



GREAT OAKS WATER COMPANY

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November 18, 2019

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

**Advice Letter 280-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
889-W	Schedule No. 1 GENERAL METERED SERVICE SPECIAL CONDITIONS	879-W
890-W	TABLE OF CONTENTS	888-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 five 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. Advice Letter 251-W was approved by the Commission with an effective date of January 19, 2016. And Advice Letter 265-W was approved by the Commission with an effective date of September 5, 2017.

This Advice Letter 280-W is presented using the same format and the same methodology as the five advice letters referenced above.

Advice Letter 265-W amortized the remaining balance from the Advice Letter 251-W amortization, plus the then outstanding balance in the WRAM Account itself. The total amount amortized through Advice Letter 265-W was \$347,403.20. The authorized surcharge was effective September 5, 2017 and lasted for a twelve-month period. Due to water sales than the adopted sales quantities for Great Oaks' Single-Family Residential Customers, the full amount authorized was not collected, resulting in an uncollected balance of \$55,186.30. Data evidencing the under-collection from Advice Letter 265-W is included in the attached AL 280-W Workpapers at WP-1.

The current balance in the WRAM Account is \$548,066.19. See attached AL 280-W Workpapers at WP-2. The time period covered by the WRAM Account is from July 5, 2017 through September 25, 2019 (the end of the first billing period after the issuance of D.19-09-010 adopting the Settlement Agreement in Great Oaks' 2018 General Rate Case). 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: \$603,252.49 (\$55,186.30 + \$548,066.19). This amount represents 2.90% of Great Oaks' total revenue requirement (\$20,836,321¹) for the current rate year. Pursuant to D.10-11-034, Great Oaks is authorized to recover the balance in the WRAM Account through a surcharge only on Single-Family Residential Customers.

¹ The total revenue requirement for the current rate year was authorized through D.19-09-010, issued September 19, 2019.

Adopted water sales for Single-Family Residential Customers for the July 1, 2019 to June 30, 2020 rate year are 2,367,852 ccf.² The surcharge to amortize the combined WRAM balances calculates to \$0.2548 per ccf (\$603,252.49/2,367,852).

Great Oaks requests authority to implement this surcharge on all water delivered to single-family residential customers for a twelve-month period beginning January 2, 2020.

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 6.92% from \$86.03 to \$91.98, as shown below.

Bill Comparison

Current Charges			Post AL 280-W Charges		
Service Charge	2 X \$14.91	\$29.82	Service Charge	2 X \$14.91	\$29.82
0 – 6 ccf	6 X \$1.3024	7.82	0 – 6 ccf	6 X \$1.3024	7.82
7 – 24 ccf	16 X \$2.6048	41.68	7 – 24 ccf	16 X \$2.6048	41.68
LICAP Srch	22 X \$0.0734	1.61	LICAP Srch	22 X \$0.0734	1.61
			AL 280-W Srch	22 X \$0.2548	5.61
Sub-Total		\$80.93	Sub-Total		\$86.54
PUCURA Fee	1.23%	1.00	PUCURA Fee	1.23%	1.06
Sub-Total		\$81.93	Sub-Total		\$87.60
San Jose Tax	5.0%	4.10	San Jose Tax	5%	4.38
Total		\$86.03	Total		\$91.98

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 280-W be effective as of January 2, 2020.

Notice

Great Oaks published notice of Advice Letter 280-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 notice provided to the Mercury News is attached. A copy of the published notice will be provided to the Water Division as soon as it is available.

Response or Protest

² D.19-09-010.

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: Richard Rauschmeier, California Public Advocates Office
Tayeb Mogri, Water Division

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

Tayeb Mogri
Water Division
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

Richard Rauschmeier (via email)
California Public Advocates Office
505 Van Ness Avenue
San Francisco, CA 94102

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 \$0.0734 will be added to the Quantity Charge for all water delivered to non-LICAP participants on and after July 1, 2019.
3. To amortize the balance in the Monterey-Style Water Revenue Adjustment Mechanism Account and related balancing account, a surcharge of \$0.2548 per 100 cu.ft. will be added to the Quantity Rate for single-family residential customers for all water delivered beginning January 2, 2020. 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. 280-W

