

**CALIFORNIA PUBLIC UTILITIES COMMISSION
DIVISION OF WATER AND AUDITS**

Advice Letter Cover Sheet

Utility Name: San Gabriel Valley Water Co.

Date Mailed to Service List: 09/11/19

District: Fontana Water Company
Division

CPUC Utility #: U337W

Protest Deadline (20th Day): 10/01/19

Advice Letter #: 543

Review Deadline (30th Day): 10/11/19

Tier 1 2 3 Compliance

Requested Effective Date: 11/01/19

Authorization

Rate Impact: \$0
 0.0%

Description: This advice letter seeks to close the Plant F23 Balancing Account and to transfer the August 2019 undercollected balance of \$22,523 to the PABBA.

The protest or response deadline for this advice letter is 20 days from the date that this advice letter was mailed to the service list. Please see the "Response or Protest" section in the advice letter for more information.

Utility Contact: Dan Dell'Osa

Utility Contact: Joel M. Reiker

Phone: (626) 774-2251

Phone: (626) 448-6183

Email: dadelloso@sgvwater.com

Email: jmreiker@sgvwater.com

DWA Contact: Tariff Unit

Phone: (415) 703-1133

Email: Water.Division@cpuc.ca.gov

DWA USE ONLY

DATE

STAFF

COMMENTS

<u>DATE</u>	<u>STAFF</u>	<u>COMMENTS</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

APPROVED

WITHDRAWN

REJECTED

Signature: _____

Comments: _____

Date: _____

SAN GABRIEL VALLEY WATER COMPANY

September 11, 2019

Advice Letter 543

U337W

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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

CPUC		Schedule	Canceling
<u>Sheet No.</u>	<u>Title</u>	<u>No.</u>	<u>CPUC Sheet No.</u>
2986-W	Preliminary Statements R and S	N/A	2939-W
2987-W	Table of Contents	N/A	2985-W

An original and four copies of this advice letter are submitted to request authorization to transfer the August 2019 undercollection of \$22,523 tracked in the Plant F23 Project Balancing Account to the Previously Authorized Balances Balancing Account (PABBA) and to simultaneously close the Plant F23 Project Balancing Account in compliance with Resolution W-5165. Per Preliminary Statement R, Paragraph 3, this advice letter is designated as Tier 2.

Discussion

Commission Resolution W-5165, dated June 21, 2018, authorized San Gabriel to transfer the October 2017 undercollection in the Plant F23 Project Memorandum Account to a balancing account, to amortize that balance over a 12-month period, and subsequently to transfer any residual to the PABBA. The relevant Ordering Paragraphs are as follows:

3. San Gabriel Valley Water Company is authorized to recover the under-collected balance of \$542,854 in the Plant F23 Project Memorandum Account by transferring the amount to a balancing account for recovery through a surcharge of \$0.0372/Ccf applied to the quantity rates over a period of 12 months starting July 1, 2018.
4. San Gabriel Valley Water Company's Plant F23 Project Memorandum Account shall be closed and its listing removed from the Preliminary Statement.
5. At the end of the twelve-month surcharge collection period of the balancing account, any monies collected more than, or less than, the authorized recovery balance, shall be transferred to the Previously Authorized Balances Balancing Account for future refund or recovery.

By Advice Letter 506-B, effective July 1, 2018, San Gabriel instituted the \$0.0372 per Ccf surcharge in the Fontana Water Company division to amortize the October 2017 undercollected balance in the Plant F23 Project Memorandum Account. That surcharge expired on June 30, 2019, leaving an uncollected balance of \$22,523 as of August 2019. San Gabriel requests authorization to transfer this residual to the PABBA. No changes in rates are proposed in this advice letter.

Workpapers supporting the 2017-2019 entries to the Plant F23 Project Balancing Account have been submitted to Commission staff for its review and verification.

Notice of Advice Letter Filing

In accordance with Water Industry Rule 3.3 of General Order 96-B, San Gabriel will post this advice letter to its website www.fontanawater.com. 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. No further public notice is required.

