

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Application of Great Oaks Water Company (U-162-W) for an Order authorizing it to increase rates charges for water service by \$2,618,705 or 12.05% in 2022, by \$1,762,136 or 7.23% in 2023, and by \$1,879,770 or 7.20% in 2024.	}	Application No. 21-07-001 Filed: July 1, 2021
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**JOINT STATEMENT OF GREAT OAKS WATER COMPANY  
AND THE PUBLIC ADVOCATES OFFICE IN COMPLIANCE WITH  
JANUARY 3, 2022 E-MAIL RULING**

In compliance with the January 3, 2022 E-Mail Ruling Providing Guidance and Instructions for Remote Hearings and Requiring Certain Actions of the Parties (E-Mail Ruling), Applicant Great Oaks Water Company (“Great Oaks”) and the Public Advocates Office (“Cal Advocates”) (collectively referred to as “the Parties”) hereby provide their joint statement concerning resolved issues, issues requiring evidentiary hearings, witnesses and testimony, and motions.

**I. Stipulations Regarding Resolved Issues**

Great Oaks and Cal Advocates stipulate and agree that issues listed and described on the following attached tables have been resolved.

- General Issues and Memorandum and Balancing Accounts
- Stipulations – Operations & Maintenance Expenses, Administrative & General Expenses, and Taxes
- Rate Base and Plant-in-Service Additions
- Water Sales Forecast, Customers, Rate Design

**II. Stipulations Regarding Issues Requiring Evidentiary Hearing**

Great Oaks and Cal Advocates stipulate that the issues on the attached document entitled “Issues Requiring Evidentiary Hearing” are those issues the parties were required to identify under item 7 of the E-Mail Ruling.

### **III. Stipulations Regarding Witnesses and Testimony**

Great Oaks and Cal Advocates stipulate as to witnesses, testimony, and exhibits subject to such testimony as shown on the attached document entitled “January 31, 2022 Evidentiary Hearing – Witnesses, Testimony, and Exhibits.” The parties expect that they will be able to complete their intended examination of witnesses and conclude the evidentiary hearing on January 31, 2022.

### **IV. Exhibit Index**

The attached Exhibit Index provides the required information on the Exhibits for the respective parties, all of which are to be admitted into evidence without objection.

### **V. Additional Information**

In compliance with item 13 of the E-Mail Ruling, the attorneys for Great Oaks and Cal Advocates who will actively participate in the remote hearing are listed below.

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Date: January 24, 2022

Respectfully submitted,

Applicant Great Oaks Water Company

Public Advocates Office

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/s/  
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**A.21-07-001 Stipulations  
General Issues  
Memorandum and Balancing Accounts**

Issue and Stipulation	Issue Raised by	Citations to Supporting Evidence
1. Great Oaks Water Company (Great Oaks) is a California business with its principal place of business located at 20 Great Oaks Boulevard, Suite 120, San Jose, CA 95119. Great Oaks is owned by John Roeder and the John W.S. Roeder Continuing Trust.	Applicant	A.21-07-001 Application, p. 1; D.21-01-008.
2. Great Oaks is engaged in the business of supplying and distributing potable water for domestic, commercial, industrial, municipal, and irrigation purposes in portions of the City of San Jose and in contiguous territory of Santa Clara County, California. Great Oaks is a Class A water utility because it has more than 10,000 customers.	Applicant	A.21-07-001, p. 2.
3. Great Oaks' State of California operating revenues in Calendar Year 2020 were \$24,021,299.	Applicant	2020 Annual Report of Great Oaks Water Company to the Public Utilities Commission, State of California, for the Year Ended December 31, 2020.
4. Great Oaks is in compliance with all water quality regulations and requirements, and Great Oaks' water quality meets all applicable state and federal drinking water standards and provisions of the California Public Utilities Commission (Commission) General Order No. 103.	Applicant	Exhibit GOWC-1: Report on Results of Operations, Chapter 3; Exhibit CA-1: Report on Great Oaks Water Company's Fiscal Test Year 2022-2023 General Rate Case Application, p. 11-4.
5. Great Oaks is in compliance with all applicable Commission General Orders, Water Industry Rules, and Ordering Paragraphs.	Applicant	A.21-07-001, pp. 6-7.

<p>6. Great Oaks has complied with all notice requirements pertaining to A.21-07-001, including Rule 3.2 of the Commission’s Rules of Practice and Procedure.</p>	<p>Applicant</p>	<p>A.21-07-001: Great Oaks Water Company (U-162-W) Proof of Compliance with Rule 3.2, filed and served on September 3, 2021.</p>
<p>7. In the period of time since the filing of Great Oaks’ last general rate case application (A.18-07-002), Great Oaks’ service quality is in accord with the standard performance measure set by the Commission for complaints filed with the Commission’s Consumer Affairs Branch (the standard being less than, or equal to, 0.1% of the Company’s total customers). During that period of time, there have been zero (0) formal complaints filed with the Consumer Affairs Branch.</p>	<p>Applicant</p>	<p>GOWC-1: Chapter 3, pp. 10-11.</p>
<p><b>Memorandum and Balancing Accounts</b>  The parties agree on the continuation and disposition of the following memorandum and balancing accounts. Memorandum and balancing accounts not addressed below or that were authorized since the filing of A.21-01-007 are unaffected by these agreements.</p> <p>1. <b>Incremental Cost Balancing Accounts:</b>  Great Oaks has three statutory incremental balancing accounts authorized under Public Utilities Code §792.5: Pump Tax, Non-Agricultural Service; Pump Tax, Agricultural Service; and Purchased Power. All three of the incremental cost balancing accounts are just, and reasonable. The parties agree that Great Oaks is authorized to amortize the balances in these accounts following a final decision issued in this proceeding through a Tier 2 Advice</p>	<p>Applicant</p>	<p>A.21-07-001 Application, pp. 7-9; Exhibit GOWC-5 Rebuttal Testimony, pp. 43-50; Exhibit CA-1, pp. 8-1 – 8-12.</p>