Timothy S. Guster
NAME

Date Filed _____

Decision No. D.10-11-034; D.19-09-010

General Counsel
TITLE

Effective _____

Resolution No. _____

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>	
Title Page	346-W	
Table of Contents	890-W, 354-W	(C)
Preliminary Statement	347-W, 348-W, 465-W, 466-W, 785-W, 876-W, 742-W, 743-W 783-W, 794-W, 795-W, 837-W, 841-W, 850-W, 885-W, 887-W	
Service Area Map	644-W to 670-W	
Rate Schedules:		
Schedule No. 1, General Metered Service	877-W, 878-W, 889-W	(N)
Schedule No. 3M, Irrigation Service	880-W, 881-W	
Schedule No. 4, Private Fire Protection Service	882-W	
Schedule No. 5, Public Fire Hydrant Service	3-W	
Schedule No. 6, Contract Resale Service	883-W, 884-W	
Schedule No. 9C, Construction Flat Rate Service	817-W, 818-W	
Schedule No. 14.1 Mandatory Water Conservation	768-W, 814-W, 815-W, 771-W, 772-W, 773-W	
Schedule UF, Surcharge to Fund Public Utilities Commission Reimbursement Fee	870-W	
Summary List of Contracts & Deviations	477-W	
Rules:		
No. 1 Definitions	254-W, 255-W	
No. 2 Description of Services	191-W	
No. 3 Application for Service	10-W, 503-W, 600-W	
No. 4 Contracts	11-W	
No. 5 Special Information Required on Forms	365-367-W	
No. 6 Establishment and Re-establishment of Credit	14-W	
No. 7 Deposits	601-W, 602-W	
No. 8 Notices	368-W, 369-W	
No. 9 Rendering and Payment of Bills	18-W, 19-W, 598-W, 787-W	
No. 10 Disputed Bills	260-W, 261-W	
No. 11 Discontinuance and Restoration of Service	370-375-W, 596-W, 377-W	
No. 12 Information Available to Public	25-W, 26-W	
No. 13 Temporary Service	27-W, 28-W	
No. 14 Continuity of Service	29-W	
No. 14.1 Water Conservation and Rationing Plan	540-543-W	
No. 15 Main Extensions	232-234-W, 349-W, 236-245-W, 852-W	
No. 16 Service Connections, Meters and Customers' Facilities	324-W, 350-W, 351-W, 327-330-W	
No. 17 Standards for Measurement of Service	352-W	
No. 18 Meter Tests and Adjustment of Bills for Meter Error	43-45-W	
No. 19 Service to Separate Premises and Multiple Units, Resale of Water	279-W, 854-W	
No. 20 Water Conservation	538-W	
No. 21 Fire Protection	537-W	
No. 22 Low Income Customer Assistance Program	490-W	

(To be inserted by utility)

Issued by

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

Advice Letter No. 280-W

Timothy S. Guster

Date Filed _____

Decision No. D.10-11-034; D.19-09-010

VP & General Counsel

Effective _____

TITLE

Resolution No. _____

**GREAT OAKS WATER COMPANY NOTICE OF PROPOSED SURCHARGE
TO COLLECT BALANCE IN AUTHORIZED WRAM ACCOUNT**

Great Oaks Water Company (Great Oaks) has filed Advice Letter 280-W (AL 280-W) with the California Public Utilities Commission (Commission) requesting authorization to implement a surcharge on existing water rates for single-family residential customers.

The AL 280-W surcharge is to recover the balances in Great Oaks' authorized Monterey-style Water Revenue Adjustment Mechanism (WRAM) Account and its associated balancing account. The WRAM Account was authorized in connection with the implementation of a Commission-mandated pilot program for conservation (tiered) rates for Great Oaks' single-family residential customers. The WRAM Account tracks the difference between the revenues Great Oaks received under conservation rates and the revenue Great Oaks would have received under uniform rates. The WRAM and its associated balancing account had a combined balance of \$603,252.49 as of September 25, 2019. Great Oaks has requested that the surcharge be effective for a twelve-month period beginning January 2, 2020. The amount of the surcharge is \$0.2548 per 100 cu.ft. (CCF) of water used.

The bi-monthly bill for an average single-family residential customer with a 5/8" x 3/4" meter using 11 CCF of water per month will increase by 6.92% from \$86.03 to \$91.98 as a result of the requested surcharge.

Protests and Responses: 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 Letters. 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 Letters; or
- (2) The relief requested in the Advice Letters would violate a statute or Commission order, or is not authorized by statute or Commission order on which the utility relies; or
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- (5) The relief requested in the Advice Letters requires consideration in a formal hearing, or is otherwise inappropriate for the Advice Letter process; or
- (6) The relief requested in the Advice Letters 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).

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

On the same date 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., 20 Great Oaks Blvd. Suite 120, San Jose, CA 95119, 408-227-9540, 408 227-7126 (fax), tguster@greatoakswater.com.