



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

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12/06/19
04:59 PM

A1912002

Application of SAN JOSE WATER
COMPANY (U 168 W) for Approval of
Cost Recovery for Advanced Metering
Infrastructure.

Application 19-12-____
(Filed December 6, 2019)

**APPLICATION OF SAN JOSE WATER COMPANY (U 168 W) FOR APPROVAL OF
COST RECOVERY FOR ADVANCED METERING INFRASTRUCTURE**

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December 6, 2019

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I. INTRODUCTION

Pursuant to Section 454 of the California Public Utilities Code, Article 2 and Rule 3.2 of the Rules of Practice and Procedure (“Rules”) of the California Public Utilities Commission (“Commission”) and Decision (“D.”) 16-06-004,¹ San Jose Water Company (“San Jose Water” or “Company”) hereby files this application seeking authorization to increase rates for water service to fund the deployment of Advanced Metering Infrastructure (“AMI”) throughout its service area.

As discussed in more detail below, AMI technology includes advanced meters that can take up to hourly readings and a data transmission system to provide this water usage data to both customers and utility staff in near real time. This technology is a critical tool that will help customers comply with the state water use standards, reduce water loss through the early notification of the presence of leaks, and minimize San Jose Water’s and the state of California’s carbon footprint.

¹ D.16-06-004, *Application of SAN JOSE WATER COMPANY (U 168 W) for an Order authorizing it to increase rates charged for water service by \$34,928,000 or 12.22% in 2016, by \$9,954,000 or 3.11% in 2017, and by \$17,567,000 or 5.36% in 2018*, Decision Approving Two Partial Settlements, Resolving Disputed Issues and Adopting Revenue Requirements for San Jose Water Company, p. 9.

Included with this application as Exhibit A is an AMI Report prepared by West Monroe Partners for San Jose Water. This report provides detailed information on San Jose Water's AMI strategy, technology review, pilot results, vendor selection, current and future operations, meter data management system integration, staffing plans, and public outreach efforts. San Jose Water has also provided written direct testimony regarding AMI policies, the business case for AMI, engineering issues, and revenue requirement and rate implementation.

II. REQUEST FOR RELIEF

By this application, San Jose Water seeks authorization to increase rates for water service to fund the deployment of AMI throughout its service area. Specifically, San Jose Water seeks authorization to:

- (1) Increase rates on an annual basis to allow for the deployment of AMI;
- (2) Implement new rates on annual basis using a forward looking ratemaking methodology; and,
- (3) Adjust the associated rate changes for AMI deployment concurrently with the annual authorized step increase adjustments.

III. BENEFITS OF AMI

San Jose Water provides water service to approximately 1 million people in the greater San Jose metropolitan area. San Jose Water's service area encompasses about 140 square miles and includes approximately 230,000 active metered services. Within San Jose Water's service area, most water meters are read manually and billed on a bimonthly basis, though some commercial accounts have automatic meter reading ("AMR") and are billed on a monthly basis. Bimonthly billing means that neither the customer nor the utility has visibility to water usage apart from the one read captured every 60 days or so. This also means there is only limited ability on a 60-day basis for

customers and San Jose Water to detect leaks or troubleshoot the causes of a high usage. Bimonthly billing is increasingly rare across the water industry, particularly as conservation efforts have come to the forefront.

The bimonthly billing process may result in unexpected high usage bills for San Jose Water customers, mainly due to water leaks going undetected for long periods. In contrast to bimonthly manual meter reading, AMI produces customer, societal, and water utility benefits. AMI is a proven field technology that automates the meter reading process and transmits up to hourly reads from the customer meter to the utility. With AMI, customers have an improved ability to manage their near real-time water consumption and detect water leaks, better capabilities to troubleshoot and investigate high usage, and the ability to comply with conservation mandates. From a societal perspective, AMI helps communities conserve water by minimizing water waste, thereby reducing the energy, greenhouse gas emissions, and chemical use associated with producing water that is ultimately lost – in addition to reducing greenhouse gas emissions via fewer meter reading truck miles driven. AMI also benefits water utilities, helping to eliminate the hazardous work of manual meter reading, and improving identification of leaks, backflow, theft, and meter tampering. This in turn results in improved water quality across the system and a more equitable distribution of costs.