<p>Letter filing. The balances in these accounts may be combined with balances in other authorized memorandum and balancing accounts for purposes of amortization, as appropriate.</p>		
<p><b>2. Pump Tax, Non-Agricultural Service Statutory Balancing Account.</b> The parties agree that Great Oaks is authorized to maintain and to continue to maintain this balancing account and that doing so is just and reasonable.</p>	<p>Applicant</p>	<p>A.21-07-001 Application, pp. 7-9; Exhibit GOWC-5 Rebuttal Testimony, pp. 43-50; Exhibit CA-1, pp. 8-1 – 8-12.</p>
<p><b>3. Pump Tax, Agricultural Service Balancing Account.</b> The parties agree that Great Oaks is authorized to maintain and to continue to maintain this balancing account and that doing so is just and reasonable.</p>	<p>Applicant</p>	<p>A.21-07-001 Application, pp. 7-9; Exhibit GOWC-5 Rebuttal Testimony, pp. 43-50; Exhibit CA-1, pp. 8-1 – 8-12.</p>
<p><b>4. Purchased Power Balancing Account.</b> The parties agree that Great Oaks is authorized to maintain and to continue to maintain this balancing account and that doing so is just and reasonable.</p>	<p>Applicant</p>	<p>A.21-07-001 Application, pp. 7-9; Exhibit GOWC-5 Rebuttal Testimony, pp. 43-50; Exhibit CA-1, pp. 8-1 – 8-12.</p>
<p><b>5. Customer Assistance Program Surcharge Balancing Account</b> (formerly Low Income Customer Surcharge Program Surcharge Balancing Account). The parties agree that Great Oaks is authorized to maintain and to continue to maintain this balancing account and that doing so is just and reasonable. The parties agree that the terms and conditions of this balancing account shall be revised to change the name of the program in compliance with D.20-08-047.</p>	<p>Applicant</p>	<p>A.21-07-001 Application, pp. 7-9; Exhibit GOWC-5 Rebuttal Testimony, pp. 43-50; Exhibit CA-1, pp. 8-1 – 8-12.</p>
<p><b>6. Monterey-Style Water Revenue Adjustment Mechanism.</b> The parties agree that Great Oaks is authorized to maintain and to</p>	<p>Applicant</p>	<p>A.21-07-001 Application, pp. 7-9; Exhibit GOWC-5 Rebuttal Testimony, pp. 43-50; Exhibit CA-1, pp. 8-1 – 8-12.</p>

continue to maintain this balancing account and that doing so is just and reasonable.		
<b>7. Water Cost of Capital Adjustment Mechanism.</b> The parties agree that it is just and reasonable for this account to continue to be maintained by Great Oaks.	Applicant	A.21-07-001 Application, pp. 7-9; Exhibit GOWC-5 Rebuttal Testimony, pp. 43-50.
<b>8. Drinking Water Fees Memorandum Account.</b> The parties agree that it is just and reasonable for this account to continue to be maintained by Great Oaks. The current version of this account is as authorized through Great Oaks' Advice Letter 306-W, with an effective date of November 29, 2021.	Applicant	A.21-07-001 Application, pp. 7-9; Exhibit GOWC-5 Rebuttal Testimony, pp. 43-50; Great Oaks Water Company Advice Letter 306-W and Water Division disposition thereof.
<b>9. School Lead Testing Memorandum Account.</b> The parties agree that it is just and reasonable for this account to continue to be maintained by Great Oaks.	Applicant	A.21-07-001 Application, pp. 7-9; Exhibit GOWC-5 Rebuttal Testimony, pp. 43-50.
<b>10. Catastrophic Event Memorandum Account (October 2019 PSPS Events):</b> The parties agree that this memorandum account should be amortized and closed following a final decision rendered in this proceeding. The amount to be amortized will be determined using a closing date of July 1, 2022. The amount being amortized in this account may be combined with other memorandum and/or balancing accounts being amortized, as appropriate.	Applicant Cal Advocates	A.21-07-001 Application, pp. 7-9; Exhibit GOWC-5 Rebuttal Testimony, pp. 43-50.
<b>11. Catastrophic Event Memorandum Account (COVID-19 Pandemic Emergency).</b> The parties agree that it is just and reasonable for this account to continue to be maintained by Great Oaks.	Applicant	A.21-07-001 Application, pp. 7-9; Exhibit GOWC-5 Rebuttal Testimony, pp. 43-50.

