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Commissioner	:	<u>Matthew Baker</u>
Administrative Law Judge	:	<u>Rafael L. Lirag</u>
Public Advocates Office	:	
Witness(es)	:	<u>Herbert Merida</u>



**PUBLIC ADVOCATES OFFICE**  
**CALIFORNIA PUBLIC UTILITIES COMMISSION**

**REPORT ON THE RESULTS OF  
OPERATIONS**

**WATER CONSUMPTION, RATE DESIGN, CONSERVATION  
AND SPECIAL REQUESTS 5, AND 6**

California American Water Company's  
General Rate Case Application 25-07-003  
Test Year 2027

San Francisco, California  
January 23, 2026

# TABLE OF CONTENTS

1	<b>MEMORANDUM.....</b>	<b>V</b>
2	<b>CHAPTER 1 WATER CONSUMPTION AND PRESENT RATE</b>	
3	<b>REVENUES.....</b>	<b>1</b>
4	<b>I.    INTRODUCTION .....</b>	<b>1</b>
5	<b>II.   SUMMARY OF RECOMMENDATIONS .....</b>	<b>2</b>
6	<b>III.  ANALYSIS.....</b>	<b>2</b>
7	<b>A.    Average Number of Customers.....</b>	<b>2</b>
8	<b>B.    Water Sales per Customer .....</b>	<b>5</b>
9	<b>C.    Total Water Production/Non-Revenue Water .....</b>	<b>5</b>
10	<b>D.    Other Revenues .....</b>	<b>9</b>
11	<b>IV.   CONCLUSION .....</b>	<b>10</b>
12	<b>CHAPTER 2 RATE DESIGN.....</b>	<b>12</b>
13	<b>I.    INTRODUCTION .....</b>	<b>12</b>
14	<b>II.   SUMMARY OF RECOMMENDATIONS .....</b>	<b>13</b>
15	<b>III.  ANALYSIS.....</b>	<b>13</b>
16	<b>A.    Revenue Recovery: Meter Charges vs. Quantity Charges .....</b>	<b>13</b>
17	<b>B.    Meter Service Charge.....</b>	<b>14</b>
18	<b>C.    Residential Customer Rate Design.....</b>	<b>20</b>
19	<b>D.    Non-Residential Customer Rate Design .....</b>	<b>40</b>
20	<b>E.    Customer Assistance Program .....</b>	<b>41</b>
21	<b>F.    Bill Analysis .....</b>	<b>43</b>

1	<b>IV. CONCLUSION .....</b>	<b>50</b>
2	<b>CHAPTER 3 CONSERVATION AND SPECIAL REQUESTS 5 AND 6 .....</b>	<b>51</b>
3	<b>I. INTRODUCTION .....</b>	<b>51</b>
4	<b>II. SUMMARY OF RECOMMENDATIONS .....</b>	<b>51</b>
5	<b>III. ANALYSIS .....</b>	<b>52</b>
6	<b>A. Conservation Budget .....</b>	<b>52</b>
7	<b>B. Special Request 5 - Rate Mitigation, Surcharges and</b>	
8	<b>Mechanisms Applicable to Certain Acquired Systems .....</b>	<b>58</b>
9	<b>C. Special Request 6 - Subsequent Rate Changes .....</b>	<b>61</b>
10	<b>IV. CONCLUSION .....</b>	<b>61</b>
11	<b>ATTACHMENT 1-1: QUALIFICATIONS OF WITNESS.....</b>	<b>63</b>
12	<b>ATTACHMENT 1-2: CAL AM RESPONSE TO CAL ADVOCATES' TY</b>	
13	<b>2027 DATA REQUEST HMC-02 .....</b>	<b>65</b>
14	<b>ATTACHMENT 2-1: MONTHLY METER CHARGES TEST YEAR 2027.....</b>	<b>83</b>
15	<b>ATTACHMENT 2-2: CAL AM RESPONSE TO CAL ADVOCATES' TY</b>	
16	<b>2027 DATA REQUEST HMC-01 .....</b>	<b>90</b>
17	<b>ATTACHMENT 2-3: CAL AM RESPONSE TO CAL ADVOCATES' TY</b>	
18	<b>2027 DATA REQUEST HMC-05 .....</b>	<b>115</b>
19	<b>ATTACHMENT 2-4: TIER BREAKPOINTS/CONSUMPTION RATIOS</b>	
20	<b>TY 2027 .....</b>	<b>121</b>
21	<b>ATTACHMENT 2-5: CAL AM'S REQUESTED RATE DESIGN FOR THE</b>	
22	<b>NORTHERN DIVISION BUT USING THE ACTUAL WATER</b>	
23	<b>CONSUMPTION PATTERNS OF THE LAST RECORDED</b>	

1	TWELVE MONTHS (JULY 2024 TO JUNE 2025) FOR TEST YEAR	
2	2027.....	124
3	ATTACHMENT 2-6: NORTHERN DIVISION RECOMMENDED RATE	
4	DESIGNS USING CAL AM’S PROPOSED SQR AND ACTUAL	
5	WATER CONSUMPTION PATTERNS OF THE LAST	
6	RECORDED TWELVE MONTHS (JULY 2024 TO JUNE 2025) TY	
7	2027.....	126
8	ATTACHMENT 2-7: NORTHERN DIVISION RECOMMENDED RATE	
9	DESIGNS USING RECOMMENDED REVENUE REQUIREMENT	
10	AND ACTUAL WATER CONSUMPTION PATTERNS OF THE	
11	LAST RECORDED TWELVE MONTHS (JULY 2024 TO JUNE	
12	2025) TY 2027.....	128
13	ATTACHMENT 2-8: CAL AM’S REQUESTED RATE DESIGN FOR THE	
14	CENTRAL DIVISION USING THE ACTUAL WATER	
15	CONSUMPTION PATTERNS OF THE LAST RECORDED	
16	TWELVE MONTHS (JULY 2024 TO JUNE 2025) TY 2027 .....	130
17	ATTACHMENT 2-9: CENTRAL DIVISION RECOMMENDED RATE	
18	DESIGNS USING CAL AM’S PROPOSED CCCBR AND SQR AND	
19	ACTUAL WATER CONSUMPTION PATTERNS OF THE LAST	
20	RECORDED TWELVE MONTHS (JULY 2024 TO JUNE 2025) TY	
21	2027.....	132
22	ATTACHMENT 2-10: CENTRAL DIVISION RECOMMENDED RATE	
23	DESIGNS USING RECOMMENDED REVENUE REQUIREMENT	
24	AND ACTUAL WATER CONSUMPTION PATTERNS OF THE	
25	LAST RECORDED TWELVE MONTHS (JULY 2024 TO JUNE	
26	2025) TY 2027.....	134
27	ATTACHMENT 2-11: CAL AM’S SOUTHERN DIVISION REQUESTED	
28	RATE DESIGN USING ACTUAL WATER CONSUMPTION	

1	<b>PATTERNS OF THE LAST RECORDED TWELVE MONTHS</b>	
2	<b>(JULY 2024 TO JUNE 2025) TY 2027.....</b>	<b>136</b>
3	<b>ATTACHMENT 2-12: SOUTHERN DIVISION RECOMMENDED RATE</b>	
4	<b>DESIGNS USING CAL AM’S PROPOSED SQR AND ACTUAL</b>	
5	<b>WATER CONSUMPTION PATTERNS OF THE LAST</b>	
6	<b>RECORDED TWELVE MONTHS (JULY 2024 TO JUNE 2025) TY</b>	
7	<b>2027.....</b>	<b>138</b>
8	<b>ATTACHMENT 2-13: SOUTHERN DIVISION RECOMMENDED RATE</b>	
9	<b>DESIGNS USING RECOMMENDED REVENUE REQUIREMENT</b>	
10	<b>AND ACTUAL WATER CONSUMPTION PATTERNS OF THE</b>	
11	<b>LAST RECORDED TWELVE MONTHS (JULY 2024 TO JUNE</b>	
12	<b>2025) TY 2027.....</b>	<b>140</b>
13	<b>ATTACHMENT 2-14: CAL AM RESPONSE TO CAL ADVOCATES’ TY</b>	
14	<b>2024 DATA REQUEST HMC-01 .....</b>	<b>142</b>

## MEMORANDUM

The Public Advocates Office at the California Public Utilities Commission (“Cal Advocates”) examined application material, data request responses, and other information presented by California American Water Company (“Cal Am”) in Application (A.) 25-07-003 to provide the California Public Utilities Commission (“Commission” or “CPUC”) with recommendations in the interests of ratepayers for safe and reliable service at the lowest cost. Mr. Brian Yu is Cal Advocates’ project lead for this proceeding. This Report is prepared by Mr. Herbert Merida. Mr. Mukunda Dawadi is the oversight supervisor. Mr. Niki Bawa and Ms. Ritta Merza are the legal counsel.

Although every effort was made to comprehensively review, analyze, and provide the Commission with recommendations on each ratemaking and policy aspect presented in the Application, the absence of any particular issue from Cal Advocates’ testimony connotes neither agreement nor disagreement with the underlying request, methodology, or policy position related to that issue.

Chapter #	Description	Witness
1	Water Consumption and Revenues	Herbert Merida
2	Rate Design	Herbert Merida
3	Conservation and Special Requests 5, 6	Herbert Merida

1                   **CHAPTER 1 WATER CONSUMPTION AND PRESENT RATE**  
2                   **REVENUES**

3   **I.       INTRODUCTION**

4           Determining revenues at present rates and designing reasonable water rates for  
5   Test Year (“TY”) 2027 with revenue neutrality requires an accurate forecast of customers  
6   and water consumption.<sup>1</sup> The revenue requirement is comprised of total estimated  
7   expenses including tax plus the Commission authorized return on rate base. Comparing  
8   the revenue at present rates with the revenue requirement yields the overall change in  
9   average system rates.

10          As per the Commission’s Rate Case Plan (“RCP”), utilities must forecast customer  
11   growth using a five-year average of the change in the number of customers by customer  
12   class.<sup>2</sup> A utility may make an adjustment to the five-year average if an unusual event  
13   occurs, or is expected to occur, such as implementation or removal of a limitation on the  
14   number of customers.<sup>3</sup> Further, the applicant utility must calculate consumption by using  
15   a multiple regression to forecast per-customer usage for the residential and commercial  
16   customer classes in general rate cases, based on the New Committee Method.<sup>4</sup> This  
17   method relies on Standard Practice No. U-2 and “Supplement to Standard Practice No. U-  
18   25.”<sup>5</sup>

19          Because the estimated number of customers and consumption are the basis for  
20   revenue forecasts, a comparison of Cal Am’s and Cal Advocate’s revenue at present rates  
21   reflects different estimates in these projections. Water supply estimates also reflect

---

<sup>1</sup> Revenue neutral rate design is achieved when the utility collects the same amount of revenue with multiple quantity rates as it would collect under a single quantity rate, as indicated in the sales forecast.

<sup>2</sup> Decision (D.)07-05-062 (Rate Case Plan), Appendix A, at A-20.

<sup>3</sup> Rate Case Plan, Appendix A, at A-23.

<sup>4</sup> Rate Case Plan, Appendix A, at A-26.

<sup>5</sup> Rate Case Plan, Appendix A at A-23, fn. 4.

changes in estimated customers and consumption as well as differences in non-revenue water.

## II. SUMMARY OF RECOMMENDATIONS

For TY 2027, the Commission should:

- Adopt a projected total customer average of 200,504
- Adopt a total water production of 37,164,028 hundred cubic feet (“CCF”).
- Adopt an Other Revenues amount of \$1,074,358
- Adopt Cal Advocates’ calculation of Cal Am’s total operating present rate revenues for TY 2027 of \$374,025,225, compared to Cal Am’s estimate of \$366,739,062.<sup>6</sup>

## III. ANALYSIS

### A. Average Number of Customers

The Commission should adopt Cal Advocates’ average number of water service customers for the Test Years as presented in Table 1-1.

**Table 1-1: Projected Average Number of Total Customers**

Test Year	Cal Adv Recommended	Cal Am Requested <sup>7</sup>	Cal Adv > Cal Am
2027	201,948	197,376	4,572
2028	204,328	197,920	6,408
2029	206,750	198,518	8,232

Cal Am’s service areas consist of a variety of customer classes including residential, multi-residential, commercial, and industrial properties. Residential

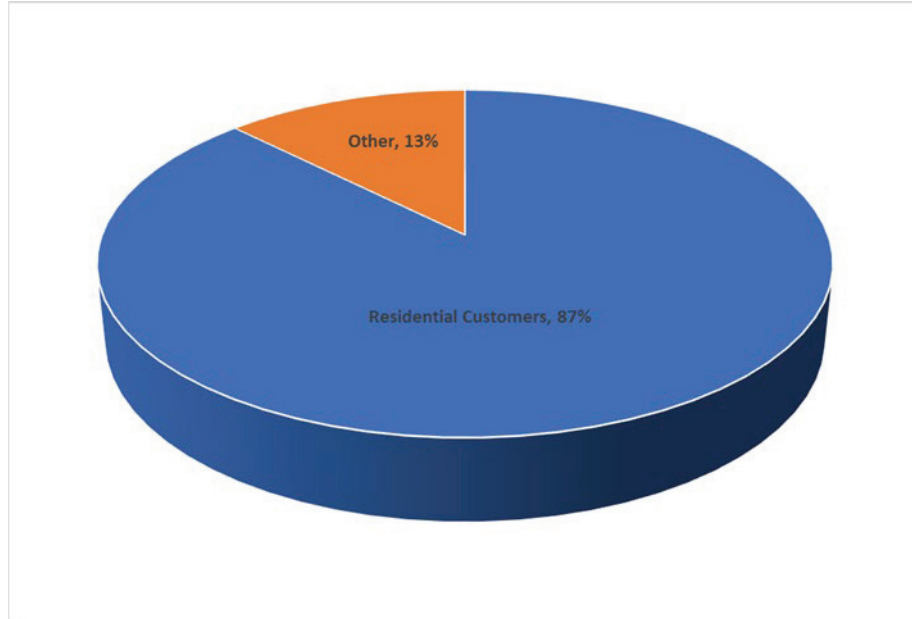
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<sup>6</sup> *Application of California-American Water Company (U210W) to Increase Revenues in Each of its Districts Statewide*, Cal Am RO Model file “ALL\_CH02\_SE\_RO.”

<sup>7</sup> Cal Am RO Model file “All\_Ch03\_REV\_RO\_Sales-Customers,” tab: “Proj Cust by Rev System WS-04,” cells Q77, R77, S77.

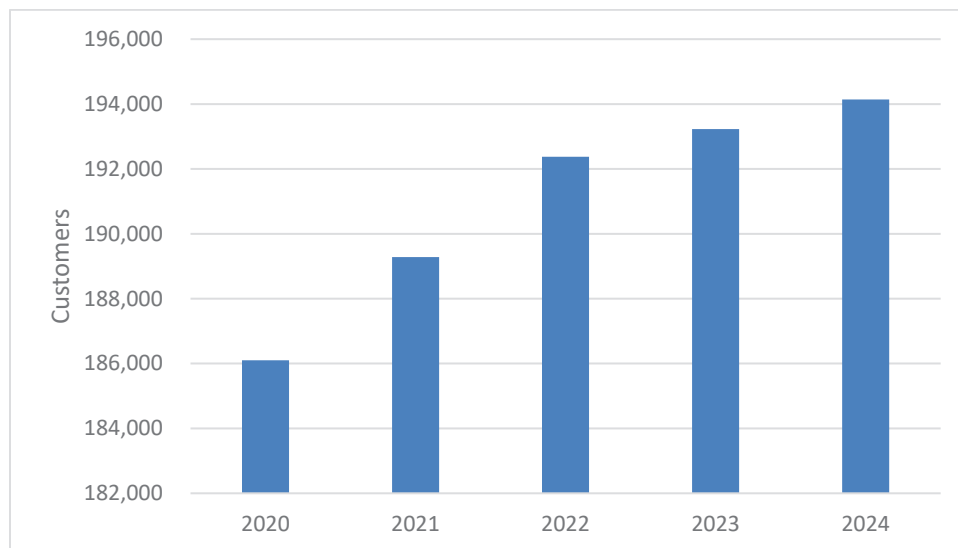
1 customers generate most of Cal Am's revenue since they comprise almost 90% of  
2 Cal Am's total customers, as shown in Figure 1-1:

**Figure 1-1: Cal Am Total Customers Breakdown for all Divisions**



3  
4 Historically, Cal Am's total customers have slowly but steadily increased at  
5 approximately 1% annually. This trend is shown in Figure 1-2:

**Figure 1-2: Cal Am Total Customers for all Divisions**



6  
7 The Cal Am customer growth rate was calculated by averaging five years  
8 of previously recorded data, unless the service area or customer class was affected

1 by an “uncommon occurrence” such as the implementation or removal of a  
2 limitation on the number of customers.<sup>8</sup> Limitations on new service connections  
3 affect the Monterey Main District in the Central Division, where Cal Am uses the  
4 recorded customers from 2024 for the test years 2027 to 2029 due to the ongoing  
5 new connection moratorium in the district.<sup>2</sup>

6 Cal Am contracted with M-Cubed to assist with customer growth forecasts.  
7 M-Cubed’s forecasts are based on the average change in customer counts by class  
8 over five years of recorded data (2020-2024).<sup>10</sup>

9 In most cases, Cal Am utilizes M-Cubed’s customer growth forecasts in its  
10 RO Model.<sup>11</sup> However, Cal Am also deviated from the five-year average in some  
11 service areas, including Sacramento, Bellflower, East Pasadena, and Piru  
12 (Warring).<sup>12</sup> Despite the moratorium on new service connections in the Monterey  
13 Main District, Monterey has increased in the number of customers over the last  
14 five years.<sup>13</sup> There were also some deviations from the five-year average in other  
15 service areas without explanation or justification.

16 Using five years of recorded data (2020-2024) for the average change in the  
17 number of customers by class in the Monterey service area is more realistic  
18 because of the increase in customers over the years. The deviations that were not  
19 explained or justified by Cal Am are corrected by also using the five-year average.

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<sup>8</sup> See, Rate Case Plan Appendix A at A-23, Per the Rate Case Plan, a utility may make an adjustment to the five-year customer average if an unusual event occurs, or is expected to occur, such as implementation or removal of a limitation on the number of customers.

<sup>2</sup> *Application of California-American Water Company (U210W) to Increase Revenues in Each of its Districts Statewide*, Direct Testimony of David Mitchell, Attachment 1 at 4.

<sup>10</sup> Direct Testimony of David Mitchell, Attachment 1 at 4.

<sup>11</sup> Cal Am RO Model file “All\_Ch03\_REV\_RO\_Sales-Customers,” tab: “Proj Cust Calc WS-03,” column AC.

<sup>12</sup> Direct Testimony of David Mitchell, Attachment 1 at 4.

<sup>13</sup> Cal Am RO Model file “All\_Ch03\_REV\_RO\_Sales-Customers,” tab: “Proj Cust Calc WS-03,” cell Y31.

1 These adjustments produce a recommended TY 2027 forecast of 201,927 total  
2 water service customers as opposed to Cal Am’s requested forecasts of 197,376  
3 total customers.

4 **B. Water Sales per Customer**

5 The Commission should adopt Cal Am’s Conservation Adjustment for Rate  
6 Tier Designs Mechanism (CART) water sales per customer recommendations for  
7 all customer classes, which is different from Cal Am’s application Fixed Cost  
8 Recovery Account (FCRA) revenue decoupling mechanism water sales per  
9 customer developed by M.Cubed.

10 For the most part, Cal Am forecasted average sales per service with  
11 econometric models based on factors such as historical sales trends, season and  
12 weather, number of customers, drought-related restrictions on water use, and the  
13 effect of the COVID-19 pandemic.<sup>14</sup> <sup>15</sup>

14 Cal Advocates recommends that the Commission continue to authorize the  
15 CART mechanism for Cal Am.<sup>16</sup> Thus, the CART based estimates of water sales  
16 per customer are appropriate and should be used.<sup>17</sup>

17 **C. Total Water Production/Non-Revenue Water**

18 ***Total Water Production***

19 Cal Am’s historical total water production has fluctuated for the last few  
20 years, as shown in Figure 1-3:

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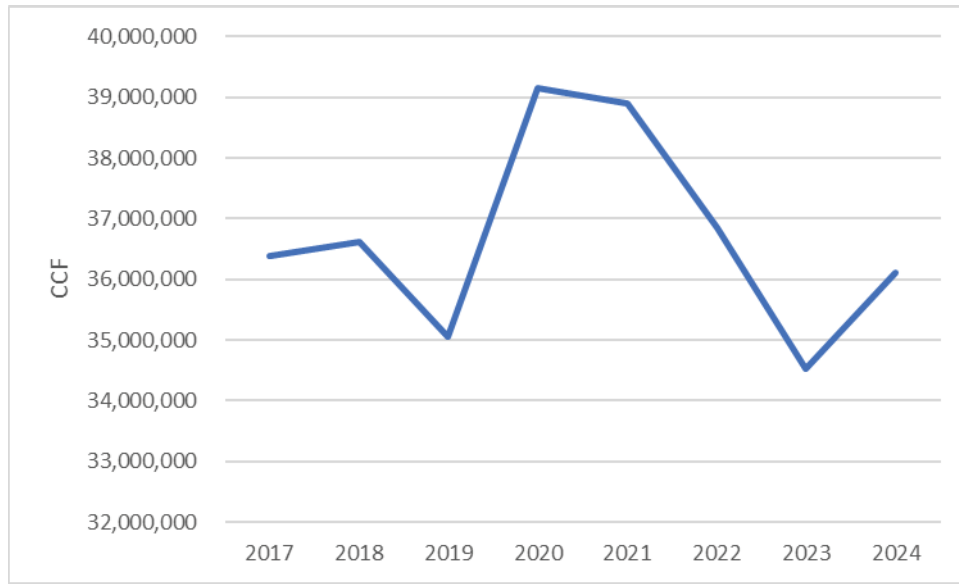
<sup>14</sup> Econometric models use mathematical methods (especially statistics) in describing economic systems.

<sup>15</sup> Direct Testimony of David Mitchell, Attachment 1 at 7.

<sup>16</sup> The analysis and testimony of Cal Advocates’ witness Sam Lam address the CART.

<sup>17</sup> Cal Advocates RO Model file “All\_Ch03\_REV\_RO\_Sales-Customers,” tab “Projected Sales WS-04,” column AA.

**Figure 1-3: Cal Am Historical Total Water Production**



Total water production represents the sum of water sales and non-revenue water. For TY 2027, Cal Advocates recommends a total water production estimate of 37,164,028 CCF, compared to Cal Am’s estimate of 36,134,336 CCF.<sup>18</sup> Water production was calculated by multiplying the number of customers by the average water sales per customer. The differences between the recommended and Cal Am’s proposed number of customers and water sales per customer result in an increase in water production. The Commission should adopt Cal Advocates’ recommended total water production and non-revenue water estimates for TY 2027 (based on recommended number of customers, water sales per customer, and non-revenue water ratios) as shown in Tables 1-8 through 1-13.

<sup>18</sup> Cal Am RO Model file “All\_CH03\_REV\_RO\_Water Production,” tab: “Rec Proj Wtr Prod WS-05.”

**Table 1-2: Central Division Water Production in Ccf**

<b>District</b>	<b>Cal Adv Recommended</b>	<b>Cal Am Estimated</b>	<b>Cal Adv &gt; Cal Am</b>
Monterey Main	3,802,620	3,805,673	(3,053)
Central Satellites	148,348	144,933	3,415
Monterey Chualar	50,265	50,269	(4)
West San Martin	116,650	116,650	0
Corral de Tierra	6,165	6,165	0

**Table 1-3: Northern Division Water Production in Ccf**

<b>District</b>	<b>Cal Adv Recommended</b>	<b>Cal Am Estimated</b>	<b>Cal Adv &gt; Cal Am</b>
Sacramento	14,102,107	13,499,594	602,513
Larkfield	366,478	352,766	13,712
Meadowbrook	360,503	360,552	(49)
Bass Lake	127,751	127,751	0

**Table 1-4: Southern Division Water Production in Ccf**

<b>District</b>	<b>Cal Adv Recommended</b>	<b>Cal Am Estimated</b>	<b>Cal Adv &gt; Cal Am</b>
Baldwin Hills	1,120,812	1,094,991	25,821
Bellflower	266,883	244,644	22,239
Duarte	2,316,092	2,287,954	28,138
East Pasadena	664,336	663,149	1,187
San Diego	4,290,507	4,173,699	116,808
San Marino	3,790,587	3,682,217	108,370
Ventura	5,234,971	5,171,298	63,673
Piru/Warring	287,036	240,114	46,922
Yerba Buena	111,918	111,918	0

### ***Non-Revenue Water***

Non-revenue water is the difference between water produced by the utility and water recorded for sales/billed to customers.<sup>19</sup> Cal Am forecasted the non-

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<sup>19</sup> American Water Works Association (AWWA), <https://www.awwa.org/elearning/controlling-non-revenue-water-certificate-program/>, accessed on October 15, 2025.

revenue amounts for TY 2027 by using a five-year average of recorded years (2020-2024).<sup>20</sup> The differences in non-revenue water ratios for Cal Am’s districts result from differences in total water production for TY 2027.

**Table 1-5: Central Division Non-Revenue Water Percentages**

<b>District</b>	<b>Cal Adv Recommended</b>	<b>Cal Am Estimated</b>	<b>Cal Adv &gt; Cal Am</b>
Monterey Main	6.29%	6.29%	0.01%
Central Satellites	15.28%	15.00%	0.28%
Monterey Chualar	27.75%	27.74%	0.00%
West San Martin	11.44%	11.44%	0.00%
Corral de Tierra	100.00%	100.00%	0.00%

**Table 1-6: Northern Division Non-Revenue Water Percentages**

<b>District</b>	<b>Cal Adv Recommended</b>	<b>Cal Am Estimated</b>	<b>Cal Adv &gt; Cal Am</b>
Sacramento	11.20%	11.70%	-0.50%
Larkfield	11.22%	11.66%	-0.44%
Fruitridge	0.00%	0.00%	0.00%
Bass Lake	20.00%	20.00%	0.00%

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<sup>20</sup> Cal Am RO Model file “All\_CH03\_REV\_RO\_Water Production,” tab: “Projected Wtr Prod WS-04.”

