

GREAT OAKS WATER COMPANY

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April 29, 2020

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

Advice Letter 288-W Great Oaks Water Company (U-162-W) to the California Public Utilities Reporting on Compliance with Resolution M-4842

Great Oaks Water Company (Great Oaks) transmits this Tier 2 advice letter filing showing compliance with California Public Utilities Commission (Commission) Resolution (Res.) M-4842.

Background

Res. M-4842 provides:

The water and sewer corporations subject to this Resolution shall take the following immediate actions. To the extent that they have not already done so in response to the Executive Director's March 17, 2020 letter, or to the extent to which their response was not fully responsive to the requirements of this Resolution, the water and sewer corporations subject to this Resolution shall file a Tier 2 Advice Letter no later than 15 days after this Resolution's approval demonstrating compliance to the Commission's Water Division.

This Advice Letter 288-W is submitted in compliance with Res. M-4842.

Great Oaks previously filed Advice Letter 285-W on March 20, 2020 showing compliance with Executive Director Stebbins' March 17, 2020 letter, which specifically included all applicable provisions of Commission Decision (D.) 19-07-015.

Advice Letter 285-W was approved on April 6, 2020 by the Commission's Water Division.

Also of note is the fact that Great Oaks activated its authorized CEMA₁ account for the COVID-19 emergency by letter sent to Executive Director Stebbins on March 19, 2020, with an effective date of March 4, 2020. Great Oaks' CEMA was activated in accord with the authorized tariff terms and conditions.

Compliance with Res. M-4842

Res. M-4842 instructs water corporations subject to the Resolution to take seven (7) immediate actions listed on page 7 of the Resolution. Great Oaks has already acted upon the first five listed actions and reported on the same to the Commission. In this regard, Great Oaks' approved Advice Letter 285-W is incorporated by reference herein.

The question remains whether listed actions 6 and 7 of Res. M-4842 are applicable. Those actions are described in Res. M-4842 as follows:

6. waive bills for victims who lost their homes or if their homes are rendered uninhabitable; and

7. authorize a pro rata waiver of any fixed element of a water bill for the time that the home is uninhabitable, even if the reason for it being uninhabitable is not loss of water service.2

Both actions 6 and 7 of Res. M-4842 appear to come from Res. M-48333 and D.19-07-015.4 Whether actions 6 and 7 of Res. M-4842 apply to the COVID-19 emergency most likely depend upon the interpretation of the language of customer protections originally designed for customers impacted by wildfires.

For action 6, the language "victims who lost their homes of if their homes are rendered uninhabitable" appears to stem from Res. M-4833, which included the following action item number 6 among the immediate actions required by that Resolution:

- 1 Catastrophic Event Memorandum Account.
- ² Res. M-4842, at page 7.
- 3 Res. M-4833 is entitled "Emergency Authorization and Order Directing Utilities to Implement Emergency Customer Protections to Support Residential Customers of the October 2017 California Wildfires."
- 4 D.19-07-015 is entitled "Decision Adopting an Emergency Disaster Relief Program for Electric, Natural Gas, Water and Sewer Utility Customers."

6. Waive bills for October for those customers who lost their homes in the fires. Costs of lost revenues may be included in the appropriate CEMA account.

While it is relatively easy to understand the loss of a home in a fire, the meaning of "lost their homes" in the context of the COVID-19 emergency does not come so easily. To the extent the language "lost their homes" in action item number 6 of Res. M-4842 means total destruction of the structure, Great Oaks does not believe this applies to COVID-19 for, as pointed out in Res. M-4842, "[t]he COVID-19 pandemic represents a different type of emergency," where the threat is a virus rather than a wildfire.

To the extent, however, that the language "lost their homes" in the context of COVID-19 means that customers "lost their homes" due to the financial crisis brought about by the government response to COVID-19 (e.g., inability to make rent or mortgage payments due to unemployment or the financial ruin of an otherwise viable business, resulting in eviction or foreclosure), then Great Oaks will apply customer protection number 6 in that situation and record bill amounts so waived in its already-activated CEMA account.

The language about homes being rendered "uninhabitable" in both action items 6 and 7 of Res. M-4842 also seems to stem from the proceedings for R.18-03-011. In D.19-07-015, comments filed by Joint Consumerss in R.18-03-011 about a home being "uninhabitable" due to wildfires are referenced with respect to water utility customers.6

To date, Great Oaks is unaware of any scientific findings suggesting that homes become "uninhabitable" because of COVID-19. However, in the unlikely event Great Oaks customers allege that their homes have become "uninhabitable" due to COVID-19, and sufficient evidence is provided supporting those assertions, Great Oaks will apply the provisions of customer protection numbers 6 and 7 to that situation and record any such pro rata waivers in its already-activated CEMA account.

Compliance with other State Statutes and Applicable Regulations

Res. M-4842 also directs water corporations subject to the Resolution "to ensure compliance with existing statutes, regulations, ordinances and work in cooperation with all appropriate California, federal, and local government agencies."⁷

Great Oaks is, in fact, in compliance with all such statutes and regulations and is working in cooperation with all state, federal, and local government agencies, including the Commission.

⁵ Joint Consumers is the moniker adopted by the combination of the Center for Accessible Technology, The Utility Reform Network, and the National Consumer Law Center in R.18-03-011.

⁶ See, e.g., D.19-07-015, at page 42.

⁷ Res. M-4842, at page 10.

No Effect on Water Service

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

Tier Designation

This is a Tier 2 Advice Letter pursuant to Res. M-4842.

Notice and Service

The Advice Letter is being published on Great Oaks' website and is being served upon the Distribution List provided below.

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 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 relitigating 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 Water Division of the Commission 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, 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., PO Box 23490, San Jose, CA 95153, 408-227-9540, 408 227-7126 (fax), email: tguster@greatoakswater.com.

Great Oaks Water Company

/s/

Timothy S. Guster Vice President and General Counsel

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 288-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 April 29, 2020 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 288-W on the parties listed on the following Distribution List by mailing a properly addressed copy by first class mail with postage prepaid or by email to those marked with an asterisk (*).

Executed on April 29, 2020 at San Jose, California.

_____/s/_ Timothy S. Guster

Great Oaks Water Co. Distribution List

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