



GREAT OAKS WATER COMPANY

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August 3, 2017

California Public Utilities Commission
Division of Water and Audits
Room 3102
505 Van Ness Avenue
San Francisco, CA 94102-3298

**Advice Letter 265-W
Great Oaks Water Company (U-162-W)
To the California Public Utilities Commission**

Great Oaks Water Company (Great Oaks) submits this Tier 1 advice letter filing requesting the implementation of a surcharge to amortize the balance in Great Oaks' Monterey-Style Water Revenue Adjustment Mechanism Account (WRAM Account). The following tariff sheets implementing this surcharge are attached to this advice letter:

CPUC Sheet Number	Title	Canceling
846-W	Schedule No. 1 GENERAL METERED SERVICE SPECIAL CONDITIONS	845-W
847-W	TABLE OF CONTENTS	844-W

Summary and Request for Authorization to Impose Surcharge

Decision 10-11-034 authorized Great Oaks to establish a WRAM Account to track the difference between revenue Great Oaks receives for actual metered sales through tiered rates and revenue Great Oaks would have received through the uniform, single-quantity rates if such rates had been in effect.

Pursuant to Ordering Paragraph 9 of Decision 10-11-034, Great Oaks filed Advice Letter 202-W to establish the WRAM Account, and the Commission approved the WRAM Account effective March 8, 2011. Tariff sheets for the WRAM Account were last revised and updated, effective November 20, 2015, pursuant to Great Oaks' Advice Letter 248-W.

On four prior occasions, Great Oaks amortized the balance in this WRAM account. Great Oaks' Advice Letter 223-W was approved by the Commission with an effective date of May 13, 2012. Supplemental Advice Letter 229-W-A was approved by the Commission with an effective date of January 15, 2013. Advice Letter 242-W was approved by the Commission with an effective date of September 2, 2014. And Advice Letter 251-W was approved by the Commission with an effective date of January 19, 2016.

This Advice Letter 265-W is presented using the same format and the same methodology as the four advice letters referenced above.

Advice Letter 251-W amortized the remaining balances in three prior WRAM amortizations, plus the then outstanding balance in the WRAM Account itself. The total amount amortized through Advice Letter 251-W was \$358,626.46. The authorized surcharge was effective January 19, 2016, and lasted for a twelve-month period. Due, again, to lower water sales during the drought, the full amount authorized was not collected, resulting in a uncollected balance of \$115,571.35. Data evidencing the under-collection from Advice Letter 251-W is included in the attached AL 265 Workpapers at WP-1.

The current balance in the WRAM Account is \$347,403.20. See attached AL 265 Workpapers at WP-2.¹ The time period covered by the WRAM Account is from December 8, 2015 through June 26, 2017. The supporting calculations in the workpapers provides a week-by-week summary of the difference between the revenue Great Oaks actually received through quantity charges from Single-Family Residential Customers and what Great Oaks would have received under uniform quantity charges for the time periods specified in the authorized WRAM Account.

The combined amount to be amortized through this Advice Letter is the sum of the prior uncollected balance plus the current WRAM Account balance: \$462,974.55 (\$115,571.35 + \$347,403.20). This amount represents 2.95% of Great Oaks' total revenue requirement (\$15,687,216²) for the current rate year. Pursuant to D.10-11-034,

¹ Data supporting the information in the Workpapers is available upon request. The data will consist of billing entries for the time period covered by this Advice Letter. The amount of data is significant and cannot be sent via email. Upon request, a data disk will be provided.

² The total revenue requirement for the current rate year was authorized through Great Oaks' Advice Letter 260-W-A.

Great Oaks is authorized to recover the balance in the WRAM Account through a surcharge only on Single-Family Residential Customers.

Adopted water sales for single-family residential customers for the July 1, 2017 to June 30, 2018 rate year are 2,591,715 ccf.³ The surcharge to amortize the combined WRAM balances calculates to \$0.1786 per ccf (\$462,974.55/2,591,715).

Great Oaks requests authority to implement this surcharge on all water delivered to single-family residential customers for a twelve-month period beginning September 5, 2017.

All Single-Family Residential Customers will be subject to the surcharge for a twelve-month period. With the surcharge, the average bi-monthly bill for a Single-Family Residential Customers with a 5/8"x3/4" meter using 11 ccf of water per month will increase by 4.38% from \$95.77 to \$99.96, as shown below.

Bill Comparison

Current Charges			Post AL 265-W Charges		
Service Charge	2 X \$8.33	\$16.66	Service Charge	2 X 8.33	\$16.66
0 – 13 ccf	13 X \$2.6869	34.93	0 – 13 ccf	13 X \$2.6869	34.93
13 – 22 ccf	9 X \$2.9101	26.19	13 – 22 ccf	9 X \$2.9101	26.19
LICAP Srch	22 X \$0.0293	0.64	LICAP Srch	22 X \$0.0293	0.64
Pump Tax Srch	22 X \$0.5225	11.50	Pump Tax Srch	22 X \$0.5225	11.50
			AL 265-W Srch	22 X \$0.1786	3.93
Sub-Total		\$89.92	Sub-Total		\$93.85
PUCURA Fee	1.44%	1.29	PUCURA Fee	1.44%	1.35
Sub-Total		\$91.21	Sub-Total		\$95.20
San Jose Tax	5.0%	4.56	San Jose Tax	5%	4.76
Total		\$95.77	Total		\$99.96

Tier Designation

Pursuant to General Order 96-B and Water Industry Rule 8.5, this is a Tier 1 advice letter seeking the amortization of balancing or balancing-type accounts.

