angeles	2	0
CA-San Marino Water System	Los Angeles	11	5
CA-Ambler Park Water System	Monterey	4	0
CA-Bishop Water System	Monterey	4	2
CA-Chualar Water System	Monterey	2	2
CA-Garrapata	Monterey	2	0
CA-Hidden Hills Water System	Monterey	3	0
CA-Monterey Water System (Monterey Main)	Monterey	19	6
CA-Ralph Lane Water System	Monterey	1	1
CA-Ryan Ranch Water System	Monterey	6	1
CA-Toro Water System	Monterey	5	2
CA-Antelope Water System	Sacramento	18	0
CA-Arden Water System	Sacramento	6	0
CA-Dunnigan	Sacramento	2	0
CA-Fruitridge Vista	Sacramento	12	0
CA-Geyserville	Sacramento	2	0
CA-Grove Water System	Sacramento	2	0
CA-Hillview - Coursegold	Sacramento	2	0
CA-Hillview - Goldside	Sacramento	9	0
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	23	0
CA-Hillview - Raymond	Sacramento	7	0
CA-Isleton Water System	Sacramento	3	0
CA-Lincoln Oaks Water System	Sacramento	26	0
CA-Meadowbrook	Sacramento	3	0
CA-Parkway Water System	Sacramento	12	0
CA-Security Park Water System	Sacramento	1	0
CA-Suburban Rosemont Water System	Sacramento	30	0
CA-West Placer County Water System	Sacramento	1	0
CA-Coronado Water System	San Diego	8	8
CA-CA-Los Posas Estates Water System	Ventura	0	0
CA-Thousand Oaks/Newbury Water System	Ventura	0	0
Totals		242	29

Category: Production Meter Testing

Data Source: Count of production meters *minus* Production Meters Tested in 2020

Assumptions:

CAW System	CAW District	Count of Production Meters to be Tested in 2024
CA-Larkfield Water System	Larkfield	1
CA-Baldwin Hills Water System	Los Angeles	4
CA-Duarte Water System	Los Angeles	7
CA-East Pasadena	Los Angeles	2
CA-Rio Plaza (El Rio)	Los Angeles	2
CA-San Marino Water System	Los Angeles	6
CA-Ambler Park Water System	Monterey	4
CA-Bishop Water System	Monterey	2
CA-Chualar Water System	Monterey	0
CA-Garrapata	Monterey	2
CA-Hidden Hills Water System	Monterey	3
CA-Monterey Water System (Monterey Main)	Monterey	13
CA-Ralph Lane Water System	Monterey	0
CA-Ryan Ranch Water System	Monterey	5
CA-Toro Water System	Monterey	3
CA-Antelope Water System	Sacramento	18
CA-Arden Water System	Sacramento	6
CA-Dunnigan	Sacramento	2
CA-Fruitridge Vista	Sacramento	12
CA-Geyserville	Sacramento	2
CA-Grove Water System	Sacramento	2
CA-Hillview - Coursegold	Sacramento	2
CA-Hillview - Goldside	Sacramento	9
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	23
CA-Hillview - Raymond	Sacramento	7
CA-Isleton Water System	Sacramento	3
CA-Lincoln Oaks Water System	Sacramento	26
CA-Meadowbrook	Sacramento	3
CA-Parkway Water System	Sacramento	12
CA-Security Park Water System	Sacramento	1
CA-Suburban Rosemont Water System	Sacramento	30
CA-West Placer County Water System	Sacramento	1
CA-Coronado Water System	San Diego	0
CA-CA-Los Posas Estates Water System	Ventura	0
CA-Thousand Oaks/Newbury Water System	Ventura	0
Totals		213

Category: Production Meter Testing

Data Source: Count of production meters *minus* Production Meters Tested in 2020

Assumptions:

CAW System	CAW District	Count of Production Meters to be Tested in 2025
CA-Larkfield Water System	Larkfield	1
CA-Baldwin Hills Water System	Los Angeles	4
CA-Duarte Water System	Los Angeles	7
CA-East Pasadena	Los Angeles	2
CA-Rio Plaza (El Rio)	Los Angeles	2
CA-San Marino Water System	Los Angeles	6
CA-Ambler Park Water System	Monterey	4
CA-Bishop Water System	Monterey	4
CA-Chualar Water System	Monterey	2
CA-Garrapata	Monterey	2
CA-Hidden Hills Water System	Monterey	3
CA-Monterey Water System (Monterey Main)	Monterey	19
CA-Ralph Lane Water System	Monterey	1
CA-Ryan Ranch Water System	Monterey	6
CA-Toro Water System	Monterey	5
CA-Antelope Water System	Sacramento	18
CA-Arden Water System	Sacramento	6
CA-Dunnigan	Sacramento	2
CA-Fruitridge Vista	Sacramento	12
CA-Geyserville	Sacramento	2
CA-Grove Water System	Sacramento	2
CA-Hillview - Coursegold	Sacramento	2
CA-Hillview - Goldside	Sacramento	9
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	23
CA-Hillview - Raymond	Sacramento	7
CA-Isleton Water System	Sacramento	3
CA-Lincoln Oaks Water System	Sacramento	26
CA-Meadowbrook	Sacramento	3
CA-Parkway Water System	Sacramento	12
CA-Security Park Water System	Sacramento	1
CA-Suburban Rosemont Water System	Sacramento	30
CA-West Placer County Water System	Sacramento	1
CA-Coronado Water System	San Diego	0
CA-CA-Los Posas Estates Water System	Ventura	0
CA-Thousand Oaks/Newbury Water System	Ventura	0
Totals		227