AMI benefits low-income customers in particular, as AMI data can quickly detect leaks or atypical consumption. This early leak detection helps customers avoid later bill issues. Additionally, AMI interval data can be used to help customers understand how they are using water, assisting customers in reducing discretionary water use – thereby

reducing overall bill costs and helping low-income customers manage water usage and thereby the affordability of the bill.

Additional information on the benefits of AMI and the public policy goals it serves is provided in the AMI Report and the Direct Testimony of John Tang.

IV. WATER CONSERVATION

With California facing water shortfalls in the driest year in recorded state history, Governor Edmund G. Brown Jr. proclaimed a State of Emergency on January 17, 2014, and directed state officials to take all necessary actions to prepare for drought conditions. A series of policies, mandates, and rules from the State Water Resources Control Board (“SWRCB”), the Commission, and San Jose Water’s wholesale water supplier, the Santa Clara Valley Water District (now known as Valley Water) followed with the goals of encouraging conservation and ensuring adequate service in light of the water supply shortage.

While San Jose Water’s customers were successful in meeting their conservation targets, the conservation program presented a challenge for both customers and the company. Like many utilities, the program involved the imposition of penalties once usage surpassed a certain volume in any given month. For many residential customers who consumed more than the monthly allotments (whether as a result of actual consumption and/or the presence of leaks), their water bills, some in the thousands of dollars, came as a complete surprise. While they understood the need to conserve, there was no easy way for customers to effectively monitor their usage and make timely decisions to curtail their usage and/or repair leaks.

In 2018, California passed two water conservation bills that ultimately will restrict residential water usage: Senate Bill No. 606 and Assembly Bill No. 1668. These bills established guidelines for promoting efficient water use and defined mandatory water budgets of 55 gallons per capita for indoor use, which will ultimately decrease to 52.5 gallons in 2025 and 50 gallons in 2030. Based on this legislation, it is imperative for San Jose Water to implement an AMI program so that customers can manage their water consumption and comply with California's conservation requirements. AMI will empower customers to meet the letter and intent of the conservation legislation and the adopted State policy of making conservation a way of life.

Furthermore, Senate Bill No. 606 and Assembly Bill No. 1668 require that water retailers distinguish between indoor and outdoor water use, which cannot be reliably estimated without AMI data. With AMI, outdoor irrigation can be inferred using hourly interval data. Without AMI, utilities typically estimate an indoor/outdoor water split, with about 50% of water being attributed to outdoor use. This estimate is generically applied across the population, as most utilities do not have detailed information on which customers irrigate versus those who may have artificial grass or gravel. AMI would enable San Jose Water to better distinguish between indoor and outdoor water use, helping both customers and the utility to comply with upcoming legislation.

V. COMMISSION RECOGNITION OF AMI BENEFITS

In D.16-12-026, the Commission examined AMI technology as a way to comply with State conservation objections. The Commission recognized the limitations of current water meters. "When leaks develop between meter readings, thousands of gallons - or even more - of water could be wasted. The customer's consequent high bill

often results in distress, investigation requiring a belated truck-roll of personnel, a request for a courtesy bill adjustment, and resulting in revenue impacts.”² The

Commission further recognized that specific benefits of AMI:

We agree that AMI can harness and communicate data to manage water production and purchases, identify and stop leaks, protect drinking water quality by promptly identifying backwash incidents, produce data that yield more accurate forecasts, and provide customers and water system operators timely information. Current meters do not accomplish these objectives.³

Noting that AMI technology can save water that benefits customers, utilities, communities and the State, the Commission ordered the commencement of a transition to the use of AMI for Class A and Class B water companies “to increase data for customer and operational use, produce conservation signals through real-time data delivery, improve water management, reduce leaks, and promote equity and sustainability.”⁴

VI. PILOT PROGRAM

In D.16-06-004, the Commission authorized San Jose Water to perform an AMI pilot study and, if justified by the results, file a separate application for the full deployment of AMI.⁵ San Jose Water’s pilot programs evaluated the response from

² D.16-12-026, *Order Instituting Rulemaking on the Commission’s Own Motion into Addressing the Commission’s Water Action Plan Objective of Setting Rates that Balance Investment, Conservation, and Affordability for Class A and Class B Water Utilities*, Decision Providing Guidance on Water Rate Structure and Tiered Rates, p. 63.