<p><b>12. Paycheck Protection Program Loan Memorandum Account.</b> The parties agree that Great Oaks is authorized to maintain this account until a decision is made whether the loan received by Great Oaks is forgiven. When the loan is or is not forgiven, the account shall be closed with no recovery permitted from ratepayers.</p>	<p>Applicant Cal Advocates</p>	<p>A.21-07-001 Application, pp. 7-9; Exhibit GOWC-5 Rebuttal Testimony, pp. 43-50; Exhibit CA-1, pp. 8-1 – 8-12.</p>
<p><b>13. Close “Account 800 – Outside GRC Expense”.</b> The parties agree that Great Oaks should not use “Account 800 – Outside GRC Expense” to estimate test year A&amp;G Expenses in this GRC or future GRCs and that the account should be closed.</p>	<p>Cal Advocates</p>	<p>Exhibit CA-1, pp. 7-4 – 7-5.</p>
<p><b>14. Account 797 – Commission Expenses.</b> The parties agree to adopt Cal Advocates’ proposed Account 797 – Commission Expenses budget.</p>	<p>Cal Advocates</p>	<p>Exhibit CA-1, pp. 7-1 – 7-13</p>
<p><b>15. Account 792 – Office Expenses.</b> The parties agree to adopt Great Oaks’ proposed Account 792 – Office Expenses budget for TY 2022/2023.</p>	<p>Cal Advocates</p>	<p>Exhibit CA-1, pp. 7-1 – 7-13</p>
<p><b>16. Account 799 – Misc. Expenses.</b> The parties agree to adopt Great Oaks’ proposed Account 799 – Misc. Expenses budget for TY 2022/2023.</p>	<p>Cal Advocates</p>	<p>Exhibit CA-1, pp. 7-1 – 7-13</p>
<p><b>17. Account 805 – General Plant Maintenance.</b> The parties agree to adopt Great Oaks’ proposed Account 805 – General Plant Maintenance budget for TY 2022/2023.</p>	<p>Cal Advocates</p>	<p>Exhibit CA-1, pp. 7-1 – 7-13</p>



**A.21-07-001**  
**Stipulations – Operations & Maintenance Expenses**  
**Administrative & General Expenses**  
**Taxes**

<b>Issue and Stipulation</b>	<b>Issue Raised by</b>	<b>Citations to Supporting Evidence</b>
<p><b>Operations &amp; Maintenance Expenses</b>  Test Year 2022-2023 Agreed Upon Amounts:  Acct. 702 - \$15,774  Acct. 725 - \$7,887  Accts. 711, 732: \$27,486; \$4,003  Acct. 744 - \$13,832  Acct. 754 - \$-9,448  Acct. 756 - \$7,887  Accts. 753, 758 - \$0  Acct. 760 - \$0  Acct. 761 - \$151,579  Acct. 763 - \$36,613  Acct. 764 - \$0  Acct. 765 - \$5,740  Acct. 772 - \$17,334  Acct. 799 - \$185,253  Acct. 775 Uncollectible Accounts Percentage – 0.1924%.  The amounts in each account were forecasted in compliance with D.07-05-062 and are just and reasonable.</p>	<p style="text-align: center;">Applicant</p>	<p>Exhibit GOWC-1 Ch. 5; Exhibit GOWC-2 GRC Workpapers, WP-4 O&amp;M Exp., WP-42; Exhibit GOWC-6 Rebuttal Workpapers, WP-4 O&amp;M Exp., WP-42; Exhibit CA-1 Cal Advocates Report, p. 1-4.</p>
<p><b>Administrative and General Expenses</b>  Test Year 2022-2023 Agreed Upon Amounts:  Acct. 792 - \$49,632  Acct. 797 - \$62,311  Acct. 799 - \$185,253  Acct. 805 - \$72,512</p>	<p style="text-align: center;">Applicant</p>	<p>Exhibit GOWC-1 Ch. 5; Exhibit GOWC-2 GRC Workpapers, WP-6 A&amp;G Exp., WP-42; Exhibit GOWC-5 Rebuttal Testimony, pp. 32 – 43; Exhibit GOWC-6 Rebuttal GRC Workpapers, WP-6 A&amp;G Exp.; Ex.</p>

<p><b>Acct. 796 – Franchise Requirements</b> – the parties agree to the formula proposed by Applicant to calculate Acct. 796 expenses (formula = (0.5652 x Total Operating Revenues) x 2%). The amounts in each account are just and reasonable.</p>		<p>CA-1, Cal Advocates Report, pp. 7-12 – 7-13.</p>
<p><b>Close “Account 800 – Outside GRC Expense”.</b> The parties agree that Great Oaks should not use “Account 800 – Outside GRC Expense” to estimate test year A&amp;G Expenses in this GRC or future GRCs and that the account should be closed.</p>	<p>Cal Advocates</p>	<p>Exhibit CA-1, pp. 7-4 – 7-5.</p>
<p><b>Employees</b>  1. The parties agree that Great Oaks shall maintain the employment position of Senior Water System Operator at a base salary of \$92,000 per year for Test Year 2022/2023. The parties further agree that the position of Controller and its associated salary shall be eliminated with an effective date of July 1, 2022. The elimination of these two employment positions is just and reasonable.</p>	<p>Cal Advocates</p>	<p>Exhibit CA-1 p. 6-10; Exhibit GOWC-1, Ch. 5; Exhibit GOWC-2 GRC Workpapers, WP-10; Exhibit GOWC-5 Rebuttal Testimony, pp. 30-31; Exhibit GOWC-6 Rebuttal Workpapers, WP-10.</p>
<p>2. The parties agree that for all other continuing employment positions, except Customer Service Representative and Water Quality Specialist/Environmental Services, Great Oaks’ salary projections are accepted, are based upon a relevant salary survey, and are just and reasonable.</p>	<p>Cal Advocates</p>	<p>Exhibit CA-1 pp. 6-10 – 6-11; Exhibit GOWC-1, Ch. 5; Exhibit GOWC-2 GRC Workpapers, WP-10; Exhibit GOWC-5 Rebuttal Testimony, pp. 30-31; Exhibit GOWC-6 Rebuttal Workpapers, WP-10.</p>
<p>3. The parties agree that the only remaining issues with respect to the employees and salaries that comprise the Net Payroll Expense are whether the positions of Customer Service Representative and Water Quality</p>	<p>Great Oaks  Cal Advocates</p>	<p>Exhibit CA-1 pp. 6-10 – 6-11; Exhibit GOWC-1, Ch. 5; Exhibit GOWC-2 GRC Workpapers, WP-10; Exhibit GOWC-5 Rebuttal Testimony, pp. 30-</p>