Category: Production Meter Testing

Data Source: Count of production meters *minus* Production Meters Tested in 2020

Assumptions:

CAW System	CAW District	Count of Production Meters to be Tested in 2026
CA-Larkfield Water System	Larkfield	1
CA-Baldwin Hills Water System	Los Angeles	4
CA-Duarte Water System	Los Angeles	7
CA-East Pasadena	Los Angeles	2
CA-Rio Plaza (El Rio)	Los Angeles	2
CA-San Marino Water System	Los Angeles	6
CA-Ambler Park Water System	Monterey	4
CA-Bishop Water System	Monterey	2
CA-Chualar Water System	Monterey	0
CA-Garrapata	Monterey	2
CA-Hidden Hills Water System	Monterey	3
CA-Monterey Water System (Monterey Main)	Monterey	13
CA-Ralph Lane Water System	Monterey	0
CA-Ryan Ranch Water System	Monterey	5
CA-Toro Water System	Monterey	3
CA-Antelope Water System	Sacramento	18
CA-Arden Water System	Sacramento	6
CA-Dunnigan	Sacramento	2
CA-Fruitridge Vista	Sacramento	12
CA-Geyserville	Sacramento	2
CA-Grove Water System	Sacramento	2
CA-Hillview - Coursegold	Sacramento	2
CA-Hillview - Goldside	Sacramento	9
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	23
CA-Hillview - Raymond	Sacramento	7
CA-Isleton Water System	Sacramento	3
CA-Lincoln Oaks Water System	Sacramento	26
CA-Meadowbrook	Sacramento	3
CA-Parkway Water System	Sacramento	12
CA-Security Park Water System	Sacramento	1
CA-Suburban Rosemont Water System	Sacramento	30
CA-West Placer County Water System	Sacramento	1
CA-Coronado Water System	San Diego	0
CA-CA-Los Posas Estates Water System	Ventura	0
CA-Thousand Oaks/Newbury Water System	Ventura	0
Totals		213

Category:	Production Meter Testing	Production Meter Testing
Data Source:	Invoices Provided by Cal Am	Sum(Count of Production Meters to be Tested in 2024 to 2026) * Cost of Production Meter Test
Assumptions:	Based on invoices for San Diego	

CAW System	CAW District	Cost of Production Meter Test	Total Cost of Production Meter Testing
CA-Larkfield Water System	Larkfield	\$ 300.00	\$900
CA-Baldwin Hills Water System	Los Angeles	\$ 300.00	\$3,600
CA-Duarte Water System	Los Angeles	\$ 300.00	\$6,300
CA-East Pasadena	Los Angeles	\$ 300.00	\$1,800
CA-Rio Plaza (El Rio)	Los Angeles	\$ 300.00	\$1,800
CA-San Marino Water System	Los Angeles	\$ 300.00	\$5,400
CA-Ambler Park Water System	Monterey	\$ 300.00	\$3,600
CA-Bishop Water System	Monterey	\$ 300.00	\$2,400
CA-Chualar Water System	Monterey	\$ 300.00	\$600
CA-Garrapata	Monterey	\$ 300.00	\$1,800
CA-Hidden Hills Water System	Monterey	\$ 300.00	\$2,700
CA-Monterey Water System (Monterey Main)	Monterey	\$ 300.00	\$13,500
CA-Ralph Lane Water System	Monterey	\$ 300.00	\$300
CA-Ryan Ranch Water System	Monterey	\$ 300.00	\$4,800
CA-Toro Water System	Monterey	\$ 300.00	\$3,300
CA-Antelope Water System	Sacramento	\$ 300.00	\$16,200
CA-Arden Water System	Sacramento	\$ 300.00	\$5,400
CA-Dunnigan	Sacramento	\$ 300.00	\$1,800
CA-Fruitridge Vista	Sacramento	\$ 300.00	\$10,800
CA-Geyserville	Sacramento	\$ 300.00	\$1,800
CA-Grove Water System	Sacramento	\$ 300.00	\$1,800
CA-Hillview - Coursegold	Sacramento	\$ 300.00	\$1,800
CA-Hillview - Goldside	Sacramento	\$ 300.00	\$8,100
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	\$ 300.00	\$20,700
CA-Hillview - Raymond	Sacramento	\$ 300.00	\$6,300
CA-Isleton Water System	Sacramento	\$ 300.00	\$2,700
CA-Lincoln Oaks Water System	Sacramento	\$ 300.00	\$23,400
CA-Meadowbrook	Sacramento	\$ 300.00	\$2,700
CA-Parkway Water System	Sacramento	\$ 300.00	\$10,800
CA-Security Park Water System	Sacramento	\$ 300.00	\$900
CA-Suburban Rosemont Water System	Sacramento	\$ 300.00	\$27,000
CA-West Placer County Water System	Sacramento	\$ 300.00	\$900
CA-Coronado Water System	San Diego	\$ 300.00	\$0
CA-CA-Los Posas Estates Water System	Ventura	\$ 300.00	\$0
CA-Thousand Oaks/Newbury Water System	Ventura	\$ 300.00	\$0
Totals			\$195,900