**Table 1-7: Southern Division Non-Revenue Water Percentages**

<b>District</b>	<b>Cal Adv Recommended</b>	<b>Cal Am Estimated</b>	<b>Cal Adv &gt; Cal Am</b>
Baldwin Hills	11.33%	11.59%	-0.27%
Bellflower	1.06%	1.06%	0.00%
Duarte	19.75%	20.00%	-0.24%
East Pasadena	9.35%	9.36%	-0.02%
San Diego	7.24%	7.44%	-0.20%
San Marino	10.95%	11.27%	-0.32%
Ventura	7.54%	7.64%	-0.09%
Piru/Warring	13.86%	13.86%	0.00%
Yerba Buena	70.48%	70.48%	0.00%

**D. Other Revenues**

The Commission should adopt ‘other revenues’ amount of \$1,074,358 for TY 2027.<sup>21</sup> Other revenue sources include, but are not limited to, Method 5 Revenues,<sup>22</sup> Contract Revenues, Antenna Leases, Miscellaneous Revenue, and Rents.

Other revenues should be estimated using best available data.<sup>23</sup> In general, a five-year average of recorded revenues utilizes the best available data, unless there is a compelling reason to utilize a different method.

In forecasting other revenue, the Rate Case Plan states, “Estimate other revenues using the best available data.”<sup>24</sup> In general, a five-year average of Method 5 revenue is forecast based on the application of the tariffed gross-up

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<sup>21</sup> Cal Am RO Model file “All\_CH03\_REV\_RO\_Revenues,” tab: “SD\_Revenues Othr Forest;” Cal Am forecasts other revenues of \$1,049,283 for Test Year 2027 found in the “SD\_Revenues Othr Forest” tab of RO Model file “All\_CH03\_REV\_RO\_Revenues.”

<sup>22</sup> D.87-09-026 requires Class A water utilities to use what is known as Method 5 to account for the applicable tax on contributions and advances. Under Method 5, the developer pays a gross-up related to the net over-time net present value cost difference between tax depreciation benefits and revenue requirements.

<sup>23</sup> Rate Case Plan, Appendix A, at A-23.

<sup>24</sup> Rate Case Plan, Appendix A, at A-23.

1 factor applied to the forecasted applicable contributions and advances. The  
2 Commission should adopt Cal Advocates' projected Method 5 revenues.<sup>25</sup>

3 Cal Am stated that antenna leases are forecasted based on the five-year  
4 average of the 30% customer revenue share allocation for NTP&S "passive"  
5 designation from 2020 through 2024. The costs associated with the intermittent  
6 use of Cal Am employees and Cal Am facilities are based on anticipated use and  
7 billed to the company. Cal Am also includes forecasted customer allocation of  
8 NTP&S revenue sharing related to the associated rental income from two tenants  
9 with leases at the new Central Division customer service and administrative  
10 offices. All other items are forecasted based on the three-year average (2022 -  
11 2024), as it excludes the years when Cal Am did not charge late fees and was  
12 under a disconnection moratorium in 2020 and 2021.<sup>26</sup>

13 For other revenues in the Sacramento service area, Cal Advocates includes  
14 \$20,457.92 for the test years, which is provided by Cal Am in response to data  
15 request HMC-02 but missing in the RO Model.<sup>27 28</sup> Therefore, the Commission  
16 should adopt Cal Advocates' recommended estimates, based on "flow through"  
17 differences and the correction to the Sacramento service area, for other revenue for  
18 TY 2027.

#### 19 IV. CONCLUSION

20 Based on Cal Advocates' review and analysis, for TY 2027, the Commission  
21 should adopt a projected total customer average of 200,504 based on the current

---

<sup>25</sup> Cal Am RO Model file "All\_Ch03\_REV\_RO\_Revenues," tab: "Rec-Proj Revenues All WS-08."

<sup>26</sup> *Application of California-American Water Company (U210W) to Increase Revenues in Each of its Districts Statewide*, Direct Testimony of Lakhjit S. Thind at 10, Line 6-22.

<sup>27</sup> Attachment 1-2: Cal Am Response to Cal Advocates' TY 2027 Data Request HMC-02, Question 8, Attachment 1 CONFIDENTIAL," tab "Sacramento Misc Revenues," cell "K20."

<sup>28</sup> Cal Am RO Model file "All\_Ch03\_REV\_RO\_Revenues," tab: "SD\_Revenues Othr Forest," cells: "J45" through "R45."

1 customers trends, a total water production of 37,164,028 CCF based on the recommended  
2 water sales, and adopt an Other Revenues amount of \$1,074,358 based on the adjustment  
3 to the Sacramento district and “flow through” differences.

## CHAPTER 2 Rate Design

### I. INTRODUCTION

A well-designed rate structure recovers authorized revenues, aligns the costs of operating a water system equitably across the system's users, and achieves state policy, including the affordability and equity of water rates for all customers, especially lower and middle-income residents who are enrolled in the Customer Assistance Program (CAP).

However, Cal Am's rate design structures since the last GRC have resulted in over \$9 million in under collection companywide, demonstrating that these structures are poorly designed.<sup>29</sup> Under collections result in surcharges which increase customer bills and reduce transparency into customer rates and bill impacts.

In this proceeding, Cal Am proposes two rate design scenarios.<sup>30</sup> First, Cal Am's proposed design in the application's Results of Operation Model is based on the Fixed Cost Recovery Account (FCRA), a revenue decoupling mechanism.<sup>31</sup> Second, the Conservation Adjustment for Rate Tier (CART), which is Cal Am's current rate design, is contingent on the FCRA not being approved.<sup>32</sup>

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<sup>29</sup> California-American Water Company Advice Letter (AL) 1472; AL 1473; AL 1474, which were filed to amortize the 2024 Conservation Adjustment for Rate Tier Designs Mechanism ("CART") Balancing Account.

<sup>30</sup> *Application of California-American Water Company (U210W) to Increase Revenues in Each of its Districts Statewide*, July 1, 2025 (Application) at 15.

<sup>31</sup> Cal Am is essentially requesting their previous Water Revenue Adjustment Mechanism (WRAM)/Modified Cost Balancing Account (MCBA).

<sup>32</sup> Cal Am's rate design based on Cal Am's Monterey-Style Water Revenue Adjustment Mechanisms.

## II. SUMMARY OF RECOMMENDATIONS

To implement tiered rate designs that are more equitable, provide needed relief to residential customers, maintain intended conservation signals and rate neutrality, the Commission should:

- Allow Cal Am's CART based ratios of recovering the revenue requirement from meter charges and quantity charges.
- Direct Cal Am to have their meter service charge ratios match the meter service charge ratios from Standard Practice U-7-W for all service areas and adopt the meter charge amounts recommended in Attachment 2-1;
- Adopt the monthly tier breakpoints for residential customers recommended in Attachment 2-4;
- Adopt the standard quantity rate as the Tier 2 residential rate;
- Adopt the quantity charge for all other Tiers as detailed in Attachments 2-7, 2-10, and 2-13; and
- Not authorize Cal Am to increase the CAP discount for the Monterey Main district from 35% to 50% to only the meter service charge and Tier 1 and eliminate the discount for the second and third tier for Monterey customers.

## III. ANALYSIS

### A. Revenue Recovery: Meter Charges vs. Quantity Charges

Cal Am proposes to decrease its revenue recovery from meter charges from its present levels under the FCRA proposal by 5% (except for the Central Division where Cal Am would maintain the same levels) and to increase the revenue recovery under the CART proposal by 10%, capped at 50% of Cal Am's revenue

recovery from meter charges.<sup>33</sup> The Commission’s most recent decision ordered Class A water utilities to shift more water rate collection to fixed charges, with a floor of 40% and up to 50% collected from fixed charges.<sup>34</sup> These proposals equate to Cal Am collecting its revenue requirements through the percentage mix of meter charges and quantity charges as shown in the table below. Since Cal Advocates recommends that CART continue to be used by Cal Am and following the most recent guidance,<sup>35</sup> the Commission should adopt Cal Am’s CART meter charge and quantity charge mix shown in the table.<sup>36</sup>

**Table 2-1: Revenue Recovery Charges<sup>37</sup>**

Division/ Service Area	Present		FCRA		CART	
	Meter Revenue	Quantity Revenue	Meter Revenue	Quantity Revenue	Meter Revenue	Quantity Revenue
Sacramento	45%	55%	40%	60%	50%	50%
Larkfield	40%	60%	35%	65%	50%	50%
Meadowbrook	50%	50%	45%	55%	50%	50%
Monterey Main	48%	52%	48%	52%	50%	50%
Central Satellites	35%	65%	35%	65%	45%	55%
Southern	30%	70%	25%	75%	40%	60%
Southern Acq.	36%	64%	31%	69%	45%	55%

## **B. Meter Service Charge**

The Commission’s Standard Practice (SP) U-7-W for water utility rate design reflects industry standards pertaining to the setting of fixed rates for

<sup>33</sup> *Application of California-American Water Company (U210W) to Increase Revenues in Each of its Districts Statewide*, Direct Testimony of Bahman Pourtaherian at 4, Lines 14-19.

<sup>34</sup> D.16-12-026 at 8.

<sup>35</sup> D.16-12-026 at 88.

<sup>36</sup> Testimony of Sam Lam, Cal Advocates’ Report on Labor & Benefits, Total Compensations, Special Requests No. 1 and 7. The analysis and testimony of Cal Advocates’ witness Sam Lam addresses the CART.

<sup>37</sup> Cal Am RO Model file “All\_CH10\_RD\_RO,” tab: “Cost of Service WS-02.”

different sized water service connections.<sup>38</sup> Although the actual rates charged by a water utility may vary based on the cost of service, the ratio of any given meter charge to the smallest meter charge is defined by engineering calculations and does not vary per industry standards. As meter size increases, the proportional increase in charges recognizes the increased capabilities (and potential demands and therefore costs) of the service.

The following Tables compare Cal Am's proposed meter charge ratios to industry standards, including those found in Commission Standard Practice U-7-W.

**Table 2-2: Residential Meter Service Charge Ratios (except for the Monterey Main District)**

<b>Meter Size / Service Connection</b>	<b>Cal Am Current and Requested</b>	<b>Industry Standard &amp; CPUC SP U-7</b>
5/8"	1	1
0.75"	1.5	1.5
1"	2.5	2.5
1.5"	5	5
2"	8	8
3"	15	15
4"	25	25
6"	50	50
8"	80	80
10"	115	115

**Table 2-3: Residential Meter Service Charge Ratios for the Monterey Main District**

<b>Meter Size / Service Connection</b>	<b>Cal Am Current</b>	<b>Industry Standard &amp; CPUC SP U-7</b>
5/8"	1	1
0.75"	1.6	1.5

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<sup>38</sup> Standard Practice U-7-W, para.7, available at:  
<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M039/K602/39602230.PDF>

1"	2.8	2.5
1.5"	6.5	5
2"	10.7	8
3"	20.0	15
4"	34.1	25
6"	70.4	50
8"	112.7	80
10"	115	115

**Table 2-4: Non-Residential Meter Service Charge Ratios**

Meter Size / Service Connection	Cal Am Current	Industry Standard & CPUC SP U-7
5/8"	1.5	1
0.75"	2.3	1.5
1"	3.8	2.5
1.5"	7.5	5
2"	12.0	8
3"	22.5	15
4"	37.5	25
6"	75.0	50
8"	120.0	80
10"	172.5	115

**Figure 2-1: AWWA Meter Ratios**

Meter Capacity & Factors   Based on Industry Standards	Meter Size	Meter Capacity (gpm)*	Factor based on 5/8" Meter
	5/8 inch	20	(20/20) = 1.0
	3/4 inch	30	(30/20) = 1.50
	1 inch	50	(50/20) = 2.50
	1-1/2 inch	100	(100/20) = 5.0
	2 inch	160	(160/20) = 8.0
	3 inch	300	(300/20) = 15.0
	4 inch	500	(500/20) = 25.0
	6 inch	1,000	(1000/20) = 50.0
	8 inch	1,600	(1600/20) = 80.0
	10 inch	2,300	(2300/20) = 115.0
*AWWA Manual M6 and Manual M1; WEF Manual of Practice 27. Maximum safe operating capacity. Values depend on type of meter.			

Cal Am's proposed meter service charge ratios for Monterey Main District residential customers and for all Cal Am non-residential customers deviate from

1 the Commission's Standard Practice U-7-W guidance for meter ratios and from  
2 industry standard meter charge ratios.

3 The Commission authorized Cal Am to alter the standard meter ratios for  
4 residential customers in the Monterey Main District.<sup>39</sup> The Commission modified  
5 the meter ratios to help mitigate the rate impacts that would result from the  
6 multiple changes authorized in the decision. The modification to standard  
7 residential meter ratios for recovery of the increased percentage of fixed costs in  
8 the residential monthly service charge (Cal Am residential customer class went  
9 from 15% to 30% fixed cost recovery) was intended to be temporary.<sup>40, 41, 42</sup> The  
10 Monterey Main District currently has a 48% revenue requirement recovery  
11 through meter charges and Cal Am requests an increase to 50% (2% more than the  
12 current amount) based on its CART.<sup>43</sup> It is evident that after almost 10 years and  
13 several GRCs since the 2016 decision, the rate impacts from that decision have  
14 been normalized.

15 The Commission approved Cal Am's proposal to close the gap by 50%  
16 between the ratios that were in place and used to develop the meters rates and

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<sup>39</sup> D.16-12-003 at 104.

<sup>40</sup> D.16-12-003 at 44, "*Applicant proposes to implement the 30 percent fixed cost recovery in the service charge but with a non-permanent modification to the standard residential meter charge ratios cited in Commission Standard Practice U-7-W.*"

<sup>41</sup> D.16-12-003 at 45, "*The deviation from the standard practice adopted here is **temporary** (emphasis added). Rate impact and equity considerations convince us to adopt applicant's temporary deviation.*" "*We accept applicant's proposed **non-permanent** (emphasis added) modest deviation in the standard practice because doing so will help mitigate the rate impacts that result from the multiple changes we authorize in this decision. This deviation in the meter ratios provides some relief and is temporary.*" "*We adopt the **temporary** (emphasis added) deviation here to mitigate rate impacts. In future proceedings we expect applicant and parties to propose the use of standard meter ratios as soon as the disproportionate rate impact is moderated.*"

<sup>42</sup> D.16-12-003 at 104, Ordering Paragraph (OP) 3, "*...(c) use the **temporary** (emphasis added) modification to standard residential meter ratios recommended by Cal-Am for recovery of the increased percentage of fixed costs in the residential monthly service charge,...*" (Emphasis Added).

<sup>43</sup> Direct Testimony of Bahman Pourtaherian, Attachment 1 at 4.

standard residential meter ratios.<sup>44</sup> The Commission also approved Cal Am's proposal to close the gap by 50% of the remaining 50% gap.<sup>45</sup> In the previous GRC,<sup>46</sup> Cal Am suggested that it would consider whether to remove the remaining 25% gap in the subsequent GRC (which is the current GRC).<sup>47</sup>

The rate impacts from the 2016 decision have been normalized.<sup>48</sup> Therefore, the justification for the meter charge deviation no longer exists. The meter charge ratios should be lowered to industry standards (the remaining 25% gap). Thus, Cal Advocates recommends lowering the meter charges for the Monterey Main District customers. Table 2-5 provides a comparison of standard and historical meter service charge ratios with Cal Am's proposed ratios for TY 2024.

**Table 2-5: Monterey Main District Historical Residential Meter Service Charge Ratios**

Meter Size / Service Connection	Industry Standard & CPUC SP U-7	D.16-12-003 Ratio	D.21-11-018 Ratio	D.24-12-025 and Current Ratio
5/8"	1	1	1	1
0.75"	1.5	1.8	1.63	1.57
1"	2.5	3.5	3	2.75
1.5"	5	11	7.99	6.50
2"	8	18.7	13.36	10.68
3"	15	35.1	25.05	20.03
4"	25	61.4	43.22	34.11

<sup>44</sup> D.21-11-018 at 17.

<sup>45</sup> D.24-12-025, *Settlement Agreement Between California-American Water Company and Public Advocates Office*, Appendix B, page 1, at 365 of PDF.

<sup>46</sup> A.22-07-001.

<sup>47</sup> A.22-07-001, *Application of California-American Water Company (U210w) to Increase Revenues in Each of its Districts Statewide*, Direct Testimony of Bahman Pourtaherian at 44-45.

<sup>48</sup> D.16-12-003

6"	50	131.6	90.82	70.41
8"	80	210.6	145.31	112.66
10"	115	115	115	115

1           The Commission authorized Cal Am to set monthly meter-based service  
2 fees in all systems 50% higher for non-residential customers than for residential  
3 customers.<sup>49</sup> Cal Am stated that the purpose of this change was to offset the  
4 impact of recovering more of the overall revenue requirement for fixed monthly  
5 fees.<sup>50, 51</sup> This adjustment in monthly meter-based service fees results in an  
6 increase in revenue to be recovered from meter charges for non-residential  
7 customers. It is not necessary to continue this change in the meter charge ratios  
8 for non-residential customers to compensate for the change in revenue recovery.  
9 The rate design described in the subsequent section accomplishes this without  
10 departing from industry standards. Additionally, SP U-7-W explicitly indicates  
11 that the industry standard meter ratios should be used by all classes of service.<sup>52</sup>  
12 As previously shown, Table 2-4 compares Cal Am's current and requested meter  
13 service charge ratios with the industry standards adopted in SP U-7-W.

14           Accordingly, Cal Am's non-residential meter charge ratios should conform  
15 to industry standards because Cal Advocates' proposed rate design compensates  
16 for the impact of the change in revenue recovery. The tables in Attachment 2-1  
17 show a comparison of Cal Am's current monthly meter charges, proposed monthly

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<sup>49</sup> D.24-12-025

<sup>50</sup> A.22-07-001, Direct Testimony of Bahman Pourtaherian at 45.

<sup>51</sup> A.22-07-001, *Application of California-American Water Company (U210w) To Increase Revenues In Each of its Districts Statewide*, Direct Testimony of Jeffrey T. Linam at 17-18.

<sup>52</sup> See, Standard Practice U-7-W, Section C.11 that references each class of utility fixed charges in section C.11, , available at:

<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M039/K602/39602230.PDF>

meter charges for TY 2024, and Cal Advocates’ recommended monthly meter charges for TY 2024.

### **C. Residential Customer Rate Design**

Cal Am has conservation increasing block rate designs for the residential customer class (which encompasses about 90% of all customers) comprised of two, three or four tiers. Cal Am’s rate designs utilize a percentage of a standard quantity rate (SQR) (except for the Monterey Main District) and are based on older data from customer bills from the 2024 calendar year to develop base rates.<sup>53, 54, 55</sup>

This report develops revenue neutral rate designs,<sup>56</sup> including residential tier rates that maintain intended conservation signals, based on the actual water consumption patterns of the last recorded twelve months (July 2024 to June 2025), and considers the 6 ccfs per month that the Commission has established as the necessary quantity for basic service.<sup>57 58 59 60</sup> Shifting rate designs from four to

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<sup>53</sup> The SQR is the average rate necessary to collect the estimated volumetric revenue. It is calculated simply as the amount of volumetric revenue to be collected, divided by the total estimated consumption.

<sup>54</sup> Base rates include the monthly service charge that is assessed for a customer’s meter size and quantity rates that are assessed for the volume of water consumed. Base rates are calculated to meet a utility’s revenue requirement and should provide the basic information necessary to evaluate the impacts of requests made by a utility in a general rate case on customers’ bills.

<sup>55</sup> Direct Testimony of Bahman Pourtaherian at 9, Lines 14-18; Direct Testimony of David Mitchell, Attachment 2 at 2.

<sup>56</sup> Revenue neutral rate design is achieved when the utility collects the same amount of revenue with multiple quantity rates as it would collect under a single quantity rate, as indicated in the sales forecast.

<sup>57</sup> Attachment 2-2: Cal Am Response to Cal Advocates’ TY 2027 Data Request HMC-01, Question 1, that contains an analysis of Cal Am’s monthly residential usage data provided in excel spreadsheets per district.

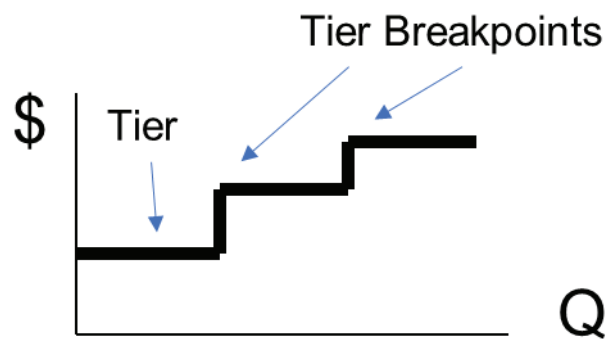
<sup>58</sup> Attachment 2-3: Cal Am Response to Cal Advocates’ TY 2027 Data Request HMC-05, Question 1, that contains an analysis of Cal Am’s Monterey Multi-Family customer class monthly residential usage data provided in excel spreadsheet by Cal Am.

<sup>59</sup> It is noteworthy that while total consumption might fluctuate from year to year, the distribution pattern of usage is relatively stable.

<sup>60</sup> D.20-07-032, Findings of Fact (FoF) 12, that states, “The 600 cubic feet per household per month

three tiers (except for the Monterey Main District) is a key aspect of the recommended rate designs. This change aims to balance conservation incentives with fairness, reducing cross-subsidies, and promoting conservation more equitably across customer groups. Making rates more reflective of actual costs for different usage levels reduces subsidies embedded in a four tier rate design. Also, it is important to note that the Commission found that rate design and rate impacts (i.e., FCRA, CART, etc.) are independent of the decoupling mechanism a utility is authorized to implement.<sup>61</sup>

**Figure 2-2: Example of Three Tier Increasing Block Rate Design**



### **Northern Division**

Cal Am's rate design proposals for the Northern Division under the FCRA and CART proposals are shown below.<sup>62</sup>

For the Sacramento service area, Cal Am proposes changing the 1<sup>st</sup> and 3<sup>rd</sup> tier rate differentials, as well as the percentage of water used per tier.

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figure for essential water usage aligns with essential water service amounts under development by other state agencies;" D.20-07-032 at 22.

<sup>61</sup> D.20-08-047 at 53.

<sup>62</sup> Attachment 2-4: Tier Breakpoints/Consumption Ratios TY 2027, shows the comparison of the breakpoints and consumption ratios for all districts for TY 2027.

**Table 2-6: Sacramento**

Tier	Rate Differential			Breakpoint	Percentage Usage		
	Present	FCRA	CART	CCF	Present	FCRA	CART
1	82.0%	80.0%	82.8%	10	65.4%	66.6%	65.9%
2	125.0%	125.0%	125.0%	20	22.4%	19.9%	20.1%
3	150.0%	161.9%	145.0%	>20	12.2%	13.5%	14.0%

For the Larkfield service area, Cal Am proposes changing the 3<sup>rd</sup> and 4<sup>th</sup> tier rate differentials as well as the percentage of water used per tier.

**Table 2-7: Larkfield**

Tier	Rate Differential			Breakpoint	Percentage Usage		
	Present	FCRA	CART	CCF	Present	FCRA	CART
1	96.0%	96.0%	96.0%	5	45.7%	48.3%	47.2%
2	100.0%	100.0%	100.0%	18	43.4%	39.8%	40.2%
3	115.0%	111.0%	111.0%	25	5.6%	5.5%	5.8%
4	118.6%	120.4%	118.3%	>25	5.3%	6.5%	6.9%

For the Meadowbrook service area, Cal Am proposes to change the 1<sup>st</sup> and 3<sup>rd</sup> tier rate differentials as well as the tier breakpoints and the percentage of water used per tier.

**Table 2-8: Meadowbrook**

Tier	Rate Differential			Breakpoint (CCF)		Percentage Usage		
	Present	FCRA	CART	Present	Proposed	Present	FCRA	CART
1	75.0%	82.0%	82.0%	5	11	26.0%	56.9%	56.9%
2	100.0%	100.0%	110.0%	8	20	15.0%	21.0%	21.0%
3	111.0%	146.5%	136.8%	>8	>20	59.0%	22.0%	22.1%

***Bass Lake***

1 Cal Am proposes to increase the present rates for the Bass Lake system by  
2 the CPI inflation rate of 2.4%.<sup>63, 64</sup> Cal Am claims that there is no information  
3 available to determine the actual cost of service for Bass Lake, and that it will file  
4 a Tier 2 Advice Letter to propose a rate structure for metered service once  
5 residential customers begin receiving meters.<sup>65</sup> The Commission should allow the  
6 present rates in the Bass Lake system to increase by 2.4%.

7 The tables in Attachment 2-5 for Cal Am's Northern Division show the  
8 results of Cal Am's proposed rate design but use the actual water consumption  
9 patterns of the last recorded twelve months (July 2024 to June 2025).<sup>66</sup>

10 The result of Cal Am's proposed rate design is overcollection for  
11 Sacramento and Meadowbrook, and under collection for Larkfield. Combining  
12 these volumetric revenues with the proposed meter charges, Cal Am's proposed  
13 rate design will collect, per CCF, \$0.0216 more for Sacramento, \$0.0207 more for  
14 Meadowbrook, and \$0.0047 less for Larkfield than the estimated total revenue  
15 requirement allocated to residential customers.

**Table 2-9: Northern Division Over/Under Collection (using application amounts)**

Service Area	Per Ccf Over/Under Collection
Sacramento	\$0.0216
Larkfield	(\$0.0047)
Meadowbrook	\$0.0207

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<sup>63</sup> Direct Testimony of Bahman Pourtaherian at 21, Lines 2-3, 14-16.

<sup>64</sup> Cal Am RO Model file "All\_CH10\_RD\_RO," tab: "BASL\_RD," cell: "Q261."

<sup>65</sup> Direct Testimony of Bahman Pourtaherian at 20, Lines 17-25.

<sup>66</sup> It is important to note that while total consumption might fluctuate from year to year, the distribution pattern of usage is relatively stable.

To achieve revenue neutrality with Cal Am’s proposed SQRs for each service area in the Northern Division, the Commission should adopt the parameters shown in Table 2-10 below.

**Table 2-10: Cal Advocates Recommended Rate Structure per Tier**

<b>Tier</b>	<b>Sacramento</b>	<b>Larkfield</b>	<b>Meadowbrook</b>
Tier 1	75% of SQR	90% of SQR	65% of SQR
Tier 2	SQR	SQR	SQR
Tier 3	169% of SQR (Goal Seek) <sup>67</sup>	139% of SQR (Goal Seek)	181% of SQR (Goal Seek)

The tables in Attachment 2-6 show Cal Advocates’ recommended TY 2027 rate design using Cal Am’s proposed SQR (based on Cal Am’s proposed revenue requirement, consumption forecast, and the actual water consumption patterns of the last recorded twelve months. The results confirm revenue neutrality, as the total rate under the recommended rate design equals the SQR.