<p>Specialist/Environmental Services shall remain in rates and, if so, in what amounts for Test Year 2022/2023.</p>		<p>31; Exhibit GOWC-6 Rebuttal Workpapers, WP-10.</p>
<p><b>Taxes</b>  1. The parties agree that Great Oaks shall utilize the last-authorized California Corporate Franchise Tax when calculating Federal Income Taxes for ratesetting purposes for all rate years, effective July 1, 2022. The parties further agree that Great Oaks’ method of calculating state and federal income taxes in all other respects are correct and result in just and reasonable amounts for ratesetting purposes.</p>	<p>Cal Advocates</p>	<p>Exhibit CA-1, pp. 12-1 – 12-2; Exhibit GOWC-2, WP-43; Exhibit GOWC-5 Rebuttal Testimony, pp. 63-64; Exhibit GOWC-6 Rebuttal Workpapers, WP-43.</p>
<p>2. The parties agree that Great Oaks’ method for calculating FICA, FUI, and SUI taxes is correct and shall be utilized for the employees and compensation authorized for all rate years, effective July 1, 2022.</p>	<p>Cal Advocates</p>	<p>Exhibit CA-1, pp. 13-4 – 13-5; Exhibit GOWC-2 GRC Workpapers, WP-15; Exhibit GOWC-5 Rebuttal Testimony, p. 64; GOWC-6 Rebuttal Workpapers, WP-15.</p>
<p>3. The parties agree that Great Oaks’ method for calculating ad valorem and franchise taxes (Account 796) is correct and shall be used for all rate years, effective July 1, 2022.</p>	<p>Cal Advocates</p>	<p>Exhibit CA-1, p. 13-5; Exhibit GOWC-2 GRC Workpapers, WP-16, WP-42; Exhibit GOWC-5 Rebuttal Testimony, p. 64; Exhibit GOWC-6 Rebuttal Workpapers, WP-16, WP-42.</p>

**A.21-07-001**  
**Stipulations – Rate Base**

Issue and Stipulation	Issue Raised by	Citations to Supporting Evidence
<p><b>Plant-in-Service Additions to Rate Base</b>            The parties agree that the following completed and projected plant-in-service additions are necessary and appropriate and that adding these amounts to rate base is just and reasonable.</p> <p>1. <b>Rahway Water Main Extension Replacement (Account 343):</b> The parties agree that the full cost of the Rahway Water Main Extension Replacement shall be included in Great Oaks’ rate base. The total capital project cost was \$1,050,911.59. The project was originally approved in D.16-05-041 in the amount of \$323,180.00 and was included in rate base effective July 1, 2016. The additional amount of \$727,731.59 shall be included in rate base effective July 1, 2022.</p>	<p style="text-align: center;">Applicant</p>	<p>Exhibit GOWC-1 Ch. 8, p. 4; Exhibit GOWC-2 GRC Workpapers, WP-18; Exhibit GOWC-5, p. 52; Exhibit GOWC-6 Rebuttal Workpapers, WP-18; Exhibit CA-1, p. 10-3.</p>
<p>2. <b>Well 24A Land (Account 306) and Wells (Account 315):</b> The parties agree that the full cost of the real property acquired by Great Oaks for Well 24A shall be included in Great Oaks’ rate base in the amount of \$248,869 effective July 1, 2022. The parties also agree that the full cost of Well 24A shall be included in Great Oaks’ rate base in the amount of \$651,626 effective July 1, 2022. Both amounts are just and reasonable for these used and useful plant additions.</p>	<p style="text-align: center;">Applicant</p>	<p>Exhibit GOWC-1 Ch. 7, pp. 3-7; Exhibit GOWC-2 GRC Workpapers, WP-18; Exhibit GOWC -5 Rebuttal Testimony, p. 52; Exhibit GOWC-6 Rebuttal Workpapers, WP-18; Exhibit CA-1, p. 10-3.</p>
<p>3. <b>Power Operated Equipment (Account 377):</b> In D.19-09-010, Great Oaks was authorized to add one portable generator to rate base at a cost</p>	<p style="text-align: center;">Applicant</p>	<p>Exhibit GOWC-1, Ch. 7, pp. 7-8; Exhibit GOWC-2 GRC Workpapers, WP-19; Exhibit GOWC-5 Rebuttal</p>