³ D.16-12-026, pp. 61-62.

⁴ *Id.*, p. 63.

⁵ D.16-06-004, *Application of SAN JOSE WATER COMPANY (U 168 W) for an Order authorizing it to increase rates charged for water service by \$34,928,000 or 12.22% in 2016, by \$9,954,000 or 3.11% in 2017, and by \$17,567,000 or 5.36% in 2018*, Decision Approving Two Partial Settlements, Resolving Disputes Issues and Adopting Revenue Requirements for San Jose Water Company, p. 9.

customers in order to anticipate the effects of AMI on water efficiency and consumption. AMI endpoints were installed on two separate residential meter reading routes with approximately 400 meters per route. All pilot participants received new meters or retrofitted registers. Customers were provided access to a web portal so they could monitor their water usage.

San Jose Water completed its pilot programs by the end of 2018. Compared to the control group of households that did not receive an updated meter, the pilot results demonstrated that the AMI meters, along with an accompanying customer-facing consumption portal, resulted in customers using about 7% less water in the first six months after the pilot began. The pilot programs also resulted in a 38% reduction in leak duration, with the greatest reductions occurring in households that registered for the consumption portal's online accounts. The pilot programs provided San Jose Water staff and customers with first-hand AMI experience, demonstrated the value and reliability of this technology, and informed San Jose Water's AMI program design.

Additional information on pilot programs is included in the AMI Report and the Direct Testimony of Tricia Anklan.

VII. PROPOSED DEPLOYMENT

San Jose Water is proposing to deploy AMI throughout its service territory. To identify the best AMI technology for its needs, San Jose Water conducted a rigorous and competitive AMI vendor selection process spanning four months. San Jose Water identified Sensus, as well as Sensus' designated partners Concord Utility Services (meter and AMI installation) and WaterSmart (consumption portal) as the preferred AMI vendors. Sensus' AMI system is composed of a primary-use, FCC-licensed, point-to-

multipoint system in which SmartPoint AMI radios in meter pits capture and transmit encrypted meter data six times per day to base stations. Base stations then aggregate data gathered from SmartPoints and a backhaul network relays this data from base stations to the water utility.

Deployment of back-office support and network build will occur in 2021. Full field deployment will occur in the years 2022-2024. Throughout the AMI program implementation, meters will be changed in accordance with General Order 103-A. San Jose Water designed its meter replacement program to manage overall program costs and maintain an achievable workload that can be accomplished within the designated program timeframe. With this design, San Jose Water will be able to fully deploy AMI prior to January 2025 so that all customers can leverage AMI data as water budgets take effect.

Additional information regarding San Jose's proposed AMI program and implementation is included in the AMI Report and the Direct Testimony of Jake Walsh.

VIII. COSTS AND SAVINGS

San Jose Water assessed the costs and savings associated with AMI over a 20-year duration in order to mirror the expected useful life of AMI. The cumulative cost over a 20-year period for implementing AMI technology amounts to \$159.7 million. This includes the costs for (1) building, operating, and deploying the network, (2) software required to deploy and support AMI, (3) internal program support, (4) contracted labor for meter replacements and retrofits, (5) field operations hardware, (6) customer outreach, and (7) contingency and overhead.

The cumulative savings over a 20-year period for implementing AMI technology amount to \$204.8 million, with net savings of \$45.1 million. The four primary categories of AMI savings are field operations, billing and customer service, system water loss, and customer-side water loss. These include savings related to avoided costs of manual meter reading, decreased claims administration costs, reductions in real water loss, and reduced quantities of water purchased wholesale from Valley Water. These savings are in addition to the more general customer and societal benefits discussed above.

Additional information on the costs and savings associated with AMI deployment is included in the AMI Report and the Direct Testimony of Tricia Anklan.