As shown in Table 2-11 below, Cal Advocates’ recommended rate design achieves revenue neutrality and results in rate decreases for all Northern Division service areas for TY 2027 compared to the average monthly residential customer bill using the application amounts.

**Table 2-11: Northern Division Average Monthly Bill Comparison (using application amounts)**

<b>Service Area</b>	<b>Average Monthly Residential Customer Usage</b>	<b>At Cal Adv Recommended Rates</b>	<b>At Cal Am Requested Rates</b>	<b>Cal Adv &lt; Cal Am % Change</b>
Sacramento	8.25 ccf	\$71.35	\$71.73	-0.5%
Larkfield	6.72 ccf	\$68.11	\$69.94	-2.6%
Meadowbrook	11.88 ccf	\$56.20	\$56.73	-0.9%

<sup>67</sup> The “Goal Seek Function” in Microsoft Excel (often referred to as What-if-Analysis) is a method of solving for a desired output by changing an assumption that drives it. In the case of rate design, this function is used to ensure revenue neutrality by having the SQR as the basis.

\*Based on a residential customer with 5/8 x 3/4" meter size.  
Excludes applicable surcharges and PUC fees.

The tables in Attachment 2-7 show Cal Advocates proposed TY 2027 revenue neutral residential rate designs using Cal Advocates' recommended revenue requirement and the actual water consumption patterns of the last recorded twelve months (July 2024 to June 2025).

Cal Advocates' proposed revenue neutral rate designs, based on Cal Advocates' recommended revenue requirements, result in the following bill outcomes for Test Year 2027 compared to the average monthly residential customer bill using the application amounts and excluding applicable surcharges and CPUC fees.

**Table 2-12: Northern Division Average Monthly Bill Comparison**

Service Area	Average Monthly Residential Customer Usage	At Cal Adv Recommended Rates	At Cal Am Requested Rates	Cal Adv < Cal Am % Change
Sacramento	8.25 ccf	\$66.12	\$71.73	-7.8%
Larkfield	6.72 ccf	\$71.03	\$69.94	1.6%
Meadowbrook	11.88 ccf	\$50.87	\$56.73	-10.3%
*Based on a residential customer with 5/8 x 3/4" meter size. Excludes applicable surcharges and PUC fees.				

### **Central Division**

Under the FCRA and CART proposals, Cal Am requests to maintain the present residential four-tier rate design with changes proposed for the percentage of water used per tier for the Monterey Main District area, as shown below.

**Table 2-13: Monterey Main District**

Tier	Rate Differential	Breakpoint	Percentage Usage		
		CCF	Present	FCRA	CART
1	150%	4	58.0%	63.5%	63.2%
2	300%	8	24.1%	21.2%	21.3%
3	450%	15	11.6%	8.9%	9.0%
4	625%	>15	6.4%	6.4%	6.5%

For the Central Satellites, Cal Am escalates the present rate revenue using the CPI inflation rate for the proposed revenue requirement and requests adjustments to the rate differentials and to the percentage of water used per tier, as shown below.<sup>68 69</sup>

**Table 2-14: Central Satellites**

Tier	Rate Differential			Breakpoint	Percentage Usage		
	Present	FCRA	CART	CCF	Present	FCRA	CART
1	83.0%	89%	89%	8	53.1%	55.8%	55.2%
2	100.0%	100%	100%	18	23.9%	22.1%	22.2%
3	134.0%	120%	120%	26	18.0%	15.8%	16.1%
4	157.8%	147.5%	144.3%	>26	5.0%	6.3%	6.5%

For Chualar and West San Martin, Cal Am is requesting a CPI-based adjustment (2.4%) to the present rates, without changes to the flat rate design structure for Chualar and the two-tier rate structure for West San Martin.<sup>70 71 72 73</sup>

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<sup>68</sup> Direct Testimony of Bahman Pourtaherian at 17:23-24.

<sup>69</sup> Cal Am RO Model file “All\_CH10\_RD\_RO,” tab: “MOS\_RD,” cell: “Q261.”

<sup>70</sup> Direct Testimony of Bahman Pourtaherian at 18:1-2.

<sup>71</sup> Cal Am RO Model file “All\_CH10\_RD\_RO,” tab: “CHLR\_RD,” cell “Q261.”

<sup>72</sup> Direct Testimony of Bahman Pourtaherian at 22:2-4.

<sup>73</sup> Cal Am RO Model file “All\_CH10\_RD\_RO,” tab: “WSMA\_RD,” cell: “Q261.”

1 Monterey Main District is the only service area that does not use the SQR  
2 to set the rates for ratepayers. Cal Am bases rates for the Monterey Main District  
3 on a rate (Cal Am refers to this rate as the Conservation Cost Component Base  
4 Rate (CCCBR)) constructed from factors that alter the revenue that is supposed to  
5 be allocated to the residential customer class. As mentioned previously in the  
6 Meter Service Charge section, the Commission implemented revenue allocation  
7 deviations for Monterey Main District.<sup>74</sup> The background of these deviancies  
8 stem from the Decision that adopted a water rationing plan for the Monterey Main  
9 District.<sup>75</sup> This plan was a result of a settlement agreement between Cal Am and  
10 Cal Advocates and the Monterey Peninsula Water Management District  
11 (MPWMD). The settlement came about as a result of the threat of a Cease and  
12 Desist Order (that actually was implemented) from the State Water Resources  
13 Control Board (SWRCB) that would require Cal Am to decrease its use of Carmel  
14 River water beginning in 2009; and the Monterey Superior Court's 2006 ruling  
15 that ordered Cal Am to reduce its take from its wells in both the Coastal Subareas  
16 and the Laguna Seca Subarea of the Seaside Basin.

17 The parameters from this decision were generally left alone in the  
18 subsequent GRCs until the Commission ordered:<sup>76</sup>

- 19 • The elimination of the residential rationing allotment system
- 20 • The implementation of the use of the temporary modification to
- 21 standard residential meter ratios for recovery of the increased
- 22 percentage of fixed costs in the residential monthly service charge

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<sup>74</sup> D.16-12-003

<sup>75</sup> D.09-07-023

<sup>76</sup> D.16-12-003

- 1                   • To move 8.4% of forecast revenue collection from residential to non-  
2                   residential customers.<sup>77</sup>

3                   Thus, Cal Am bases its customer rates on a rate that encompasses the above  
4                   changes. As discussed in the Meter Service Charge section, the conditions that  
5                   justify the temporary modification of standard residential meter ratios no longer  
6                   apply. The move to allocate 8.4 % of forecast revenue collection from residential  
7                   to non-residential customers was based on Cal Am using 2014 sales data to  
8                   forecast 2016 consumption levels for residential customers, but not for non-  
9                   residential ratepayers. The use of the 2014 sales data factored into the revised rate  
10                  design and rates for TY 2016 that were previously authorized,<sup>78</sup> which resulted in  
11                  disproportionate revenue recovery from residential customers in relation to  
12                  consumption.<sup>79</sup> Thus, the Commission decided to order the 8.4% move of forecast  
13                  revenue to align revenue recovery to promote equity by maintaining  
14                  proportionality between consumption and cost recovery and based on the  
15                  multitude of changes adopted in the decision.<sup>80</sup> The allocation from residential to  
16                  non-residential in the current GRC is \$11,469,362.<sup>81</sup> There hasn't been a disparity  
17                  between sales data years to forecast consumption levels for residential customers  
18                  in the last GRCs nor is there in the current GRC. This situation no longer exists.

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<sup>77</sup> D.16-12-003 at 104.

<sup>78</sup> D.15-04-007

<sup>79</sup> D.16-12-003 at 54-55 states, “ORA states that updating the consumption data (e.g., using 2014 sales) to develop rates in this proceeding for residential but not for non-residential customers exacerbates the disparity in cost recovery between those customer classes.” “ORA asserts this results in disproportionate revenue recovery from residential customers in relationship to consumption. (Exhibit 104 (Odell) at 1-8; also see Exhibit 2 (Chew) at 43.) We agree with ORA that an unreasonable inequity results.”

<sup>80</sup> D.16-12-003 at 55-56, “The result promotes equity by maintaining proportionality between consumption and cost recovery.” “Today’s decision aligns revenue recovery to promote equity based on the evidence in this proceeding and the multitude of changes we adopt here (e.g., collecting WRAM/MCBA balances, ending allotments, increasing fixed cost recovery in the service charge, addressing use of meter ratios, changing block widths, reducing ratio between tiers).”

<sup>81</sup> Cal Am RO Model file “All\_CH10\_RPT\_MOC,” tab: “Monterey County RD.”

1 Monterey Main District's outdated rate design is constructed to  
2 automatically under collect revenue and will keep doing so. This is evidenced in  
3 Cal Am's amortization request of their Central Division CART 2024 balances that  
4 has an \$8,069,639 under collection.<sup>82</sup> Cal Am even went so far as to file a Petition  
5 for Modification to attempt to have the Commission modify the CART to  
6 accommodate the Monterey rate design and allow for recovery of the under  
7 collection.<sup>83</sup> <sup>84</sup> Cal Am's petition makes no sense since modifying the CART for  
8 Cal Am would result in other Class A water companies requesting self-serving  
9 modification to their CART mechanisms. It is the Monterey Rate Design that  
10 should be modified, not the CART. As stated previously, the rate impacts from  
11 the 2016 Decision have been normalized and the factors that caused the special  
12 conditions in the decision no longer exist.

13 Therefore, the meter charge ratios should be lowered to industry standards  
14 (as mentioned in the Meter Service Charge section) and the move of 8.4% of  
15 forecast revenue collection from residential to non-residential customers should be  
16 eliminated. As a result, the following items should be removed from the  
17 accounting procedure (item 3) of the CART preliminary statement:<sup>85</sup>

18 d. For Monterey, recorded meter charge revenues collected  
19 under the conservation rate design metered service rate  
20 schedule (debit).

21 e. For Monterey, the calculated revenues that would have  
22 been collected under the standard meter rate for the same  
23 recorded connections as in Item 3d, above (credit).

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<sup>82</sup> AL 1473-A.

<sup>83</sup> A.22-07-001, California-American Water Company's Petition for Modification of D.24-12-025, September 19, 2025 (Cal Am September 19, 2025 PFM).

<sup>84</sup> Cal Am September 19, 2025 PFM at 1-2.

<sup>85</sup> Preliminary Statement BY. Conservation Adjustment for Rate Tier Designs Mechanism (CART) Balancing Account

1                    *Application Parameters*

2                    In Cal Am’s complicated and cumbersome application workpaper and  
3                    under the meter charge ratios and revenue allocation deviations, Cal Am  
4                    established separate CCCBRs for the Single Family Residential and Multi-Family  
5                    Residential customer classes within the Monterey Main District.<sup>86</sup> Cal Am then  
6                    added a single flat surcharge to ratepayers for each unit of water used to recover  
7                    Pure Water Monterey costs.<sup>87</sup> The tables in Attachment 2-8 for Cal Am’s Central  
8                    Division show the results of Cal Am’s proposed rate design but using the actual  
9                    water consumption patterns of the last recorded twelve months (July 2024 to June  
10                    2025) and the revenue neutral CCCBRs for Monterey Main District’s Single  
11                    Family Residential and Multi-Family Residential customer classes (based on the  
12                    deviations described previously rate design).

13                    The results of Cal Am’s proposed rate design in the Central Division are an  
14                    overcollection of approximately 146% more than the necessary volumetric  
15                    revenue for Monterey Single Family, and an overcollection of approximately 86%  
16                    and 2% more than necessary volumetric revenue for Monterey Multi-Family and  
17                    Central Satellites, respectively. Combining these overcollected volumetric  
18                    revenues with the proposed meter charges, Cal Am’s proposed rate design will  
19                    collect, per CCF, \$6.7564 more for Monterey Single Family, \$7.4590 more for  
20                    Monterey Multi-Family and \$0.1797 more for Central Satellites than the estimated  
21                    total revenue requirement allocated to residential customers, as shown in Table 2-  
22                    15:

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<sup>86</sup> Cal Am RO Model file “All\_CH10\_RPT\_MOC,” tab: “Monterey County RD.”

<sup>87</sup> Direct Testimony of Bahman Pourtaherian at 13, Lines 4-5; Pure Water Monterey is a water recycling project, jointly developed by two public agencies – Monterey Peninsula Water Management District and the Monterey One Water.

**Table 2-15: Central Division Over/Under Collection (using application amounts)**

<b>Service Area</b>	<b>Per Ccf Over/Under Collection</b>
Monterey Single Fam	\$6.7564
Monterey Multi-Fam	\$7.4590
Central Satellites	\$0.1797

The tables in Attachment 2-9 show Cal Advocates' proposed TY 2027 rate design using Cal Am's application revenue neutral CCCBRs and SQR (based on Cal Am's proposed revenue requirement, consumption forecast, etc.) and the actual water consumption patterns of the last recorded twelve months.

As shown in Table 2-17 below, Cal Advocates' recommended rate design achieves revenue neutrality and results in rate decreases for the Monterey Single Family customer class, the Monterey Multi-Family customer class and the Central Satellites for TY 2027 compared to the average monthly residential customer bill using the application amounts. The rate decreases for the Monterey Single Family customer class and the Monterey Multi-Family customer class result from the large overcollections generated by Cal Am's proposed rate designs.

**Table 2-16: Central Division Average Monthly Bill Comparison (using application amounts)**

<b>Service Area</b>	<b>Average Monthly Residential Customer Usage</b>	<b>At Cal Adv Recommended Rates</b>	<b>At Cal Am Requested Rates<sup>88</sup></b>	<b>Cal Adv &lt; AVR % Change</b>
Monterey Single Family	4.22 ccf	\$78.61	\$93.62	-16.0%
Monterey Multi-Family	21.12 ccf	\$325.96	\$965.82	-66.3%
Central Satellites	8.92 ccf	\$96.81	\$102.46	-5.5%
*Based on a residential customer with 5/8 x 3/4" meter size. Excludes applicable surcharges and PUC fees.				

<sup>88</sup> Cal Am RO Model file "All\_CH10\_RD\_RO."

Yet, these amounts are not accurate for the Monterey Single Family and Multi-Family customer classes since Cal Am's Monterey rate design is neither allocating nor collecting the correct revenue between residential and non-residential customers because of the deviations to the Monterey Main District discussed previously. Also, the percentage of revenue allocated per customer class does not coincide with the percentage of water used historically by the customer class. Cal Am is requesting to continue the same rate design structure it currently has, thus, the effect of the errors in Cal Am's Monterey rate design can be seen in Cal Am's amortization request of their Central Division CART 2024 balances that results in an \$8,069,639 under collection.<sup>89</sup> The result will impose a surcharge of \$1.7620 per ccf for the Monterey Single Family (SF) and Multi-Family (MF) residential customer classes over a 24 month period. As a result, the average Monterey monthly residential customer bill for TY 2027 with the added surcharge for the under collection would be much higher as reflected below.

**Table 2-17: Monterey Residential Average Monthly Bill Comparison (using application amounts)**

Class	Average Monthly Residential Usage	Cal Adv Rates	Cal Adv Rates with AL 1473 Surcharge	% Increase	Cal Am Rates	Cal Am Rates with AL 1473 Surcharge	% Increase
SF	4.22 ccf	\$78.61	\$86.04	9.5%	\$93.62	\$101.05	7.9%
MF	21.12 ccf	\$325.96	\$363.18	11.4%	\$965.82	\$1,003.04	3.9%
*Based on a residential customer with 5/8 x 3/4" meter size. Excludes other applicable surcharges and PUC fees.							

The current Monterey rate design, which Cal Am proposes to continue, results in unnecessary non-transparent rate increases for ratepayers because they are blindsided by a high surcharge which makes their artificially deflated monthly bill increase by 9.5% for Single Family and 11.4% for Multi-Family customers.

<sup>89</sup> AL 1473-A.

***Replacing Cal Am's Outdated Monterey Rate Design***

Allocating the correct revenue per customer class based on historical water usage, correcting the meter charge ratios to industry standards (as mentioned in the Meter Service Charge section), removing the Pure Water Monterey charge from the rate design (since the costs for this program are already contained in the revenue requirement), simplifying the calculations in the Monterey Main District workpapers, and eliminating the move of 8.4% of forecast revenue collection from residential to non-residential customers results in an efficient and fair rate design for ratepayers. Correcting these errors and having the residential and non-residential customer classes recovering their own revenue results in having a true SQR per customer class based on an equitable allocation of revenue and no over or under collection.

Cal Advocates' recommended simplified rate design described in the previous section using the true SQR achieves revenue neutrality and results in rate increases for the Monterey Single Family and Monterey Multi-Family customers for TY 2027 compared to the average monthly residential customer bill using the application amounts. The rate differences for the Monterey Single Family and Monterey Multi-Family customer classes result from not having the large overcollections generated by Cal Am's proposed complicated rate designs.

**Table 2-18: Monterey Average Monthly Bill Comparison (using application amounts and true SQR)**

<b>Class</b>	<b>Average Monthly Residential Customer Usage</b>	<b>At Cal Adv Recommended Rates</b>	<b>At Cal Am Requested Rates</b>	<b>Cal Adv &lt; Cal Am % Change</b>
Single Family	4.22 ccf	\$107.40	\$93.62	14.7%
Multi-Family	21.12 ccf	\$1,293.30	\$965.82	33.9%
*Based on a residential customer with 5/8 x 3/4" meter size. Excludes applicable surcharges and PUC fees.				

Using the Cal Advocates' recommended revenue requirement, the true SQR (eliminating Cal Am's Monterey rate design errors), and the actual water consumption patterns of the last recorded twelve months (July 2024 to June 2025), the tables in Attachment 2-10 show Cal Advocates' recommended TY 2027 revenue neutral residential rate designs for the Central Division.

Cal Advocates' proposed simplified revenue neutral rate designs, based on Cal Advocates' recommended revenue requirements and true SQR, result in the following bill decreases for TY 2027 compared to the average monthly residential customer bill using the application amounts and excluding applicable surcharges and CPUC fees. The recommended Monterey Main District rate design is simpler and more equitable than Cal Am's proposal. Also, Monterey Main District ratepayers will not be stunned by a non-transparent bill hike through a non-revenue neutral (overcollection/under collection) high surcharge as previously described (i.e., CART 2024 amortization).

**Table 2-19: Central Division Average Monthly Bill Comparison (using true SQR)**

Service Area	Average Monthly Residential Customer Usage	At Cal Adv Recommended Rates	At Cal Am Requested Rates	Cal Adv < Cal Am % Change
Monterey Single Family	4.22 ccf	\$93.52	\$93.62	-0.1%
Monterey Multi-Family	21.12 ccf	\$520.32	\$965.82	-46.1%
Central Satellites	8.92 ccf	\$98.30	\$102.46	-4.1%
*Based on a residential customer with 5/8 x 3/4" meter size. Excludes applicable surcharges and PUC fees.				

***Central Satellites, Chualar, and West San Martin***

Cal Am is requesting to increase the present rate revenues for the Central Satellites, Chualar, and West San Martin districts by the inflation rate of 2.4% to calculate the requested revenue requirement. The calculated requested revenue

was set by Cal Am as the revenue requirement for the rate design model to determine their requested rates.

The revenue requirement for the Central Satellites and Chualar districts has historically been calculated by applying the lower of the overall Monterey County District revenue requirement increase, or inflation.<sup>90</sup> The Commission should allow the present rates in the Central Satellites, Chualar, and West San Martin districts to increase by 2.4%.

### **Southern Division**

Cal Am requests to maintain the present residential four tier rate design and breakpoints with changes proposed for the rate differentials and the percentage of water used per tier for the Southern service area (Los Angeles County (Baldwin Hills, Duarte, San Marino), San Diego and Ventura) as shown below.

**Table 2-20: Southern**

Tier	Rate Differential			Breakpoint	Percentage Usage		
	Present	FCRA	CART	CCF	Present	FCRA	CART
1	80.0%	85.0%	92.0%	11	59.9%	65.9%	64.9%
2	115.0%	105.0%	105.0%	18	16.4%	13.9%	13.9%
3	132.0%	125.0%	115.0%	40	17.6%	13.1%	13.5%
4	148.3%	183.5%	132.2%	>40	6.1%	7.1%	7.6%

Cal Am proposes to consolidate three recently acquired systems, Bellflower, Piru, and East Pasadena, into a new Southern Division Acquisition Transition group. The rate design for these consolidated systems is the following.

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<sup>90</sup> Direct Testimony of Bahman Pourtaherian at 47.

**Table 2-21: Southern Acquisition Transition**

Tier	Rate Differential		Breakpoint	Percentage Usage	
	FCRA	CART	CCF	FCRA	CART
1	94.0%	94.0%	11	68.4%	67.6%
2	100.0%	105.0%	18	14.0%	14.2%
3	110.0%	115.0%	40	11.6%	12.0%
4	149.4%	124.7%	>40	6.0%	6.3%

1 The present rate designs for the three acquired systems are below.

**Table 2-22: Bellflower**

Tier	Rate Differential	Breakpoint CCF	Percentage Usage
	Present	Present	Present
1	95.0%	11	65.4%
2	100.0%	18	17.6%
3	119.0%	>18	17.0%

**Table 2-23: Piru/Warring**

Tier	Rate Differential	Breakpoint CCF	Percentage Usage
	Present	Present	Present
1	95.0%	40	93.9%
2	177.0%	>40	6.1%

**Table 2-24: East Pasadena**

Tier	Rate Differential	Breakpoint CCF	Percentage Usage
	Present	Present	Present
1	90.0%	18	66.2%
2	115.0%	40	22.6%
3	129.0%	>40	11.2%

2 For the Yerba Buena service area, Cal Am proposes to increase the present  
 3 rates by the CPI inflation rate of 2.4% and convert the rate design from flat rate to

1 a two tiered rate design.<sup>21</sup> <sup>22</sup> Cal Am claims that this treatment is due to the  
2 absence of detailed usage distribution data.<sup>23</sup> The Commission should allow the  
3 present rates in the Yerba Buena system to increase by 2.4% and for the two tiered  
4 rate design.

5 Cal Am includes the purchased water retained in the Baldwin Hills, San  
6 Diego and Ventura districts (which are part of the Southern district) in these  
7 district's SQR development.<sup>24</sup> The tables in Attachment 2-11 for Cal Am's  
8 Southern Division show the results of Cal Am's proposed rate design but using the  
9 actual water consumption patterns of the last recorded twelve months (July 2024  
10 to June 2025).

11 The results of Cal Am's proposed rate design are overcollections for the  
12 service areas in the Southern Division. Combining the overcollected volumetric  
13 revenues with the proposed meter charges, Cal Am's proposed rate design will  
14 differ from the estimated total revenue requirement allocated to residential  
15 customers by the per-CCF amounts shown in the following table:

**Table 2-25: Southern Division Over/Under Collection (using application amounts)**

Service Area	Per Ccf Over/Under Collection
Los Angeles County	\$0.0507
San Diego	\$0.0791
Ventura	\$0.0627
Southern Acquisition	\$0.0158

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<sup>21</sup> Direct Testimony of Bahman Pourtaherian at 22, Lines 22-27.

<sup>22</sup> Cal Am RO Model file "All\_CH10\_RD\_RO," tab "YRBA\_RD," cell "Q261."

<sup>23</sup> Direct Testimony of Bahman Pourtaherian at 22, Line 27, and at 23 Lines 1-2.

<sup>24</sup> Cal Am RO Model file "All\_CH10\_RD\_RO," tab: "Rate Design WS-04."

1 To achieve revenue neutrality with Cal Am’s proposed SQRs for each  
2 service area in the Southern Division, the Commission should adopt the rate  
3 structure parameters as shown in the following table:

**Table 2-26: Cal Advocates Recommended Rate Structure per Tier**

<b>Tier</b>	<b>Los Angeles (Baldwin Hills, Duarte, San Marino), San Diego, Ventura</b>	<b>Southern Acquisition Transition</b>
Tier 1	75% of SQR	75% of SQR
Tier 2	SQR	SQR
Tier 3	158% of SQR (Goal Seek)	177% of SQR (Goal Seek)

4 The tables in Attachment 2-12 show Cal Advocates’ TY 2027 proposed  
5 rate designs using Cal Am’s proposed SQR (based on Cal Am’s proposed revenue  
6 requirement, consumption forecast, etc.) and the actual water consumption  
7 patterns of the last recorded twelve months. The results confirm revenue  
8 neutrality since the total rate of the recommended rate designs equals the SQR.

9 As shown in the table below, Cal Advocates’ recommended rate design  
10 achieves revenue neutrality and results in rate decreases for all the Southern  
11 Divisions service areas for TY 2027 compared to the average monthly residential  
12 customer bill using the application.

**Table 2-27: Southern Division Average Monthly Bill Comparison (using application amounts)**

<b>Service Area</b>	<b>Average Monthly Residential Customer Usage</b>	<b>At Cal Adv Recommended Rates</b>	<b>At Cal Am Requested Rates</b>	<b>Cal Adv &lt; Cal Am % Change</b>
Baldwin Hills	10.42 ccf	\$89.63	\$93.34	-4.0%
Duarte	11.79 ccf	\$97.26	\$100.94	-3.6%
San Diego	7.40 ccf	\$91.21	\$99.13	-8.0%
San Marino	14.40 ccf	\$111.80	\$116.21	-3.8%
Ventura	12.15 ccf	\$113.28	\$117.96	-4.0%
Bellflower	10.45 ccf	\$58.31	\$64.82	-10.0%
East Pasadena	11.83 ccf	\$63.04	\$73.05	-13.7%
Piru/Warring	12 ccf	\$63.65	\$74.40	-14.5%
*Based on a residential customer with 5/8 x 3/4" meter size. Excludes applicable surcharges and PUC fees.				

Using Cal Advocates' recommended revenue requirement and the actual water consumption patterns of the last recorded twelve months (July 2024 to June 2025), the tables in Attachment 2-13 show Cal Advocates' proposed TY 2027 revenue neutral residential rate design.

Cal Advocates' recommended revenue neutral rate designs, based on Cal Advocates' recommended revenue requirements, results in the following bill decreases for Test Year 2027 compared to the average monthly residential customer bill using the application amounts and excluding applicable surcharges and CPUC fees.