Category: Production Meter Replacement Production Meter Replacement

Data Source: Assumed Count of Production Meters * % Replacement

Assumptions: Assumed 10% for 3-year time horizon

CAW System	CAW District	% Replacement	Count of Meters to Replace
CA-Larkfield Water System	Larkfield	10%	0
CA-Baldwin Hills Water System	Los Angeles	10%	0
CA-Duarte Water System	Los Angeles	10%	1
CA-East Pasadena	Los Angeles	10%	0
CA-Rio Plaza (El Rio)	Los Angeles	10%	0
CA-San Marino Water System	Los Angeles	10%	1
CA-Ambler Park Water System	Monterey	10%	0
CA-Bishop Water System	Monterey	10%	0
CA-Chualar Water System	Monterey	10%	0
CA-Garrapata	Monterey	10%	0
CA-Hidden Hills Water System	Monterey	10%	0
CA-Monterey Water System (Monterey Main)	Monterey	10%	2
CA-Ralph Lane Water System	Monterey	10%	0
CA-Ryan Ranch Water System	Monterey	10%	1
CA-Toro Water System	Monterey	10%	1
CA-Antelope Water System	Sacramento	10%	2
CA-Arden Water System	Sacramento	10%	1
CA-Dunnigan	Sacramento	10%	0
CA-Fruitridge Vista	Sacramento	10%	1
CA-Geyserville	Sacramento	10%	0
CA-Grove Water System	Sacramento	10%	0
CA-Hillview - Coursegold	Sacramento	10%	0
CA-Hillview - Goldside	Sacramento	10%	1
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	10%	2
CA-Hillview - Raymond	Sacramento	10%	1
CA-Isleton Water System	Sacramento	10%	0
CA-Lincoln Oaks Water System	Sacramento	10%	3
CA-Meadowbrook	Sacramento	10%	0
CA-Parkway Water System	Sacramento	10%	1
CA-Security Park Water System	Sacramento	10%	0
CA-Suburban Rosemont Water System	Sacramento	10%	3
CA-West Placer County Water System	Sacramento	10%	0
CA-Coronado Water System	San Diego	10%	1
CA-CA-Los Posas Estates Water System	Ventura	10%	0
CA-Thousand Oaks/Newbury Water System	Ventura	10%	0

Totals

22

Category:	Production Meter Replacement	Production Meter Replacement
Data Source:	Data Provided by Cal Am (File: Cost per Main-Service Repairs_Meter Purchase Costs (3-24-22))	Count of Meters to Replace * Cost of Meter Replacement
Assumptions:	\$300 Labor + Average cost of unit \$4,166. Labor assumed to be 2x small meter replacement.	