<p>of \$125,000. Great Oaks was able to purchase three (3) used portable generators at a total cost of \$167,425. The parties agree that all three portable generators are just and reasonable additions to rate base and that the additional amount of \$42,426 shall be added to Great Oaks' rate base effective July 1, 2022 for Account 377. The parties also agree that Great Oaks' replacement of its "Bobcat" tracked vehicle loader at a cost of \$25,389.71 was necessary and appropriate and that adding this amount to Great Oaks' rate base effective July 1, 2022 is just and reasonable. The parties also agree that Great Oaks' replacement of its forklift at a cost of \$20,000 was necessary and appropriate and that adding this amount to Great Oaks' rate base effective July 1, 2022 is just and reasonable.</p>		<p>Testimony, p. 52; Exhibit GOWC-6 Rebuttal Workpapers, WP-19; Exhibit CA-1, p. 10-3.</p>
<p><b>4. Transmission &amp; Distribution Mains (Account 343):</b> The parties agree upon the following amounts for the years covered by A.21-07-001:  Test Year 2022/2023: \$496,546  Escalation Year 2023/2024: \$497,040  Attrition Year 2024/2025: \$497,534. The parties agree that these amounts are for expected and routine additions and replacements in this account and that the amounts agreed upon are just and reasonable. The parties further agree that these amounts shall be added to Great Oaks' rate base on the first day of each of the rate years.</p>	<p>Applicant</p>	<p>Exhibit GOWC-1 Ex. D Ch. 10; Exhibit GOWC-2 GRC Workpapers, WP-18 Plant-in-Service Additions; Exhibit GOWC-5 Rebuttal Testimony, pp. 57-58; Exhibit GOWC-6 Rebuttal Workpapers, WP-18 Plant-in-Service Additions; Exhibit CA-1 Cal Advocates Report, pp. 10-7 – 10-8; Exhibit CA-1 Cal Advocates Attachment 42, 41, 49.</p>

<p><b>5. Reservoirs and Tanks (Account 342):</b>  The parties agree upon the following amounts for the years covered by A.21-07-001:  Agreed Upon Amounts:  Test Year 2022/2023: \$461,000 – This amount includes the replacement of the exterior coatings on five water storage tanks and that the replacement of the exterior coatings on the water storage tanks is justified and necessary.  Escalation Year 2023/2024: \$35,000  Attrition Year 2024/2025: \$35,000  The parties agree that the amount of \$35,000 in Account 342 is for expected and routine additions and replacements in this account and that the amounts agreed upon are just and reasonable.  The parties further agree that the total amounts for each year shall be added to Great Oaks’ rate base on the first day of each rate year.</p>	<p>Applicant</p>	<p>Exhibit GOWC-1 Ch. 10; Exhibit GOWC-2 GRC Workpapers, WP-18 Plant-in-Service Additions; Exhibit GOWC-3 Proposed Capital Projects; Exhibit GOWC-5 Rebuttal Testimony, pp. 53-56; Exhibit CA-1, pp. 10-4 – 10-6; Exhibit CA-1 Cal Advocates Attachments 44, 38.</p>
<p><b>6. Hydrants (Account 348):</b> The parties agree upon the following amounts for the years covered by A.21-07-001:  Test Year 2022/2023: \$23,730  Escalation Year 2023/2024: \$23,967  Attrition Year 2024/2025: \$24,039.  The parties agree that these amounts are for expected and routine additions and replacements in this account and that the amounts agreed upon are just and reasonable. The parties further agree that the total amounts for each year shall be added to Great Oaks’ rate base on the first day of each rate year.</p>	<p>Applicant</p>	<p>Exhibit GOWC-2 GRC Workpapers, WP-18; Exhibit GOWC-3 Capital Projects Justifications, p. 3; Exhibit GOWC-5 Rebuttal Testimony, p. 60; Exhibit GOWC-6 Rebuttal Workpapers, WP-18; Exhibit CA-1, pp. 10-10 – 10-11.</p>

<p><b>7. Pumping Equipment (Account 324):</b>  The parties agree that Great Oaks’ request for authority to add a booster pump for the Calero Pump Station is necessary and appropriate and that Great Oaks is authorized to acquire and place the booster pump into service at a cost of \$67,600. The parties further agree that the amount of \$67,600 is to be added to Great Oaks’ rate base for account 324 effective July 1, 2022. This amount is in addition to the expected and routine additions and replacements in this account so that the total amounts added to rate base on the first day of each rate year covered by this Application are the following, all of which the parties agree are just and reasonable:  Test Year 2022/2023: \$189,215  Escalation Year 2023/2024: \$121,615  Attrition Year 2024/2025: \$121,615.</p>	<p>Applicant</p>	<p>Exhibit GOWC-2 GRC Workpapers, WP-18; Exhibit GOWC-3 Capital Projects Justifications; Exhibit GOWC-6 Rebuttal Workpapers, WP-18; Exhibit CA-1 p. 10-11.</p>
<p><b>8. Transportation Equipment (Account 373):</b> The parties agree upon the following amounts for the years covered by A.21-07-001 for Account 373:  Test Year 2022/2023: \$49,163  Escalation Year 2023/2024: \$54,079  Attrition Year 2024/2025: \$54,079.  The amounts are for expected and routine additions and replacements in Account 373 and are just and reasonable. The parties agree that these amounts shall be added to Great Oaks’ rate base on the first day of each rate year.</p>	<p>Applicant</p>	<p>Exhibit GOWC-2 GRC Workpapers, WP-19; Exhibit GOWC-3 Capital Projects Justifications, p. 4; Exhibit GOWC-6 Rebuttal Workpapers, WP-19; Exhibit CA-1, p. 10-11.</p>