**Table 2-28: Southern Division Average Monthly Bill Comparison**

<b>Service Area</b>	<b>Average Monthly Residential Customer Usage</b>	<b>At Cal Adv Recommended Rates</b>	<b>At Cal Am Requested Rates</b>	<b>Cal Adv &lt; Cal Am % Change</b>
Baldwin Hills	10.42 ccf	\$84.37	\$93.34	-9.6%
Duarte	11.79 ccf	\$91.03	\$100.94	-9.8%
San Diego	7.40 ccf	\$88.10	\$99.13	-11.1%
San Marino	14.40 ccf	\$103.72	\$116.21	-10.8%
Ventura	12.15 ccf	\$106.80	\$117.96	-9.5%
Bellflower	10.45 ccf	\$58.43	\$64.82	-9.9%
East Pasadena	11.83 ccf	\$63.17	\$73.05	-13.5%
Piru/Warring	12 ccf	\$63.78	\$74.40	-14.3%
*Based on a residential customer with 5/8 x 3/4" meter size. Excludes applicable surcharges and PUC fees.				

Cal Advocates' recommended tiered residential rate designs are more equitable, provide needed relief to residential customers, maintain intended conservation signals and rate neutrality as opposed to Cal Am's proposed rate designs.

#### **D. Non-Residential Customer Rate Design**

The recommended non-residential customer rate design reflects the implementation of the standard industry meter service charge ratios, and, for the Central Division, the updated recommended Monterey Main residential customer rate design as described earlier in this chapter. For Monterey Main, a revenue neutral SQR was established for the development of the rates.

1       **E.     Customer Assistance Program**

2           Cal Am’s Customer Assistance Program (“CAP”) had 24,972 participants  
3       as of June 2025.<sup>95</sup> For qualifying customers, the CAP provides a 25% per month  
4       discount on meter charges and Tier 1 and 2 volumetric charges in all service areas  
5       except for the Monterey Main District.<sup>96</sup> For Monterey, the discount is 35% and  
6       applies to rate tiers 1 through 3 to account for Monterey’s outdated rate design.<sup>97</sup>

7           CAP is currently funded by a \$3.15 per month surcharge applicable to all  
8       non-CAP customers.<sup>98</sup> Cal Am proposes increasing the discount for the Monterey  
9       Main District from 35% to 50% for only the meter service charge and Tier 1, thus  
10      eliminating the discount for the second and third tier for Monterey customers.<sup>99</sup> <sup>100</sup>  
11      Cal Am does not propose CAP changes to any other service area.<sup>101</sup> Cal Am  
12      justifies its proposal stating that this change is necessary to further align  
13      affordability ratios of the Monterey service areas to its non-Monterey service  
14      areas.<sup>102</sup>

15           As described in the previous sections of this chapter, the recommended rate  
16      design for the Monterey Main District corrects Cal Am’s outdated rate design  
17      (including the unaligned and non-industry standard meter ratios) and prevents a  
18      bill hike shock to ratepayers. Thus, there is no need to alter Monterey Main  
19      District’s CAP discount and, consequently, the CAP surcharge for all non-CAP

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<sup>95</sup> Attachment 2-2: Cal Am Response to Cal Advocates’ TY 2027 Data Request HMC-01, Question 8 a-b Attachment 1 - CAP 2022-2025.

<sup>96</sup> *Application of California-American Water Company (U210W) to Increase Revenues in Each of its Districts Statewide*, Direct Testimony of Patrick Pilz at 12, Lines 12-13.

<sup>97</sup> Direct Testimony of Patrick Pilz at 12, Lines 13-15.

<sup>98</sup> Attachment 2-2: Cal Am Response to Cal Advocates’ TY 2027 Data Request HMC-01, Question 8c.

<sup>99</sup> Direct Testimony of Patrick Pilz at 14, Lines 1-3.

<sup>100</sup> Direct Testimony of Patrick Pilz at 15, Line 8.

<sup>101</sup> Direct Testimony of Patrick Pilz at 15, Lines 19-20.

<sup>102</sup> Direct Testimony of Patrick Pilz at 14, Lines 13-16.

Cal Am customers. These recommendations are consistent with the Commission’s Environmental and Social Justice Action Plan (ESJ Plan) to strive to improve access to high-quality water for ESJ communities.<sup>103</sup> Specifically, Cal Advocates’ recommendations are consistent with goal number three in the ESJ Action Plan, that includes the goal to “Strive to improve access to high-quality water.”<sup>104</sup> Cal Advocates’ proposed rate design supports this goal.

**Table 2-29: Cal Am CAP Surcharge History<sup>105 106</sup>**

Year	CAP Surcharge	% Increase
2015	\$1.54	
2016	\$1.86	21%
2017	\$1.21	-35%
2018	\$1.21	0%
2019	\$1.81	50%
2020	\$1.81	0%
2021	\$1.81	0%
2022	\$1.30	-28%
2023	\$1.59	22%
2024	\$1.77	11%
2025	\$3.15	78%
Average Increase		12%

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<sup>103</sup> Environmental and Social Justice Action Plan, California Public Utilities Commission, available at: <https://www.cpuc.ca.gov/ESJactionplan/>

<sup>104</sup> Environmental and Social Justice Action Plan, California Public Utilities Commission, ESJ Action Plan Goals, available at: <https://www.cpuc.ca.gov/ESJactionplan/>

<sup>105</sup> Attachment 2-2: Cal Am Response to Cal Advocates’ TY 2027 Data Request A.25-07-003, Cal Am Response to Public Advocates Data Request HMC-001, Question 5, that contains an analysis of Cal Am’s average monthly bill for residential customers by district provided in excel spreadsheets per district.

<sup>106</sup> Attachment 2-14: Cal Am Response to Cal Advocates’ TY 2024 Data Request HMC-01, Question 4, contains an analysis of Cal Am’s average monthly bill for residential customers by district provided in excel spreadsheets per district.

## F. Bill Analysis

Comparing the differences between bill amounts from base rates to bills that include surcharges and fees is vital to understand the impact that surcharges have. Ratepayers are frequently shocked by higher than anticipated bills because of the addition of surcharges. During the period of 2015 through this 2025 GRC application, the average difference between Cal Am's average residential customer bills from base rates and average residential customer bills that include surcharges and CPUC fees is 56% for all service areas.<sup>107</sup> <sup>108</sup> <sup>109</sup> Thus, Cal Am's residential customers had a 56% increase in their bills from surcharges and CPUC fees.

We can look at the Monterey Main District to illustrate how harmful surcharges have been for the average customer. In 2021, the average residential customer in the Monterey Main District had a bill of \$59.03 based on base rates and average usage. But adding the surcharges and CPUC fee resulted in an average bill of \$103.18 or 75% higher than the bill without surcharges for the average customer.

**Table 2-30: Monterey Main 2021 Monthly Average Residential Bill – Base Rates**

5/8 x 3/4" Meter Service Charge	Tier 1 (CCF)		Tier 2 (CCF)		Tier 3 (CCF)		Tier 4 (CCF)		Tier 5 (CCF)		Avg Usage per Month (CCF)	Base Rate Charges
	Tier 1 Max	Per	Tier 2 Max	Per	Tier 3 Max	Per	Tier 4 Max	Per	Tier 5 Max	Per		
\$21.48	4.0	\$6.69	4.0	\$10.03	6.0	\$23.41	9.0	\$43.48	N/A	\$53.51	5.1	<b>\$59.03</b>

<sup>107</sup> Attachment 2-2: Cal Am Response to Cal Advocates' TY 2027 Data Request A.25-07-003, Cal Am Response to Public Advocates Data Request HMC-001, Question 5, contains an analysis of Cal Am's average monthly bill for residential customers by district provided in excel spreadsheets per district.

<sup>108</sup> Attachment 2-14: Cal Am Response to Cal Advocates' TY 2024 Data Request HMC-01, Question 4, contains an analysis of Cal Am's average monthly bill for residential customers by district provided in excel spreadsheets per district.

<sup>109</sup> AL 1459.

**Table 2-31: Monterey Main 2021 Monthly Average Residential Bill – Base Rates with Surcharges and CPUC Fee**

Base Rate Monthly Charges	Monthly Charges				Base Rate with Surcharges and CPUC Fee Monthly Charges
	Non-CAP (per CCF)	CAP per Acct	Sur-credits per Acct	PUC User Fee	
<b>\$59.03</b>	\$41.23	\$1.81	-\$0.28	\$1.39	<b>\$103.18</b>

**Table 2-32: Monterey Main 2021 Monthly Average Residential Bill Increase from Base Rates to Base Rates with Surcharges and CPUC Fee**

Year	Average Bill		
	Base Rates	% Increase	With Surcharges and CPUC Fee
2021	<b>\$59.03</b>	75%	<b>\$103.18</b>

Cal Am’s recent amortization request of its Central Division CART 2024 balance of \$8,069,639 results in a surcharge of \$1.7620 per ccf for the Monterey Single Family (SF) and Multi-Family (MF) residential customer classes over a 24-month period, further exacerbating the bill increases in Monterey.<sup>110</sup>

The detrimental effect of surcharges is felt across all Cal Am service areas. Depending on the district, the average residential customer bill (based on the average usage of water per month for each year) has increased from 13% to 145% in the period of 2015 through this 2025 GRC application. The tables below illustrate the increases per service area.

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<sup>110</sup> AL 1473-A.

**Table 2-33: Sacramento Bill Analysis**

	Average Bill			% Increase Avg Bill with Surcharges and CPUC Fee
	Base Rates	% Increase	With Surcharges and CPUC Fee	
2015	\$39.45	8%	\$42.68	
2016	\$41.91	19%	\$49.81	17%
2017	\$45.69	18%	\$53.76	8%
2018	\$46.49	18%	\$54.65	2%
2019	\$44.00	25%	\$54.99	1%
2020	\$48.30	20%	\$57.97	5%
2021	\$47.26	1%	\$47.67	-18%
2022	\$52.77	7%	\$56.70	19%
2023	\$56.21	7%	\$60.11	6%
2024	\$60.42	11%	\$67.07	12%
2025	\$58.44	11%	\$64.96	-3%
<b>Average Change</b>		<b>14%</b>	<b>Total Change</b>	<b>48%</b>

**Table 2-34: Larkfield Bill Analysis**

Year	Average Bill			% Increase Avg Bill with Surcharges and CPUC Fee
	Base Rates	% Increase	With Surcharges and CPUC Fee	
2015	\$62.89	4%	\$65.14	
2016	\$63.99	26%	\$80.84	24%
2017	\$70.15	28%	\$89.86	11%
2018	\$62.95	29%	\$81.36	-9%
2019	\$72.83	31%	\$95.63	18%
2020	\$79.79	24%	\$98.68	3%
2021	\$72.67	13%	\$82.44	-16%
2022	\$68.65	5%	\$71.87	-13%
2023	\$67.59	8%	\$73.33	2%
2024	\$78.26	10%	\$86.39	18%
2025	\$64.97	9%	\$70.50	-18%
<b>Average Change</b>		<b>18%</b>	<b>Total Change</b>	<b>19%</b>

**Table 2-35: Meadowbrook Bill Analysis**

Year	Average Bill			% Increase Avg Bill with Surcharges and CPUC Fee
	Base Rates	% Increase	With Surcharges and CPUC Fee	
2019	\$42.42	11%	\$47.22	
2020	\$44.82	12%	\$50.00	6%
2021	\$50.84	8%	\$54.98	10%
2022	\$50.99	14%	\$58.13	6%
2023	\$55.92	11%	\$62.09	7%
2024	\$62.94	5%	\$66.29	7%
2025	\$44.87	15%	\$51.44	-22%
Average Change		11%	Total Change	13%

**Table 2-36: Monterey Main District Bill Analysis**

Year	Average Bill			% Increase Avg Bill with Surcharges and CPUC Fee
	Base Rates	% Increase	With Surcharges and CPUC Fee	
2015	\$32.94	31%	\$42.99	
2016	\$34.70	26%	\$43.87	2%
2017	\$48.28	57%	\$75.64	72%
2018	\$49.31	53%	\$75.39	0%
2019	\$53.46	53%	\$81.57	8%
2020	\$64.58	63%	\$105.15	29%
2021	\$59.03	75%	\$103.18	-2%
2022	\$71.66	48%	\$106.39	3%
2023	\$71.18	58%	\$112.17	5%
2024	\$79.57	57%	\$124.84	11%
2025	\$91.73	58%	\$144.52	16%
Average Change		55%	Total Change	145%

**Table 2-37: Central Satellites Bill Analysis**

Year	Average Bill			% Increase Avg Bill with Surcharges and CPUC Fee
	Base Rates	% Increase	With Surcharges and CPUC Fee	
2015	\$53.94	71%	\$92.36	
2016	\$63.00	60%	\$100.57	9%
2017	\$63.09	27%	\$79.94	-21%
2018	\$66.76	23%	\$82.22	3%
2019	\$74.64	55%	\$115.58	41%
2020	\$82.03	50%	\$122.91	6%
2021	\$82.95	49%	\$123.75	1%
2022	\$101.56	28%	\$129.78	5%
2023	\$106.31	26%	\$134.30	3%
2024	\$129.97	23%	\$160.26	19%
2025	\$102.67	11%	\$114.26	-29%
Average Change		35%	Total Change	38%

**Table 2-38: San Diego Bill Analysis**

Year	Average Bill			% Increase Avg Bill with Surcharges and CPUC Fee
	Base Rates	% Increase	With Surcharges and CPUC Fee	
2015	\$46.89	10%	\$51.72	
2016	\$46.16	20%	\$55.49	7%
2017	\$48.10	28%	\$61.69	11%
2018	\$49.83	35%	\$67.05	9%
2019	\$52.90	22%	\$64.62	-4%
2020	\$56.51	19%	\$67.04	4%
2021	\$56.04	18%	\$65.92	-2%
2022	\$65.45	16%	\$75.82	15%
2023	\$66.89	15%	\$76.99	2%
2024	\$79.15	12%	\$88.29	15%
2025	\$76.79	18%	\$90.58	3%
Average Change		20%	Total Change	59%

**Table 2-39: Ventura Bill Analysis**

Year	Average Bill			% Increase Avg Bill with Surcharges and CPUC Fee
	Base Rates	% Increase	With Surcharges and CPUC Fee	
2015	\$66.86	12%	\$75.16	
2016	\$63.06	26%	\$79.72	6%
2017	\$69.29	25%	\$86.93	9%
2018	\$75.01	27%	\$95.61	10%
2019	\$69.34	29%	\$89.79	-6%
2020	\$78.86	29%	\$102.01	14%
2021	\$79.45	32%	\$105.12	3%
2022	\$77.80	20%	\$93.42	-11%
2023	\$78.86	20%	\$94.39	1%
2024	\$102.24	14%	\$116.74	24%
2025	\$99.24	12%	\$110.73	-5%
Average Change		24%	Total Change	44%

**Table 2-40: Baldwin Hills Bill Analysis**

Year	Average Bill			% Increase Avg Bill with Surcharges and CPUC Fee
	Base Rates	% Increase	With Surcharges and CPUC Fee	
2015	\$50.41	5%	\$53.03	
2016	\$51.37	21%	\$62.36	18%
2017	\$54.40	23%	\$66.94	7%
2018	\$57.09	30%	\$74.06	11%
2019	\$55.68	41%	\$78.63	6%
2020	\$61.18	41%	\$86.37	10%
2021	\$61.99	44%	\$89.18	3%
2022	\$60.98	22%	\$74.65	-16%
2023	\$61.82	22%	\$75.16	1%
2024	\$75.33	16%	\$87.03	16%
2025	\$78.86	12%	\$88.05	1%
Average Change		27%	Total Change	56%

**Table 2-41: Duarte Bill Analysis**

Year	Average Bill			% Increase Avg Bill with Surcharges and CPUC Fee
	Base Rates	% Increase	With Surcharges and CPUC Fee	
2015	\$40.35	15%	\$46.30	
2016	\$42.00	32%	\$55.33	20%
2017	\$47.92	32%	\$63.39	15%
2018	\$51.25	47%	\$75.30	19%
2019	\$54.11	44%	\$77.88	3%
2020	\$62.75	42%	\$88.94	14%
2021	\$59.59	32%	\$78.50	-12%
2022	\$68.97	24%	\$85.41	9%
2023	\$63.58	22%	\$77.77	-9%
2024	\$83.31	14%	\$95.20	22%
2025	\$83.75	11%	\$92.91	-2%
Average Change		30%	Total Change	79%

**Table 2-42: San Marino Bill Analysis**

Year	Average Bill			% Increase Avg Bill with Surcharges and CPUC Fee
	Base Rates	% Increase	With Surcharges and CPUC Fee	
2015	\$64.36	4%	\$66.68	
2016	\$67.65	15%	\$77.67	16%
2017	\$57.55	23%	\$71.02	-9%
2018	\$61.45	32%	\$80.89	14%
2019	\$59.91	23%	\$73.65	-9%
2020	\$68.12	23%	\$83.48	13%
2021	\$69.37	26%	\$87.21	4%
2022	\$83.33	24%	\$102.92	18%
2023	\$77.37	22%	\$94.20	-8%
2024	\$100.17	15%	\$114.95	22%
2025	\$99.11	10%	\$109.20	-5%
Average Change		21%	Total Change	57%

1    **IV.    CONCLUSION**

2            Cal Advocates recommends tiered rate designs that are more equitable, provide  
3    needed relief to residential customers, maintain intended conservation signals and are rate  
4    neutral. This is especially true for the Monterey Main District customers that have long  
5    endured an outdated Cal Am rate design that has led to extremely high surcharges.  
6    Correcting Monterey Main District's rate design eliminates Cal Am's justification of  
7    changing the CAP discount.

## CHAPTER 3 Conservation and Special Requests 5 and 6

### I. INTRODUCTION

In Cal Am's current application for the GRC cycle (2027-2029), Cal Am proposes a total conservation budget of \$4,255,000 (excluding the Capital Expenditure (CAPEX) portion of \$427,500 and the CAP portion of \$292,000).<sup>111</sup> This budget proposal is 36.8% higher than the 2022 GRC budget and 22.8% higher than the previously approved 2019 GRC budget.<sup>112</sup>

For Special Request 5, Cal Am proposes to delay certain parts of the approved/proposed acquisition consolidations and apply some existing and proposed surcharges to Cal Am's systems that were recently acquired.<sup>113</sup> Cal Am proposes, in Special Request 6, that, after the filing of this GRC application, it be authorized to integrate any rate changes into new rates and to incorporate these changes into present rates.<sup>114</sup>

### II. SUMMARY OF RECOMMENDATIONS

To reflect the continued growth of conservation oriented Cal Am ratepayers, prevent unwarranted high rate impact, apply certain existing and proposed surcharges to Cal Am's recently acquired systems, and integrate rate changes into new rates and into present rates, the Commission should:

- Not authorize Cal Am's conservation proposed budget of \$4,255,000 (excluding the CAPEX portion of \$427,500 and CAP portion of \$292,000) and suspend Cal Am's conservation budget completely.

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<sup>111</sup> Direct Testimony of Patrick Pilz at 28, Lines 18-22.

<sup>112</sup> Direct Testimony of Patrick Pilz at 29, Lines 1-3.

<sup>113</sup> Application at 9.

<sup>114</sup> Application at 9.

- Adopt Special Request 5.
- Adopt Special Request 6.

### III. ANALYSIS

#### A. Conservation Budget

Cal Am proposes a total conservation budget for this GRC cycle (2027-2029) that is 36.8% higher than the 2022 GRC budget and 22.8% higher than the 2019 GRC budget approved previously.<sup>115</sup> The total three year conservation budget that Cal Am is asking for is \$4,255,000 (excluding the CAPEX portion of \$427,500 and CAP portion of \$292,000).<sup>116</sup> Cal Am claims that the proposed conservation budget is necessary to comply with state regulations and policies pertaining to water conservation and water loss management.<sup>117</sup>

Conservation is already the way of life in California. As discussed in Cal Advocates' testimony on Special Request #1,<sup>118</sup> Cal Am's ratepayers have adopted smarter and more conscious water use habits through experiences over time with any weather condition, whether it be periods of drought and extreme rainfall. California's water use behaviors have changed through the statewide focus and implementation of conservation messaging, education, and programs since 2008.<sup>119</sup> Having an inclining tiered rate design for so many years has

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<sup>115</sup> Direct Testimony of Patrick Pilz at 29, Lines 1-3.

<sup>116</sup> Direct Testimony of Patrick Pilz at 28, Lines 18-22.

<sup>117</sup> Direct Testimony of Patrick Pilz at 26, Line 27-27, Line 3.

<sup>118</sup> Cal Advocates' testimony of Sam Lam, Report on Labor & Benefits, Performance-Based Compensation, Special Request No. 1 & No. 7, Chapter 3.

<sup>119</sup> Cal Advocates' testimony of Sam Lam, Report on Labor & Benefits, Performance-Based Compensation, Special Request No. 1 & No. 7, Chapter 3. The analysis and testimony of Cal Advocates' witness Sam Lam addresses the CART.

1 enabled Cal Am’s ratepayers to adapt to the conservation pricing structure.<sup>120</sup>

2 This is evident in how much less water Cal Am’s ratepayers use.

3 One measure that shows less water usage is the Estimated Monthly  
4 Residential Gallons Per Capita Day (R-GPCD) for Cal Am calculated by the  
5 California Water Board that shows between a 6% to 18% decrease in usage for Cal  
6 Am’s service areas from 2019 to 2025 for the first eight months of the year.<sup>121</sup>

**Table 3-1: Los Angeles R-GPCD**

<b>Month</b>	<b>2019 RGPCD</b>	<b>% Change</b>	<b>2025 RGPCD</b>
January	98	1%	99
February	75	5%	79
March	83	-2%	81
April	126	-29%	89
May	119	-19%	96
June	132	-10%	119
July	142	-2%	139
August	179	-28%	129
September	153	-9%	139
<b>Average</b>		<b>-10%</b>	

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<sup>120</sup> “The impact of pricing structure change on residential water”, Journal of Water Resources and Economics (2024), at 12.

<sup>121</sup> The State Water Resources Control Board, Supplier Conservation, available at: [https://www.waterboards.ca.gov/water\\_issues/programs/conservation\\_portal/conservation\\_reporting.html](https://www.waterboards.ca.gov/water_issues/programs/conservation_portal/conservation_reporting.html) [accessed December 12, 2025]

**Table 3-2: Monterey R-GPCD**

<b>Month</b>	<b>2019 RGPCD</b>	<b>% Change</b>	<b>2025 RGPCD</b>
January	48	-30%	34
February	49	-8%	45
March	49	-8%	45
April	55	-15%	47
May	44	11%	49
June	67	-6%	63
July	64	-3%	62
August	70	-9%	64
September	67	-7%	62
<b>Average</b>		<b>-8%</b>	

**Table 3-3: Sacramento R-GPCD**

<b>Month</b>	<b>2019 RGPCD</b>	<b>% Change</b>	<b>2025 RGPCD</b>
January	61	8%	66
February	59	14%	67
March	58	-7%	54
April	76	-16%	64
May	92	-5%	87
June	119	-8%	109
July	145	-17%	120
August	136	-15%	115
September	125	-7%	116
<b>Average</b>		<b>-6%</b>	

**Table 3-4: San Diego R-GPCD**

<b>Month</b>	<b>2019 RGPCD</b>	<b>% Change</b>	<b>2025 RGPCD</b>
January	55	-7%	51
February	52	-12%	46
March	56	-18%	46
April	73	-36%	47
May	61	-16%	51
June	70	-27%	51
July	62	-10%	56
August	71	-18%	58
September	67	-18%	55
<b>Average</b>		<b>-18%</b>	

**Table 3-5: Ventura R-GPCD**

<b>Month</b>	<b>2019 RGPCD</b>	<b>% Change</b>	<b>2025 RGPCD</b>
January	88	18%	104
February	71	4%	74
March	89	-17%	74
April	142	-48%	74
May	128	-18%	105
June	151	-27%	110
July	135	-13%	118
August	169	-24%	128
September	161	-21%	127
<b>Average</b>		<b>-16%</b>	

Another example of less water usage for Cal Am is the average monthly water usage for an average residential bill for the service areas. The table below shows an average decrease of 17% in average monthly water usage for an average residential bill for Cal Am.

**Table 3-6: Average Monthly Usage per Average Residential Customer Bill<sup>122</sup> <sup>123</sup>**

District	CCF		% Decrease
	2019	2025	
Sacramento	10.5	8.2	-22%
Larkfield	8.2	6.7	-18%
Meadowbrook	16.6	11.9	-28%
Monterey Main	4.5	4.2	-6%
Monterey Satellites	10.9	8.9	-18%
San Diego	8.1	7.4	-9%
Ventura	14.6	12.1	-17%
Baldwin Hills	12.4	10.4	-16%
Duarte	14.8	11.8	-20%
San Marino	17.7	14.4	-19%
Average			-17%

1 Cal Am's ratepayers have made conservation a way of life and, as a result,  
2 have been using less water. As mentioned in Cal Advocates' testimony on Special  
3 Request #1, California's reservoirs are at strong levels.<sup>124</sup> The reservoirs are  
4 currently at 130% of the historical average. The implementation of Cal  
5 Advocates' conservation rate design and the CART mechanism is reasonable in  
6 promoting continued conservation. The wet season is poised to contribute even  
7 further to improving the levels of the reservoirs as well as the fact that California  
8 is free of drought conditions for the first time in 25 years.<sup>125</sup> <sup>126</sup>

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<sup>122</sup> Attachment 2-14: Cal Am Response to Cal Advocates' TY 2024 Data Request HMC-01, Question 4, contains an analysis of Cal Am's average monthly bill for residential customers by district provided in excel spreadsheets per district.

<sup>123</sup> Attachment 2-2: Cal Am Response to Cal Advocates' TY 2027 Data Request A.25-07-003, Cal Am Response to Public Advocates Data Request HMC-001, Question 2, contains an analysis of Cal Am's average monthly bill for residential customers by district provided in excel spreadsheets per district.

<sup>124</sup> Cal Advocates' testimony of Sam Lam, Report on Labor & Benefits, Performance-Based Compensation, Special Request No. 1 & No. 7, Chapter 3..

