

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



December 27, 2023

Ronald K. Moore  
Senior Regulatory Analyst  
Golden State Water Company  
630 East Foothill Blvd.  
San Dimas, CA 91773

Dear Mr. Moore,

The Water Division of the California Public Utilities Commission has approved Golden State Water Company's Advice Letter No. 1919-A, (Supplement to Advice Letter No. 1919), filed on November 20, 2023, regarding Sales Reconciliation Mechanism Adjustment Rate Change for Simi Valley district.

Enclosed are copies of the following revised tariff sheets, effective January 1, 2024, for the utility's files:

<b>P.U.C.</b>	
<b>Sheet No.</b>	<b>Title of Sheet</b>
9399-W	Schedule No. SI-1-NR Simi Valley Customer Service Area Non-Residential Metered Service, Page 1
9400-W	Schedule No. SI-1-NR Simi Valley Customer Service Area Non-Residential Metered Service, Page 1
9401-W	Table of Contents, Page 5
9402-W	Table of Contents, Page 1

Please contact Jeremy Ho at [JRY@cpuc.ca.gov](mailto:JRY@cpuc.ca.gov) or 415-703-1905, if you have any questions.

Thank you.

Enclosures





November 20, 2023

**Advice Letter No. 1919-WA**

**(U 133 W)**

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

Golden State Water Company (“GSWC”) hereby transmits the following tariff sheets applicable to its Simi Valley Customer Service Area (“CSA”):

<u>CPUC Sheet No</u>	<u>Title of Sheet</u>	<u>Canceling CPUC Sheet No.</u>
Revised No. 9399-W*	Schedule No. SI-1-NR Simi Valley Customer Service Area Non-Residential Metered Service, Page 1	Revised No. 9393-W
Revised No. 9400-W*	Schedule No. SI-1-R Simi Valley Customer Service Area Non-Residential Metered Service, Page 1	Revised No. 9395-W
Revised No. 9401-W*	Table of Contents, Page 5	Revised No. 9397-W
Revised No. 9402-W*	Table of Contents, Page 1	Revised No. 9398-W

**SUPPLEMENTAL**

This supplemental filing is being made to modify Advice Letter No. 1919-W. GSWC adjusted the quantity rates and service charges for its residential and non-residential tariffs in order to reflect the corrected revenue requirement and water production costs. This supplemental filing replaces Advice Letter 1919-W in its entirety.

**PURPOSE**

This advice letter requests approval of the rate changes as a result of the Sales Reconciliation Mechanism (“SRM”) adjustment in the Simi Valley CSA. GSWC has calculated the adjustment to the revenue requirement and production costs in accordance with the SRM guidelines previously adopted in Decision No. (“D”) 19-05-044, as described below, and as modified pursuant to D.23-06-024, GSWC’s last General Rate Case.

In D. 19-05-044 and D.23-06-024, GSWC was granted authority to implement a SRM in ratemaking areas with a Water Revenue Adjustment Mechanism (“WRAM”). The SRM would adjust the WRAM-related sales volumes in escalation years, if recorded sales for the twelve months ending September before the escalation year vary by more than 5% from the adopted WRAM sales volume for that CSA. If the trigger is met, adopted WRAM-related sales volumes would be adjusted by 50% of the variance. For the Simi Valley CSA,

GSWC calculated the recorded WRAM-related sales for the period of October 2022 through September 2023 and compared the amounts to the WRAM-related sales for 2023 adopted in D.23-06-024, and adjusted in Advice Letter 1900-W. The recorded sales were 23.1% lower than adopted sales, therefore, the SRM is triggered and GSWC is authorized to decrease its overall WRAM-related sales forecast for 2024 by 50% of the recorded sales variation, which is 11.6%, revise the revenue requirement solely to flow-through the change to purchased water and purchased power expenses associated with the sales forecast change, and calculate rates based on the adjusted sales.