Requested Effective Date

Great Oaks requests that tariff sheets authorized through this Advice Letter 265-W be effective as of September 5, 2017.

Notice

Great Oaks published notice of Advice Letter 265-W in the San Jose Mercury News, a newspaper of local circulation, pursuant to General Order 96-B, Water Industry Rule 3.1. A copy of the published notice will be provided to the Water Division as soon as it is available.

³ Advice Letter 260-W-A.

Response or Protest

Anyone may protest and respond to this advice letter. A response supports the filing and may contain information that proves useful to the Commission in evaluating the advice letter. A protest objects to the advice letter in whole or in part and must set forth specific grounds on which it is based. These grounds may be based upon the following:

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

Any protest or response must be made in writing or by electronic mail and must be received by the Commission's Division of Water and Audits within 20 days of the date this advice letter is filed. The advice letter process does not provide for any protests, responses or other comments, except for a reply by Great Oaks, after the 20-day comment period expires. The address for mailing or delivering a protest or response is:

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

On the same date any protest or response is submitted to the Water Division, the protesting or responding person, entity or party must serve a copy of the protest or response on Great Oaks addressed to:

Timothy S. Guster
Great Oaks Water Co.
PO Box 23490
San Jose, CA 95153
Telephone: (408) 227-9540
Facsimile: (408) 227-7126
Email: tguster@greatoakswater.com

Great Oaks Water Company

/s/

Timothy S. Guster
General Counsel
Legal and Regulatory Affairs

cc: Ting-Pong Yuen, DRA

VERIFICATION

I am an officer of the Great Oaks Water Company, and am authorized to make this verification on its behalf. The statements in the foregoing document, Great Oaks Water Co.'s Advice Letter 265-W, are true of my own knowledge, except as to matters which are therein stated on information and belief, and as to those matters I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 3, 2017 at San Jose, California.

/s/
Timothy S. Guster

Certificate of Service

I hereby certify that I have this day served a copy of Great Oaks Water Co.'s Advice Letter 265-W on the parties listed on the following Distribution List by mailing a properly addressed copy by first class mail with postage prepaid. Exhibits are available upon request.

Executed on August 3, 2017 at San Jose, California.

/s/
Timothy S. Guster

Great Oaks Water Co.
Distribution List

Municipal Water System*
City of San Jose
3025 Tuers Road
San Jose, CA 95121

County Clerk*
County of Santa Clara
70 W. Hedding Street
San Jose, CA 95110

Safe Drinking Water Office*
Department of Water Resources
1416 9th Street, Room 804
Sacramento, CA 95814

Office of Regulatory Affairs*
California Water Service Company
1720 North First Street
San Jose, CA 95112
(via email to rateshelp@calwater.com)

Santa Clara Valley Water District*
5750 Almaden Expressway
San Jose, CA 95118

Raminder Kahlon
Water Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Office of Ratepayer Advocates
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Ting-Pong Yuen
Office of Ratepayer Advocates
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Legal Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102-3214

Regulatory Affairs*
San Jose Water Company
110 West Taylor Street
San Jose, CA 95156

*Workpapers not included, but are available upon request to
tguster@greatoakswater.com.

Schedule No. 1
GENERAL METERED SERVICE
(Continued)

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth in Schedule No. UF.
2. To provide ongoing funding for the Utility's Low Income Customer Assistance Program (LICAP), as described in Tariff Rule 22, a surcharge of \$0.0293 will be added to the Quantity Charge for all customers except LICAP participants.
3. To offset the higher Pump Tax imposed by the Santa Clara Valley Water District, effective, July 1, 2016, a surcharge of \$0.3298 per 100 cu.ft. will be added to the Quantity Charge for each customer for all water delivered on and after July 1, 2016 through June 30, 2017.
4. To refund a net over-collection in authorized balancing and memorandum accounts, a credit in the total amount of \$33.73 will be applied to the service charge portion of each customer's bill over a period of four billing cycles. The amount of the credit per billing cycle will be \$8.43 in each of the first three billing cycles and \$8.44 in the fourth billing cycle. Only customers with accounts established by December 31, 2016 will receive the credit against the service charge.
5. To offset the higher Pump Tax imposed by the Santa Clara Valley Water District, effective, July 1, 2017, a surcharge of \$0.5225 per 100 cu.ft. will be added to the Quantity Charge for each customer for all water delivered on and after July 1, 2017.
6. To amortize the balance in the Monterey-style Water Revenue Adjustment Mechanism Account and related balancing account, a surcharge of \$0.1786 per 100 cu.ft. will be added to the Quantity Rate for single-family residential customers for all water delivered beginning September 5, 2017 for a twelve-month period. (N) | (N)

(To be inserted by utility)

Issued by

(To be inserted by Cal. P.U.C.)

Advice Letter No. 265-W

Timothy S. Guster

Date Filed _____

Decision No D.10-11-034; D.16-05-041

General Counsel

Effective _____

Resolution No. _____

NAME
TITLE

TABLE OF CONTENTS

The following listed tariff sheets contain all effective rates and rules affecting the charges and service of the utility, together with other pertinent information.

<u>Subject Matter of Sheet</u>	<u>Cal. P.U.C. Sheet No.</u>
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(To be inserted by utility)

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