<sup>125</sup> U.S. Drought Monitor, California, available at: <https://droughtmonitor.unl.edu/CurrentMap/StateDroughtMonitor.aspx?CA> [accessed January 8, 2026]

<sup>126</sup> SFGATE, available at: <https://www.sfgate.com/bayarea/article/california-free-drought-conditions->

**Table 3-7: California Reservoir Levels (as of 1/7/26)<sup>127</sup>**

<b>Reservoir</b>	<b>Hist Avg</b>	<b>Actual</b>	<b>Actual Hist Avg %</b>
Shasta	2,731.2	3,687.1	135%
Oroville	1,950.9	2,653.2	136%
New Bullards Bar	608.5	772.8	127%
Folsom	406.0	625.3	154%
Camanche	246.9	308.6	125%
Trinity	1,472.2	2,031.6	138%
New Melones	1,339.5	1,728.0	129%
Don Pedro	1,400.0	1,624.0	116%
Sonoma	216.9	281.9	130%
San Luis	1,329.5	1,449.1	109%
McClure	452.6	697.0	154%
Cachuma	122.3	193.3	158%
Casitas	196.4	249.4	127%
Castaic	251.7	256.8	102%
Diamond Valley	581.2	761.4	131%
Millerton	280.6	395.6	141%
Pine Flat	349.6	430.0	123%
<b>Total</b>	<b>13,935.9</b>	<b>18,145.1</b>	<b>131%</b>
	<b>Weighted Average</b>		<b>130%</b>

1 As mentioned, Cal Advocates’ conservation inclining tiered rate design and  
2 the CART mechanism will promote continued conservation. The State Water  
3 Resources Control Board has authority under the California Water Code to adopt  
4 emergency regulations for water conservation in response to drought

1 emergencies.<sup>128, 129</sup> Conservation is now a way of life for Cal Am ratepayers as  
2 evidenced by the continued reduction of water use. This is despite Cal Am  
3 historically using less than authorized of the conservation budget and proposing  
4 less of a budget in the last GRC.<sup>130, 131, 132</sup> The conservation programs that Cal  
5 Am proposes are not necessary, especially the informational ones (i.e., Public  
6 Information, School Education, Residential Water Surveys, etc.) since Cal Am’s  
7 ratepayers have responded to conservation rate design signals for years.  
8 Therefore, the Commission should deny Cal Am’s conservation budget proposal  
9 and suspend Cal Am’s conservation budget for this rate case cycle.

10 **B. Special Request 5 - Rate Mitigation, Surcharges and**  
11 **Mechanisms Applicable to Certain Acquired Systems**

12 In Special Request #5, Cal Am requests to place certain recently acquired  
13 systems onto transitional standalone rate designs.<sup>133</sup> Cal Am also proposes to  
14 apply certain surcharges to Cal Am’s recently acquired systems.<sup>134</sup> Except for Cal  
15 Am’s request to establish the Fixed Cost Recovery Account (“FCRA”), Cal

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<sup>128</sup> Cal Advocates’ testimony of Sam Lam, Report on Labor & Benefits, Performance-Based Compensation, Special Request No. 1 & No. 7, Chapter 3. The analysis and testimony of Cal Advocates’ witness Sam Lam address the CART.

<sup>129</sup> California Water Code Section 1058.5; Form STD 400, State of California Office of Administrative Law, available at: [https://www.waterboards.ca.gov/drought/mill\\_deer\\_creeks/docs/form-400-and-adopted-regulation-text.pdf](https://www.waterboards.ca.gov/drought/mill_deer_creeks/docs/form-400-and-adopted-regulation-text.pdf)

<sup>130</sup> D.21-11-018, Appendix B at 30. The settlement between Cal Am, Cal Advocates, and the Cities of Duarte, San Marino, and Thousand Oaks authorized a conservation budget of \$3,946,572 for Cal Am for the 2021-2023 GRC cycle.

<sup>131</sup> Cal Am RO Model file: “ALL\_CH04\_O&M\_RO”, tab: “OM Data Rec w-Trf-Elim WS3,” shows \$3,439,548 spent on conservation by Cal Am during the 2021-2023 GRC cycle.

<sup>132</sup> D.24-12-025, Attachment 1 at 18. The settlement agreement between Cal Am and Cal Advocates authorized a conservation budget of \$3,121,600 for Cal Am for the 2024-2026 GRC cycle.

<sup>133</sup> *Application of California-American Water Company (U210W) to Increase Revenues in Each of its Districts Statewide*, Direct Testimony of Jonathan Morse at 3, Lines 10-12.

<sup>134</sup> Direct Testimony of Jonathan Morse at 3, Lines 13-14.

1 Advocates does not oppose Special Request 5, provided that the Commission  
2 adopts the rate design recommendations presented in Chapter 2.

3 First, Cal Am seeks a consolidated stand-alone rate design for Bellflower,  
4 East Pasadena, and Piru in its Southern Division; standalone rate designs for Bass  
5 Lake, West San Martin, and Yerba Buena; and that the transition of the  
6 Meadowbrook rates to Sacramento rates be delayed for this rate case.<sup>135</sup> <sup>136</sup> <sup>137</sup> For  
7 the recently acquired systems, Cal Am proposes to more closely align its rate  
8 designs to its respective divisional rate designs. For Meadowbrook, Cal Am  
9 requests an interim rate design to mitigate the rate impact of consolidation with the  
10 Northern District on Meadowbrook customers.

11 It makes sense to closely align the rate designs of the recently acquired  
12 systems to their respective divisional rate designs before considering consolidating  
13 them to those divisions. A gradual alignment reduces significant rate impacts on  
14 ratepayers. Similarly, Meadowbrook should be consolidated into the Sacramento  
15 district once the average consumption of Meadowbrook customers is more aligned  
16 with Sacramento customers. The Commission approved consolidation of the  
17 Meadowbrook service area into Cal Am's Sacramento District for ratemaking  
18 purposes in 2016, but the average consumption of Meadowbrook customers is still  
19 higher than that of Sacramento customers.<sup>138</sup> Accordingly, when Cal Am  
20 consolidates the tariffs of these two districts, Meadowbrook customers will either  
21 have to reduce consumption or face large bill increases.

22 The Commission should adopt Cal Advocates' recommended tiered rate  
23 structures, tier breakpoints and step-ups in commodity rates as presented in  
24 Chapter 2. Provided that the Commission adopts these recommendations, Cal

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<sup>135</sup> Direct Testimony of Jonathan Morse at 4, Lines 9-10.

<sup>136</sup> Direct Testimony of Jonathan Morse at 4, Lines 16-17.

<sup>137</sup> Direct Testimony of Jonathan Morse at 5, Lines 3-4.

<sup>138</sup> D.16-12-014.

Advocates does not otherwise oppose this portion of Cal Am’s Special Request 5 request.

Secondly, Cal Am proposes that all recent acquisitions should be eligible for its CAP, which would include the addition of a CAP surcharge to non-CAP customers. Also, Cal Am proposes to add surcharges related to its Consolidated Expense Balancing Account (“CEBA”), add surcharges or sur-credits related to the Conservation Adjustment for Rate Tier Designs (“CART”) and Incremental Cost Balancing Account (“ICBA”) and include the Fixed Cost Recovery Account (“FCRA”). Specifically, Cal Am requests the following surcharges for its recent acquisitions:

- For Bass Lake in the Northern Division, Cal Am proposes to add the CAP in 2025 and the CEBA surcharge.
- For Corral de Tierra, Cal Am proposes to add all surcharges applicable to the Central Satellite service area including CAP and CEBA surcharges when Corral de Tierra transitions onto Central Satellite rates.
- For West San Martin and Yerba Buena, the Company proposes to add the CAP and CEBA in 2027.
- For of these four service areas to be included in the FCRA in 2027 with the implementation of new rates.

Cal Advocates does not oppose most requests in this section except for one item. The Commission should deny Cal Am’s request to establish the FCRA in all its acquisitions. The FCRA is substantially the same as the WRAM, which was barred from use.<sup>139</sup>

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<sup>139</sup> Cal Advocates’ testimony of Sam Lam, Report on Labor & Benefits, Performance-Based Compensation, Special Request No. 1 & No. 7, Chapter 3. The analysis and testimony of Cal Advocates’ witness Sam Lam address the FCRA.

1           **C.     Special Request 6 - Subsequent Rate Changes**

2           With certain stipulations, the Commission should approve Cal Am's  
3           Special Request 6 regarding authorization of subsequent rate changes. Cal Am  
4           defines "subsequent rate changes" as any change to base rates that has occurred  
5           since July 1, 2025, when Cal Am filed its GRC application, up to the start of TY  
6           2027.<sup>140</sup> Special Request 6 would allow Cal Am to incorporate rate changes  
7           during that time into present rates. Cal Am proposes two components to add the  
8           changes into the calculation of new rates.<sup>141</sup> The first is to adjust the "present  
9           rates" that will appear in the Commission's final decision, for purposes of  
10          comparing present rates against the newly adopted rates.<sup>142</sup> The second is to  
11          confirm that the revenue requirement model for the new rates includes the rate  
12          changes made after this GRC application.<sup>143</sup> Consequently, Cal Am seeks  
13          authorization to incorporate the additional revenue requirement from subsequent  
14          rate changes into the final GRC rates for the 2027 TY.

15          The Commission should allow Cal Am to incorporate subsequent rate  
16          changes. These changes to present and proposed rate revenue should only be  
17          allowed by the Commission prior to issuing a final decision in this GRC.

18   **IV.   CONCLUSION**

19          Conservation is a way of life for Cal Am ratepayers. For almost two decades, the  
20          conservation focus has been ingrained in ratepayer behavior. Further conservation can be  
21          promoted through Cal Advocates' rate design recommendations and the CART. Thus,  
22          Cal Am's conservation budget should be suspended for the current GRC cycle. Also,  
23          Special Requests 5 and 6 should be adopted to avoid high rate impacts, to promote

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<sup>140</sup> Direct Testimony of Jonathan Morse at 7, Lines 9-11.

<sup>141</sup> Direct Testimony of Jonathan Morse at 8, Lines 11-12.

<sup>142</sup> Direct Testimony of Jonathan Morse at 8, Lines 12-14.

<sup>143</sup> Direct Testimony of Jonathan Morse at 8, Lines 14-16.

- 1 ratepayer equity by applying some surcharges to Cal Am's recently acquired systems,
- 2 and to integrate rate changes.
- 3

## **Attachment 1-1: Qualifications of Witness**

QUALIFICATIONS AND PREPARED TESTIMONY  
OF  
HERBERT MERIDA

Q.1 Please state your name and address.

A.1 My name is Herbert Merida. My business address is 505 Van Ness Avenue, San Francisco, California, 94102.

Q.2 By whom are you employed and what is your job title?

A.2 I am a Public Utilities Regulatory Analyst IV in the Water Branch of the Public Advocates Office.

Q.3 Please describe your educational and professional experience.

A.3 I graduated from San Francisco State University with a Bachelor of Science Degree in International Business Management, a minor in Economics, and a Master of Business Administration Degree. Regarding my professional experience, I have been employed by the California Public Utilities Commission for over 18 years and have worked on many general rate case proceedings. Also, I have held a variety of positions at Levi Strauss & Co., Siemens A.G., the Employment Development Department, the State Compensation Insurance Fund, and most recently the California Public Utilities Commission.

Q.4 What is your area of responsibility in this proceeding?

A.4 I am responsible for Water Consumption and Revenues, Rate Design, Conservation and Special Requests 5 and 6 in this proceeding.

Q.5 Does that complete your prepared testimony?

A.5 Yes, it does.

## **Attachment 1-2: Cal Am Response to Cal Advocates' TY 2027 Data Request HMC-02**

(Excel attachments referenced in Cal Am's response are not attached due to file size but available upon request)

**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 \$63,090,981 or 17.20% in the year 2027, by \$22,067,361 or 5.13% in the year 2028, and by \$26,014,600 or 5.75% in the year 2029.

Application 25-07-003  
(Filed July 1, 2025)

**CALIFORNIA-AMERICAN WATER COMPANY'S RESPONSE TO  
PUBLIC ADVOCATES OFFICE'S DATA REQUEST HMC-02**

Cathy Hongola-Baptista  
Nicholas A. Subias  
California American Water  
555 Montgomery Street, Suite 816  
San Francisco, CA 94111  
(415) 293-3023  
cathy.hongola-baptista@amwater.com

Lori Anne Dolqueist  
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Nossaman LLP  
50 California Street  
34<sup>th</sup> Floor  
San Francisco, CA 94111  
(415) 398-3600  
ldolqueist@nossaman.com

Attorneys for California-American Water Company

Dated: July 29, 2025

California-American Water Company (U-210- W; “California American Water,” “CAW” or the “Company”) hereby sets forth the following objections and responses to Public Advocates Office’s (“Cal Advocates”) Data Request HMC-02 (“Data Requests” or “RPD”), propounded on July 15, 2025, in A.25-07-003.

### **RESERVATION OF RIGHTS**

1. California American Water’s investigation into the Data Requests is ongoing. The Company reserves the right, without obligating itself to do so, to supplement or modify its responses and to present further information and produce additional documents as a result of its ongoing investigation.

2. Any information or materials provided in response to the Data Requests shall be without prejudice to California American Water’s right to object to their admission into evidence or the record in this proceeding, their use as evidence or in the record, or the relevance of such information or materials. In addition, California American Water reserves its right to object to further discovery of documents, other information or materials relating to the same or similar subject matter upon any valid ground or grounds, including without limitation, the proprietary nature of the information, relevance, privilege, work product, overbreadth, burdensomeness, oppressiveness, or incompetence.

### **GENERAL OBJECTIONS**

1. California American Water objects to the Data Requests as improper, overbroad, and unduly burdensome to the extent they purport to impose upon California American Water any obligations broader than those permitted by law.

2. California American Water objects to the Data Requests as improper, overbroad, and unduly burdensome to the extent they improperly seek the disclosure of information protected by the attorney-client privilege, the attorney work-product doctrine, or any other applicable privilege or doctrine, and/or the client confidentiality obligations mandated by Business and Professions Code Section 6068(e)(1) and Rule 3-100(A) of the California Rules of Professional Conduct. Such responses as may hereafter be given shall not include information protected by such privileges or

doctrines, and the inadvertent disclosure of such information shall not be deemed as a waiver of any such privilege or doctrine.

3. California American Water objects to the Data Requests to the extent that the requests are duplicative and overlapping, cumulative of one another, overly broad, and/or seek responses in a manner that is unduly burdensome, unreasonably expensive, oppressive, or excessively time consuming to California American Water.

4. California American Water objects to the Data Requests to the extent they seek documents that are and/or information that is neither relevant nor material to this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

5. California American Water objects to the Data Requests to the extent they seek an analysis, calculation, or compilation that has not previously been performed and that California American Water objects to performing.

6. California American Water objects to the Data Requests insofar as they request the production of documents or information that are publicly available or that are equally available to Cal Advocates because such requests subject California American Water to unreasonable and undue annoyance, oppression, burden and expense.

7. California American Water objects to the Data Requests to the extent the requests are vague, ambiguous, use terms that are subject to multiple interpretations but are not properly defined for purposes of the Data Request, or otherwise provide no basis from which California American Water can determine what information is sought.

8. The objections contained herein, and information and documents produced in response hereto, are not intended nor should they be construed to waive California American Water's right to object to the Data Requests, responses or documents produced in response hereto, or the subject matter of such Data Requests, responses or documents, as to their competency, relevancy, materiality, privilege and admissibility as evidence for any purpose, in or at any hearing of this or any other proceeding.

9. The objections contained herein are not intended nor should they be construed to waive California American Water's right to object to other discovery involving or relating to the subject matter of the Data Requests, responses or documents produced in response hereto.

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** Patrick R Pilz  
**Title:** Senior Manager Field Operations  
**Address:** California American Water  
655 West Broadway #1410  
San Diego  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-02  
**Company Number:** Cal Adv HMC-02 Q001  
**Date Received:** July 15, 2025  
**Date Response Provided:** July 29, 2025  
**Subject Area:** Revenues

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**DATA REQUEST:**

1. Regarding testimony “Mitchell, David Direct Testimony CAW 2025 GRC Final App”, please provide the residential gallons per capita day (R-GPCD) for January 2025 for the Monterey Main District.

**CAL-AM’S RESPONSE**

California American Water’s residential gallons per capita per day usage for the Monterey Main District in January 2025 was 33.74.

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** Bahman Pourtaherian  
**Title:** Principal Consultant  
**Address:** Blue Planet Utility Consulting  
55 Drohan Dr.  
Guelph, Ontario, Canada  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-02  
**Company Number:** Cal Adv HMC-02 Q002  
**Date Received:** July 15, 2025  
**Date Response Provided:** July 29, 2025  
**Subject Area:** Revenues

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**DATA REQUEST:**

2. Regarding workpaper “All\_CH03\_REV\_RO\_Sales-Customers”, tab “Proj Cust Calc WS-03” for the Central Satellites service area, please explain how Cal Am derived the “One Time Adjustments for Customer Growth” amount found in cell “AO40”. Please explain and/or support with workpapers, an electronic Excel spreadsheet of calculations, including links, and all source documents.

**CAL-AM’S RESPONSE**

Cell “AO40” in the referenced tab reflects inclusion of 15 new customers into the Central Satellite service area following the acquisition of Corral De Tierra.

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** Bahman Pourtaherian  
**Title:** Principal Consultant  
**Address:** Blue Planet Utility Consulting  
55 Drohan Dr.  
Guelph, Ontario, Canada  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-02  
**Company Number:** Cal Adv HMC-02 Q003  
**Date Received:** July 15, 2025  
**Date Response Provided:** July 29, 2025  
**Subject Area:** Revenues

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**DATA REQUEST:**

3. Regarding workpaper “All\_CH03\_REV\_RO\_Sales-Customers”, tab “Proj Cust Calc WS-03” for the Piru (Warring) service area, please explain how Cal Am derived the “One Time Adjustments for Customer Growth” amounts found in cells “AQ120” and “AR120”. Please explain and/or support with workpapers, an electronic Excel spreadsheet of calculations, including links, and all source documents.

**CAL-AM'S RESPONSE**

California American Water forecasts that the Piru service area is expected to grow by 35 customers annually from 2025 through 2027 due to development. This anticipated growth is embedded within the annual projections for those years. However, since no customer growth is forecast for 2028 and 2029, a one-time adjustment of -35 customers was applied in each of those years to offset the previously assumed annual increase. This ensures the forecast reflects accurate customer counts over the full projection horizon.

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** Bahman Pourtaherian  
**Title:** Principal Consultant  
**Address:** Blue Planet Utility Consulting  
55 Drohan Dr.  
Guelph, Ontario, Canada  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-02  
**Company Number:** Cal Adv HMC-02 Q004  
**Date Received:** July 15, 2025  
**Date Response Provided:** July 29, 2025  
**Subject Area:** Revenues

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**DATA REQUEST:**

4. Regarding workpaper “All\_CH03\_REV\_RO\_Sales-Customers”, tab “Proj Cust Calc WS-03” for the Bass Lake service area, please explain how Cal Am derived the “One Time Over-Ride for Customer Average” amounts found in cells “AT162”, “AU162”, “AS163”, “AT163”, “AS168”, and “AT168”. Please explain and/or support with workpapers, an electronic Excel spreadsheet of calculations, including links, and all source documents.

**CAL-AM’S RESPONSE**

The referenced adjustments reflect the planned acquisition and metering schedule associated with the pending purchase of the Bass Lake system.

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** Bahman Pourtaherian  
**Title:** Principal Consultant  
**Address:** Blue Planet Utility Consulting  
55 Drohan Dr.  
Guelph, Ontario, Canada  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-02  
**Company Number:** Cal Adv HMC-02 Q005  
**Date Received:** July 15, 2025  
**Date Response Provided:** July 29, 2025  
**Subject Area:** Revenues

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**DATA REQUEST:**

5. Regarding workpaper “All\_CH03\_REV\_RO\_Sales-Customers”, tab “Proj Cust Calc WS-03” for the Corral De Tierra service area, please explain how Cal Am derived the “One Time Adjustments for Customer Growth” amount found in cell “AP169” and the “One Time Over-Ride for Customer Average” amounts found in cells “AT169” and “AS170”. Please explain and/or support with workpapers, an electronic Excel spreadsheet of calculations, including links, and all source documents.

**CAL-AM’S RESPONSE**

The referenced cells reflect the inclusion of customer counts related to the acquisition of the Corral de Tierra system.

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** Bahman Pourtaherian  
**Title:** Principal Consultant  
**Address:** Blue Planet Utility Consulting  
55 Drohan Dr.  
Guelph, Ontario, Canada  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-02  
**Company Number:** Cal Adv HMC-02 Q006  
**Date Received:** July 15, 2025  
**Date Response Provided:** July 29, 2025  
**Subject Area:** Revenues

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**DATA REQUEST:**

6. Regarding workpaper “All\_CH03\_REV\_RO\_Sales-Customers”, tab “Proj Cust Calc WS-03” for the West San Martin service area, please explain how Cal Am derived the “One Time Over-Ride for Customer Average” amounts found in cells “AS171”, “AT171”, “AS173”, and “AT173”. Please explain and/or support with workpapers, an electronic Excel spreadsheet of calculations, including links, and all source documents.

**CAL-AM’S RESPONSE**

The referenced cells reflect the inclusion of customer counts related to the acquisition of the West San Martin system.

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** Bahman Pourtaherian  
**Title:** Principal Consultant  
**Address:** Blue Planet Utility Consulting  
55 Drohan Dr.  
Guelph, Ontario, Canada  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-02  
**Company Number:** Cal Adv HMC-02 Q007  
**Date Received:** July 15, 2025  
**Date Response Provided:** July 29, 2025  
**Subject Area:** Revenues

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**DATA REQUEST:**

7. Regarding workpaper “All\_CH03\_REV\_RO\_Sales-Customers”, tab “Proj Cust Calc WS-03” for the Yerba Buena service area, please explain how Cal Am derived the “One Time Over-Ride for Customer Average” amounts found in cells “AS178”, “AT178”, “AS179”, “AT179”, “AS181”, and “AT181”. Please explain and/or support with workpapers, an electronic Excel spreadsheet of calculations, including links, and all source documents.

**CAL-AM’S RESPONSE**

The referenced cells reflect the inclusion of customer counts related to the pending acquisition of the Yerba Buena system.

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** Kristina Remelius  
**Title:** Project Manager Operations  
**Address:** California American Water  
655 West Broadway #1410  
San Diego  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-02  
**Company Number:** Cal Adv HMC-02 Q008  
**Date Received:** July 15, 2025  
**Date Response Provided:** July 29, 2025  
**Subject Area:** Revenues

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**DATA REQUEST:**

8. Regarding workpaper "All\_CH03\_REV\_RO\_Revenues", tab "SD\_Revenues Othr Forcst", please provide in a workable Excel format the recorded years 2020 through 2024 and calculations for the "Antenna Leases", "Rents", and "Other" categories found in columns "J" through "M". Also provide supporting documentation.

**CAL-AM'S RESPONSE**

Please see attachments:

CAW Response Cal Adv HMC-02 Q008 Attachment 1 CONFIDENTIAL

CAW Response Cal Adv HMC-02 Q008 Attachment 2

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** Kristina Remelius  
**Title:** Project Manager Operations  
**Address:** California American Water  
655 West Broadway #1410  
San Diego  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-02  
**Company Number:** Cal Adv HMC-02 Q009  
**Date Received:** July 15, 2025  
**Date Response Provided:** July 29, 2025  
**Subject Area:** Revenues

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**DATA REQUEST:**

9. Regarding workpaper “All\_CH03\_REV\_RO\_Revenues”, tab “SD\_Revenues Othr Forcst”, please provide in a workable Excel format the itemized entries for miscellaneous service revenue for the recorded years 2020 through 2024. Please explain and/or support with workpapers, an electronic Excel spreadsheet of calculations, including links, and all source documents.

**CAL-AM'S RESPONSE**

Please see CAW Response Cal Adv HMC-02 Q009 Attachment 01.

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** Bahman Pourtaherian  
**Title:** Principal Consultant  
**Address:** Blue Planet Utility Consulting  
55 Drohan Dr.  
Guelph, Ontario, Canada  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-02  
**Company Number:** Cal Adv HMC-02 Q010  
**Date Received:** July 15, 2025  
**Date Response Provided:** July 29, 2025  
**Subject Area:** Revenues

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**DATA REQUEST:**

10. Regarding workpaper “All\_CH03\_REV\_RO\_Water Production”, tab “Projected Wtr Prod WS-04” for the Bass Lake service area, please explain how the non-revenue water amounts found in cells “IU134” through “IY134” are calculated. Please explain and/or support with workpapers, an electronic Excel spreadsheet of calculations, including links, and all source documents.

**CAL-AM’S RESPONSE**

Non revenue water for Bass Lake is based on California American Water’s general assessment of NRW at 20%.

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** Bahman Pourtaherian  
**Title:** Principal Consultant  
**Address:** Blue Planet Utility Consulting  
55 Drohan Dr.  
Guelph, Ontario, Canada  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-02  
**Company Number:** Cal Adv HMC-02 Q011  
**Date Received:** July 15, 2025  
**Date Response Provided:** July 29, 2025  
**Subject Area:** Revenues

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**DATA REQUEST:**

11. Regarding workpaper “All\_CH03\_REV\_RO\_Water Production”, tab “Projected Wtr Prod WS-04” for the Corral De Tierra service area, please explain why the non-revenue water percentages found in cells “JK135” through “JO135” are 100%. Please explain and/or support with workpapers, an electronic Excel spreadsheet of calculations, including links, and all source documents.

**CAL-AM'S RESPONSE**

Non-revenue water (NRW) for Corral de Tierra is based on California American Water's assessment of NRW at 25%. NRW for the Corral De Tierra service area in projected years should be 0 as data for Corral De Tierra customers is included in the data for Central Satellites. California American Water will reflect this adjustment in the 100 Day update and reflect Corral De Tierra NRW in Central Satellites.

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** Bahman Pourtaherian  
**Title:** Principal Consultant  
**Address:** Blue Planet Utility Consulting  
55 Drohan Dr.  
Guelph, Ontario, Canada  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-02  
**Company Number:** Cal Adv HMC-02 Q012  
**Date Received:** July 15, 2025  
**Date Response Provided:** July 29, 2025  
**Subject Area:** Revenues

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**DATA REQUEST:**

12. Regarding workpaper “All\_CH03\_REV\_RO\_Water Production”, tab “Projected Wtr Prod WS-04” for the West San Martin service area, please explain how the non-revenue water amounts found in cells “KA134” through “KE134” are calculated. Please explain and/or support with workpapers, an electronic Excel spreadsheet of calculations, including links, and all source documents.

**CAL-AM'S RESPONSE**

West San Martin non-revenue water (NRW) was based on West San Martin's 2023 annual report. Note that NRW in this service area should be 14,350 and will be updated in 100 Day Update.

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** Bahman Pourtaherian  
**Title:** Principal Consultant  
**Address:** Blue Planet Utility Consulting  
55 Drohan Dr.  
Guelph, Ontario, Canada  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-02  
**Company Number:** Cal Adv HMC-02 Q013  
**Date Received:** July 15, 2025  
**Date Response Provided:** July 29, 2025  
**Subject Area:** Revenues

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**DATA REQUEST:**

13. Regarding workpaper “All\_CH03\_REV\_RO\_Water Production”, tab “Projected Wtr Prod WS-04” for the Yerba Buena service area, please explain how the non-revenue water amounts found in cells “KQ134” through “KU134” are calculated. Please explain and/or support with workpapers, an electronic Excel spreadsheet of calculations, including links, and all source documents.