<p><b>9. Communications Equipment (Account 376):</b> The parties agree upon the following amounts for the years covered by A.21-07-001 for Account 376:  Test Year 2022/2023: \$68,981  Escalation Year 2023/2024: \$69,671  Attrition Year 2024/2025: \$70,437.  The amounts are for expected and routine additions and replacements in Account 373 and are just and reasonable. The parties agree that these amounts shall be added to Great Oaks' rate base on the first day of each rate year.</p>	<p>Applicant</p>	<p>Exhibit GOWC-2 GRC Workpapers, WP-19; Exhibit GOWC-3 Capital Projects Justifications, p. 4; Exhibit GOWC-6 Rebuttal Workpapers, WP-19; Exhibit CA-1, p. 10-11.</p>
<p><b>10. Tools, Shop, &amp; Garage Equipment (Account 378):</b> The parties agree upon the following amounts for the years covered by A.21-07-001 for Account 378:  Test Year 2022/2023: \$7,569  Escalation Year 2023/2024: \$7,645  Attrition Year 2024/2025: \$7,729.  The remaining amounts are for expected and routine additions and replacements in Account 378 and are just and reasonable. The parties agree that these amounts shall be added to Great Oaks' rate base on the first day of each rate year.</p>	<p>Applicant</p>	<p>Exhibit GOWC-2 GRC Workpapers, WP-19; GOWC-3 Capital Projects Justifications, p. 5; Exhibit GOWC-6 Rebuttal Workpapers, WP-19; Exhibit CA-1, p. 10-11.</p>



<p><b>11. Office Furniture and Equipment – Excluding Computers (Account 372):</b> The parties agree upon the following amounts for the years covered by A.21-07-001 for Account 372:  Test Year 2022/2023: \$34,351  Escalation Year 2023/2024: \$17,240  Attrition Year 2024/2025: \$17,731.  The amount for Test Year 2022/2023 includes the cost of replacing office furniture (\$16,620), which the parties agree is necessary and useful. The parties agree that the remaining amounts are for expected and routine additions and replacements in Account 372 and are just and reasonable. The parties agree that these amounts shall be added to Great Oaks’ rate base on the first day of each rate year.</p>	<p>Applicant</p>	<p>Exhibit GOWC-2 GRC Workpapers, WP-19; Exhibit GOWC-3 Capital Projects Justifications, pp. 3-4; Exhibit GOWC-6 Rebuttal Workpapers, WP-19.</p>
<p><b>12. Water Treatment Equipment (Account 332):</b> The parties agree upon the following amounts for the years covered by A.21-07-001 for Account 332:  Test Year 2022/2023: \$10,000  Escalation Year 2023/2024: \$10,000  Attrition Year 2024/2025: \$10,000.  The parties agree that the amounts are for expected and routine additions and replacements in Account 332 and are just and reasonable. The parties agree that these amounts shall be added to Great Oaks’ rate base on the first day of each rate year.</p>	<p>Applicant</p>	<p>Exhibit GOWC-2, GRC Workpapers, WP-18; Exhibit GOWC-6 Rebuttal Workpapers, WP-18.</p>

<p><b>13. Plant-in-Service Depreciation Factors:</b>  Great Oaks agrees to revise and then use a term of 30 years as the depreciation factors for meters and meter installations, effective July 1, 2022. This revision is from a term of 15 years utilized by Great Oaks to 30 years for these two categories of Plant-in-Service assets. The agreed upon revision is just and reasonable. The parties agree that the depreciation factors utilized by Great Oaks for all other categories of plant-in-service are just and reasonable.</p>	<p>Cal Advocates</p>	<p>Exhibit CA-1, pp. 10-11 – 10-12; Exhibit GOWC-2 GRC Workpapers, WP-24b; Exhibit GOWC-5 Rebuttal Testimony, pp. 61-62; Exhibit GOWC-6 Rebuttal Workpapers, WP-24b.</p>
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**A.21-07-001  
Water Sales Forecast  
Customers  
Rate Design**

<b>Issue and Stipulation</b>	<b>Issue Raised by</b>	<b>Citations to Supporting Evidence</b>
<p><b>1. Water Sales Forecast – Annual Water Usage by Customer Class:</b> The parties agree upon the average water usage/sales per customer class for Test Year 2022/2023 as shown below. The parties have reached this agreement using all appropriate considerations and the amounts are fair and reasonable.</p> <p><b>Water Sales Forecast Test Year 2022-2023 Average Annual Usage CCFs Per Customer Class</b></p> <p><b>Agreed Upon Amounts:</b>  SFR – 103.17 CCFs  MFR – 1,358.22 CCFs  Business – 1,101.23 CCFs  Industrial – 1,261.26 CCFs  Public Authority – 1,230.18 CCFs  Schools – 2,915.07 CCFs  Private Irrigation – 984.63 CCFs  Agriculture – 181.02 CCFs</p>	<p>Applicant Cal Advocates</p>	<p>Exhibit GOWC-1, Ch. 4; Exhibit GOWC-2 GRC Workpapers, WP-3 Water Sales CCF; Exhibit GOWC-5 Rebuttal Testimony, pp. 15 – 16; Exhibit GOWC-6 Rebuttal Workpapers, WP-3 Water Sales CCF; Exhibit CA-1, Cal Advocates Report, pp. 3-11 – 3-18.</p>
<p><b>2. Service Charge and Uniform Quantity Rate Calculation Methodology.</b> The parties agree that the current methodology utilized to calculate service charges and the uniform quantity is just and reasonable. That methodology provides for collection of 75% of fixed costs to be recovered through service charges and all remaining costs (25% of fixed costs and 100% of variable costs) to</p>		<p>Exhibit GOWC-2 GRC Workpapers, WP-47; Exhibit GOWC-6 Rebuttal Workpapers, WP-47; Exhibit CA-1, p. 4-2.</p>

