

SAN GABRIEL VALLEY WATER COMPANY

July 25, 2013

Advice Letter No. 429

U337W

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

San Gabriel Valley Water Company ("San Gabriel") hereby requests ministerial review and approval of the following changes in tariff sheets applicable to its Los Angeles County division:

<u>CPUC Sheet No.</u>	<u>Title</u>	<u>Schedule No.</u>	<u>Canceling CPUC Sheet No.</u>
2245-W	General Metered Service	LA-1	2232-W*
2246-W	General Metered Service – Conservation Rates	LA-1C	2234-W*
2247-W	Recycled Water Metered Service	LA-6	2236-W*
2248-W	California Alternative Rate for Water	LA-CARW	2240-W*
2249-W	Preliminary Statement (cont'd)	N/A	2242-W*
2250-W	Table of Contents (cont'd)	N/A	2243-W*
2251-W	Table of Contents	N/A	2244-W*

This **expense offset** filing increases revenues in San Gabriel's Los Angeles County division by \$1,740,967 or 2.8% to offset increases in water costs and groundwater pumping assessments for the fiscal year July 1, 2013 through June 30, 2014. In accordance with Water Industry Rule 7.3.1 as modified by Resolution W-4664 and Water Industry Rule 8.4 of General Order 96-B, **this filing is designated Tier 1**. The attached tariff schedules shall take effect July 25, 2013 to correspond to the expiration of a surcharge of \$0.0995/Ccf from Advice Letter 404 that expires on July 24, 2013 so the impact to customers would be a net increase of \$0.0142/Ccf with this advice letter.

Purpose and Background

The major portion of water supplies for San Gabriel's Los Angeles County division come from groundwater pumped from the Main San Gabriel Basin and to a lesser extent from groundwater pumped from the Central Basin. Effective July 1, 2013, the Main San Gabriel Basin Watermaster increased the Replacement Water Assessment from the adopted \$696.00 per acre foot (AF) currently in reflected rates to \$773.00/AF. As a direct result, the costs of leased water and certain recycled water costs have also increased. Also, the Watermaster Administration Assessment has increased from the adopted \$11.75/AF to \$15.00/AF. The Watermaster increased the In-Lieu Assessment from the adopted \$1.25/AF to \$2.05/AF. The San Gabriel Valley Water Association Assessment has increased from the adopted \$0.44/AF to \$0.75/AF, and the WQA decreased its Assessment from the adopted \$10.00/AF to \$7.25/AF. In the Central Basin, the Central Basin Municipal Water District increased its Purchased Water charge for treated MWD water from the adopted \$980.00/AF to \$1,137.00/AF, its Recycled Water rate from the adopted \$506.00/AF to \$540.00/AF. Also, the Water Replenishment District of Southern California has increased the Replenishment Assessment in Central Basin from the adopted \$205.00/AF to \$268.00/AF. The Central Basin Water Association has increased its Association Assessment from the adopted \$0.30/AF to \$0.70/AF.

The water supply costs and assessments originally reflected in rates were adopted in D.11-11-018 in A.10-07-019. The present rate schedules in this division became effective on July 1, 2013 as a result of Advice Letter 428-A.

The impact of these changes to water costs and assessments increases the adopted expense from \$14,072,100 to \$15,793,237 and increases the previously adopted Advice Letter 428-A revenue requirement of \$62,998,900 by \$1,740,967 or 2.8% to \$64,739,867. The new rates submitted with this advice letter raise the monthly bill of the typical residential customer on Schedule No. LA-1 with a 5/8" x 3/4" meter using 14 Ccf by \$1.59 or 2.8% from \$56.42 to \$58.01 and customers on Schedule No. LA-1C by \$1.59 or 2.9% from \$54.55 to \$56.14. San Gabriel has furnished the Commission's Water and Audits Division staff with two copies of workpapers providing detailed support for the proposed increase.

The matters addressed in this advice letter are not now the subject of any formal filings with the California Public Utilities Commission, including a formal complaint, nor action in any court of law.

Notice of Rate Increase

In accordance with Water Industry Rule 3.2 of General Order 96-B, as modified by Commission Resolution W-4664, San Gabriel will inform its customers of the increase by bill insert (a draft of which is attached hereto as Attachment D) in the first bill that includes the increase rates. No other parties have requested notification of tariff filings related to the Los Angeles County division.

In accordance with Water Industry Rule 3.3 of General Order 96-B, San Gabriel will also post this advice letter to its website www.sgvwater.com. Finally, distribution of this advice letter is being made to the attached service list in accordance with Water Industry Rule 4.1 of General Order No. 96-B.