**CAL-AM’S RESPONSE**

Non-revenue water (NRW) for Yerba Buena is based on California American Water’s assessment of NRW at 25%.

# **Attachment 2-1: Monthly Meter Charges Test Year 2027**

### Sacramento Meter Service Charges Comparison

Meter Size / Service Connection	Cal Adv Recommended Rates	Cal Am Current Rates	Cal Am Requested Rates
5/8"	\$39.18	\$29.52	\$31.65
0.75"	\$58.78	\$44.28	\$47.48
1"	\$97.96	\$73.80	\$79.13
1.5"	\$195.92	\$147.59	\$158.25
2"	\$313.47	\$236.15	\$253.20
3"	\$587.75	\$442.78	\$474.76
4"	\$979.59	\$737.97	\$791.26
6"	\$1,959.18	\$1,475.94	\$1,582.52
8"	\$3,134.69	\$2,361.50	\$2,532.03
10"	\$4,506.12	\$3,394.66	\$3,639.80

### Meadowbrook Meter Service Charges Comparison

Meter Size / Service Connection	Cal Adv Recommended Rates	Cal Am Current Rates	Cal Am Requested Rates
5/8"	\$29.44	\$26.63	\$28.25
0.75"	\$44.16	\$39.94	\$42.37
1"	\$73.60	\$66.57	\$70.61
1.5"	\$147.21	\$133.15	\$141.23
2"	\$235.54	\$213.03	\$225.97
3"	\$441.63	\$399.44	\$423.69
4"	\$736.05	\$665.73	\$706.15
6"	\$1,472.09	\$1,331.46	\$1,412.30
8"	\$2,355.35	\$2,130.33	\$2,259.68
10"	\$3,385.82	\$3,062.35	\$3,248.29

### Larkfield Meter Service Charges Comparison

<b>Meter Size / Service Connection</b>	<b>Cal Adv Recommended Rates</b>	<b>Cal Am Current Rates</b>	<b>Cal Am Requested Rates</b>
5/8"	\$33.35	\$22.34	\$21.07
0.75"	\$50.02	\$33.51	\$31.61
1"	\$83.37	\$55.85	\$52.68
1.5"	\$166.75	\$111.71	\$105.36
2"	\$266.80	\$178.74	\$168.57
3"	\$500.25	\$335.13	\$316.07
4"	\$833.74	\$558.55	\$526.79
6"	\$1,667.48	\$1,117.10	\$1,053.58
8"	\$2,667.97	\$1,787.36	\$1,685.73
10"	\$3,835.21	\$2,569.32	\$2,423.23

### Monterey Main Meter Service Charges Comparison

<b>Meter Size / Service Connection</b>	<b>Cal Adv Recommended Rates</b>	<b>Cal Am Current Rates</b>	<b>Cal Am Requested Rates</b>
5/8"	\$50.53	\$46.73	\$56.15
0.75"	\$75.80	\$73.14	\$87.87
1"	\$126.33	\$128.52	\$154.40
1.5"	\$252.65	\$303.54	\$364.67
2"	\$404.24	\$499.13	\$599.65
3"	\$757.95	\$935.86	\$1,124.34
4"	\$1,263.25	\$1,594.12	\$1,915.17
6"	\$2,526.50	\$3,290.60	\$3,953.30
8"	\$4,042.40	\$5,264.91	\$6,325.22
10"	\$5,810.95		\$6,456.88

### Central Satellites Meter Service Charges Comparison

Meter Size / Service Connection	Cal Adv Recommended Rates	Cal Am Current Rates	Cal Am Requested Rates
5/8"	\$30.87	\$21.68	\$22.47
0.75"	\$46.31	\$32.51	\$33.71
1"	\$77.18	\$54.19	\$56.18
1.5"	\$154.35	\$108.38	\$112.36
2"	\$246.96	\$173.40	\$179.77
3"	\$463.05	\$325.13	\$337.07
4"	\$771.76	\$541.89	\$561.79
6"	\$1,543.51	\$1,083.78	\$1,123.58
8"	\$2,469.62	\$1,734.04	\$1,797.73
10"	\$3,550.08		\$2,584.23

### West San Martin Meter Service Charges Comparison

Meter Size / Service Connection	Cal Adv Recommended Rates	Cal Am Current Rates	Cal Am Requested Rates
5/8"	\$27.21	\$26.57	\$27.21
0.75"	\$27.21	\$26.57	\$27.21
1"	\$38.09	\$37.20	\$38.09
1.5"	\$49.00	\$47.85	\$49.00
2"	\$65.31	\$63.78	\$65.31
3"	\$81.65	\$79.74	\$81.65
4"	\$95.26	\$93.03	\$95.26
6"	\$163.28	\$159.45	\$163.28
8"	\$217.72	\$212.62	\$217.72
10"	\$272.15	\$265.77	\$272.15

### Southern Division Meter Service Charges Comparison<sup>144</sup>

Meter Size / Service Connection	Cal Adv Recommended Rates	Cal Am Current Rates	Cal Am Requested Rates
5/8"	\$40.93	\$23.74	\$24.67
0.75"	\$61.40	\$35.61	\$37.01
1"	\$102.33	\$59.35	\$61.69
1.5"	\$204.66	\$118.70	\$123.37
2"	\$327.46	\$189.92	\$197.40
3"	\$613.99	\$356.09	\$370.12
4"	\$1,023.31	\$593.49	\$616.87
6"	\$2,046.63	\$1,186.98	\$1,233.75
8"	\$3,274.61	\$1,899.16	\$1,974.00
10"	\$4,707.24	\$2,730.04	\$2,837.62

### Southern Transition Meter Service Charges Comparison

Meter Size / Service Connection	Cal Adv Recommended Rates	Cal Am Requested Rates
5/8"	\$27.60	\$19.01
0.75"	\$41.41	\$28.52
1"	\$69.01	\$47.53
1.5"	\$138.02	\$95.06
2"	\$220.83	\$152.10
3"	\$414.05	\$285.19
4"	\$690.09	\$475.32
6"	\$1,380.18	\$950.65
8"	\$2,208.29	\$1,521.04
10"	\$3,174.42	\$2,186.49

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<sup>144</sup> Comprised of Baldwin Hills, Duarte, San Diego, San Marino, and Ventura.

### Bellflower Meter Service Charges Comparison

Meter Size / Service Connection	Cal Adv Recommended Rates	Cal Am Current Rates	Cal Am Requested Rates
5/8"	\$27.60	\$23.17	\$19.01
0.75"	\$41.41	\$34.76	\$28.52
1"	\$69.01	\$57.93	\$47.53
1.5"	\$138.02	\$115.86	\$95.06
2"	\$220.83	\$185.38	\$152.10
3"	\$414.05	\$347.58	\$285.19
4"	\$690.09	\$579.30	\$475.32
6"	\$1,380.18	\$1,158.60	\$950.65
8"	\$2,208.29	\$1,853.76	\$1,521.04
10"	\$3,174.42	\$2,664.77	\$2,186.49

### East Pasadena Meter Service Charges Comparison

Meter Size / Service Connection	Cal Adv Recommended Rates	Cal Am Current Rates	Cal Am Requested Rates
5/8"	\$27.60	\$15.77	\$19.01
0.75"	\$41.41	\$23.65	\$28.52
1"	\$69.01	\$39.42	\$47.53
1.5"	\$138.02	\$78.85	\$95.06
2"	\$220.83	\$126.16	\$152.10
3"	\$414.05	\$236.55	\$285.19
4"	\$690.09	\$394.24	\$475.32
6"	\$1,380.18	\$788.49	\$950.65
8"	\$2,208.29	\$1,261.58	\$1,521.04
10"	\$3,174.42	\$1,813.52	\$2,186.49

### Piru/Warring Meter Service Charges Comparison

<b>Meter Size / Service Connection</b>	<b>Cal Adv Recommended Rates</b>	<b>Cal Am Current Rates</b>	<b>Cal Am Requested Rates</b>
5/8"	\$27.60	\$30.91	\$19.01
0.75"	\$41.41	\$46.36	\$28.52
1"	\$69.01	\$77.27	\$47.53
1.5"	\$138.02	\$154.54	\$95.06
2"	\$220.83	\$247.27	\$152.10
3"	\$414.05	\$463.63	\$285.19
4"	\$690.09	\$772.71	\$475.32
6"	\$1,380.18	\$1,545.42	\$950.65
8"	\$2,208.29	\$2,472.68	\$1,521.04
10"	\$3,174.42	\$3,554.47	\$2,186.49

### Yerba Buena Meter Service Charges Comparison

<b>Meter Size / Service Connection</b>	<b>Cal Adv Recommended Rates</b>	<b>Cal Am Current Rates</b>	<b>Cal Am Requested Rates</b>
0.75"	\$67.77	\$66.18	\$67.77
1"	\$169.42	\$165.45	\$169.42
1.5"	\$338.84	\$330.90	\$338.84
2"	\$542.15	\$529.44	\$542.15
3"	\$1,016.52	\$992.70	\$1,016.52
4"	\$1,694.21	\$1,654.50	\$1,694.21

## **Attachment 2-2: Cal Am Response to Cal Advocates' TY 2027 Data Request HMC-01**

(Excel attachments referenced in Cal Am's response are not attached due to file size but available upon request)

**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 \$63,090,981 or 17.20% in the year 2027, by \$22,067,361 or 5.13% in the year 2028, and by \$26,014,600 or 5.75% in the year 2029.

Application 25-07-003  
(Filed July 1, 2025)

**CALIFORNIA-AMERICAN WATER COMPANY'S RESPONSE TO  
PUBLIC ADVOCATES OFFICE'S DATA REQUEST HMC-01**

Cathy Hongola-Baptista  
Nicholas A. Subias  
California American Water  
555 Montgomery Street, Suite 816  
San Francisco, CA 94111  
(415) 293-3023  
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Nossaman LLP  
50 California Street  
34<sup>th</sup> Floor  
San Francisco, CA 94111  
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ldolqueist@nossaman.com

Attorneys for California-American Water Company

Dated: July 24, 2025

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

California-American Water Company (U-210- W; “California American Water,” “CAW” or the “Company”) hereby sets forth the following objections and responses to Public Advocates Office’s (“Cal Advocates”) Data Request HMC-01 (“Data Requests” or “RPD”), propounded on July 10, 2025, in A.25-07-003.

**RESERVATION OF RIGHTS**

1. California American Water’s investigation into the Data Requests is ongoing. The Company reserves the right, without obligating itself to do so, to supplement or modify its responses and to present further information and produce additional documents as a result of its ongoing investigation.

2. Any information or materials provided in response to the Data Requests shall be without prejudice to California American Water’s right to object to their admission into evidence or the record in this proceeding, their use as evidence or in the record, or the relevance of such information or materials. In addition, California American Water reserves its right to object to further discovery of documents, other information or materials relating to the same or similar subject matter upon any valid ground or grounds, including without limitation, the proprietary nature of the information, relevance, privilege, work product, overbreadth, burdensomeness, oppressiveness, or incompetence.

**GENERAL OBJECTIONS**

1. California American Water objects to the Data Requests as improper, overbroad, and unduly burdensome to the extent they purport to impose upon California American Water any obligations broader than those permitted by law.

2. California American Water objects to the Data Requests as improper, overbroad, and unduly burdensome to the extent they improperly seek the disclosure of information protected by the attorney-client privilege, the attorney work-product doctrine, or any other applicable privilege or doctrine, and/or the client confidentiality

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

obligations mandated by Business and Professions Code Section 6068(e)(1) and Rule 3-100(A) of the California Rules of Professional Conduct. Such responses as may hereafter be given shall not include information protected by such privileges or doctrines, and the inadvertent disclosure of such information shall not be deemed as a waiver of any such privilege or doctrine.

3. California American Water objects to the Data Requests to the extent that the requests are duplicative and overlapping, cumulative of one another, overly broad, and/or seek responses in a manner that is unduly burdensome, unreasonably expensive, oppressive, or excessively time consuming to California American Water.

4. California American Water objects to the Data Requests to the extent they seek documents that are and/or information that is neither relevant nor material to this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

5. California American Water objects to the Data Requests to the extent they seek an analysis, calculation, or compilation that has not previously been performed and that California American Water objects to performing.

6. California American Water objects to the Data Requests insofar as they request the production of documents or information that are publicly available or that are equally available to Cal Advocates because such requests subject California American Water to unreasonable and undue annoyance, oppression, burden and expense.

7. California American Water objects to the Data Requests to the extent the requests are vague, ambiguous, use terms that are subject to multiple interpretations but are not properly defined for purposes of the Data Request, or otherwise provide no basis from which California American Water can determine what information is sought.

8. The objections contained herein, and information and documents

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

produced in response hereto, are not intended nor should they be construed to waive California American Water's right to object to the Data Requests, responses or documents produced in response hereto, or the subject matter of such Data Requests, responses or documents, as to their competency, relevancy, materiality, privilege and admissibility as evidence for any purpose, in or at any hearing of this or any other proceeding.

9. The objections contained herein are not intended nor should they be construed to waive California American Water's right to object to other discovery involving or relating to the subject matter of the Data Requests, responses or documents produced in response hereto.

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** James Kelly  
**Title:** Senior Principal Regulatory Analyst  
**Address:** California American Water  
520 Capitol Mall, Suite 630  
Sacramento  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-01  
**Company Number:** Cal Adv HMC-01 Q001  
**Date Received:** July 10, 2025  
**Date Response Provided:** July 24, 2025  
**Subject Area:** Rate Design

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**DATA REQUEST:**

1. Regarding the percentage of proposed usage found in Attachment 1 from “Pourtaherian, Bahman Direct Testimony CAW 2025 GRC Final App” and workpaper “All\_CH10\_RD\_RO”, in workable Excel format (one Excel file per district), please provide the monthly CCF consumption data for each of Cal Am’s customers, by district, for the most recent 12-month period. Please provide a separate Excel Tab/Worksheet for each customer class (i.e., residential single family, residential multi family, commercial, etc.) with a row for each customer and columns for customer identifier, meter size, each month’s consumption in CCF, 12-month total, 12-month average, summer average, and winter average. See format example below:

Customer Identifier	Meter Size	Month 1	Month 2	Month 3	Month....	Total	Average	Summer Average	Winter Average
#1	5/8in	7.55	8.12	7.87	...				
#2	3/4in	4.5	6	8.25	...				

**CAL-AM'S RESPONSE**

California American Water incorporates its General Objections as though each is submitted fully here. California American Water further objects to this request on the grounds it seeks an analysis, calculation, or compilation that has not previously been performed and is therefore unduly burdensome. California American Water also objects

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

to this request on the grounds that it would be unduly burdensome and expensive to provide the data requested in the format requested. Subject to, but without waiving, those objections, California American Water responds as follows.

Customer billing consumption data is provided by district, customer and month for the recent 12-month period of July 1, 2024 to June 30, 2025. The files were segmented by Customer Class in separate worksheets.

Regarding the “Summer Average” and “Winter Average” columns, since no definition was provided, we used April-September to calculate the “Summer Average” and January to March plus October to December to calculate the “Winter Average.”

Please see the following attachments:

- CAW Response Ca Adv HMC-001 Q001 Attachment 01 - 1530
- CAW Response Ca Adv HMC-001 Q001 Attachment 02 - 1540
- CAW Response Ca Adv HMC-001 Q001 Attachment 03 - 1541
- CAW Response Ca Adv HMC-001 Q001 Attachment 04 - 1551
- CAW Response Ca Adv HMC-001 Q001 Attachment 05 - 1552
- CAW Response Ca Adv HMC-001 Q001 Attachment 06 - 1553
- CAW Response Ca Adv HMC-001 Q001 Attachment 07 - 1554
- CAW Response Ca Adv HMC-001 Q001 Attachment 08 - 1556
- CAW Response Ca Adv HMC-001 Q001 Attachment 09 - 1557
- CAW Response Ca Adv HMC-001 Q001 Attachment 10 - 1558
- CAW Response Ca Adv HMC-001 Q001 Attachment 11 - 1559
- CAW Response Ca Adv HMC-001 Q001 Attachment 12 - 1560
- CAW Response Ca Adv HMC-001 Q001 Attachment 13 - 1561
- CAW Response Ca Adv HMC-001 Q001 Attachment 14 - 1563
- CAW Response Ca Adv HMC-001 Q001 Attachment 15 - 1564
- CAW Response Ca Adv HMC-001 Q001 Attachment 16 - 1565
- CAW Response Ca Adv HMC-001 Q001 Attachment 17 - 1566

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

- CAW Response Ca Adv HMC-001 Q001 Attachment 18 - 1567
- CAW Response Ca Adv HMC-001 Q001 Attachment 19 - Cent Sat

The customer meter data is provided by district, customer, customer class and meter size as of June 30, 2025.

Please see the following attachment:

- CAW Response Ca Adv HMC-001 Q001 Attachment 20 - Meters

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** Bahman Pourtaherian  
**Title:** Principal Consultant  
**Address:** Blue Planet Utility Consulting  
 55 Drohan Dr.  
 Guelph, Ontario, Canada  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-01  
**Company Number:** Cal Adv HMC-01 Q002  
**Date Received:** July 10, 2025  
**Date Response Provided:** July 24, 2025  
**Subject Area:** Rate Design

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**DATA REQUEST:**

2. Regarding the rate design parameters found in Attachment 1 from “Pourtaherian, Bahman Direct Testimony CAW 2025 GRC Final App” and workpaper “All\_CH10\_RD\_RO”, in workable Excel format, for each district please compare the to-date 2025 average monthly bill for residential customers (5/8" meter size) under current rates and fixed cost recovery to the calculated average under proposed rates and fixed cost recovery. Please include all supporting calculations and links to or copies of supporting workpapers to explain how the calculations were made. See format example below:

		Proposed At Current		Proposed TY 2024	
Volumetric rates differential		15%		25%	
Fixed Cost Recovery		30%		50%	
Service Charge		\$ 26.30		\$ 43.84	
Commodity Charge	\$4.73		\$ 3.30		
Total Commodity Charge * CCF		\$ 55.93		\$ 39.05	
Monthly Bill*		\$ 82.23		\$ 82.89	
(\$ ) Increase				\$0.66	
(%) Increase				0.80%	
CAP Surcharge		\$5.74		\$4.19	

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

Total Monthly Bill w/CAP charge	\$87.97		\$87.08
(\$ ) Increase			(\$0.89)
(%) Increase			-1.02%
*Based on a residential customer with 5/8 x 3/4" meter size			
using 11.83 Ccf of water. Excludes applicable surcharges and PUC fees.			

**CAL-AM'S RESPONSE**

California American Water incorporates its General Objections as though each is submitted fully here. California American Water further objects to this request on the grounds it seeks an analysis, calculation, or compilation that has not previously been performed and is therefore unduly burdensome. California American Water additionally objects to this request as vague and ambiguous, particularly with respect to the terms "volumetric rates differential," "fixed cost recovery" and "average monthly bill". Subject to, but without waiving, those objections, California American Water responds as follows.

Please see CAW Response Cal Adv HMC 01 Q002 Attachment 1 - Monthly Bills Average.

California American Water's authorized and proposed rate designs differ across tariffed service areas. In some cases, service charges are calculated based on fixed cost recovery, while in others they reflect a portion of the total revenue requirement. To maintain consistency, all service charges have been normalized to reflect the percentage of the total revenue requirement recovered through meter charges.

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** Bahman Pourtaherian  
**Title:** Principal Consultant  
**Address:** Blue Planet Utility Consulting  
55 Drohan Dr.  
Guelph, Ontario, Canada  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-01  
**Company Number:** Cal Adv HMC-01 Q003  
**Date Received:** July 10, 2025  
**Date Response Provided:** July 24, 2025  
**Subject Area:** Rate Design

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**DATA REQUEST:**

3. Regarding the rate design parameters found in Attachment 1 from “Pourtaherian, Bahman Direct Testimony CAW 2025 GRC Final App” and workpaper “All\_CH10\_RD\_RO”, in workable Excel format, for each district please compare the to-date 2025 average monthly bill for Customer Assistance Program (“CAP”) customers (5/8" meter size) under current rates and fixed cost recovery to the calculated average under proposed rates and fixed cost recovery. Please include all supporting calculations and links to or copies of supporting workpapers to explain how the calculations were made. See format example below:

# California-American Water Company

## APPLICATION NO. A.25-07-003 DATA REQUEST RESPONSE

		Proposed At Current		Proposed TY 2024	
Volumetric rates differential		15%		25%	
Fixed Cost Recovery		30%		50%	
Service Charge		\$ 26.30		\$ 43.84	
Commodity Charge	\$ 4.73		\$ 3.30		
Total Commodity Charge * CCF		\$ 55.93		\$ 39.05	
Monthly Bill*		\$ 82.23		\$ 82.89	
(\$) Increase				\$0.66	
(%) Increase				0.80%	
Discount		(\$8.17)		(\$10.00)	
Total CAP Monthly Bill		<b>\$74.06</b>		<b>\$72.89</b>	
(\$) Increase				(\$1.17)	
(%) Increase				-1.58%	
*Based on a residential customer with 5/8 x 3/4" meter size using 11.83 Ccf of water. Excludes applicable surcharges and PUC fees.					

### **CAL-AM'S RESPONSE**

California American Water incorporates its General Objections as though each is submitted fully here. California American Water further objects to this request on the grounds it seeks an analysis, calculation, or compilation that has not previously been performed and is therefore unduly burdensome. California American Water additionally objects to this request as vague and ambiguous, particularly with respect to the terms “volumetric rates differential,” “fixed cost recovery” and “average monthly bill”. Subject to, but without waiving, those objections, California American Water responds as follows.

Please see CAW Response Cal Adv HMC 01 Q003 Attachment 1 – Monthly Bills CAP.

California American Water’s authorized and proposed rate designs differ across tariffed service areas. In some cases, service charges are calculated based on fixed cost recovery, while in others they reflect a portion of the total revenue requirement. To maintain consistency, all service charges have been normalized to reflect the percentage of the total revenue requirement recovered through meter charges.

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** Bahman Pourtaherian  
**Title:** Principal Consultant  
**Address:** Blue Planet Utility Consulting  
55 Drohan Dr.  
Guelph, Ontario, Canada  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-01  
**Company Number:** Cal Adv HMC-01 Q004  
**Date Received:** July 10, 2025  
**Date Response Provided:** July 24, 2025  
**Subject Area:** Rate Design

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**DATA REQUEST:**

4. Regarding the rate design parameters found in Attachment 1 from “Pourtaherian, Bahman Direct Testimony CAW 2025 GRC Final App” and workpaper “All\_CH10\_RD\_RO”, for each district, please compare in a workable Excel format, a 2025 average monthly bill for non-CAP customers (5/8" meter size) under the current rates and fixed cost recovery to a 2025 average monthly bill for non-CAP customers under the proposed rates and fixed cost recovery. Please explain and/or support with workpapers, an electronic Excel spreadsheet of calculations, including links, and all documents if necessary. See format from question 2.

**CAL-AM’S RESPONSE**

California American Water incorporates its General Objections as though each is submitted fully here. California American Water further objects to this request on the grounds it seeks an analysis, calculation, or compilation that has not previously been performed and is therefore unduly burdensome. California American Water additionally objects to this request as vague and ambiguous, particularly with respect to the terms “volumetric rates differential,” “fixed cost recovery” and “average monthly bill”. Subject to, but without waiving, those objections, California American Water responds as follows.

Please see CAW Response Cal Adv HMC 01 Q004 Attachment 1 – Monthly Bills NonCAP.

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

California American Water's authorized and proposed rate designs differ across tariffed service areas. In some cases, service charges are calculated based on fixed cost recovery, while in others they reflect a portion of the total revenue requirement. To maintain consistency, all service charges have been normalized to reflect the percentage of the total revenue requirement recovered through meter charges.

# California-American Water Company

## APPLICATION NO. A.25-07-003 DATA REQUEST RESPONSE

**Response Provided By:** Kristina Remelius  
**Title:** Project Manager Operations  
**Address:** California American Water  
655 West Broadway #1410  
San Diego  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-01  
**Company Number:** Cal Adv HMC-01 Q005  
**Date Received:** July 10, 2025  
**Date Response Provided:** July 24, 2025  
**Subject Area:** Rate Design

### DATA REQUEST:

5. Regarding historical rate design parameters similar to those found in Attachment 1 from “Pourtaherian, Bahman Direct Testimony CAW 2025 GRC Final App” and workpaper “All\_CH10\_RD\_RO”, in workable Excel format (one Excel file per district), please provide the average monthly bill for residential customers, by district, for the last three recorded years (2022 - 2024). See format example below:

Effective Date (Year End)	5/8 x 3/4 Inch Meter Service Charge	Tier 1		Tier 2		Tier 3		Tier 4		Average Consumption per Month (CCF)	Monthly Charges		Monthly Charges				Total Monthly Bill (with Surcharges & Surcredits)	
		Tier (CCF)	Per CCF	Tier (CCF)	Per CCF	Tier (CCF)	Per CCF	Tier (CCF)	Per CCF		Nominal	Escalated To 2025 Dollars	Non-CAP (i.e., WRAM/MCB A) (per CCF)	CAP per acct	Surcredits per acct	PUC User Fee	Nominal	Escalated To 2025 Dollars
2022	\$14.38	0-10	\$2.93	10+	\$3.21		\$0.00		\$0.00	12.1	\$50	\$60	\$0.00	\$4.50	\$0.00	1.50%	\$56	\$66
2023	\$16.01	0-12	\$3.13	12+	\$3.60		\$0.00		\$0.00	11.3	\$51	\$60	\$1.98	\$0.00	\$0.00	1.50%	\$54	\$63
2024	\$16.01		\$3.19		\$3.66		\$0.00		\$0.00	11.3	\$52	\$61	\$2.59	\$0.00	(\$2.94)	1.50%	\$52	\$61

### CAL-AM'S RESPONSE

California American Water incorporates its General Objections as though each is submitted fully here. California American Water further objects to this request on the grounds it seeks an analysis, calculation, or compilation that has not previously been performed and is therefore unduly burdensome. California American Water also objects to this request on the grounds that it would be unduly burdensome and expensive to provide the data requested in the format requested. California American Water additionally objects to this request on the grounds it is vague, ambiguous, and

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

overbroad, particularly with respect to the term “2025 Dollars”. Subject to, but without waiving, those objections, California American Water responds as follows.

Data is provided for the last 3 years (2022-2024), based on the last day of each year.