CAW System	CAW District	Unit Cost of Meter Replacement	Total Cost of Meter Replacement
CA-Larkfield Water System	Larkfield	\$ 4,466.00	\$0
CA-Baldwin Hills Water System	Los Angeles	\$ 4,466.00	\$0
CA-Duarte Water System	Los Angeles	\$ 4,466.00	\$4,466
CA-East Pasadena	Los Angeles	\$ 4,466.00	\$0
CA-Rio Plaza (El Rio)	Los Angeles	\$ 4,466.00	\$0
CA-San Marino Water System	Los Angeles	\$ 4,466.00	\$4,466
CA-Ambler Park Water System	Monterey	\$ 4,466.00	\$0
CA-Bishop Water System	Monterey	\$ 4,466.00	\$0
CA-Chualar Water System	Monterey	\$ 4,466.00	\$0
CA-Garrapata	Monterey	\$ 4,466.00	\$0
CA-Hidden Hills Water System	Monterey	\$ 4,466.00	\$0
CA-Monterey Water System (Monterey Main)	Monterey	\$ 4,466.00	\$8,932
CA-Ralph Lane Water System	Monterey	\$ 4,466.00	\$0
CA-Ryan Ranch Water System	Monterey	\$ 4,466.00	\$4,466
CA-Toro Water System	Monterey	\$ 4,466.00	\$4,466
CA-Antelope Water System	Sacramento	\$ 4,466.00	\$8,932
CA-Arden Water System	Sacramento	\$ 4,466.00	\$4,466
CA-Dunnigan	Sacramento	\$ 4,466.00	\$0
CA-Fruitridge Vista	Sacramento	\$ 4,466.00	\$4,466
CA-Geyserville	Sacramento	\$ 4,466.00	\$0
CA-Grove Water System	Sacramento	\$ 4,466.00	\$0
CA-Hillview - Coursegold	Sacramento	\$ 4,466.00	\$0
CA-Hillview - Goldside	Sacramento	\$ 4,466.00	\$4,466
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	\$ 4,466.00	\$8,932
CA-Hillview - Raymond	Sacramento	\$ 4,466.00	\$4,466
CA-Isleton Water System	Sacramento	\$ 4,466.00	\$0
CA-Lincoln Oaks Water System	Sacramento	\$ 4,466.00	\$13,398
CA-Meadowbrook	Sacramento	\$ 4,466.00	\$0
CA-Parkway Water System	Sacramento	\$ 4,466.00	\$4,466
CA-Security Park Water System	Sacramento	\$ 4,466.00	\$0
CA-Suburban Rosemont Water System	Sacramento	\$ 4,466.00	\$13,398
CA-West Placer County Water System	Sacramento	\$ 4,466.00	\$0
CA-Coronado Water System	San Diego	\$ 4,466.00	\$4,466
CA-CA-Los Posas Estates Water System	Ventura	\$ 4,466.00	\$0
CA-Thousand Oaks/Newbury Water System	Ventura	\$ 4,466.00	\$0
Totals			\$98,252

Category: Small Customer Meter Testing Small Customer Meter Testing

Data Source: E Source Estimate Based on Previous Experience McCalls and Westerly Cost Estimates

Assumptions: If system > 5000 meters, test 250,
If system < 5000 & system > 150, test 25 meters Average 5/8"-1" and 1 1/2"-2" meter cost

CAW System	CAW District	Count of Small Meters to Test	Unit Cost of Small Meter Testing
CA-Larkfield Water System	Larkfield	25	\$ 50.00
CA-Baldwin Hills Water System	Los Angeles	250	\$ 50.00
CA-Duarte Water System	Los Angeles	250	\$ 50.00
CA-East Pasadena	Los Angeles	25	\$ 50.00
CA-Rio Plaza (El Rio)	Los Angeles	25	\$ 50.00
CA-San Marino Water System	Los Angeles	250	\$ 50.00
CA-Ambler Park Water System	Monterey	25	\$ 50.00
CA-Bishop Water System	Monterey	25	\$ 50.00
CA-Chualar Water System	Monterey	25	\$ 50.00
CA-Garrapata	Monterey	-	\$ 50.00
CA-Hidden Hills Water System	Monterey	25	\$ 50.00
CA-Monterey Water System (Monterey Main)	Monterey	250	\$ 50.00
CA-Ralph Lane Water System	Monterey	-	\$ 50.00
CA-Ryan Ranch Water System	Monterey	25	\$ 50.00
CA-Toro Water System	Monterey	25	\$ 50.00
CA-Antelope Water System	Sacramento	250	\$ 50.00
CA-Arden Water System	Sacramento	25	\$ 50.00
CA-Dunnigan	Sacramento	-	\$ 50.00
CA-Fruitridge Vista	Sacramento	25	\$ 50.00
CA-Geyserville	Sacramento	25	\$ 50.00
CA-Grove Water System	Sacramento	25	\$ 50.00
CA-Hillview - Coursegold	Sacramento	-	\$ 50.00
CA-Hillview - Goldside	Sacramento	-	\$ 50.00
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	25	\$ 50.00
CA-Hillview - Raymond	Sacramento	-	\$ 50.00
CA-Isleton Water System	Sacramento	25	\$ 50.00
CA-Lincoln Oaks Water System	Sacramento	250	\$ 50.00
CA-Meadowbrook	Sacramento	25	\$ 50.00
CA-Parkway Water System	Sacramento	250	\$ 50.00
CA-Security Park Water System	Sacramento	-	\$ 50.00
CA-Suburban Rosemont Water System	Sacramento	250	\$ 50.00
CA-West Placer County Water System	Sacramento	25	\$ 50.00
CA-Coronado Water System	San Diego	250	\$ 50.00
CA-CA-Los Posas Estates Water System	Ventura	25	\$ 50.00
CA-Thousand Oaks/Newbury Water System	Ventura	250	\$ 50.00
Totals		2,950	

