



San Jose  
Water  
Company

110 W. Taylor Street  
San Jose, CA 95110-2131

December 6, 2018

California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102

Advice Letter No. 528

To Whom It May Concern:

San Jose Water Company (U-168-W) (SJWC) hereby transmits for filing the following changes in tariff schedules applicable to its service area and which are attached here to:

<u>Cal. P.U.C Sheet No.</u>	<u>Title of Sheet</u>	<u>Cancelling Cal. P.U.C. Sheet No.</u>
1947-W	Schedule No. 1 – General Metered Service	1924-W
1948-W	Schedule No. 1 – General Metered Service (Continued)	1916-W
1949-W	Schedule No. 1B – General Metered Service with Automatic Fire Sprinkler System	1925-W
1950-W	Schedule No. 1B – General Metered Service with Automatic Fire Sprinkler System	1917-W
1951-W	Schedule No. 1C – General Metered Service, Mountain District	1926-W
1952-W	Schedule No. 1C – General Metered Service, Mountain District (Continued)	1744-W
1953-W	Schedule No. 1C – General Metered Service, Mountain District (Continued)	1919-W
Deleted	Schedule No. 1C – General Metered Service, Mountain District (Continued)	1931-W
1954-W	Schedule No. 4 – Private Water Service	1927-W
1955-W	Schedule No. RW – Raw Water Metered Service	1928-W
1956-W	Schedule No. RW – Raw Water Metered Service (Continued)	1921-W
1957-W	Schedule No. RCW – Recycled Water Metered Service	1929-W
1958-W	Schedule No. RCW – Recycled Water Metered Service (Continued)	1922-W
1959-W	Table of Contents	1946-W

Purpose

With this advice letter SJWC implements the authorized rates and conditions as established in Decision No. (D) 18-11-025 (**Attachment A**) issued on December 4, 2018, which are designed to increase revenue by \$16,378,000, or 4.55% in 2019. These tariffs are submitted pursuant to General Order No. 96-B and pursuant to the authority established by the California Public Utilities Commission (Commission) in D.18-11-025.

This advice letter is designated as a Tier I Advice Letter and is submitted as authorized by Ordering Paragraph No. 2 of D.18-11-025, which states that:

*“The new rates for customers of San Jose Water Company shall become effective January 1, 2019.”*

SJWC’s updated tariffs filed with this advice letter reflect the rates authorized in D.18-11-025’s workpapers as attached in Exhibit B. In addition to implementing the revised rates, SJWC has eliminated the existing Overuse Rate for usage above 20 ccf per connection for its Mountain District customers and the existing Purchased Water and Ground Water Charge expense offset surcharges implemented in the years 2016 through 2018. The production unit cost increases associated with the expense offset surcharges have been included in the base rates authorized with this decision, thus the surcharges are no longer necessary.

Per D.18-11-025, the updated tariffs also reflect the recovery of the under-collection in the Balancing and Memorandum Accounts. A \$0.2961 per 100 cubic feet surcharge for the Balancing Account will be included with the effective date of this tariff for a 12-month period or until recovered. Similarly, a \$0.2954 per 100 cubic feet surcharge for the Memorandum Accounts will be included with the effective date of this tariff for a 12-month period or until recovered.

In addition, SJWC is filing with this advice letter the updated illustrative rates as shown in Attachment C per Ordering Paragraph 3 of D.18-11-025 which states:

*“No later than two weeks from today, San Jose Water Company must file illustrative rates based on the outcomes in this decision consistent with the information provided in SJWC Exhibit D.”*

#### Effective Date

Per D.18-11-025, this advice letter and will become effective January 1, 2019. Public notice is not required as notice was completed at the time of SJWC’s General Rate Case proceeding A.18-01-004.

The present rates of the SJWC became effective on August 25, 2018 by Advice Letter No. 524. SJWC does not have any advice letters pending before the Commission.

#### Protests and Responses

Anyone may respond to or protest this advice letter. A response does not oppose the filing but presents information that may prove 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 may include the following:

- (1) The utility 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 the utility 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, 3<sup>rd</sup> floor  
California Public Utilities Commission,  
505 Van Ness Avenue  
San Francisco, CA 94102  
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 us, addressed to:

Regulatory Affairs  
San Jose Water Company  
110 West Taylor Street  
San Jose, CA 95110  
Fax 408.279.7934  
regulatoryaffairs@sjwater.com.

The advice letter process does not provide for any responses, protests or comments, except for the utility's reply, after the 20-day comment period. Public notice is not required.

In compliance with Paragraph 4.3 of GO 96-B, a copy of this advice letter has been mailed to all interested and affected parties as detailed in Attachment D.