<p>be recovered through the uniform quantity charge (and/or the tiered quantity charges for single-family residential customers).</p>		
<p><b>3. Conservation Rate Design Agreed Upon Tiered-Rate Factors</b> (applied to Uniform Quantity Rate): The parties agree that the current tiered rate design, as approved through Great Oaks Advice Letter 299-W is just and reasonable and shall continue unchanged, effective July 1, 2022. The factors applied to the uniform quantity rate to determine the rates charged for each of the three tiers are as shown below:  Tier 1: 0 – 12 CCFs Bi-Monthly: Factor 0.7110;  Tier 2: 13 – 20 CCFs Bi-Monthly: Factor 1.2270;  Tier 3: Over 20 CCFs Bi-Monthly: 1.4570</p>	<p>Applicant Cal Advocates</p>	<p>Exhibit GOWC-1, Ch. 4; Exhibit GOWC-2 GRC Workpapers, WP-48 TY 2022-23 Cnsrv Rates; Exhibit GOWC-5 Rebuttal Testimony, pp. 18 – 20; Exhibit GOWC-6 Rebuttal Workpapers, WP-48 TY 2022-23 Cnsrv Rates; Exhibit CA-1 Cal Advocates Report, pp. 4-1, 4-3 – 4-4.</p>
<p><b>4. Conservation Budget:</b> The parties agree with a Test Year 2022/2023 conservation budget for the WaterSmart Program of \$134,650.</p>	<p>Applicant Cal Advocates</p>	<p>Exhibit GOWC-1, Ch. 9; Exhibit GOWC-2 GRC Workpapers, WP-6 A&amp;G Expense; Exhibit GOWC-5 Rebuttal Testimony, pp. 4 – 6; Exhibit GOWC-6 Rebuttal Workpapers, WP-6-A&amp;G Expenses; Exhibit CA-1 Cal Advocates Report, Ch.2.</p>
<p><b>5. Sales Reconciliation Mechanism:</b> The parties agree that it is not appropriate at this time to implement a Sales Reconciliation Mechanism.</p>	<p>Applicant Cal Advocates</p>	<p>Exhibit GOWC-1, Ch. 4; Exhibit; Exhibit GOWC-5 Rebuttal Testimony, pp. 16 – 18; Exhibit CA-1 Cal Advocates Report, pp. 3-20 – 3-23.</p>
<p><b>6. Private Fire Protection Service Customer Forecast:</b> The parties agree that the projected private fire protection services for the Test Year 2022/2023, Escalation Year 2023/2024,</p>	<p>Cal Advocates</p>	<p>Exhibit GOWC-1, Ch. 4; Exhibit GOWC-2 GRC Workpapers, WP-12 Fire Protection Cust; Exhibit GOWC-5 Rebuttal Testimony, pp. 13 – 14; Exhibit GOWC-6 Rebuttal</p>

<p>and Attrition Year 2024/2025 should be as shown below:  2022/2023 Fire Connections: 350  2023/2024 Fire Connections: 354  2024/2025 Fire Connections: 358</p>		<p>Workpapers, WP-11 Fire Protection Cust; Exhibit CA-1 Cal Advocates Report, pp. 3-8 – 3-9.</p>
<p><b>7. Agriculture Customer Forecast:</b> The parties agree that the projected agriculture customer forecast should remain at 8 customers for years 2022/2023, 2023/2024 and 2024/2025.</p>	<p>Cal Advocates</p>	<p>Exhibit GOWC-1, Ch. 4; Exhibit GOWC-2 GRC Workpapers, WP-11 Customers; Exhibit GOWC-5 Rebuttal Testimony, pp. 12 – 13; Exhibit GOWC-6 Rebuttal Workpapers, WP-11 Customers; Exhibit CA-1 Cal Advocates Report, pp. 3-8.</p>

**A.21-07-001**

**Issues Requiring Evidentiary Hearings**

<b>Issue</b>	<b>Issue Raised By</b>	<b>Where Issue Raised</b>	<b>Relevant Testimony</b>
O&M Expenses: Account 700 Groundwater Charges	Cal Advocates	Exhibit CA-1, pp. 5-2-5-3; Exhibit CA-2 RO Workpapers, WP-14.	Exhibit CA-1, pp. 5-2-5-3; Exhibit CA-2 RO Workpapers, WP-14; Exhibit GOWC-1, Ch. 5, pp. 34-36; Exhibit GOWC- 2 GRC Workpapers, WP- 14; Exhibit GOWC-4 Updated GRC Workpapers, WP-14; Exhibit GOWC-5 Rebuttal Testimony, pp. 21-28; Exhibit GOWC-6 Rebuttal Workpapers, WP-14.

**A.21-07-001**  
**January 31, 2022 Evidentiary Hearing**  
**Witnesses, Testimony, and Exhibits**

<b>Party/Witness</b>	<b>Attorney Doing Direct</b>	<b>Party/Attorney Doing Cross-Examination</b>	<b>Relevant Exhibits</b>
Cal Advocates, calling John Roeder, jroeder@greatoakswater.com for Cross-Examination Issue: Account 700 Groundwater Charges	Rebuttal Testimony of John Roeder Admitted by Stipulation	Corwin Hockema Cal Advocates Estimated time: 30 minutes	Exhibit GOWC-5, Section II.H.1; Exhibit GOWC-6 Rebuttal Workpapers, WP-14.
Great Oaks, John Roeder, jroeder@greatoakswater.com, for Potential Re-Direct Examination Limited to Issues/Testimony from Cross-Examination	Rebuttal Testimony of John Roeder Admitted by Stipulation	Tim Guster Great Oaks Re-Direct Examination	Exhibits relevant to Cal Advocates Cross-Examination of John Roeder
Great Oaks Roy Keowen Cross-Examination Issue: Account 700 Groundwater Charges	Direct Testimony of Roy Keowen Admitted by Stipulation	Great Oaks/Tim Guster Estimated Time: 10 minutes	Exhibit CA-1, p. 5-2
Cal Advocates Roy Keowen Potential Re-Direct Examination Limited to Issues/Testimony from Cross-Examination	Direct Testimony of Roy Keowen Admitted by Stipulation	Corwin Hockema Cal Advocates Re-Direct Examination	Exhibits relevant to Great Oaks Cross-Examination of Roy Keowen