IX. REVENUE REQUIREMENT AND RATE IMPLEMENTATION

SJWC expects to expend the majority of the capital cost over the course of four years commencing in 2021 and ending in 2024, with the bulk of the investments (\$86 million, or 85% of the total capital costs) to be made during the years 2022-2024. SJWC therefore requests that the Commission authorize the addition to SJWC's ratebase of upgrade investments of \$13.4 million in 2021, \$28.1 million for 2022, \$27.4 million for 2023, and \$27.2 million in 2024, with corresponding increases in revenue requirement to be allowed in rates pursuant to the present Application. These ratebase investments include the capital savings anticipated from AMI deployment.

SJWC's current rate case cycle is for the period 2019-2021, for which rates were granted in D.18-11-025. SJWC is scheduled to file its next GRC in 2021, in which rates for 2022-2024 will be established. As discussed above, in order to meet with 2025 conservation mandates, San Jose Water must begin deployment of AMI in 2021, which is why it has filed this stand-alone application instead of waiting for its next general rate

case application. The appropriate rate adjustment for the year 2021 in the current rate case cycle would be implemented at the time of the Commission decision in this application and by an advice letter effective January 1, 2021, for the 2021 AMI project investments. Additional information on the rate implementation schedules is provided in the Direct Testimony of John Tang.

In addition, SJWC further requests that the Commission, pursuant to this Application, provide that the AMI project investments during 2022-2024 be included in the calculation of revenue requirements in SJWC's next general rate case to be filed in January 2021. The inclusion of the last three project years in the next general rate case cycle would also allow for a Commission review and allow true-up in rates for actual capital in the event of adjustment of the actual project cost and make the appropriate adjustments to utility plant and Contributions in Aid of Construction necessary in the event SJWC is able to secure any grants for this project.

X. INFORMATION REQUIRED FOR APPLICATIONS

San Jose Water provides the following information in compliance with Article 2 of the Commission's Rules of Practice and Procedure.

A. Description of Applicant

San Jose Water's exact legal name is San Jose Water Company and its principal place of business is located at 110 W. Taylor Street, San Jose, California 95110. San Jose Water is presently engaged in the business of the supply and distribution of water for domestic and industrial purposes in portions of the City of San Jose and in the City of Cupertino, in the Cities of Campbell, Los Gatos, Monte Sereno, and Saratoga, and in unincorporated territory in the County of Santa Clara.

B. Application Correspondence

San Jose Water requests that copies of all correspondence be sent to the following persons:

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C. Categorization, Issue and Need for Hearings

The Commission should categorize this proceeding as ratesetting. The issue to be considered is whether the project costs and proposed cost recovery for San Jose Water's deployment of AMI throughout its service area result in rates that are just and reasonable. Evidentiary hearings will likely be necessary to address factual disputes on material issues.

D. Safety Considerations

San Jose Water's proposed AMI deployment will improve safety for its employees and customers by reducing the need for manual meter reading, lessening the risk of injuries and traffic accidents, and through earlier identification of leaks that otherwise may result in physical injury and property damage.

E. Proposed Schedule

San Jose Water's ability to fully deploy AMI prior to the 2025 conservation mandates is contingent on Commission approval of this application by the fall of 2020. San Jose Water therefore requests that the Commission establish a schedule for this proceeding that will facilitate the resolution of this proceeding without unnecessary

delay. San Jose Water proposes the following alternative procedural schedules, depending on whether evidentiary hearings are held.

Without evidentiary hearings:

December 6, 2019	Application Filed
30 days after notice on Commission daily calendar	Protests Due
+ 10 days	Reply to Protests
January 21, 2020	Prehearing Conference
February 11, 2020	Scoping Memo
May 11, 2020	Proposed Decision
June 1, 2020	Comments on Proposed Decision
June 8, 2020	Reply Comments on Proposed Decision
June 11, 2020	Final Decision

With evidentiary hearings:

December 6, 2019	Application Filed
30 days after notice on Commission daily calendar	Protests Due
+ 10 days	Reply to Protests
January 21, 2020	Prehearing Conference
February 11, 2020	Scoping Memo
March 23, 2020	Intervenor Testimony
April 13, 2020	Applicant Rebuttal Testimony
May 4-6, 2020	Evidentiary Hearings
May 29, 2020	Opening Briefs

June 10, 2020	Reply Briefs
September 8, 2020	Proposed Decision
September 28, 2020	Comments on Proposed Decision
October 5, 2020	Reply Comments on Proposed Decision
October 8, 2020	Final Decision

F. Financial Statement

A financial statement for San Jose Water, which includes a balance sheet and an income statement covering the period from the close of the last year for which San Jose Water filed an annual report with the Commission to the date of the balance sheet, is included as Exhibit B to this application.