San Gabriel Valley Water Company



Daniel A. Dell'Osa
Director of Rates and Revenue

cc: Bruce DeBerry, CPUC – Division of Water and Audits
Hani Moussa, CPUC – Water Branch, DRA
Danilo Sanchez, CPUC – Water Branch, DRA

SCHEDULE NO. LA-1
Los Angeles County Tariff Area
GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service, except for those Residential customers required to be served under Schedule LA-1C.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATES

Quantity Rates:

For all water delivered, per 100 cu. ft..... \$ 2.6432 (I)

Service Charge:

	Per Meter <u>Per Month</u>
For 5/8 x 3/4-inch meter	\$ 21.02
For 3/4-inch meter	31.52
For 1-inch meter	52.52
For 1-1/2-inch meter.....	105.06
For 2-inch meter	168.10
For 3-inch meter	315.16
For 4-inch meter	525.27
For 6-inch meter	1,047.00
For 8-inch meter	1,673.00
For 10-inch meter	2,418.00
For 12-inch meter	3,465.00
For 14-inch meter	4,620.00

(continued)

(To be inserted by utility)

Issued by

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

Advice Letter No. 429

R. W. Nicholson

Date Filed _____

Decision No. _____

NAME

Effective _____

President

TITLE

Resolution No. _____

SCHEDULE NO. LA-1C
Los Angeles County Tariff Area
GENERAL METERED SERVICE - CONSERVATION RATES

APPLICABILITY

Applicable to all metered Residential customers, excluding apartments, trailer parks, and any other facility in which Residential customers receive service through a master meter.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATES

Quantity Rates:

For the first 13 Ccf of water used, per 100 cu. ft.	\$ 2.4833	(I)
For all Ccf greater than 13 Ccf, per 100 Cu. Ft.	\$ 2.8387	(I)

Per Meter
Per Month

Service Charges:

For 5/8 x 3/4-inch meter	\$ 21.02
For 3/4-inch meter	31.52
For 1-inch meter.....	52.52
For 1-1/2-inch meter	105.06
For 2-inch meter.....	168.10
For 3-inch meter.....	315.16

SPECIAL CONDITIONS

- All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF.

(D)

(To be inserted by utility)

Issued by

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

Advice Letter No. 429

R. W. Nicholson

Date Filed _____

Decision No. _____

NAME

Effective _____

President

TITLE

Resolution No. _____

SCHEDULE NO. LA-6
Los Angeles County Tariff Area
RECYCLED WATER METERED SERVICE

APPLICABILITY

Applicable to all recycled water metered service.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATES

Quantity Rates:

For all water delivered per 100 cu. ft. \$ 2.2467 (I)

Service Charge:

	<u>Per Meter</u> <u>Per Month</u>
For 5/8 x 3/4-inch meter	\$ 21.02
For 3/4-inch meter	31.52
For 1-inch meter	52.52
For 1-1/2-inch meter.....	105.06
For 2-inch meter	168.10
For 3-inch meter	315.16
For 4-inch meter	525.27
For 6-inch meter	1,047.00
For 8-inch meter	1,673.00
For 10-inch meter	2,418.00
For 12-inch meter	3,465.00
For 14-inch meter	4,620.00

(continued)

(To be inserted by utility)

Issued by

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

Advice Letter No. 429

R. W. Nicholson

Date Filed _____

Decision No. _____

NAME

Effective _____

President

TITLE

Resolution No. _____

SCHEDULE NO. LA-CARW
Los Angeles County Tariff Area
CALIFORNIA ALTERNATIVE RATES FOR WATER

APPLICABILITY

Applicable to residential domestic service to CARW households with a 1-inch or smaller meter, where the customer meets all the Special Conditions of this rate schedule.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATES

Per Meter
Per Month

Quantity Rates (General):

For all water used, per 100 cu. ft. \$2.6432 (I)

Quantity Rates (Conservation):

For the first 13 Ccf used, 100 cu. ft. \$2.4833 (I)

For all Ccf greater than 13 Ccf per month, per 100 cu. ft. ... \$2.8387 (I)

Service Charges:

For 5/8 x 3/4-inch meter \$10.50

For 3/4-inch meter 15.76

For 1-inch meter 26.27

SPECIAL CONDITIONS

- 1. CARW Household: A CARW Household is a household where the total gross income from all sources is less than shown on the table below based on the number of persons in the household. Total gross income shall include income from all sources, both taxable and non-taxable. Persons who are claimed as dependent on another person's income tax return are not eligible for this program.

<u>No. of Persons In Household</u>	<u>Total Gross Annual Income</u>
1	\$22,980
2	\$31,020
3	\$39,060
4	\$47,100
5	\$55,140

(continued)

(To be inserted by utility)

Issued by

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

Advice Letter No. 429

R. W. Nicholson

Date Filed _____

Decision No. _____

NAME

Effective _____

President

TITLE

Resolution No. _____

PRELIMINARY STATEMENT
(Continued)

K. Water Revenue Adjustment Mechanism (WRAM) Memorandum Account For Los Angeles County Division

1. Purpose: The purpose of this memorandum account is to track the Quantity Rate revenues collected under Schedule LA-1C tiered rates against the revenues that would have been collected under a single block Quantity Rate.
2. The following entries will be made monthly to the WRAM memorandum Account in the Los Angeles County division:
 - a. The recorded revenues collected through the tiered Quantity Rate under Schedule No. LA-1C (debit).
 - b. The calculated revenues that would have been collected under a single block Quantity Rate for the same water usage as in 2a above (credit).
 - c. The CPUC-adopted Quantity Rates (\$/Ccf) to be used in calculating the revenues for 2a and 2b above are as follows:

<u>Effective Date</u>	<u>Single Block Rate</u>	<u>0-13 Ccf/mo.</u>		<u>Over 13 Ccf/mo.</u>	
		<u>Tier 1 Rate</u>	<u>Tier 2 Rate</u>	<u>Tier 2 Rate</u>	
November 29, 2010	\$2.0840	\$1.9523	\$2.2451	\$2.2451	(D)
November 15, 2011	\$2.5354	\$2.3751	\$2.7314	\$2.7314	
July 1, 2012	\$2.5842	\$2.4208	\$2.7839	\$2.7839	
April 1, 2013	\$2.5863	\$2.4228	\$2.7862	\$2.7862	
July 1, 2013	\$2.5295	\$2.3696	\$2.7250	\$2.7250	
July 25, 2013	\$2.6432	\$2.4833	\$2.8387	\$2.8387	(N)

- d. Franchise fees and uncollectible account expense, based on the net of 2a and 2b above, and the CPUC-adopted rates for franchise fees and uncollectible expenses.
- e. Monthly interest calculated at 1/12 of the most recent month's interest rate on Commercial Paper (prime, 3-month), published in the Federal Reserve Statistical Release, H.15 (<http://www/federalreserve.gov/releases/H15/data/m/cp3m.txt>), or its successor publication.
3. The balance in the memorandum account shall be amortized by a Tier 1 advice letter whenever the balance exceeds 2% of the authorized revenue requirement for the preceding calendar year. If the balance is below 2%, San Gabriel shall propose its amortization in a general rate case.
4. The memorandum account will terminate when so ordered in a CPUC general rate case decision, at which time any remaining debit (undercollection) or credit (overcollection) balance will be amortized through a rate surcharge or surcredit.

(To be inserted by utility)
Advice Letter No. 429
Decision No. _____

Issued by
R. W. Nicholson
NAME
President
TITLE

(To be inserted by Cal. P.U.C.)
Date Filed _____
Effective _____
Resolution No. _____

SAN GABRIEL VALLEY WATER COMPANY

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised _____
Cancelling Revised _____

Cal. P.U.C. Sheet No. 2250-W

Cal. P.U.C. Sheet No. 2243-W*

TABLE OF CONTENTS

(continued)

<u>Subject Matter of Sheet</u>	<u>Schedule Number</u>	<u>C.P.U.C. Sheet No.</u>		
<u>Rate Schedules</u>				
Los Angeles County Division				
General Metered Service - General	LA-1	2245-W	2233-W	(C)
General Metered Service - Conservation	LA-1C	2246-W		(C)
Private Fire Service	LA-4	2235-W	1089-W	1507-W
Recycled Water Metered Service	LA-6		2247-W	2237-W (C)
Construction and Tank Truck Service	LA-9C		2238-W	1521-W (T)
Service to Tract Houses During Construction	LA-9CL		2239-W	(T)
California Alternative Rates for Water	LA-CARW		2248-W	2197-W (C)

(continued)

(To be inserted by utility)

Issued by

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

Advice Letter No. 429

R. W. Nicholson

Date Filed _____

Decision No. _____

NAME

Effective _____

President

TITLE

Resolution No. _____

TABLE OF CONTENTS

The following listed tariff sheets contain all effective rates and rules affecting the rates and services of the utility, together with information relating thereto:

<u>Subject Matter of Sheet</u>	<u>C.P.U.C. Sheet No.</u>
Title Page	1559-W
Table of Contents	2251-W 2250-W (C) 2161-W 1563-W 1637-W 2205-W
Preliminary Statement	634-W, 390-W, 2241-W, 2229-W, 2108-W, 2230-W, 2249-W, (C) 2060-W, 2061-W, 2168-W, 2170-W
Service Area Maps:	
Fontana Water Company	1533-W
Los Angeles County Division	
Service Area - East Portion	1183-W
- South Portion	869-W
- West Portion	1171-W
Area Maps of Less Than 40 p.s.i.g.	871-W 691-W to 697-W
	<u>Schedule Number</u>
<u>Rate Schedules</u>	
All Tariff Areas	
Surcharge to Fund Public Utilities	
Commission Reimbursement Fee	AA-UF 1807-W
Fontana Water Company	
General Metered Service - General	FO-1 2220-W 2221-W
General Metered Service - Conservation	FO-1C 2222-W
Private Fire Service	FO-4 2223-W 1087-W 1476-W
Recycled Water Metered Service	FO-6 2224-W 2225-W
Construction and Tank Truck Service	FO-9C 2226-W 1516-W
Service to Tract Houses During	
Construction	FO-9CL 2227-W
California Alternative Rates For Water	FO-CARW 2228-W 2199-W
Facilities Fees	FO-FF 1875-W 1876-W

(continued)

(To be inserted by utility)
Advice Letter No. 429
Decision No. _____

Issued by
R. W. Nicholson
NAME
President
TITLE

(To be inserted by Cal. P.U.C.)
Date Filed _____
Effective _____
Resolution No. _____