Protest and Responses

Anyone may respond to or protest 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 the specific grounds on which it is based. These grounds are:

- (1) San Gabriel did not properly serve or give notice of the advice letter;
- (2) The relief requested in the advice letter would violate statute or Commission order, or is not authorized by statute or Commission order on which San Gabriel relies;
- (3) The analysis, calculations, or data in the advice letter contain material error or omissions;
- (4) The relief requested in the advice letter is pending before the Commission in a formal proceeding;
- (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.

A response or protest must be made in writing or by electronic mail and must be received by the Water Division, within 20 days of the date this advice letter is filed. The address for mailing or delivering a protest is:

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

On the same date the response or protest is submitted to the Water Division, the respondent or protestant shall send a copy of the protest by mail to San Gabriel addressed as follows:

San Gabriel Valley Water Company
Vice President of Regulatory Affairs
11142 Garvey Avenue
El Monte, CA 91733
FAX: (626)448-5530 or
E-mail: jmreiker@sgvwater.com

The advice letter process does not provide for any responses, protests or comments, except for San Gabriel's reply, after the 20-day comment period.

Replies: San Gabriel will reply to each protest and may reply to any response. Each reply must be received by the Water Division, within 5 business days after the

September 11, 2019

end of the protest period, and shall be served on the same day to the person who filed the protest or response.

If you have not received a reply to your protest within 10 business days, contact me at (626) 448-6183.

Thank you for your assistance in processing this advice letter.

A handwritten signature in black ink, appearing to read "Joel M. Reiker". The signature is fluid and cursive, with a large initial "J" and "R".

Joel M. Reiker
Vice President of Regulatory Affairs

cc: James Boothe, CPUC – Water Division,
Victor Chan, CPUC – Water Branch, Cal PA
Richard Smith, CPUC – Water Branch, Cal PA
Jefferson Hancock, CPUC – Water Branch, Cal PA

PRELIMINARY STATEMENT

(Continued)

(D)

S. Mains Project Memorandum Account for Fontana Water Company Division

1. Purpose: The purpose of this memorandum account, as authorized by D.14-05-001 in A.11-07-005, is to track the recorded costs for mains work in excess of the allowance based on the City of Fontana's Capital Improvement Plan.
2. The following entries will be made monthly to the Mains Project Memorandum Account:
 - a. The recorded construction costs for mains work in excess of the allowance based on the City of Fontana's Capital Improvement Plan.
 - b. Monthly interest expense 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 (debit or credit).
3. Each year, San Gabriel will submit an advice letter, supported by specific records which clearly document the expenditures, to reflect in rates the balance recorded in this memorandum account.

Authorization: Established pursuant to D.14-05-001, Ordering Paragraph 5, and Advice Letter 437

(To be inserted by utility)

Issued by

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

Advice Letter No. 543

R. W. Nicholson
NAME

Date Filed _____

Decision No. _____

President
TITLE

Effective _____

Resolution No. W-5165

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(continued)

(To be inserted by utility)

Advice Letter No. 543

Decision No. _____

Issued by

R. W. Nicholson
NAME

President

TITLE

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

Date Filed _____

Effective _____

Resolution No. _____

DISTRIBUTION LIST
San Gabriel Valley Water Company
Fontana Water Company Division
Advice Letter No. 543

Kendall H. MacVey, Esq.
Best, Best & Krieger, LLP
3750 University Avenue
Riverside, CA 92501

City of Rialto Water Department
150 South Palm Avenue
Rialto, CA 92376

City of Colton Water Department
650 North La Cadena Drive
Colton, CA 92324

West Valley Water District
Post Office Box 920
Rialto, CA 92377

Cucamonga Valley Water District
Post Office Box 638
Rancho Cucamonga, CA 91730

Kiki Carlson
Suburban Water Systems
kcarlson@swwc.com

Debbie Brazill
Deputy City Manager
City of Fontana
8353 Sierra Avenue
Fontana, CA 92335

Chuck Hays
Public Works Director
City of Fontana Public Service Department
16489 Orange Way
Fontana, CA 92335

Marvin T. Sawyer, District Counsel
Fontana Unified School District
9680 Citrus Avenue, Bldg. No. 4
Fontana, CA 92335

Kathleen Rollings-McDonald, Executive Director
Local Agency Formation Commission for
San Bernardino County
215 North D Street, Suite 204
San Bernardino, CA 92415

City of Ontario Water Department
303 East B Street
Ontario, CA 91764