### **DISCUSSION**

The California Public Utilities Commission (“Commission”) issued D.23-06-024, adopting the Settlement Agreement between GSWC and the Commission’s Public Advocates Office in A.20-07-012. Ordering Paragraph No. 1 in D.23-06-024 states the following:

- 1. The Joint Motion of Golden State Water Company and the Public Advocates Office for the Adoption of a Settlement Agreement, filed November 23, 2021, is granted; and the Settlement Agreement attached to this decision as Appendix A is approved and adopted.*

Additionally, Section 4.4.2 - Special Request #3: Sales Reconciliation Mechanism of D.23-06-024, states, in part,

*GSW requested authority to rename its Sales Adjustment Mechanism as the Sales Reconciliation Mechanism and maintain the Sales Reconciliation Mechanism through this rate cycle. Cal Advocates proposed certain conditions be attached to the authorization, and GSW has agreed to abide by those conditions. GSW also agreed to abide by whatever Commission decision is in effect at the time of its next General Rate Case filing regarding the renamed Sales Reconciliation Mechanism.*

*Given how advanced the rate cycle for this proceeding is and the fact that sales are a matter of record now for the Test Year, as are the increased rain and snow falls during the last quarter of 2022, this decision approves this request and the terms agreed to by the Settling Parties as reasonable in light of the record, consistent with the law and in the public interest.*

### **SALES RECONCILIATION MECHANISM (“SRM”)**

The SRM, as adopted in D.23-06-024, is designed to trigger when actual WRAM-related sales vary from adopted WRAM-related sales by more than 5%. Current rates are to be recalculated incorporating a change in WRAM-related sales that is half of the total variation from recorded to adopted WRAM-related sales.

Since Simi Valley’s recorded WRAM-related sales for the period October 2022 through September 2023 were 23.1% lower than the 2023 adopted WRAM-related sales, GSWC has calculated an adjusted 2024 revenue requirement that incorporates a change in production costs to reflect the change in forecasted sales volumes. As such, these are the new adopted revenue requirement, sales volumes and production costs. GSWC has attached the revised Adopted Supply Expense and Adopted Quantities for Simi Valley to this advice letter as **Attachment A** and **Attachment B**, respectively.

The new rates included in the advice letter are the rates that are needed to recover the revised revenue requirement using the adjusted sales volumes.

**COMPLIANCE**

As noted above, Simi Valley’s SRM has been triggered, therefore, a sales adjustment, in accordance with the SRM guidelines, is required.

In compliance with the Settlement Agreement adopted in D. 23-06-024, GSWC is filing this Tier 1, stand-alone SRM advice letter, on the same date as the escalation review filing for the Simi Valley CSA. Both filings will have the same effective date of January 1, 2024.

The table below shows Simi Valley’s revenue requirement with the escalation (2024 adopted), the SRM adjustment, and the new adopted revenue requirement.

CSA	2024 Adopted Revenues (\$000)	SRM Adj. (\$000)	2024 Adopted Revenues with SRM (\$000)	Change
Simi Valley	\$16,521.0	-\$1,110.8	\$15,410.2	-6.7%

Supporting workpapers are being provided to the Water Division and the Public Advocates Office, detailing the adjustment and rate calculations.

**EFFECTIVE DATE**

As directed, the effective date of these revised tariffs shall be January 1, 2024.

**NOTICE**

This is a Tier 1 advice letter that does not require customer notification, as provided in Water Industry Rule 7.3.1 of General Order 96-B. GSWC will include a bill message on each customer’s bill after the increase goes into effect to inform its Simi Valley customers of this rate increase.

**RESPONSE OR PROTEST**

Anyone may submit a response or protest for this Advice Letter (AL). When submitting a response or protest, **please include the utility name and advice letter number in the subject line.**

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 AL in whole or in part and must set forth the specific grounds on which it is based. These grounds are:

1. The utility did not properly serve or give notice of the AL;
2. The relief requested in the AL would violate statute or Commission order, or is not authorized by statute or Commission order on which the utility relies;
3. The analysis, calculations, or data in the AL contain material error or omissions;
4. The relief requested in the AL is pending before the Commission in a formal proceeding; or
5. The relief requested in the AL requires consideration in a formal hearing, or is otherwise inappropriate for the AL process; or
6. The relief requested in the AL 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.

