

PUBLIC UTILITIES COMMISSION505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

December 22, 2009

File No.: 602-19

TO: All Interested Parties

Enclosed is draft Resolution W-4823 of the Division of Water and Audits. It will be on the Commission's January 21, 2010 agenda. The Commission may then act on this Resolution or it may postpone action until later.

When the Commission acts on the draft resolution, it may adopt all or part of it as written, amend or modify it, or set it aside and prepare a different resolution. Only when the Commission acts does the resolution become binding on the parties.

Parties to this matter may file comments on this draft resolution. An original and 2 copies of the comments, with a certificate of service, should be submitted to:

Division of Water and Audits, Third Floor
Attention: Moises Chavez
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Parties may submit comments on or before January 11, 2010. The date of submission is the date the comments are received by the Division of Water and Audits. Parties must serve a copy of their comments on the utility on the same date that the comments are submitted to the Division of Water and Audits.

Comments shall be limited to five pages in length plus a subject index listing the recommended changes to the draft resolution, a table of authorities and appendix setting forth the proposed findings and ordering paragraphs.

Comments shall focus on factual, legal or technical errors in the draft resolution, and shall make specific reference to the record or applicable law. Comments which fail to do so will be accorded no weight and are not to be submitted.

Persons interested in comments of parties may write to Moises Chavez or telephone him at (415) 703-2805.

/s/ RAMI KAHLON

Rami Kahlon, Director
Division of Water and Audits

Enclosures: Draft Resolution W-4823
Certificate of Service
Service List

DRAFT

WATER/RSK/PTL/MCV/jlj

AGENDA ITEM #9113

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**DIVISION OF WATER AND AUDITS
Water and Sewer Advisory Branch**

**RESOLUTION NO. W-4823
January 21, 2010**

R E S O L U T I O N

**(RES. W-4823), ORDER AUTHORIZING REVISIONS TO GENERAL
ORDER 103-A SECTION II.3.C.5, MINIMUM STANDARDS FOR
REPAIRS, AND SECTION IV.1.A METHOD OF MEASURING
SERVICE.**

SUMMARY

This resolution revises the disinfection requirement for water mains established in the Minimum Standards for Repairs, Section II.3.C.5 of General Order (GO) 103-A, "The Rules Governing Water Service, Including Minimum Standards for Operation, Maintenance, Design and Construction," and changes the reference from Public Utilities Code Section 781 to Public Utilities Code Section 781.5 to reflect the changes contained in Assembly Bill (AB) 975, signed into law on October 11, 2009, that modified this code section.

BACKGROUND

GO 103-A was adopted by the Commission on September 10, 2009, which revised and updated GO 103. The California Department of Public Health (DPH) raised an implementation issue related to the disinfection requirement established in GO 103-A, Section II.3.C.5, Minimum Standards for Repairs. This section requires water utilities to disinfect water mains and to obtain either DPH's or the County Health Department's (County Health) permission prior to placing the water mains back into service. DPH indicates that requiring water utilities to obtain their permission before bringing the water mains back into service is not feasible to implement because of the large numbers of water mains that utilities repair at any given time, and that they do not have the staff resources to implement this new requirement.

Assembly Bill (AB) 975, signed into law on October 11, 2009, added Public Utilities Code Section (PU Code) 781.5, and repealed and added PU Code 781. The original PU Code 781 prohibited the Commission from requiring water utilities or customers of those utilities to install a water meter, except after a public hearing and *all* of the

following findings are made: (1) metering is be cost-effective within the service area of the utility, (2) metering results in a significant reduction in water consumption within the water utility's service area, and (3) the costs of metering do not imposed an unreasonable financial burden on customers within the utility's service area, unless the Commission finds metering necessary to assure continuation of an adequate water supply within the service territory.