Both the “Non-CAP (per CCF)” and “Sur-credits per Acct” columns include a combination of Surcharges and Surcredits that are: flat rate, volume based and/or percentage based.

Please see the following individual Excel files by district:

- CAW Response Cal Adv HMC 01 Q005 Attachment 01
- CAW Response Cal Adv HMC 01 Q005 Attachment 02
- CAW Response Cal Adv HMC 01 Q005 Attachment 03
- CAW Response Cal Adv HMC 01 Q005 Attachment 04
- CAW Response Cal Adv HMC 01 Q005 Attachment 05
- CAW Response Cal Adv HMC 01 Q005 Attachment 06
- CAW Response Cal Adv HMC 01 Q005 Attachment 07
- CAW Response Cal Adv HMC 01 Q005 Attachment 08
- CAW Response Cal Adv HMC 01 Q005 Attachment 09
- CAW Response Cal Adv HMC 01 Q005 Attachment 10
- CAW Response Cal Adv HMC 01 Q005 Attachment 11
- CAW Response Cal Adv HMC 01 Q005 Attachment 12
- CAW Response Cal Adv HMC 01 Q005 Attachment 13

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** Bahman Pourtaherian  
**Title:** Principal Consultant  
**Address:** Blue Planet Utility Consulting  
55 Drohan Dr.  
Guelph, Ontario, Canada  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-01  
**Company Number:** Cal Adv HMC-01 Q006  
**Date Received:** July 10, 2025  
**Date Response Provided:** July 24, 2025  
**Subject Area:** Rate Design

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**DATA REQUEST:**

6. Regarding the Standard Quantity Rates (SQR's) found in Attachment 1 from "Pourtaherian, Bahman Direct Testimony CAW 2025 GRC Final App" and workpaper "All\_CH10\_RD\_RO", what are the SQR's under Conservation Rates per CCF for each rate making area under the CART proposal? Please explain and/or support with workpapers, an electronic Excel spreadsheet of calculations, including links, and all source documents.

**CAL-AM'S RESPONSE**

As outlined in Q21 in Bahman Pourtaherian's Direct Testimony, a separate sales forecast was developed specifically for the CART proposal. Because the sales forecast affects total revenue requirements through changes in production costs, California American Water prepared a distinct RO model to calculate the corresponding revenue requirements and rate design for the CART proposal. California American Water will provide a link to this CONFIDENTIAL and distinct RO model.

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** Bahman Pourtaherian  
**Title:** Principal Consultant  
**Address:** Blue Planet Utility Consulting  
55 Drohan Dr.  
Guelph, Ontario, Canada  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-01  
**Company Number:** Cal Adv HMC-01 Q007  
**Date Received:** July 10, 2025  
**Date Response Provided:** July 24, 2025  
**Subject Area:** Rate Design

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**DATA REQUEST:**

7. Regarding the rate design cost of service as found in tab “Cost of Service WS-02”, cells “R111” and “S111” of workpaper “All\_CH10\_RD\_RO”, is the amount of \$4.275 the PURE Water Monterey Charge? If so, please provide documentation confirming the amount. If not, what is this charge? Please explain and/or support with workpapers, an electronic Excel spreadsheet of calculations, including links, and all documents.

**CAL-AM’S RESPONSE**

That is correct, \$4.275 is the SQR associated with Pure Water Monterey. For the detail information regarding Pure Water Monterey cost, including water right and cost per AF, please refer to worksheet “CEN” in workpaper “ALL\_CH04\_O&M\_WP\_Purchased Power”. Please refer to CAW Response Cal Adv HMC-01 Q007 Attachment 1, for the supporting documents for the Pure Water Monterey rate.

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** Chase Grady  
**Title:** Rates & Regulatory Analyst  
**Address:** California American Water  
520 Capitol Mall, Suite 630  
Sacramento  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-01  
**Company Number:** Cal Adv HMC-01 Q008  
**Date Received:** July 10, 2025  
**Date Response Provided:** July 24, 2025  
**Subject Area:** Rate Design

---

**DATA REQUEST:**

8. Regarding the CAP as found in “Pilz, Patrick Direct Testimony CAW 2025 GRC Final App”, for the CAP, please provide the information below, per district, for the years 2022 through 2025 (for 2025, please provide per month up to the most recent month of recorded data for 2025). Please use Excel format and include all calculations and links to supporting documents.

- a. CAP annual enrollment (number of participants). See format example below:

District	2022	2023	2024	2025
Sacramento	7,473	7,475	...	
Larkfield	160	165	...	

- b. CAP annual enrollment rates. See format example below:

District	2022	2023	2024	2025
Sacramento	12.33%	12.26%	...	
Larkfield	6.75%	6.74%	...	

- c. CAP surcharge history. See format example below:

Year	CAP Surcharge
2022	\$1.30
2023	...
2024	...
2025	...

- d. CAP service charge discount history. See format example below:

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

Year	CAP Discount
2022	20% off of the meter charge and tiers one and two of the commodity charge for all service areas except Monterey. For Monterey, 30% off of the meter charge and tiers one, two, and three of the commodity charge.
2023	...
2024	...
2025	...

**CAL-AM'S RESPONSE**

- a. For questions 8 a. and b. please see:  
CAW Response Cal Adv HMC-01 Q008.a-b Attachment 1 - CAP 2022-2025
- b. See part a. above.
- c. CAP surcharge history:

Year	CAP Surcharge
2022	\$1.30
2023	\$1.59
2024	\$1.77
2025	\$3.15

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

d. CAP service charge discount history:

Year	CAP Discount
2022	<p>20% off of the meter charge and tiers one and two of the commodity charge for all service areas except Monterey. For Monterey, 30% off of the meter charge and tiers one, two, and three of the commodity charge.</p> <p>For Monterey Active Wastewater, 35% off of the monthly service charge.</p>
2023	<p>20% off of the meter charge and tiers one and two of the commodity charge for all service areas except Monterey. For Monterey, 30% off of the meter charge and tiers one, two, and three of the commodity charge.</p> <p>For Monterey Active Wastewater, 35% off of the monthly service charge.</p>
2024	<p>20% off of the meter charge and tiers one and two of the commodity charge for all service areas except Monterey. For Monterey, 30% off of the meter charge and tiers one, two, and three of the commodity charge.</p> <p>For Monterey Active Wastewater, 35% off of the monthly service charge.</p>
2025	<p>25% off of the meter charge and tiers one and two of the commodity charge for all service areas except Monterey. For Monterey, 35% off of the meter charge and tiers one, two, and three of the commodity charge.</p> <p>For Monterey Active Wastewater, 35% off of the monthly service charge.</p>

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** James Kelly  
**Title:** Senior Principal Regulatory Analyst  
**Address:** California American Water  
520 Capitol Mall, Suite 630  
Sacramento  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-01  
**Company Number:** Cal Adv HMC-01 Q009.a-b  
**Date Received:** July 10, 2025  
**Date Response Provided:** July 24, 2025  
**Subject Area:** Rate Design

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**DATA REQUEST:**

9. Also, regarding the CAP as found in “Pilz, Patrick Direct Testimony CAW 2025 GRC Final App”, for the CAP, please provide the information below, per district, for the years 2020 through 2024. Please use Excel format and include all calculations and links to supporting documents.

- a. Monthly average CAP consumption vs. non-CAP consumption in CCF. See format example below:

District	2020	2021	2022	2023	2024
Sacramento	11.10	11.83	...	...	...
Larkfield	7.53	7.69	...	...	...

District	2020	2021	2022	2023	2024
Sacramento	11.92	13.55	...	...	...
Larkfield	6.98	7.50	...	...	...

- b. Total CAP consumption. See format example below:

District	2020	2021	2022	2023	2024
Sacramento	179,140	179,564	...	...	...
Larkfield	114,554	108,543	...	...	...

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**CAL-AM'S RESPONSE**

California American Water incorporates its General Objections as though each is submitted fully here. California American Water further objects to this request on the grounds it seeks an analysis, calculation, or compilation that has not previously been performed and is therefore unduly burdensome. California American Water also objects to this request on the grounds that it would be unduly burdensome and expensive to provide the data requested in the format requested. Subject to, but without waiving, those objections, California American Water responds as follows.

Average CAP consumption vs. non-CAP consumption and total CAP consumption in CCF billing data is provided by district for the years 2020 to 2024. Please see CAW Response Cal Adv HMC-001 Q009a-b Attachment 1 - CAP Non-CAP.

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** Kristina Remelius  
**Title:** Project Manager Operations  
**Address:** California American Water  
655 West Broadway #1410  
San Diego  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-01  
**Company Number:** Cal Adv HMC-01 Q009  
**Date Received:** July 10, 2025  
**Date Response Provided:** July 24, 2025  
**Subject Area:** Rate Design

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**DATA REQUEST:**

9. Also, regarding the CAP as found in “Pilz, Patrick Direct Testimony CAW 2025 GRC Final App”, for the CAP, please provide the information below, per district, for the years 2020 through 2024. Please use Excel format and include all calculations and links to supporting documents.

- c. Average residential (5/8" x 3/4") monthly customer bills, CAP/non-CAP. (In format of questions 3 and 4)
- d. Percent change of monthly residential (5/8" x 3/4") customer bill, CAP/non-CAP. See format example below:

2020	Sacramento	Larkfield	...	...	...
Average Cal Am Non-CAP Bill	\$ 32.31	\$ 52.04	...	...	...
Average Cal Non-CAP Bill	\$ 42.07	\$ 63.97	...	...	...
% Change	-23%	-19%	...	...	...

- e. Percentage of average monthly residential bill comprised of surcharges, CAP/non-CAP. See format example below:

2020	Sacramento	Larkfield	...	...	...
Average Cal Am Non-CAP Bill	0.929%	0.000%	...	...	...
Average Cal Non-CAP Bill	0.943%	0.151%	...	...	...

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**CAL-AM'S RESPONSE**

California American Water incorporates its General Objections as though each is submitted fully here. California American Water further objects to this request on the grounds it seeks an analysis, calculation, or compilation that has not previously been performed and is therefore unduly burdensome. California American Water also objects to this request on the grounds that it would be unduly burdensome and expensive to provide the data requested in the format requested. California American Water also objects to this request on the grounds it seeks information that is already publicly available or that is equally available to Cal PA. Subject to, but without waiving, those objections, California American Water responds as follows.

Data is provided for months and years November 2022 through November 2024 of the California American Water's Water Summary, Cost and Rate Tracker submitted quarterly to the CPUC per D.22-08-023.

Please see the following zip file attachments:

- CAW Response Cal Adv HMC-01 Q009 c-e Attachment 01
- CAW Response Cal Adv HMC-01 Q009 c-e Attachment 02
- CAW Response Cal Adv HMC-01 Q009 c-e Attachment 03
- CAW Response Cal Adv HMC-01 Q009 c-e Attachment 04
- CAW Response Cal Adv HMC-01 Q009 c-e Attachment 05
- CAW Response Cal Adv HMC-01 Q009 c-e Attachment 06
- CAW Response Cal Adv HMC-01 Q009 c-e Attachment 07
- CAW Response Cal Adv HMC-01 Q009 c-e Attachment 08
- CAW Response Cal Adv HMC-01 Q009 c-e Attachment 09

## **Attachment 2-3: Cal Am Response to Cal Advocates' TY 2027 Data Request HMC-05**

(Excel attachments referenced in Cal Am's response are not attached due to file size but available upon request)

**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 \$63,090,981 or 17.20% in the year 2027, by \$22,067,361 or 5.13% in the year 2028, and by \$26,014,600 or 5.75% in the year 2029.

Application 25-07-003  
(Filed July 1, 2025)

**CALIFORNIA-AMERICAN WATER COMPANY'S RESPONSE TO  
PUBLIC ADVOCATES OFFICE'S DATA REQUEST HMC-05**

Cathy Hongola-Baptista  
Nicholas A. Subias  
California American Water  
555 Montgomery Street, Suite 816  
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San Francisco, CA 94111  
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ldolqueist@nossaman.com

Attorneys for California-American Water Company

Dated: October 17, 2025

California-American Water Company (U-210- W; “California American Water,” “CAW” or the “Company”) hereby sets forth the following objections and responses to Public Advocates Office’s (“Cal Advocates”) Data Request HMC-05 (“Data Requests” or “RPD”), propounded on October 3, 2025, in A.25-07-003.

### **RESERVATION OF RIGHTS**

1. California American Water’s investigation into the Data Requests is ongoing. The Company reserves the right, without obligating itself to do so, to supplement or modify its responses and to present further information and produce additional documents as a result of its ongoing investigation.

2. Any information or materials provided in response to the Data Requests shall be without prejudice to California American Water’s right to object to their admission into evidence or the record in this proceeding, their use as evidence or in the record, or the relevance of such information or materials. In addition, California American Water reserves its right to object to further discovery of documents, other information or materials relating to the same or similar subject matter upon any valid ground or grounds, including without limitation, the proprietary nature of the information, relevance, privilege, work product, overbreadth, burdensomeness, oppressiveness, or incompetence.

### **GENERAL OBJECTIONS**

1. California American Water objects to the Data Requests as improper, overbroad, and unduly burdensome to the extent they purport to impose upon California American Water any obligations broader than those permitted by law.

2. California American Water objects to the Data Requests as improper, overbroad, and unduly burdensome to the extent they improperly seek the disclosure of information protected by the attorney-client privilege, the attorney work-product doctrine, or any other applicable privilege or doctrine, and/or the client confidentiality obligations mandated by Business and Professions Code Section 6068(e)(1) and Rule 3-100(A) of the California Rules of Professional Conduct. Such responses as may hereafter be given shall not include information protected by such privileges or

doctrines, and the inadvertent disclosure of such information shall not be deemed as a waiver of any such privilege or doctrine.

3. California American Water objects to the Data Requests to the extent that the requests are duplicative and overlapping, cumulative of one another, overly broad, and/or seek responses in a manner that is unduly burdensome, unreasonably expensive, oppressive, or excessively time consuming to California American Water.

4. California American Water objects to the Data Requests to the extent they seek documents that are and/or information that is neither relevant nor material to this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

5. California American Water objects to the Data Requests to the extent they seek an analysis, calculation, or compilation that has not previously been performed and that California American Water objects to performing.

6. California American Water objects to the Data Requests insofar as they request the production of documents or information that are publicly available or that are equally available to Cal Advocates because such requests subject California American Water to unreasonable and undue annoyance, oppression, burden and expense.

7. California American Water objects to the Data Requests to the extent the requests are vague, ambiguous, use terms that are subject to multiple interpretations but are not properly defined for purposes of the Data Request, or otherwise provide no basis from which California American Water can determine what information is sought.

8. The objections contained herein, and information and documents produced in response hereto, are not intended nor should they be construed to waive California American Water's right to object to the Data Requests, responses or documents produced in response hereto, or the subject matter of such Data Requests, responses or documents, as to their competency, relevancy, materiality, privilege and admissibility as evidence for any purpose, in or at any hearing of this or any other proceeding.

9. The objections contained herein are not intended nor should they be construed to waive California American Water's right to object to other discovery involving or relating to the subject matter of the Data Requests, responses or documents produced in response hereto.

California-American Water Company

APPLICATION NO. A.25-07-003  
DATA REQUEST RESPONSE

**Response Provided By:** Kristina Remelius  
**Title:** Project Manager Operations  
**Address:** California American Water  
520 Capitol Mall, Suite 630  
Sacramento  
**Cal Adv Request:** A2507003 Public Advocates DR HMC-05  
**Company Number:** Cal Adv HMC-05 Q001  
**Date Received:** October 3, 2025  
**Date Response Provided:** October 17, 2025  
**Subject Area:** Rate Design

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**DATA REQUEST:**

1. Regarding the percentage of proposed usage found in Attachment 1 from “Pourtaherian, Bahman Direct Testimony CAW 2025 GRC Final App” and workpaper “All\_CH10\_RD\_RO,” please provide the Monterey Multi-Family premise dwelling unit data for the 12-month period July 2024 through June 2025 associated with the customer unique identifier (so that unit data matches the correct customer consumption) provided in tab “MULTI FAMILY” of data request HMC-01 response workpaper “CAW Response Cal Adv HMC-01 Q001 Attachment 02 – 1540.” See format example below:

**CAL-AM’S RESPONSE**

Please see attachment CAW Response Cal Adv HMC-05 Q001 Attachment 01.

# **Attachment 2-4: Tier Breakpoints/Consumption Ratios TY 2027**

### Sacramento Tier Breakpoints and Consumption Ratios

Tiers	Cal Advocates Recommended	Cal Adv Actual Consumption Ratio	Cal Am Requested	Cal Am Requested Consumption Ratio
1	0 to 6 Ccf	47.1%	0 to 10 Ccf	65.9%
2	7 to 18 Ccf	35.9%	11 to 20 Ccf	20.1%
3	Over 18 Ccf	17.0%	Over 20 Ccf	14.0%

### Larkfield Tier Breakpoints and Consumption Ratios

Tier s	Cal Advocates Recommended	Cal Adv Actual Consumption Ratio	Cal Am Requested	Cal Am Requested Consumption Ratio
1	0 to 5 Ccf	48.4%	0 to 5 Ccf	47.2%
2	6 to 18 Ccf	39.1%	6 to 18 Ccf	40.2%
3	Over 18 Ccf	12.5%	19 to 25 Ccf	5.8%
4			Over 25 Ccf	6.9%

### Meadowbrook Tier Breakpoints and Consumption Ratios

Tiers	Cal Advocates Recommended	Cal Adv Actual Consumption Ratio	Cal Am Requested	Cal Am Requested Consumption Ratio
1	0 to 6 Ccf	35.1%	0 to 11 Ccf	56.9%
2	7 to 28 Ccf	49.7%	12 to 20 Ccf	21.0%
3	Over 28 Ccf	15.2%	Over 20 Ccf	22.1%

### Monterey Single Family Tier Breakpoints and Consumption Ratios

Tiers	Cal Advocates Recommended	Cal Adv Actual Consumption Ratio	Cal Am Requested	Cal Am Requested Consumption Ratio
1	0 to 4 Ccf	62.0%	0 to 4 Ccf	63.2%
2	5 to 8 Ccf	20.96%	5 to 8 Ccf	21.3%
3	9 to 15 Ccf	9.56%	9 to 15 Ccf	9.0%
4	Over 15 Ccf	7.47%	Over 15 Ccf	6.5%

### Monterey Multi-Family Tier Breakpoints and Consumption Ratios

Tiers	Cal Advocates Recommended	Cal Adv Actual Consumption Ratio	Cal Am Requested	Cal Am Requested Consumption Ratio
1	0 to 3 Ccf	70.5%	0 to 3 Ccf	71.6%
2	4 to 5 Ccf	14.11%	4 to 5 Ccf	22.8%
3	6 to 7 Ccf	4.96%	6 to 7 Ccf	2.8%
4	Over 7 Ccf	10.41%	Over 7 Ccf	2.8%

### Central Satellites Tier Breakpoints and Consumption Ratios

Tiers	Cal Advocates Recommended	Cal Adv Actual Consumption Ratio	Cal Am Requested	Cal Am Requested Consumption Ratio
1	0 to 6 Ccf	42.1%	0 to 8 Ccf	55.2%
2	7 to 25 Ccf	39.0%	9 to 18 Ccf	22.2%
3	Over 25 Ccf	18.9%	19 to 44 Ccf	16.1%
4			Over 44 Ccf	6.5%

### Southern Division Tier Breakpoints and Consumption Ratios

Tiers	Cal Advocates Recommended	Cal Adv Actual Consumption Ratio	Cal Am Requested	Cal Am Requested Consumption Ratio
1	0 to 6 Ccf	40.6%	0 to 11 Ccf	64.9%
2	7 to 23 Ccf	41.7%	12 to 18 Ccf	13.9%
3	Over 23 Ccf	17.6%	19 to 40 Ccf	13.5%
4			Over 40 Ccf	7.6%

### Southern Acquisition Tier Breakpoints and Consumption Ratios

Tiers	Cal Advocates Recommended	Cal Adv Actual Consumption Ratio	Cal Am Requested	Cal Am Requested Consumption Ratio
1	0 to 6 Ccf	43.1%	0 to 11 Ccf	67.6%
2	7 to 23 Ccf	42.8%	12 to 18 Ccf	14.2%
3	Over 23 Ccf	14.0%	19 to 40 Ccf	12.0%
4			Over 40 Ccf	6.3%

**Attachment 2-5: Cal Am's Requested Rate Design for the Northern Division but Using the Actual Water Consumption Patterns of the Last Recorded Twelve Months (July 2024 to June 2025) for Test Year 2027**

**Sacramento Requested (using application amounts)**

<b>Tier</b>	<b>Breakpoints</b>	<b>% Usage</b>	<b>Rate</b>	<b>Portion</b>
Tier 1	0-10	65.9%	\$3.8965	\$2.5348
Tier 2	11-20	20.1%	\$5.8816	\$1.2014
Tier 3	>20	14.0%	\$6.8227	\$0.9907
<b>TOTAL</b>				\$4.7269
SQR				\$4.7053

**Larkfield Requested (using application amounts)**

<b>Tier</b>	<b>Breakpoints</b>	<b>% Usage</b>	<b>Rate</b>	<b>Portion</b>
Tier 1	0-5	48.4%	\$5.8679	\$2.8375
Tier 2	6-18	39.1%	\$6.1124	\$2.3911
Tier 3	19-25	5.4%	\$6.7848	\$0.3696
Tier 4	>25	7.0%	\$7.2310	\$0.5096
<b>TOTAL</b>				\$6.1077
SQR				\$6.1124

**Meadowbrook Requested (using application amounts)**

<b>Tier</b>	<b>Breakpoints</b>	<b>% Usage</b>	<b>Rate</b>	<b>Portion</b>
Tier 1	0-11	55.6%	\$2.0959	\$1.1651
Tier 2	12-20	20.6%	\$2.8116	\$0.5803
Tier 3	>20	23.8%	\$3.4971	\$0.8313
<b>TOTAL</b>				\$2.5767
SQR				\$2.5560

**Attachment 2-6: Northern Division  
Recommended Rate Designs Using Cal Am's  
Proposed SQR and Actual Water  
Consumption Patterns of the Last Recorded  
Twelve Months (July 2024 to June 2025) TY  
2027**

**Cal Advocates Recommended for Sacramento (using application amounts)**

<b>Tier</b>	<b>Breakpoints</b>	<b>% Usage</b>	<b>Rate</b>	<b>Portion</b>
Tier 1	0-6	47.1%	\$3.5290	\$1.6627
Tier 2	7-18	35.9%	\$4.7053	\$1.6896
Tier 3	>18	17.0%	\$7.9702	\$1.3530
<b>TOTAL</b>				\$4.7053
SQR				\$4.7053

**Cal Advocates Recommended for Larkfield (using application amounts)**

<b>Tier</b>	<b>Breakpoints</b>	<b>% Usage</b>	<b>Rate</b>	<b>Portion</b>
Tier 1	0-5	48.4%	\$5.5012	\$2.6601
Tier 2	6-18	39.1%	\$6.1124	\$2.3911
Tier 3	>18	12.5%	\$8.4722	\$1.0612
<b>TOTAL</b>				\$6.1124
SQR				\$6.1124

**Cal Advocates Recommended for Meadowbrook (using application amounts)**

<b>Tier</b>	<b>Breakpoints</b>	<b>% Usage</b>	<b>Rate</b>	<b>Portion</b>
Tier 1	0-6	35.1%	\$1.6614	\$0.5826
Tier 2	7-28	49.7%	\$2.5560	\$1.2709
Tier 3	>28	15.2%	\$4.6184	\$0.7025
<b>TOTAL</b>				\$2.5560
SQR				\$2.5560

**Attachment 2-7: Northern Division  
Recommended Rate Designs Using  
Recommended Revenue Requirement and  
Actual Water Consumption Patterns of the  
Last Recorded Twelve Months (July 2024 to  
June 2025) TY 2027**

### Cal Advocates Recommended for Sacramento

Tier	Breakpoints	% Usage	Rate	Portion
Tier 1	0-6	47.1%	\$2.9944	\$1.4108
Tier 2	7-18	35.9%	\$3.9925	\$1.4336
Tier 3	>18	17.0%	\$6.7628	\$1.1480
<b>TOTAL</b>				\$3.9925
SQR				\$3.9925

### Cal Advocates Recommended for Larkfield

Tier	Breakpoints	% Usage	Rate	Portion
Tier 1	0-5	48.4%	\$5.4554	\$2.6380
Tier 2	6-18	39.1%	\$6.0615	\$2.3712
Tier 3	>18	12.5%	\$8.4008	\$1.0522
<b>TOTAL</b>				\$6.0614
SQR				\$6.0615

### Cal Advocates Recommended for Meadowbrook

Tier	Breakpoints	% Usage	Rate	Portion
Tier 1	0-6	35.1%	\$1.4243	\$0.4995
Tier 2	7-28	49.7%	\$2.1913	\$1.0896
Tier 3	>28	15.2%	\$3.9594	\$0.6022
<b>TOTAL</b>				\$2.1913
SQR				\$2.1913

**Attachment 2-8: Cal Am's Requested Rate  
Design for the Central Division Using the  
Actual Water Consumption Patterns of the  
Last Recorded Twelve Months (July 2024 to  
June 2025) TY 2027**

**Monterey Single Family Requested (using application amounts)**

<b>Tier</b>	<b>Breakpoints</b>	<b>% Usage</b>	<b>Rate</b>	<b>Portion</b>
Tier 1	0-4	62.0%	\$6.9608	\$4.3163
Tier 2	5-8	21.0%	\$13.9216	\$2.9186
Tier 3	9-15	9.6%	\$20.8823	\$1.9956
Tier 4	>15	7.5%	\$29.0032	\$2.1665
<b>TOTAL</b>				\$11.3970
CCCBR				\$4.6405

**Monterey Multi-Family Requested (using application amounts)**

<b>Tier</b>	<b>Breakpoints</b>	<b>% Usage</b>	<b>Rate</b>	<b>Portion</b>
Tier 1	0-3	70.5%	\$8.6609	\$6.1077
Tier 2	4-5	14.1%	\$17.3219	\$2.4442
Tier 3	6-7	5.0%	\$38.9742	\$1.9332
Tier 4	>7	10.4%	\$54.1308	\$5.6349
<b>TOTAL</b>				\$16.1199
CCCBR				\$8.6609

**Central Satellites Requested (using application amounts)**

<b>Tier</b>	<b>Breakpoints</b>	<b>% Usage</b>	<b>Rate</b>	<b>Portion</b>
Tier 1	0-8	49.9%	\$8.1092	\$4.0470
Tier 2	9-18	23.0%	\$9.1115	\$2.0967
Tier 3	19-44	18.7%	\$10.9338	\$2.0407
Tier 4	>44	8.4%	\$13.1479	\$1.1069
<b>TOTAL</b>				\$9.2912
SQR				\$9.1115