A protest may not rely on policy objections to an AL where the relief requested in the AL follows rules or directions established by statute or Commission order applicable to the utility. A protest shall provide citations or proofs where available to allow staff to properly consider the protest.

WD must receive a response or protest via email (or postal mail) within 20 days of the date the AL is filed. When submitting a response or protest, **please include the utility name and advice letter number in the subject line.**

The addresses for submitting a response or protest are:

**Email Address:**

[Water.Division@cpuc.ca.gov](mailto:Water.Division@cpuc.ca.gov)

**Mailing Address:**

CA Public Utilities Commission  
Division of Water and Audits  
505 Van Ness Avenue  
San Francisco, CA 94102

On the same day the response or protest is submitted to WD, the respondent or protestant shall send a copy of the protest to Golden State Water Company at:

**Email Address:**  
[regulatoryaffairs@gswater.com](mailto:regulatoryaffairs@gswater.com)

**Mailing Address:**  
Golden State Water Company  
Ronald Moore  
630 East Foothill Blvd.  
San Dimas, CA 91773

**REPLIES**

The utility shall reply to each protest and may reply to any response. Any reply must be received by WD within five business days after the end of the protest period, and shall be served on the same day on each person who filed the protest or response to the AL.

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform the Water Division, within the 20-day protest period, so that a late filed protest can be entertained. The informing document should include an estimate of the date the proposed protest might be voted on.

The actions requested 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.

No individuals or utilities have requested notification of filing of tariffs. Distribution of this advice letter is being made to the attached service list in accordance with General Order No. 96-B.

Sincerely,

/s/ Ronald Moore  
Ronald Moore  
Regulatory Affairs Department  
Golden State Water Company

cc: Jim Boothe, CPUC- Water Division  
Richard Rauschmeier, CPUC- Water Branch, Cal PAO  
Victor Chan, CPUC- Water Branch, Cal PAO

Schedule No. SI-1-NR  
Simi Valley District  
Non-Residential Metered Service

**APPLICABILITY**

Applicable to all metered water service except those covered under SI-1-R, residential metered service.

**TERRITORY**

Portions of the City of Simi Valley and vicinity, Ventura County.

**RATES**

Quantity Rates:	Per 1 CCF (100 cu. ft.)	Per 1 CGL (100 gal.)	
For all water delivered	\$ 4.680	\$ 0.6256	(I)

Service Charges:	<b><u>Per Meter Per Month</u></b>	
For 5/8 x 3/4-inch meter	\$ 22.15	(R)
For 3/4-inch meter	\$ 33.23	
For 1-inch meter	\$ 55.38	
For 1-1/2 inch meter	\$ 110.75	
For 2-inch meter	\$ 177.20	
For 3-inch meter	\$ 332.25	
For 4-inch meter	\$ 553.75	
For 6-inch meter	\$ 1,107.50	
For 8-inch meter	\$ 1,772.00	
For 10-inch meter	\$ 2,547.25	
Fire Sprinkler 4-inch to 3-inch	\$ 346.43	
Fire Sprinkler 6-inch to 1-1/2-inch	\$ 201.12	
Fire Sprinkler 6-inch to 2-inch	\$ 265.58	
Fire Sprinkler 6-inch to 3-inch	\$ 380.32	
Fire Sprinkler 8-inch to 2-inch	\$ 283.74	
Fire Sprinkler 8-inch to 3-inch	\$ 398.48	(R)

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is to be added the charge for water used computed at the Quantity Rates.