<b>Proceeding No.</b>
A.21-07-001

**Applicant Name**

<b>ALJ</b>
Gerald F. Kelly

**EXHIBIT INDEX**

<b>Exh. No.</b>	<b>Date ID</b>	<b>Date Rcvd</b>	<b>Sponsor/ Witness</b>	<b>Description/Title of Exhibit</b>
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**PARTY**

GOWC-1	7/1/2021	7/1/2021	GOWC Tim Guster- Chapters 1, 2, 3, 4, 5, 6, 8, 9, 10.  Ron Ceolla – Chapters 3, 5, 6, 7, 8, 10.  John Roeder – Chapters 6, 7, 8.	Report on Results of Operations Chapter 1 Introduction Chapter 2 History and Corporate Information Chapter 3 Company Operations and Basic Information Chapter 4 Water Sales Forecast Chapter 5 Operating Expenses Chapter 6 Revenue Requirement – Water Sales and Production Chapter 7 Rate Base Chapter 8 Supply and Distribution Infrastructure Status and Planning Chapter 9 Conservation and Efficiency Chapter 10 Utility Plant All Associated Exhibits: 2-1 to 2-2; 3-1 to 3-13; 5-1 to 5-5; 8-1 to 8-5; 9-1
GOWC-2	7/1/2021	7/1/2021	GOWCC Ron Ceolla	GRC Workpapers
GOWC-3	7/1/2021	7/1/2021	GOWC John Roeder, Ron Ceolla, Jared Ajlouny	Capital Projects Justifications Exhibit G-1
GOWC-4	8/15/2021	8/15/2021	GOWC Tim Guster – Chapters 1, 2, 3, 8.  Ron Ceolla – Chapters 3, 8, Updated GRC Workpapers. John Roeder – Chapter 8.	General Rate Case Application Updates Chapter 1 Introduction Chapter 2 History and Corporate Information Chapter 3 Company Operations and Basic Information Chapter 8 Supply Distribution Infrastructure Status and Planning Urban Water Management Plan, submitted July 1, 2021 Updated GRC Workpapers



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**PARTY**

GOWC-5	12/15/2021	12/10/2021	<p>GOWC Tim Guster Sections I.A.; II.A; II.B.1, 2,3, and 5; II.C. – II.G.; II.H.1 and 3; II.I.; II.J.1, 2, 3, 4, 5, and 8; II.K.1 – 8; II.L.; II.M.1 and 2; II.O; II.P.1 and 2; II.R.1, 2, and 3; II.S.1, 2, and 3; III. Ron Ceolla Sections II.J.1, 2, 3, 6, and 7; II.K.1 and 5; II.M.1, 4, 5, 6, 7, and 8; II.N.; II.P.1 and 2; II.Q.; II.R.; II.S.1, 2, and 3. John Roeder Sections II.H.1 and 2 Jared Ajlouny Sections II.B.4; II.M.2 and 3. Jim Mashburn Section II.F. Chris Hall Section II.J.4.</p>	Great Oaks Water Company's Rebuttal Testimony
GOWC-6	12/15/2021	12/15/2021	<p>GOWC Ron Ceolla</p>	Great Oaks Water Company Rebuttal Workpapers
GOWC-7	12/15/2021	12/15/2021	<p>GOWC Various</p>	<p>Appendix to Great Oaks Water Company Rebuttal Testimony Cal Advocates Response to Great Oaks Data Request DR-1 (parts 1 and 2) Photos of Exterior Coatings on Water Storage Tanks Great Oaks Water Company Response to Cal Advocates Data Request DG-009</p>

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A.21-07-001

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**PARTY**

CA-1	11/19/2021	11/19/2021	Public Advocates Office  Roy Keowen – Chapters 1, 5, 6  Chris Ronco – Chapters 2, 3, 4  Niamh Murphy – Chapters 7, 8, 9  Daphne Goldberg – Chapters 10, 11  Prashanta Adhikari – Chapters 12, 13, 14, 15, 16	Report on Great Oaks Water Company’s Fiscal Yest Year 2022-2023 General Rate Case Application  Chapter 1: Executive Summary Chapter 2: Conservation Chapter 3: Revenues Chapter 4: Rate Design Chapter 5: Operation and Maintenance Expenses Chapter 6: Salaries & Wages Chapter 7: Administrative & General Expenses Chapter 8: Balancing and Memorandum Accounts Chapter 9: Non-Tariffed Products and Services Chapter 10: Plant Chapter 11: Water Quality Chapter 12: Income Taxes Chapter 13: Taxes Other Than Income Chapter 14: Rate Base Chapter 15: Revenue at Present Rates Chapter 16: Results of Operation Model All associated attachments: Attachments 7-52
CA-2	11/19/2021	11/19/2021	Public Advocates Office  Various	Public Advocates Office RO Model Workpapers