G. Organization and Qualification to Transact Business

San Jose Water is a California corporation. A copy of San Jose Water’s Restated Articles of Incorporation, dated April 18, 1991, and certified by the California Secretary of State, has previously been filed with the California Public Utilities Commission in Application 92-02-050.

H. CEQA Compliance

The California Environmental Quality Act (“CEQA”) applies to projects that require discretionary approval from a governmental agency, unless exempted by statute or regulation. San Jose Water’s current application here only seeks Commission authorization of a ratemaking mechanism component with respect to AMI infrastructure generally. It is long established that the act of ratemaking by the Commission is exempt from CEQA review. As stated in the California Public Resources Code, the “establishment, modification, structuring, restructuring or approval of rates, tolls, fares,

or other charges by public agencies” is exempt from CEQA.⁶ Likewise, the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant impact on the environment are not “projects” subject to CEQA.⁷

The CEQA guidelines recognize that the timing of an environmental review involves a balancing of competing factors, and that such review should occur as early as feasible to enable environmental considerations to influence project design, yet late enough to provide meaningful information for environmental assessment.⁸ At this time, the several details (including the specific locations of certain facilities) regarding San Jose Water’s proposed AMI infrastructure implementation are not yet known with sufficient certainty to allow for a meaningful analysis of potential environmental impacts. Without such information, it would be premature for the Commission to conduct CEQA review at this time. “[W]here future development is unspecified and uncertain, no purpose can be served by requiring an EIR to engage in sheer speculation as to future environmental consequences.”⁹ In addition, “[i]t has long been recognized that premature attempts to evaluate effects that are uncertain to occur or whose severity cannot reliably be measured is ‘a needlessly wasteful drain of the public fisc.’”¹⁰ Therefore, the Commission’s duties under CEQA are not implicated by this application.

⁶ Public Resource Code Section 21080(b)(8).

⁷ CEQA Guidelines Section 15378(b)(4).

⁸ CEQA Guidelines Section 15004(b).

⁹ *Kings County Farm Bureau v. City of Hanford* (1990) 221 Cal.App.3d 692, 738.

¹⁰ *Citizens for a Sustainable Treasure Island v. City and County of San Francisco* (2014) 227 Cal.App.4th 1036, 1061.

Notwithstanding the fact that the authorization solely for the ratemaking mechanism would be exempt from CEQA, San Jose Water intends to full comply with any and all applicable environmental laws, including CEQA, when planning and implementing future construction of AMI plant and facilities, either through review of final plans by local government entities or through a subsequent request from the Commission.

XI. INFORMATION REQUIRED FOR AUTHORITY TO INCREASE RATES

San Jose Water provides the following information in compliance with Rule 3.2 of the Commission's Rules of Practice and Procedure.

A. Presently Effective Rates

San Jose Water's present rates are those authorized by Commission decisions D.18-11-025¹¹ (as corrected by D.19-06-018¹²), D.19-06-010,¹³ D.13-07-028¹⁴ and implemented by Advice Letters Nos. 528 and 535. These present rates are set forth in the rate schedules provided as Exhibit C to this application.

¹¹ D.18-11-025, *Application of SAN JOSE WATER COMPANY (U168W) for an Order authorizing it to increase rates charged for water service by \$34,288,100 or 9.76% in 2019, by \$14,231,800 or 3.70% in 2020, and by \$20,581,700 or 5.17% in 2021*, Decision Approving Settlement Agreement.

¹² D.19-06-019, *Application of SAN JOSE WATER COMPANY (U168W) for an Order authorizing it to increase rates charged for water service by \$34,288,100 or 9.76% in 2019, by \$14,231,800 or 3.70% in 2020, and by \$20,581,700 or 5.17% in 2021*, Order Correcting Error.