Category: Small Customer Meter Testing Small Customer Meter Testing

Data Source: Data Provided by Cal Am (File: Cost per Main-Service Repairs_Meter Purchase Costs (3-24-22)) Count of Small Meters to Test *
Cost of Small Meter Testing

Assumptions: \$150 for labor + \$105 cost of unit based on weighted average

CAW System	CAW District	Unit Cost of Small Meter Replacement	Cost of Small Meter Testing
CA-Larkfield Water System	Larkfield	\$ 255.00	\$ 1,250
CA-Baldwin Hills Water System	Los Angeles	\$ 255.00	\$ 12,500
CA-Duarte Water System	Los Angeles	\$ 255.00	\$ 12,500
CA-East Pasadena	Los Angeles	\$ 255.00	\$ 1,250
CA-Rio Plaza (El Rio)	Los Angeles	\$ 255.00	\$ 1,250
CA-San Marino Water System	Los Angeles	\$ 255.00	\$ 12,500
CA-Ambler Park Water System	Monterey	\$ 255.00	\$ 1,250
CA-Bishop Water System	Monterey	\$ 255.00	\$ 1,250
CA-Chualar Water System	Monterey	\$ 255.00	\$ 1,250
CA-Garrapata	Monterey	\$ 255.00	\$ -
CA-Hidden Hills Water System	Monterey	\$ 255.00	\$ 1,250
CA-Monterey Water System (Monterey Main)	Monterey	\$ 255.00	\$ 12,500
CA-Ralph Lane Water System	Monterey	\$ 255.00	\$ -
CA-Ryan Ranch Water System	Monterey	\$ 255.00	\$ 1,250
CA-Toro Water System	Monterey	\$ 255.00	\$ 1,250
CA-Antelope Water System	Sacramento	\$ 255.00	\$ 12,500
CA-Arden Water System	Sacramento	\$ 255.00	\$ 1,250
CA-Dunnigan	Sacramento	\$ 255.00	\$ -
CA-Fruitridge Vista	Sacramento	\$ 255.00	\$ 1,250
CA-Geyserville	Sacramento	\$ 255.00	\$ 1,250
CA-Grove Water System	Sacramento	\$ 255.00	\$ 1,250
CA-Hillview - Coursegold	Sacramento	\$ 255.00	\$ -
CA-Hillview - Goldside	Sacramento	\$ 255.00	\$ -
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	\$ 255.00	\$ 1,250
CA-Hillview - Raymond	Sacramento	\$ 255.00	\$ -
CA-Isleton Water System	Sacramento	\$ 255.00	\$ 1,250
CA-Lincoln Oaks Water System	Sacramento	\$ 255.00	\$ 12,500
CA-Meadowbrook	Sacramento	\$ 255.00	\$ 1,250
CA-Parkway Water System	Sacramento	\$ 255.00	\$ 12,500
CA-Security Park Water System	Sacramento	\$ 255.00	\$ -
CA-Suburban Rosemont Water System	Sacramento	\$ 255.00	\$ 12,500
CA-West Placer County Water System	Sacramento	\$ 255.00	\$ 1,250
CA-Coronado Water System	San Diego	\$ 255.00	\$ 12,500
CA-CA-Los Posas Estates Water System	Ventura	\$ 255.00	\$ 1,250
CA-Thousand Oaks/Newbury Water System	Ventura	\$ 255.00	\$ 12,500
Totals			\$147,500

Category: Small Customer Meter Testing

Data Source: Count of Small Meters to Test * Cost of Small Meter Replacement

Assumptions:

CAW System	CAW District	Cost of Small Meter Replacement
CA-Larkfield Water System	Larkfield	\$ 6,375
CA-Baldwin Hills Water System	Los Angeles	\$ 63,750
CA-Duarte Water System	Los Angeles	\$ 63,750
CA-East Pasadena	Los Angeles	\$ 6,375
CA-Rio Plaza (El Rio)	Los Angeles	\$ 6,375
CA-San Marino Water System	Los Angeles	\$ 63,750
CA-Ambler Park Water System	Monterey	\$ 6,375
CA-Bishop Water System	Monterey	\$ 6,375
CA-Chualar Water System	Monterey	\$ 6,375
CA-Garrapata	Monterey	\$ -
CA-Hidden Hills Water System	Monterey	\$ 6,375
CA-Monterey Water System (Monterey Main)	Monterey	\$ 63,750
CA-Ralph Lane Water System	Monterey	\$ -
CA-Ryan Ranch Water System	Monterey	\$ 6,375
CA-Toro Water System	Monterey	\$ 6,375
CA-Antelope Water System	Sacramento	\$ 63,750
CA-Arden Water System	Sacramento	\$ 6,375
CA-Dunnigan	Sacramento	\$ -
CA-Fruitridge Vista	Sacramento	\$ 6,375
CA-Geyserville	Sacramento	\$ 6,375
CA-Grove Water System	Sacramento	\$ 6,375
CA-Hillview - Coursegold	Sacramento	\$ -
CA-Hillview - Goldside	Sacramento	\$ -
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	\$ 6,375
CA-Hillview - Raymond	Sacramento	\$ -
CA-Isleton Water System	Sacramento	\$ 6,375
CA-Lincoln Oaks Water System	Sacramento	\$ 63,750
CA-Meadowbrook	Sacramento	\$ 6,375
CA-Parkway Water System	Sacramento	\$ 63,750
CA-Security Park Water System	Sacramento	\$ -
CA-Suburban Rosemont Water System	Sacramento	\$ 63,750
CA-West Placer County Water System	Sacramento	\$ 6,375
CA-Coronado Water System	San Diego	\$ 63,750
CA-CA-Los Posas Estates Water System	Ventura	\$ 6,375
CA-Thousand Oaks/Newbury Water System	Ventura	\$ 63,750
Totals		\$752,250

	Category:	Small Customer Meter Testing	Water Loss Consulting
	Data Source:	Total Cost of Small Meter Testing + Total Cost of Small Meter Replacement	Cal Water budget. See Cost Summary Page
	Assumptions:		\$500,000 per year
CAW System	CAW District	Total Cost of Small Meter Testing and replacement	Column1
CA-Larkfield Water System	Larkfield	\$7,625	
CA-Baldwin Hills Water System	Los Angeles	\$76,250	
CA-Duarte Water System	Los Angeles	\$76,250	
CA-East Pasadena	Los Angeles	\$7,625	
CA-Rio Plaza (El Rio)	Los Angeles	\$7,625	
CA-San Marino Water System	Los Angeles	\$76,250	
CA-Ambler Park Water System	Monterey	\$7,625	
CA-Bishop Water System	Monterey	\$7,625	
CA-Chualar Water System	Monterey	\$7,625	
CA-Garrapata	Monterey	\$0	
CA-Hidden Hills Water System	Monterey	\$7,625	
CA-Monterey Water System (Monterey Main)	Monterey	\$76,250	
CA-Ralph Lane Water System	Monterey	\$0	
CA-Ryan Ranch Water System	Monterey	\$7,625	
CA-Toro Water System	Monterey	\$7,625	
CA-Antelope Water System	Sacramento	\$76,250	
CA-Arden Water System	Sacramento	\$7,625	
CA-Dunnigan	Sacramento	\$0	
CA-Fruitridge Vista	Sacramento	\$7,625	
CA-Geyserville	Sacramento	\$7,625	
CA-Grove Water System	Sacramento	\$7,625	
CA-Hillview - Coursegold	Sacramento	\$0	
CA-Hillview - Goldside	Sacramento	\$0	
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	\$7,625	
CA-Hillview - Raymond	Sacramento	\$0	
CA-Isleton Water System	Sacramento	\$7,625	
CA-Lincoln Oaks Water System	Sacramento	\$76,250	
CA-Meadowbrook	Sacramento	\$7,625	
CA-Parkway Water System	Sacramento	\$76,250	
CA-Security Park Water System	Sacramento	\$0	
CA-Suburban Rosemont Water System	Sacramento	\$76,250	
CA-West Placer County Water System	Sacramento	\$7,625	
CA-Coronado Water System	San Diego	\$76,250	
CA-CA-Los Posas Estates Water System	Ventura	\$7,625	
CA-Thousand Oaks/Newbury Water System	Ventura	\$76,250	
Totals		\$899,750	

Category:

Data Source:

Assumptions:

CAW System	CAW District	Total Cost
CA-Larkfield Water System	Larkfield	\$76,469.77
CA-Baldwin Hills Water System	Los Angeles	\$320,670.95
CA-Duarte Water System	Los Angeles	\$1,364,420.52
CA-East Pasadena	Los Angeles	\$45,089.49
CA-Rio Plaza (El Rio)	Los Angeles	\$47,055.71
CA-San Marino Water System	Los Angeles	\$646,796.26
CA-Ambler Park Water System	Monterey	\$46,308.59
CA-Bishop Water System	Monterey	\$20,223.90
CA-Chualar Water System	Monterey	\$48,471.66
CA-Garrapata	Monterey	\$22,003.65
CA-Hidden Hills Water System	Monterey	\$77,246.62
CA-Monterey Water System (Monterey Main)	Monterey	\$471,258.25
CA-Ralph Lane Water System	Monterey	\$18,603.30
CA-Ryan Ranch Water System	Monterey	\$20,689.58
CA-Toro Water System	Monterey	\$72,449.19
CA-Antelope Water System	Sacramento	\$213,770.83
CA-Arden Water System	Sacramento	\$142,707.89
CA-Dunnigan	Sacramento	\$21,996.23
CA-Fruitridge Vista	Sacramento	\$469,085.33
CA-Geyserville	Sacramento	\$64,440.76
CA-Grove Water System	Sacramento	\$30,174.78
CA-Hillview - Coursegold	Sacramento	\$1,800.00
CA-Hillview - Goldside	Sacramento	\$12,566.00
CA-Hillview - Oakhurst/Sierra Lakes	Sacramento	\$126,010.35
CA-Hillview - Raymond	Sacramento	\$10,766.00
CA-Isleton Water System	Sacramento	\$53,661.68
CA-Lincoln Oaks Water System	Sacramento	\$168,950.99
CA-Meadowbrook	Sacramento	\$65,486.31
CA-Parkway Water System	Sacramento	\$454,124.06
CA-Security Park Water System	Sacramento	\$30,416.44
CA-Suburban Rosemont Water System	Sacramento	\$853,304.69
CA-West Placer County Water System	Sacramento	\$112,905.70
CA-Coronado Water System	San Diego	\$783,743.28
CA-CA-Los Posas Estates Water System	Ventura	\$36,509.64
CA-Thousand Oaks/Newbury Water System	Ventura	\$1,222,192.29
Totals		\$8,172,370.71

ATTACHMENT 8

PILZ Direct Testimony Attachment 8

The following are the reporting requirements in D.09-05-029, which approved the Settlement Agreement reached in A.07-12-010, for the Annual Joint Conservation Report, also called the “Annual Summary Report”.

Annual Summary Report:

(k) California American Water agrees to continue to provide the annual summary report that is required in D.06-11-050, Settlement, pp. 28-29, with the modification herein that the annual summary report will show which conservation activities California American Water and MPWMD undertook through California American Water’s operating budget and MPWMD’s operating budget and the one-way balancing account. D.06-11-050, Special Request #7, Settlement pp. 30-31, provides:

“CAW agrees it will file an annual summary report with the Commission and ORA showing which conservation activities CAW undertook (out of their normal operating budget) and which activities MPWMD undertook and the costs of each. MPWMD activities shall be broken out into those funded under MPWMD’s current budget, those funded via the Ordinance 92 memorandum account identified in Special Request #6, and those funded via the surcharge proposed in this special request. This annual Monterey water conservation report shall include a brief explanation of the need for each activity, and the nature of the activity, measurable goals, and the results and achievements of each program (i.e. number

of units distributed or installed, estimated water – and energy if quantifiable – savings in Ccfs and dollars, etc.). It shall also include a summary of the conservation plan for the following year with timelines, implementation plans, whether to be implemented by CAW or MPWMD and budgeted amounts for each type of activity. This report would be supplemental to the required Urban Water Management Plan filed by CAW in its GRC per D.92-09-084.”

(l) California American Water agrees to include in its annual summary report the estimated water savings as outlined in section 4.e and 4.i above.

(m) MPWMD agrees to track and provide DRA with a report in the next GRC for the Monterey District detailing the amount of water saved through the rebate program that was reinvested through the water credit program. If this amount of water exceeds 0.5 AF in any year, DRA expects MPWMD to revise its ordinances so that customers receiving credits must refund the money received from ratepayers through the rebate program, in order for MPWMD to receive further rebate funding.

(n) The annual report will be due on May 1 of the succeeding calendar year for all activity of the prior calendar year.

(o) Evaluation of effectiveness of the Outreach Program: The Parties agree that California American Water shall attempt to evaluate the effectiveness of its outreach program. California American Water agrees to revise its audit and other customer forms and MPWMD agrees to revise its rebate form in order to obtain additional feedback from customers so as to determine how they learned about conservation programs to assist it in evaluating the effectiveness of its outreach spending. California American Water will analyze this information and present the information in the annual summary report. Additionally, California American Water will continue to conduct an annual analysis of the weather-adjusted consumption in the Monterey District and will provide this information in the annual summary report.

California American Water’s Special Request #15 is proposing to eliminate the above reporting requirements based on the reporting requirements in D.11-05-004, which make the Annual Joint Conservation Report duplicative and unnecessary.