The new PU Code 781.5 replaced Section 781. The new PU Code 781.5 now allows the Commission to require water utilities with less than 500 service connections, or residential, commercial, industrial, or institutional customer to install a water meter, if after a public hearing is held the Commission finds that *any* of the three requirements under the original PU Code 781, listed above, are met.

DISCUSSION

GO 103-A Disinfection of Water Main(s) Requirement Revision

The Division of Water and Audits' (DWA) staff reviewed the implementation issue raised by the DPH for the recently adopted disinfection requirements in the Minimum Standards of Repairs Section II.3.C.5 of GO 103-A and recommends making this requirement consistent with DPH's water main disinfection requirements set-forth in its Waterworks Standards¹, California Code of Regulations, Title 22, Section 64580.

The new disinfection requirement under Section II.3.C.5 of GO 103-A requires water utilities to obtain DPH's or the County Health's permission before returning the line to service. DWA reviewed DPH's disinfection requirements, Waterworks Standards, California Code of Regulations, Title 22, Section 64580 and DPH requires that water mains that are taken out of service for maintenance or repairs be disinfected and sample for bacteriological quality in accordance with the American Water Works Association (AWWA.) The new GO 103-A disinfection requirement goes beyond what DPH currently requires, and DWA does not find a reason for having a more stringent

¹Regulations adopted by DPH that take cognizance of the latest available "Standards of Minimum Requirements for Safe Practice in the Production and Delivery of Water for Domestic Use" adopted by the California section of the American Water Works Association (Section 116275 of the Health and Safety Code.) The Waterworks Standards may be found in Title 22, Division 4, Chapter 16, of the California Code of Regulations.

requirement, especially if it is not feasible to implement. DWA therefore recommends modifying the GO 103-A disinfection requirement in Section II.3.C.5 as follows:

from

“disinfection of mains, and the Department’s or County Health’s permission to return the line to service

to

“disinfection of mains that have been taken out of service for maintenance or repair shall be disinfected and sample for bacteriological quality in accordance with AWWA Standard C651-05;”

DWA believes that the recommended revised language meets the intent of the original language which is to require water utilities to disinfect mains prior to placing them back into service and therefore recommends the adoption of this revised language.

GO 103-A Revision to Reflect the Metering Requirement Established by Assembly Bill 975

Assembly Bill (AB) 975 was approved on October 11, 2009. AB 975 added Public Utilities Code Section 781.5, and repealed and added Section 781. The revisions are discussed in the background section of this Resolution.

GO 103-A Section IV.1.A, currently reads:

“Consistent with the requirements of Public Utilities Code Section 781, which generally requires the Commission to hold a hearing and make certain findings before customers who were unmetered on January 1, 1979 can be required to have a meter, all water provided by a utility shall be metered, except that the utility may, after authorization has been obtained from the Commission, provide flat rate or estimated service.”

Based on the new Section 781.5 which replaced Section 781, DWA recommends the following language modification:

“Consistent with the requirements of Public Utilities Code Section 781.5, which generally requires the Commission to hold a hearing and make certain findings before customers can be required to have a meter, all water provided by a utility shall be metered, except that the utility may, after authorization has been obtained from the Commission, provide flat rate or estimated service.”

This revised language updates the Section reference and also eliminates the January 1, 1979 reference which has been deleted in the new Section 781.5.

Attachment A shows specifically shows the revision and how the new subsections would be incorporated into Section IV.1.A of GO 103-A.