(Continued)

(To be inserted by utility) Advice Letter No. <u>1919-WA</u> Decision No. <u>23-06-024</u>	Issued By <b>R. J. Sprowls</b> President	(To be inserted by P.U.C.) Date Filed <u>November 20, 2023</u> Effective <u>January 1, 2024</u> Resolution No. _____
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Schedule No. SI-1-R  
Simi Valley District  
Residential Metered Service

**APPLICABILITY**

Applicable to all residential metered water service provided to single-family residential customers.

**TERRITORY**

Portions of the City of Simi Valley and vicinity, Ventura County.

**RATES**

Quantity Rates:	Per 1 CCF (100 cu. ft.)	Per 1 CGL (100 gal.)	
Tier 1 - First 10 ccf or 7,481 gallons	\$ 4.680	\$ 0.6256	(I)
Tier 2 - Next 12 ccf or 8,977 gallons	\$ 5.382	\$ 0.7195	(I)
Tier 3 - Over 22 ccf or 16,457 gallons	\$ 6.190	\$ 0.8275	(I)
Service Charges:		<u>Per Meter Per Month</u>	
For 5/8 x 3/4-inch meter		\$ 20.32	(R)
For 3/4-inch meter		\$ 30.48	
For 1-inch meter		\$ 50.80	
For 1-1/2 inch meter		\$ 101.60	
For 2-inch meter		\$ 162.56	
Fire Sprinkler 1-inch to 5/8x 3/4-inch		\$ 21.13	
Fire Sprinkler 1-inch to 3/4-inch		\$ 30.89	
Fire Sprinkler 1 1/2-inch to 3/4-inch		\$ 34.75	
Fire Sprinkler 2-inch to 3/4-inch		\$ 36.37	
Fire Sprinkler 1 1/2-inch to 1-inch		\$ 54.46	
Fire Sprinkler 2-inch to 1-inch		\$ 55.88	(R)

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is to be added the charge for water used computed at the Quantity Rates.

(Continued)

<b>(To be inserted by utility)</b>	<i>Issued By</i>	<b>(To be inserted by P.U.C.)</b>
Advice Letter No. <u>1919-WA</u>	<b>R. J. Sprowls</b>	Date Filed <u>November 20, 2023</u>
Decision No. <u>23-06-024</u>	<b>President</b>	Effective <u>January 1, 2024</u>
		Resolution No. _____

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<u>Subject Matter of Sheet</u>	<u>Schedule Number</u>	<u>CPUC Sheet No.</u>	
<b>Rate Schedules:</b>			
Region 3 Customer Service Areas			
Residential Metered Service	R3-1-R	9314-W, 9251-W-9252-W, 9342-W	
Non-Residential Metered Service	R3-1-NR	9312-W, 9313-W, 9246-W, 9247-W, 9248-W, 9341-W	
Irrigation Service-Forest Lawn	R3-3	9315-W, 9255-W	
Region 3 Claremont Customer Service Areas			
Limited Metered Service	R3-CM-7ML	9316-W, 9257-W, 9258-W, 9343-W	
Measured Irrigation Service	R3-CMH-3M	9317-W, 9344-W	
Metered Irrigation Service	R3-CMP-3M	5966-W	
Region 3 Desert Customer Service Area			
Haulage Flat Rate Service - Morongo	R3-DEM-2H	9318-W	
Region 3 Orange County Customer Service Area			
Metered Irrigation Service	R3-OC-3M	9319-W, 9264-W, 9265-W, 9345-W	
Region 3 San Gabriel Customer Service Area			
Recycled Water Service	R3-RCW	9320-W, 9268-W, 9269-W, 9346-W	
Region 3 San Dimas Customer Service Area			
Measured Irrigation Service	R3-SD-3	9321-W, 9272-W, 9347-W	
Santa Maria District			
Residential Metered Service	SM-1-R	9389-W, 9209-W, 9383-W	
Non-Residential Metered Service	SM-1-NR	9388-W, 9205-W, 9206-W, 9333-W	
Limited Metered Irrigation Service	SM-3ML	9390-W, 9385-W, 9335-W	
Simi Valley District			
Residential Metered Service	SI-1-R	9400*-W, 9396-W	(C)
Non-Residential Metered Service	SI-1-NR	9399-W*, 9199-W, 9394-W	(C)
Contracts and Deviations		9106-W	