Per D.11-05-004, California American Water is required to provide additional data on its water conservation and low income programs. Data as required per Attachment 1 through 3 of D.11-05-004, “Resolving Phase 2 Conservation Goals and Modifying Tracking of Conservation and Low Income Data” is provided in the Company’s Annual Report submitted to the Commission. The requirements of Attachment 1 through 3 are provided on the following pages. Examples of previous years’ submission of this report can be found in response to MDR II. F.1

ATTACHMENT 1
ANNUAL REPORT, SCHEDULE E-3
DESCRIPTION OF WATER CONSERVATION PROGRAMS

1. Brief description of each water conservation program offered by the water company, by district. This description shall include but not be limited to the type of program offered (such as provision of low-flow plumbing fixtures, leak detection, leak repair, written water conservation tips, or other similar programs to its customers), whether offered with a third party, whether direct install or rebate, and length of time the program was offered.
2. For each water conservation program described above, an estimated conservation savings report in the following basic format (if it is necessary to deviate from this table, provide estimated program savings).

A	B	C	D	E	F	G	H	I	J
Name of measure, as listed in Decision or Settlement*	Description of measure	Authorized \$	# of units / activities purchased, provided, performed	\$ per unit, activity, etc.	Total \$ spent	Designated water savings per unit per year**	Unit lifespan**	Estimated Annual measure savings** (AFY)	Estimated Lifetime measure savings** (AF)
					(D x E)			(D x G)	(I x H)
Measure A									
Measure B									
Measure C									
Total									

* If not specifically listed, state the category in which the activity falls and rationale for including this particular activity

** This may not apply to all measures, e.g., public information / education

If requested information is provided in another report or format, the water company can provide a copy of the report and note the page on which the information is found.

(END OF ATTACHMENT 1)

ATTACHMENT 2
INFORMATION-ONLY FILING
CONSERVATION DATA REPORT*

- Baseline average (from 2003-2007 or 10-year baseline if it includes 2003-2007 and only includes years prior to the adoption of a conservation rate design) estimated monthly or bimonthly (depending on billing cycle) per customer or service connection consumption by ratemaking district, separated by customer class and meter size. If the water company elects to use a baseline in reliance on the Department of Water Resources methodology developed to implement SBX7-7 without calendar years 2003-2007, the water company shall attach workpapers to support the use of that baseline;
- Average estimated monthly or bimonthly (depending on billing cycle) per customer or service connection consumption in one hundred cubic feet by ratemaking district, separated by customer class and meter size;
- Comparison table including baseline and annual average estimated consumption by ratemaking district, separated by customer class and meter size, for each year following implementation of conservation rate designs, with the percentage reduction in consumption calculated by district and by customer class and meter size within each ratemaking district;
- Average estimated monthly or bimonthly (depending on billing cycle) consumption per tier or block separated by ratemaking district, by meter size, and by customer class, and the number of customers in each sub-grouping;
- Estimated monthly or bimonthly (depending on billing cycle) number of customers by district, monthly or bimonthly number of disconnection notices generated to those customers, number of customers disconnected for non-payment, and number of customers reconnected;

I.07-01-022 et al. COM/MP1/oma

- Estimated monthly Best Management Practices compliance costs, by district, separated by customer class, coverage goals or flex track menu (by measure); and
- Any other district-specific factor (such as changes in weather, increases in supply from recycled water, or economic factors) that might contribute to consumption changes.

*If requested information is provided in another report or format, the water company can provide a copy of the report and note the page on which the information is found.

(END OF ATTACHMENT 2)

ATTACHMENT 3
INFORMATION-ONLY FILING
LOW-INCOME DATA REPORT

- Average estimated monthly or bimonthly (depending on billing cycle) per customer or service connection low-income customer consumption in one hundred cubic feet by ratemaking district, separated by meter size;
- Average estimated monthly or bimonthly (depending on billing cycle) consumption per tier or block separated by ratemaking district, by meter size, and by customer class for low-income customers and the number of customers in each sub-grouping;
- Estimated monthly or bimonthly (depending on billing cycle) number of participating low-income customers by district, monthly or bimonthly number of disconnection notices generated to those customers, number of customers disconnected for non-payment and number of customers reconnected, for all low-income customers;
- Average low-income customer household size and average estimated monthly or bimonthly (depending on billing cycle) consumption by ratemaking district for low-income households of 5 or more, and the number of customers in each subgrouping;
- Average water revenue adjustment mechanism/Modified Cost Balancing Accounts (WRAM/MCBA) surcharge(s) bill impact on participating low-income customers by ratemaking district. This bill impact should be compared with the same bill under the uniform/standard rate. The bill impact should separately identify bill components, including applicable rates, WRAM/MCBA surcharge(s), and low-income assistance program discount, calculated at average consumption for the typical meter size; and
- Participating low-income customer inclusion in conservation programs offered by the water utility:

I.07-01-022 et al. COM/MP1/oma

- describe the water conservation program by ratemaking district(s),
- identify whether it is offered with a third party,
- specify how low-income customers are targeted by or included in the program,
- describe outreach efforts used to reach low-income program participants (application, re-certification, separate outreach),
- how long has the program been offered, and
- what criteria are used to establish the success of the program.

(END OF ATTACHMENT 3)