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

Very truly yours,

/S/ JOHN TANG  
JOHN TANG  
Vice President of Regulatory Affairs

Enclosure

A copy of Advice Letter No. 528 has been sent to the following municipalities, water companies and interested parties:

City of San Jose  
Municipal Water Dept.  
Attn: Jeffrey Provenzano  
3025 Tuers Road  
San Jose, CA 95121

San Jose Mercury News  
Attn: Paul Rogers  
4 N. Second Street, Suite 800  
San Jose, CA 95113

California Water Service Co.  
Attn: Regulatory Affairs  
1720 North First Street  
San Jose, CA 95112

Town of Los Gatos  
Attn: Director of Public Works  
110 E. Main Street  
Los Gatos, CA 95032

City of Cupertino  
10300 Torre Avenue  
Cupertino, CA 95014

City of Monte Sereno  
Attn: Director of Public Works  
18014 Saratoga-Los Gatos Road  
Monte Sereno, CA 95030

City of Campbell  
70 North First Street  
Campbell, CA 95008

City of Santa Clara  
1500 Warburton Avenue  
Santa Clara, CA 95050

Great Oaks Water Company  
P.O. Box 23490  
San Jose, CA 95153

City of Milpitas  
Attn: Utilities Engineering  
455 East Calaveras Blvd.  
Milpitas, CA 95035

Santa Clara Valley Water District  
5750 Almaden Expressway  
San Jose, CA 95118

City of Saratoga  
Attn: Director of Public Works  
13777 Fruitvale Avenue  
Saratoga, CA 95070

County of Santa Clara  
70 W. Hedding Street  
San Jose, CA 95110

Department of Water Resources  
Safe Drinking Water Office, Room 804  
1416 9<sup>TH</sup> Street  
Sacramento, CA 95814

Mountain Springs Mutual Water Co.  
17956 Greenwood Road  
Los Gatos, CA 95033

Nina Hawk  
Chief Operating Officer  
Water Utility Enterprises  
Santa Clara Valley Water District  
5750 Almaden Expressway  
San Jose, CA 95118

Bob Burke  
Regulatory Liaison For The Six  
Mutual Water Companies  
420 Alberto Way, Unit 49  
Los Gatos, Ca 95032

Gillette Mutual Water Company  
21976 Gillette Drive  
Los Gatos, CA 95033

Stagecoach Mutual Water Co  
21825 Stagecoach Road  
Los Gatos, CA 95033

Redwood Estates Services Association  
PO Box 591  
Redwood Estates, CA 95044-0591

Pat Kearns, MD  
7 W Central Ave  
Los Gatos, CA 95030

Big Redwood Park Water  
& Improvement Assoc.  
18522 Mt. View Avenue  
Los Gatos, CA 95033

Saratoga City Council Member  
Rishi Kumar  
13777 Fruitvale Avenue  
Saratoga, CA 95070

Villa Del Monte Mutual Water Company  
P.O. Box 862  
Los Gatos, CA 95031

WRATES  
Rita Benton  
18555 Ravenwood Drive  
Saratoga, CA 95070

Ridge Mutual Water Company  
22316 Citation Drive  
Los Gatos, CA 95033

Saratoga Heights Mutual Water Company  
P.O. Box 337  
Saratoga, CA 95071

Summitt West Mutual Water Company  
P.O. Box 974  
Los Gatos, CA 95031

James Hunter  
6475 Dwyer Street  
San Jose, CA 95120

Oakmount Mutual Water Company  
P.O. Box 31536  
Stockton, CA 95213

Raineri Mutual Water Company  
P.O. Box 11  
Los Gatos, CA 95031

Brush & Old Well Mutual  
Water Company  
21105 Brush Road  
Los Gatos, CA 95033

Mt. Summit Mutual Water Co  
P.O. Box 3416  
Saratoga, CA 95070

Schedule No. 1C

GENERAL METERED SERVICE  
 Mountain District  
 (Continued)

- |   |     |
|---|-----|
|   | (D) |
| 8. Upsize Charges as shown under Schedule No. 1B General Metered Service with Automatic Fire Sprinkler System's Service Charges shall also apply to Schedule No. 1C. Special Conditions 1 and 2 of Schedule No. 1C as noted below shall also apply to this schedule.  | (L) |
| "1. Any service to a residential customer who requires a larger meter because of fire flow requirement to a fire sprinkler system will be billed (i) a meter service charge, for the appropriate meter size determined based on the normal water use of the customer excluding the fire flow requirement; and (ii) an upsize charge, determined by the difference between the actual Meter size required including the fire flow requirement and the appropriate meter size required without the fire flow requirement; and (iii) the quantity rate based on the quantity of water used.  |     |
| 2. For the purpose of fire protection under this schedule, the utility will supply only such water at such pressure as may be available from time to time as a result of its operation of the system. Section 774 of the Public Utilities Code limits the liability of the utility resulting from a claim regarding the provision or maintenance of an adequate water supply, water pressure, equipment or other fire protection facility or service. Acceptance of service under this tariff is acknowledgment of notice of the provisions of Section 774 of the Public Utilities Code." |     |
| The addition of General Metered Service with Automatic Fire Sprinkler System's Service Charges to this tariff shall be subject to Special Condition 4 – Interruptible Service of this Schedule.   | (L) |
| 9. To amortize the under-collection in Balancing Accounts, a surcharge of \$0.2961 per 100 cu.ft is to be added to the Quantity rate shown for a 12 month period or until collected beginning with the effective date of Advice Letter 528.   | (N) |
|   |     |
|   | (N) |
| 10. To amortize the under-collection of the Memorandum Accounts, a surcharge of \$0.2954 per 100 cu.ft is to be added to the Quantity rate shown for a 12 month period or until collected beginning with the effective date of Advice Letter 528.   | (N) |
|   |     |
|   | (N) |

(To be inserted by utility)

Issued by

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

Advice No. 528

JOHN TANG

Date Filed \_\_\_\_\_

Vice President,

Effective \_\_\_\_\_

Dec. No. D.18-11-025

Regulatory Affairs

Resolution No. \_\_\_\_\_

TITLE