COMMENTS

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

FINDINGS

1. GO 103-A was adopted by the Commission on September 10, 2009, which revised and updated GO 103.
2. Section II.3.C.5, requires water utilities (utilities) to disinfect water mains and to obtain DPH's or County Health's permission prior to placing the main(s) back into service.
3. DPH has indicated that requiring water utilities to obtain their permission before bringing the water main(s) back into service is unfeasible to implement because of the large numbers of water mains that utilities repair at any given time, and the lack of staff or resources to implement this new requirement.
4. DWA recommends making this requirement consistent with DPH's water main disinfection requirements set-forth in its Waterworks Standards, California Code of Regulations, Title 22, Section 64580.
5. Assembly Bill (AB) 975 was approved on October 11, 2009, which added Public Utilities Code Section (Section) 781.5, and repealed and added Section 781.
6. Section 781.5 allows the Commission to require water utilities with less than 500 service connections, or residential, commercial, industrial, or institutional customer to install a water meter, if after a public hearing is held the Commission finds that *any* of the three requirements under the original Section 781 are met.
7. DWA recommends incorporating the new metering requirements approved by AB 925 into Section IV.1.A of GO 103-A.

THEREFORE IT IS ORDERED THAT:

1. The disinfection requirement of main(s) established in the Minimum Standards of Repairs Section II.3.C.5 of General Order (GO) 103-A is revised as follows:
from "disinfection of mains, and the Department's or County Health's permission to return the line to service

to

"disinfection of mains that have been taken out of service for maintenance or repair shall be disinfected and sample for bacteriological quality in accordance with AWWA Standard C651-05;"

2. Section IV.1.A is revised as follows:

from

"Consistent with the requirements of Public Utilities Code Section 781, which generally requires the Commission to hold a hearing and make certain findings before customers who were unmetered on January 1, 1979 can be required to have a meter, all water provided by a utility shall be metered, except that the utility may, after authorization has been obtained from the Commission, provide flat rate or estimated service."

to

"Consistent with the requirements of Public Utilities Code Section 781.5, which generally requires the Commission to hold a hearing and make certain findings before customers can be required to have a meter, all water provided by a utility shall be metered, except that the utility may, after authorization has been obtained from the Commission, provide flat rate or estimated service."

DRAFT

Resolution W-4823
GO 103-A/RSK/PTL/MCV/jlj

January 21, 2010

3. This resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on January 21, 2010; the following Commissioners voting favorably thereon:

PAUL CLANON
Executive Director

Attachment A

Changes to General Order No 103-A

II. Standards of Service

3. Continuity of Service

C. Minimum Standards for Repairs

All repairs associated with a utility's water and wastewater system shall include, as a minimum:

(5) "disinfection of mains that have been taken out of service for maintenance or repair shall be disinfected and sample for bacteriological quality in accordance with AWWA Standard C651-05, and samples of the main(s) shall be negative for coliform bacteria prior to the main(s) being placed into service;"

IV. Measurement of Service

1. Method of Measuring Service

A. Metering

Consistent with the requirements of Public Utilities Code Section 781.5, which generally requires the Commission to hold a hearing and make certain findings before customers can be required to have a meter, all water provided by a utility shall be metered, except that the utility may, after authorization has been obtained from the Commission, provide flat rate or estimated service.

Attachment A

Changes to General Order No 103-A

II. Standards of Service

3. Continuity of Service

C. Minimum Standards for Repairs

All repairs associated with a utility's water and wastewater system shall include, as a minimum:

(5) "disinfection of mains that have been taken out of service for maintenance or repair shall be disinfected and sample for bacteriological quality in accordance with AWWA Standard C651-05, and samples of the main(s) shall be negative for coliform bacteria prior to the main(s) being placed into service;"

IV. Measurement of Service

1. Method of Measuring Service

A. Metering

Consistent with the requirements of Public Utilities Code Section 781.5, which generally requires the Commission to hold a hearing and make certain findings before customers can be required to have a meter, all water provided by a utility shall be metered, except that the utility may, after authorization has been obtained from the Commission, provide flat rate or estimated service.

(End of Attachment A)

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of draft Resolution W-4823 on all parties in these filings or their attorneys as shown on the attached list.

Dated December 22, 2009, at San Francisco, California.

/s/ Josie L. Jones

JOSIE L. JONES

Parties should notify the Division of Water and Audits, Public Utilities Commission, 505 Van Ness Avenue, Room 3106, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the Resolution number of the service list on which your name appears.

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