**Attachment 2-9: Central Division  
Recommended Rate Designs Using Cal Am's  
Proposed CCCBR and SQR and Actual  
Water Consumption Patterns of the Last  
Recorded Twelve Months (July 2024 to June  
2025) TY 2027**

**Cal Advocates Recommended for Monterey Single Family (using application amounts)**

<b>Tier</b>	<b>Breakpoints</b>	<b>% Usage</b>	<b>Rate</b>	<b>Portion</b>
Tier 1	0-4	62.0%	\$3.7124	\$2.3020
Tier 2	5-15	30.5%	\$4.6405	\$1.4163
Tier 3	>15	7.5%	\$12.3448	\$0.9222
<b>TOTAL</b>				\$4.6405
CCCBR				\$4.6405

**Cal Advocates Recommended for Monterey Multi-Family (using application amounts)**

<b>Tier</b>	<b>Breakpoints</b>	<b>% Usage</b>	<b>Rate</b>	<b>Portion</b>
Tier 1	0-3	70.5%	\$7.7948	\$5.4969
Tier 2	4-7	19.1%	\$8.6609	\$1.6517
Tier 3	>7	10.4%	\$14.5282	\$1.5123
<b>TOTAL</b>				\$8.6609
CCCBR				\$8.6609

**Cal Advocates Recommended for Central Satellites (using application amounts)**

<b>Tier</b>	<b>Breakpoints</b>	<b>% Usage</b>	<b>Rate</b>	<b>Portion</b>
Tier 1	0-6	42.1%	\$6.8336	\$2.8740
Tier 2	7-25	39.0%	\$9.1115	\$3.5571
Tier 3	>25	18.9%	\$14.1792	\$2.6804
<b>TOTAL</b>				\$9.1115
SQR				\$9.1115

**Attachment 2-10: Central Division  
Recommended Rate Designs Using  
Recommended Revenue Requirement and  
Actual Water Consumption Patterns of the  
Last Recorded Twelve Months (July 2024 to  
June 2025) TY 2027**

### Cal Advocates Recommended for Monterey Single Family

Tier	Breakpoints	% Usage	Rate	Portion
Tier 1	0-4	62.0%	\$10.0650	\$6.2412
Tier 2	5-8	21.0%	\$12.5810	\$2.6375
Tier 3	9-15	9.6%	\$18.8720	\$1.8035
Tier 4	>15	7.5%	\$25.5400	\$1.9078
<b>TOTAL</b>				\$12.5900
SQR				\$12.5810

### Cal Advocates Recommended for Monterey Multi-Family

Tier	Breakpoints	% Usage	Rate	Portion
Tier 1	0-3	70.5%	\$10.0650	\$7.0978
Tier 2	4-5	14.1%	\$12.5810	\$1.7752
Tier 3	6-7	5.0%	\$18.8720	\$0.9361
Tier 4	>7	10.4%	\$26.6720	\$2.7765
<b>TOTAL</b>				\$12.5856
SQR				\$12.5810

### Cal Advocates Recommended for Central Satellites

Tier	Breakpoints	% Usage	Rate	Portion
Tier 1	0-6	42.1%	\$6.8168	\$2.8669
Tier 2	7-25	39.0%	\$9.0891	\$3.5483
Tier 3	>25	18.9%	\$14.1436	\$2.6737
<b>TOTAL</b>				\$9.0890
SQR				\$9.0891

**Attachment 2-11: Cal Am's Southern  
Division Requested Rate Design Using Actual  
Water Consumption Patterns of the Last  
Recorded Twelve Months (July 2024 to June  
2025) TY 2027**

**Southern Division Requested (using application amounts)**

<b>Tier</b>	<b>Breakpoints</b>	<b>% Usage</b>	<b>Rate</b>	<b>Portion</b>
Tier 1	0-11	61.0%	\$5.1338	\$3.1340
Tier 2	12-18	15.4%	\$5.8592	\$0.9005
Tier 3	19-40	14.9%	\$6.4172	\$0.9552
Tier 4	>40	8.7%	\$7.3770	\$0.6411
<b>TOTAL</b>				\$5.6309
SQR				\$5.5802

**San Diego Requested (using application amounts)**

<b>Tier</b>	<b>Breakpoints</b>	<b>% Usage</b>	<b>Rate</b>	<b>Portion</b>
Tier 1	0-11	61.0%	\$8.0143	\$4.8925
Tier 2	12-18	15.4%	\$9.1468	\$1.4058
Tier 3	19-40	14.9%	\$10.0179	\$1.4912
Tier 4	>40	8.7%	\$11.5163	\$1.0008
<b>TOTAL</b>				\$8.7904
SQR				\$8.7112

**Ventura Requested (using application amounts)**

<b>Tier</b>	<b>Breakpoints</b>	<b>% Usage</b>	<b>Rate</b>	<b>Portion</b>
Tier 1	0-11	61.0%	\$6.3462	\$3.8741
Tier 2	12-18	15.4%	\$7.2429	\$1.1132
Tier 3	19-40	14.9%	\$7.9328	\$1.1808
Tier 4	>40	8.7%	\$9.1192	\$0.7925
<b>TOTAL</b>				\$6.9607
SQR				\$6.8980

**Southern Transition Requested (using application amounts)**

<b>Tier</b>	<b>Breakpoints</b>	<b>% Usage</b>	<b>Rate</b>	<b>Portion</b>
Tier 1	0-11	65.3%	\$3.5809	\$2.3367
Tier 2	12-18	15.4%	\$4.0000	\$0.6145
Tier 3	19-40	12.6%	\$4.3809	\$0.5533
Tier 4	>40	6.8%	\$4.7504	\$0.3209
<b>TOTAL</b>				\$3.8253
SQR				\$3.8095

**Attachment 2-12: Southern Division  
Recommended Rate Designs Using Cal Am's  
Proposed SQR and Actual Water  
Consumption Patterns of the Last Recorded  
Twelve Months (July 2024 to June 2025) TY  
2027**

**Cal Advocates Recommended for Southern Division (using application amounts)**

<b>Tier</b>	<b>Breakpoints</b>	<b>% Usage</b>	<b>Rate</b>	<b>Portion</b>
Tier 1	0-6	40.6%	\$4.1852	\$1.7010
Tier 2	7-23	41.7%	\$5.5802	\$2.3295
Tier 3	>23	17.6%	\$8.8001	\$1.5497
<b>TOTAL</b>				\$5.5802
SQR				\$5.5802

**Cal Advocates Recommended for San Diego (using application amounts)**

<b>Tier</b>	<b>Breakpoints</b>	<b>% Usage</b>	<b>Rate</b>	<b>Portion</b>
Tier 1	0-6	40.6%	\$6.5334	\$2.6555
Tier 2	7-23	41.7%	\$8.7112	\$3.6365
Tier 3	>23	17.6%	\$13.7378	\$2.4192
<b>TOTAL</b>				\$8.7112
SQR				\$8.7112

**Cal Advocates Recommended for Ventura (using application amounts)**

<b>Tier</b>	<b>Breakpoints</b>	<b>% Usage</b>	<b>Rate</b>	<b>Portion</b>
Tier 1	0-6	40.6%	\$5.1735	\$2.1028
Tier 2	7-23	41.7%	\$6.8980	\$2.8796
Tier 3	>23	17.6%	\$10.8783	\$1.9157
<b>TOTAL</b>				\$6.8980
SQR				\$6.8980

**Cal Advocates Recommended for Southern Transition (using application amounts)**

<b>Tier</b>	<b>Breakpoints</b>	<b>% Usage</b>	<b>Rate</b>	<b>Portion</b>
Tier 1	0-6	43.1%	\$2.8571	\$1.2325
Tier 2	7-23	42.8%	\$3.8095	\$1.6313
Tier 3	>23	14.0%	\$6.7352	\$0.9457
<b>TOTAL</b>				\$3.8095
SQR				\$3.8095

**Attachment 2-13: Southern Division  
Recommended Rate Designs Using  
Recommended Revenue Requirement and  
Actual Water Consumption Patterns of the  
Last Recorded Twelve Months (July 2024 to  
June 2025) TY 2027**

### Cal Advocates Recommended for Southern Division

Tier	Breakpoints	% Usage	Rate	Portion
Tier 1	0-6	40.6%	\$3.6517	\$1.4842
Tier 2	7-23	41.7%	\$4.8689	\$2.0325
Tier 3	>23	17.6%	\$7.6783	\$1.3521
<b>TOTAL</b>				\$4.8689
SQR				\$4.8689

### Cal Advocates Recommended for San Diego

Tier	Breakpoints	% Usage	Rate	Portion
Tier 1	0-6	40.6%	\$5.9995	\$2.4385
Tier 2	7-23	41.7%	\$7.9993	\$3.3393
Tier 3	>23	17.6%	\$12.6150	\$2.2215
<b>TOTAL</b>				\$7.9993
SQR				\$7.9993

### Cal Advocates Recommended for Ventura

Tier	Breakpoints	% Usage	Rate	Portion
Tier 1	0-6	40.6%	\$4.6402	\$1.8860
Tier 2	7-23	41.7%	\$6.1870	\$2.5828
Tier 3	>23	17.6%	\$9.7569	\$1.7182
<b>TOTAL</b>				\$6.1870
SQR				\$6.1870

### Cal Advocates Recommended for Southern Transition

Tier	Breakpoints	% Usage	Rate	Portion
Tier 1	0-6	43.1%	\$2.5738	\$1.1102
Tier 2	7-23	42.8%	\$3.4317	\$1.4695
Tier 3	>23	14.0%	\$6.0673	\$0.8520
<b>TOTAL</b>				\$3.4317
SQR				\$3.4317

## **Attachment 2-14: Cal Am Response to Cal Advocates' TY 2024 Data Request HMC-01**

(Excel attachments referenced in Cal Am's response are not attached due to file size but available upon request)

**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.

A.22-07-001  
(Filed July 1, 2022)

**CALIFORNIA-AMERICAN WATER COMPANY'S RESPONSE TO  
PUBLIC ADVOCATES OFFICE'S DATA REQUEST HMC 01**

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Attorneys for California-American Water Company

Dated: August 2, 2022

California-American Water Company (U-210- W; “California American Water,” “CAW” or the “Company”) hereby sets forth the following objections and responses to Public Advocates Office’s (“Cal Advocates”) Data Request HMC 01 (“Data Requests” or “RPD”), propounded on July 19, 2022, in A.22-07-001.

### **RESERVATION OF RIGHTS**

1. California American Water’s investigation into the Data Requests is ongoing. The Company reserves the right, without obligating itself to do so, to supplement or modify its responses and to present further information and produce additional documents as a result of its ongoing investigation.

2. Any information or materials provided in response to the Data Requests shall be without prejudice to California American Water’s right to object to their admission into evidence or the record in this proceeding, their use as evidence or in the record, or the relevance of such information or materials. In addition, California American Water reserves its right to object to further discovery of documents, other information or materials relating to the same or similar subject matter upon any valid ground or grounds, including without limitation, the proprietary nature of the information, relevance, privilege, work product, overbreadth, burdensomeness, oppressiveness, or incompetence.

### **GENERAL OBJECTIONS**

1. California American Water objects to the Data Requests as improper, overbroad, and unduly burdensome to the extent they purport to impose upon California American Water any obligations broader than those permitted by law.

2. California American Water objects to the Data Requests as improper, overbroad, and unduly burdensome to the extent they improperly seek the disclosure of information protected by the attorney-client privilege, the attorney work-product doctrine, or any other applicable privilege or doctrine, and/or the client confidentiality obligations mandated by Business and Professions Code Section 6068(e)(1) and Rule 3-100(A) of the California Rules of Professional Conduct. Such responses as may hereafter be given shall not include information protected by such privileges or

doctrines, and the inadvertent disclosure of such information shall not be deemed as a waiver of any such privilege or doctrine.

3. California American Water objects to the Data Requests to the extent that the requests are duplicative and overlapping, cumulative of one another, overly broad, and/or seek responses in a manner that is unduly burdensome, unreasonably expensive, oppressive, or excessively time consuming to California American Water.

4. California American Water objects to the Data Requests to the extent they seek documents that are and/or information that is neither relevant nor material to this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

5. California American Water objects to the Data Requests to the extent they seek an analysis, calculation, or compilation that has not previously been performed and that California American Water objects to performing.

6. California American Water objects to the Data Requests insofar as they request the production of documents or information that are publicly available or that are equally available to Cal Advocates because such requests subject California American Water to unreasonable and undue annoyance, oppression, burden and expense.

7. California American Water objects to the Data Requests to the extent the requests are vague, ambiguous, use terms that are subject to multiple interpretations but are not properly defined for purposes of the Data Request, or otherwise provide no basis from which California American Water can determine what information is sought.

8. The objections contained herein, and information and documents produced in response hereto, are not intended nor should they be construed to waive California American Water's right to object to the Data Requests, responses or documents produced in response hereto, or the subject matter of such Data Requests, responses or documents, as to their competency, relevancy, materiality, privilege and admissibility as evidence for any purpose, in or at any hearing of this or any other proceeding.

9. The objections contained herein are not intended nor should they be construed to waive California American Water's right to object to other discovery involving or relating to the subject matter of the Data Requests, responses or documents produced in response hereto.

California-American Water Company

APPLICATION NO. A.22-07-001  
DATA REQUEST RESPONSE

**Response Provided By:** James Kelly  
**Title:** Senior Manager Rates & Regulatory  
**Address:** California American Water  
520 Capital Mall, Suite 630  
Sacramento, CA 95814  
**ORA Request:** A2207001 CAL ADV DATA REQUEST # HMC-01  
**Company Number:** Cal ADV HMC 01 Q001  
**Date Received:** July 19, 2022  
**Date Response Due:** August 2, 2022  
**Subject Area:** Rate Design

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**DATA REQUEST:**

1. In workable Excel format (one Excel file per district), please provide the monthly CCF consumption data for each of Cal Am's customers, by district, for the most recent 12- month period and the last four recorded years (2018, 2019, 2020, and 2021). Please provide a separate Excel Tab/Worksheet for each customer class (i.e., residential, commercial, etc.) with a row for each customer and columns for customer identifier, meter size, each month's consumption in CCF, 12-month total, 12-month average, summer average, and winter average. See format example below:

***Example: 2018 file, "Residential" tab***

Customer Identifier	Meter Size	Month 1	Month 2	Month 3	Month....	Total	Average	Summer Average	Winter Average
#1	5/8in	7.55	8.12	7.87	...				
#2	3/4in	4.5	6	8.25	...				

**CAL-AM'S RESPONSE**

- California American Water incorporates its General Objections as though each is submitted fully here. California American Water further objects to this request on the grounds it seeks an analysis, calculation, or compilation that has not previously been performed and is therefore unduly burdensome. California American Water also objects to this request on the grounds that it would be

California-American Water Company

APPLICATION NO. A.22-07-001  
DATA REQUEST RESPONSE

unduly burdensome and expensive to provide the data requested in the format requested. California American Water additional objects to this request on the grounds it is vague, ambiguous, and overbroad, particularly with respect to the terms “summer average” and “winter average”. Subject to, but without waiving, those objections, California American Water responds as follows.

The folder Cal Adv HMC 01 Q001 Attachment 1 – Consumption CONFIDENTIAL includes files for years: 2018 to 2021 and 2022 (through June). Each annual file includes water consumption by district, customer and month. The files are segmented by Customer Class in separate worksheets.

Regarding the “Summer Average” and “Winter Average” columns, since no definition was provided, we used April - September to calculate the “Summer Average” and January to March plus October to December to calculate the “Winter Average.”

California American Water also includes annual meter count and size files by customer, for 2018 to 2022. The 2018-2021 files are as of Dec 31 and the 2022 file is as of June 30.

- Cal Adv HMC 01 Q001 Attachment 2 – Meters 2018 CONFIDENTIAL
- Cal Adv HMC 01 Q001 Attachment 3 – Meters 2019 CONFIDENTIAL
- Cal Adv HMC 01 Q001 Attachment 4 – Meters 2020 CONFIDENTIAL
- Cal Adv HMC 01 Q001 Attachment 5 – Meters 2021 CONFIDENTIAL
- Cal Adv HMC 01 Q001 Attachment 6 – Meters 2022 CONFIDENTIAL

California-American Water Company

APPLICATION NO. A.22-07-001  
DATA REQUEST RESPONSE

**Response Provided By:** Jonathan Morse  
**Title:** Senior Manager Rates & Regulatory  
**Address:** California American Water  
520 Capital Mall, Suite 630  
Sacramento, CA 95814  
**ORA Request:** A2207001 CAL ADV DATA REQUEST # HMC-01  
**Company Number:** Cal ADV HMC 01 Q002  
**Date Received:** July 19, 2022  
**Date Response Due:** August 2, 2022  
**Subject Area:** Rate Design

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**DATA REQUEST:**

2. In workable Excel format, for each district please compare the to-date 2022 average monthly bill for residential customers (5/8" meter size) under current rates and fixed cost recovery to the calculated average under proposed rates and fixed cost recovery. Please include all supporting calculations and links to or copies of supporting workpapers to explain how the calculations were made. See format example below:

		<b>At Current</b>		<b>Proposed TY 2024</b>	
Volumetric rates differential		15%		25%	
Fixed Cost Recovery		30%		50%	
Service Charge		\$26.30		\$43.84	
Commodity Charge	\$ 4.73		\$ 3.30		
Total Commodity Charge * CCF		\$55.93		\$39.05	
Monthly Bill*		\$82.23		\$82.89	
(\$ ) Increase				\$0.66	
(%) Increase				0.80%	
CAP Surcharge		\$5.74		\$4.19	
Total Monthly Bill w/CAP charge		<b>\$87.97</b>		<b>\$87.08</b>	
(\$ ) Increase				(\$0.89)	
(%) Increase				-1.02%	

California-American Water Company

APPLICATION NO. A.22-07-001  
DATA REQUEST RESPONSE

*Based on a residential customer with 5/8 x 3/4" meter size		
using 11.83 Ccf of water. Excludes applicable surcharges and PUC fees.		

**CAL-AM'S RESPONSE**

California American Water incorporates its General Objections as though each is submitted fully here. California American Water further objects to this request on the grounds it seeks an analysis, calculation, or compilation that has not previously been performed and is therefore unduly burdensome. California American Water additionally objects to this request as vague and ambiguous, particularly with respect to the terms "volumetric rates differential," "fixed cost recovery" and "average monthly bill". Subject to, but without waiving, those objections, California American Water responds as follows.

Please see Cal Adv HMC 01 Q002 – Attachment 1 – Monthly Bills Non-CAP.

California American Water's authorized and proposed rate designs vary by tariffed service area. In some instances the service charge is based on a percentage of fixed cost recovery and in some instances it is based on a percentage of total revenue requirement recovery. As used in Cal Adv HMC 01 Q002 – Attachment 1 – Monthly Bills Non-CAP the current authorized rate design, "fixed cost recovery" means the percentage of the fixed cost that is recovered through meter charges, and "revenue requirement recovery" means the percentage of the revenue requirement that is recovered from meter charges.

California-American Water Company

APPLICATION NO. A.22-07-001  
DATA REQUEST RESPONSE

**Response Provided By:** Jonathan Morse  
**Title:** Senior Manager Rates & Regulatory  
**Address:** California American Water  
520 Capital Mall, Suite 630  
Sacramento, CA 95814  
**ORA Request:** A2207001 CAL ADV DATA REQUEST # HMC-01  
**Company Number:** Cal ADV HMC 01 Q003  
**Date Received:** July 19, 2022  
**Date Response Due:** August 2, 2022  
**Subject Area:** Rate Design

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**DATA REQUEST:**

3. In workable Excel format, for each district please compare the to-date 2022 average monthly bill for Customer Assistance Program ("CAP") customers (5/8" meter size) under current rates and fixed cost recovery to the calculated average under proposed rates and fixed cost recovery. Please include all supporting calculations and links to or copies of supporting workpapers to explain how the calculations were made. See format example below:

		<b>At Current</b>		<b>Proposed TY 2024</b>	
Volumetric rates differential		15%		25%	
Fixed Cost Recovery		30%		50%	
Service Charge		\$26.30		\$43.84	
Commodity Charge	\$ 4.73		\$3.30		
Total Commodity Charge * CCF		\$55.93		\$39.05	
Monthly Bill*		\$ 82.23		\$82.89	
(\$ ) Increase				\$0.66	
(%) Increase				0.80%	
Discount		(\$8.17)		(\$10.00)	
Total CAP Monthly Bill		<b>\$74.06</b>		<b>\$72.89</b>	
(\$ ) Increase				(\$1.17)	

California-American Water Company

APPLICATION NO. A.22-07-001  
DATA REQUEST RESPONSE

(%) Increase					-1.58%	
*Based on a residential customer with 5/8 x 3/4" meter size using 11.83 Ccf of water. Excludes applicable surcharges and PUC fees.						

**CAL-AM'S RESPONSE**

California American Water incorporates its General Objections as though each is submitted fully here. California American Water further objects to this request on the grounds it seeks an analysis, calculation, or compilation that has not previously been performed and is therefore unduly burdensome. California American Water additionally objects to this request as vague and ambiguous, particularly with respect to the terms "volumetric rates differential," "fixed cost recovery" and "average monthly bill". Subject to, but without waiving, those objections, California American Water responds as follows.

Please see Cal Adv HMC 01 Q003 – Attachment 1 – Monthly Bills CAP.

California American Water's authorized and proposed rate designs vary by tariffed service area. In some instances the service charge is based on a percentage of fixed cost recovery and in some instances it is based on a percentage of total revenue requirement recovery. As used in Cal Adv HMC 01 Q003 – Attachment 1 – Monthly Bills CAP the current authorized rate design, "fixed cost recovery" means the percentage of the fixed cost that is recovered through meter charges, and "revenue requirement recovery" means the percentage of the revenue requirement that is recovered from meter charges.

California-American Water Company

APPLICATION NO. A.22-07-001  
DATA REQUEST RESPONSE

**Response Provided By:** James Kelly  
**Title:** Senior Manager Rates & Regulatory  
**Address:** California American Water  
520 Capital Mall, Suite 630  
Sacramento, CA 95814  
**ORA Request:** A2207001 CAL ADV DATA REQUEST # HMC-01  
**Company Number:** Cal ADV HMC 01 Q004.a-b  
**Date Received:** July 19, 2022  
**Date Response Due:** August 2, 2022  
**Subject Area:** Rate Design

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**DATA REQUEST:**

4. For the CAP, please provide the information below, per district, for the years 2010 through 2022 (for 2022, please provide per month up to the most recent month of recorded data for 2022). Please use Excel format and include all calculations and links to supporting documents.

- a. CAP annual enrollment (number of participants)
- b. CAP annual enrollment rates

**CAL-AM'S RESPONSE**

California American Water incorporates its General Objections as though each is submitted fully here. California American Water further objects to this request to the extent it seeks an analysis, calculation, or compilation that has not previously been performed and is therefore unduly burdensome. California American Water additionally objects to this request on the grounds that some of the data sought is not reasonably accessible and it would be unduly burdensome and expensive to provide. California American Water also objects to this request on the grounds it seeks information irrelevant to this proceeding and because it seeks information that is publicly available or that is equally available to Cal PA. Subject to, but without waiving, those objections, California American Water responds as follows.

CAP data is reasonably accessible from 2014 to current (June 2022). For Questions 4.a and 4.b see the following attachments:

- Cal Adv HMC 01 Q004.a-b Attachment 1 - CAP 2014

California-American Water Company

APPLICATION NO. A.22-07-001  
DATA REQUEST RESPONSE

- Cal Adv HMC 01 Q004.a-b Attachment 2 - CAP 2015
- Cal Adv HMC 01 Q004.a-b Attachment 3 - CAP 2016
- Cal Adv HMC 01 Q004.a-b Attachment 4 - CAP 2017
- Cal Adv HMC 01 Q004.a-b Attachment 5 - CAP 2018
- Cal Adv HMC 01 Q004.a-b Attachment 6 - CAP 2019
- Cal Adv HMC 01 Q004.a-b Attachment 7 - CAP 2020
- Cal Adv HMC 01 Q004.a-b Attachment 8 - CAP 2021
- Cal Adv HMC 01 Q004.a-b Attachment 9 - CAP 2022

California-American Water Company

APPLICATION NO. A.22-07-001  
DATA REQUEST RESPONSE

**Response Provided By:** Jonathan Morse  
**Title:** Senior Manager Rates & Regulatory  
**Address:** California American Water  
520 Capital Mall, Suite 630  
Sacramento, CA 95814  
**ORA Request:** A2207001 CAL ADV DATA REQUEST # HMC-01  
**Company Number:** Cal ADV HMC 01 Q004.c-d  
**Date Received:** July 19, 2022  
**Date Response Due:** August 2, 2022  
**Subject Area:** Rate Design

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**DATA REQUEST:**

4. For the CAP, please provide the information below, per district, for the years 2010 through 2022 (for 2022, please provide per month up to the most recent month of recorded data for 2022). Please use Excel format and include all calculations and links to supporting documents.

- c. CAP surcharge history
- d. CAP service charge discount history

**CAL-AM'S RESPONSE**

California American Water incorporates its General Objections as though each is submitted fully here. California American Water also objects to this request on the grounds it seeks information irrelevant to this proceeding and because it seeks information that is publicly available or that is equally available to Cal PA. California American Water additionally objects to this request on the grounds that some of the data sought is not reasonably accessible and it would be unduly burdensome and expensive to provide. Subject to, but without waiving, those objections, California American Water responds as follows.

CAP data is reasonably accessible from 2014 to current (June 2022). Surcharges are end of calendar year for 2014-2021 and current for 2022. See table below.

California-American Water Company

APPLICATION NO. A.22-07-001  
DATA REQUEST RESPONSE

Year	CAP Surcharge
2014	0.00
2015	1.54
2016	1.86
2017	1.21
2018	1.21
2019	1.81
2020	1.81
2021	1.81
2022	1.30

CAP data is reasonably accessible from 2014 to current (June 2022). Discounts are end of calendar year for 2014-2021 and current for 2022. See table below.

Year	CAP Discount
2014	\$10.00 off
2015-2021	20% off of the meter charge and tiers one and two of the commodity charge for all service areas except Monterey. For Monterey, 30% off of the meter charge and tiers one, two, three, and four of the commodity charge.
2022	20% off of the meter charge and tiers one and two of the commodity charge for all service areas except Monterey. For Monterey, 30% off of the meter charge and tiers one, two, and three of the commodity charge.