(Continued)

<b>(To be inserted by utility)</b>	<i>Issued By</i>	<b>(To be inserted by P.U.C.)</b>
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Decision No. <u>23-06-024</u>	<b>President</b>	Effective <u>January 1, 2024</u>
		Resolution No. _____

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

<u>Subject Matter of Sheet</u>	<u>CPUC Sheet No.</u>
Title Page	4905-W
Table of Contents	9402*-W, 9361-W, 9292-W (C) 9379-W, 9401-W*, 9147-W (C)
<b>Preliminary Statements:</b>	
A Territory served by Utility	8370-W
B-E Types and Classes of Service, Description of Service, Procedure to Obtain Service and Symbols	7005-W
F Income Tax Component of Contribution Provision	
Page 1	3140-W
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G Contaminant Remediation Memorandum Account	8994-W
M Santa Maria Water Rights Memorandum Account	5096-W
Q Customer Assistance Program (CAP) Balancing Account	8888-W
W Water Revenue Adjustment Mechanism/Modified Cost Balancing Account (WRAM/MCBA)	
Page 1	6477-W
Page 2	6478-W
Page 3	6479-W
Page 4	7075-W
Page 5	7076-W
GG Water Cost of Capital Adjustment Mechanism	9150-W
MM Omega Chemical Corporation Superfund Site Memorandum Account	5848-W
OO Pension And Benefits Balancing Account	5937-W
TT Los Osos Groundwater Adjudication Memorandum Account	6101-W
UU Santa Maria Steelhead Recovery Plan Memorandum Account	6103-W
ZZ Low-Income Customer Data Sharing Memorandum Account	6225-W
EEE Credit Card Payment Program Memorandum Account	6559-W
GGG Tangible Property Regulations Collateral Consequences Memorandum Account	6652-W
HHH Catastrophic Event Memorandum Account	8484-W
JJJ American Recovery And Reinvestment Act Balancing Account	6938-W
MMM Los Osos Basin Management Committee Memorandum Account	
Page 1	7441-W
Page 2	7442-W
NNN Basin Pumping Rights Litigation Memorandum Account	7451-W
OOO School Lead Testing Memorandum Account	7481-W

(To be inserted by utility)

Advice Letter No. 1919-WA  
 Decision No. 23-06-024

Issued By  
**R. J. Sprowls**  
 President

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

Date Filed November 20, 2023  
 Effective January 1, 2024  
 Resolution No. \_\_\_\_\_

# Attachment A

**APPENDIX G  
GOLDEN STATE WATER COMPANY  
SUPPLY EXPENSE SUMMARY  
A.20-07-012  
Simi Valley (RMA)  
Revised**

\$/AF	Tiers	2022	2023	2024
		<b>SRM</b>		
<b>Supply Volume</b>				
Wells Production (CCF)		381,430	381,430	381,430
Purchased Water (CCF)		2,261,604	2,203,999	1,913,748
Total Supply (CCF)		2,643,034	2,585,429	2,295,178
<b>Supply Expenses</b>				
Energy Cost - Electric				
Electric kwh		1,288,248	1,260,170	1,118,698
Total Energy Cost		\$192,248	\$188,057	\$166,945
\$/kwh		\$0.149	\$0.149	\$0.149
Total Energy Cost - Gas				
		\$2,112	\$2,112	\$2,179
Total Energy Cost		\$194,359	\$190,169	\$169,125
<i>SV-Calleguas MWD</i>				
Purchased Supply Volume (in CCF)		2,261,604	2,203,999	1,913,748
Quantity Cost \$	\$1561.00 per AF	\$8,104,600	\$7,898,168	\$6,858,035
Capacity Reservation Charge	\$418,944.00	\$418,944	\$418,944	\$418,944
Readiness To Serve	\$395,076.00	\$395,076	\$395,076	\$395,076
Total Cost		\$8,918,620	\$8,712,188	\$7,672,055
\$/CCF		\$3.943	\$3.953	\$4.009
Chemical Cost				
		\$186	\$188	\$192
Total Supply Expenses (Excl Chemicals)		\$9,112,979.51	\$8,902,357.53	\$7,841,179.64

# Attachment B

**Appendix F**  
**GOLDEN STATE WATER COMPANY**  
**SALES AND PRODUCTION - TEST YEAR 2022-2024**  
**A.20-07-012**  
**Simi Valley (RMA)**  
**Revised**

WATER CONSUMPTION

Classification	Service Connection			Usage (CCF/CUST)			Consumption (KCCf)			
	2022	2023	2024	SRM		SRM	SRM			
				2022	2023		2024	2022	2023	2024
METERED SERVICES :										
Residential	12,716	12,759	12,802	138.1	134.6	119.0	Tier 1	1,755.7	1,716.8	1,523.2
							Tier 2	1,211.4	1,184.6	1,051.0
							Tier 3	456.5	446.4	396.0
Commercial	676	685	694	681.6	664.3	587.4		87.8	85.8	76.2
Industrial	27	27	27	376.9	367.3	324.8		460.8	455.0	407.6
Public Authority	82	78	74	2,093.3	2,040.0	1,803.9		10.2	9.9	8.8
Irrigation	96	100	104	1,427.9	1,391.6	1,230.5		171.7	159.1	133.5
Other Sales	0	0	0	0.0	0.0	0.0		137.1	139.2	128.0
								-	-	-
<b>Total Metered</b>	<b>13,597</b>	<b>13,649</b>	<b>13,701</b>					<b>2,535.326</b>	<b>2,480.0</b>	<b>2,201.1</b>
PRIVATE FIRE PROTECTION	183	186	189	0.9				0.2	0.2	0.2
Company Use	1	1	1	4,203.6				4.2	4.2	4.2
<b>TOTAL CONNECTIONS</b>	<b>13,781</b>	<b>13,836</b>	<b>13,891</b>					<b>2,539.7</b>	<b>2,484.3</b>	<b>2,205.4</b>
WATER LOSS	3.91%	3.91%	3.91%					103.3	101.1	89.7
<b>TOTAL WATER PRODUCTION</b>								<b>2,643.0</b>	<b>2,585.4</b>	<b>2,295.2</b>
Pumped(in KCF)								381.4	381.4	381.4
Purchased Water(in KCF)								2261.6	2204.0	1913.7
Surface Water(in KCF)								0.0	0.0	0.0

**GOLDEN STATE WATER COMPANY**

**SERVICE LIST**

**SIMI VALLEY DISTRICT**

Calleguas Municipal Water District  
2100 Olsen Road  
Thousand Oaks, CA 91362  
[staylor@calleguas.com](mailto:staylor@calleguas.com)

Mike Sedell, City Manager  
City of Simi Valley  
2929 Tapo Canyon Road  
Simi Valley, CA 93065

Clerk of the Board of Supervisors  
Hall of Administration, 4<sup>th</sup> Floor  
800 South Victoria Avenue  
Ventura, CA 93009-1920  
[rosa.gonzalez@ventura.org](mailto:rosa.gonzalez@ventura.org)

City Clerk & City Attorney  
City of Simi Valley  
2929 Tapo Canyon Road  
Simi Valley, CA 93065

Downey Brand LLP  
455 Market Street, Suite 1500  
San Francisco, CA 94105  
[MSomogy@DowneyBrand.com](mailto:MSomogy@DowneyBrand.com)  
[tmacbride@DowneyBrand.com](mailto:tmacbride@DowneyBrand.com)  
[mday@DowneyBrand.com](mailto:mday@DowneyBrand.com)