¹³ D.19-06-010, *Application of SAN JOSE WATER COMPANY (U168W) for an Order authorizing it to increase rates charged for water service by \$34,288,100 or 9.76% in 2019, by \$14,231,800 or 3.70% in 2020, and by \$20,581,700 or 5.17% in 2021*, Decision Resolving Remaining Issues in San Jose Water Company's General Rate Case.

¹⁴ D.13-07-028, *Application of SAN JOSE WATER COMPANY (U168W) for Commission Approval of Cost Recovery for Upgrading the Montevina Water Treatment Plant*, Decision Approving Settlement Agreement.

B. Proposed Increases

To fund the AMI upgrades, San Jose Water is requesting revenue increases of \$2,315,000 or 0.61% in 2021, \$3,960,000 or 1.04% in 2022, and \$2,510,000 or 0.65% in 2023, and \$341,000 or 0.09% in 2024. The following tables summarize San Jose Water’s forecasted rate changes associated with the proposed project for meter and quantity charges:

Schedule 1 -General Metered Service, Schedule 1B - General Metered Service with Automatic Fire Sprinkler Service and Schedule 1C - Mountain District

Meter Size (inch)	Current Monthly Service Charge	Service Charge Rates Proposed in SJWC’s Application			
		2021	2022	2023	2024
5/8x3/4	\$39.57	\$39.81	\$40.23	\$40.49	\$40.52
3/4	\$39.57	\$39.81	\$40.23	\$40.49	\$40.52
1	\$65.94	\$66.34	\$67.03	\$67.47	\$67.53
1.5	\$131.90	\$132.71	\$134.09	\$134.97	\$135.09
2	\$211.04	\$212.33	\$214.54	\$215.94	\$216.13
3	\$395.70	\$398.13	\$402.28	\$404.91	\$405.27
4	\$659.49	\$663.54	\$670.46	\$674.85	\$675.45
6	\$1,318.99	\$1,327.08	\$1,340.92	\$1,349.69	\$1,350.88
8	\$2,110.39	\$2,123.34	\$2,145.49	\$2,159.53	\$2,161.44
10	\$3,033.67	\$3,052.28	\$3,084.12	\$3,104.30	\$3,107.04

Quantity charges (per ccf) for residential customers with a 5/8x3/4-inch, 3/4-inch, 1-inch, 1.5-inch, and 2-inch meters:

Monthly Usage (ccf)	Current Monthly Quantity Charge	Quantity Charge Rates Proposed in SJWC’s Application			
		2021	2022	2023	2024
0-3	\$3.2036	\$3.2234	\$3.2573	\$3.2787	\$3.2817
4-18	\$4.8059	\$4.8356	\$4.8864	\$4.9186	\$4.9230
Over 18	\$6.4077	\$6.4473	\$6.5150	\$6.5580	\$6.5638

For all other customers:

Current Monthly Quantity Charge	Quantity Charge Rates Proposed in SJWC's Application			
	2021	2022	2023	2024
\$4.8059	\$4.8356	\$4.8864	\$4.9186	\$4.9230

For the typical customer with a 3/4-inch meter using 11 ccf (one ccf = 748 gallons) of water per month, the monthly water bill will increase as follows:

Current Monthly Bill	Monthly Bill Proposed in SJWC's Application			
	2021	2022	2023	2024
\$90.23	\$90.78	\$91.71	\$92.30	\$92.38

These bill amounts are based on current rates and include 1.23% charge to fund the Commission. Further detail regarding the proposed rates is provided in the Direct Testimony of John Tang.

C. Summary of Earnings

A summary of earnings on a depreciated basis is attached as Exhibit D to this application.

D. Notice to State and Local Officials

Within twenty days after filing this application with the Commission, San Jose Water will mail a notice in accordance with Rule 3.2(b) to the following: (a) the State, by mailing to the Attorney General and the Department of General Services, (b) the County Counsel and Clerk for the County of Santa Clara, and (c) the Cities of San Jose, Campbell, Cupertino, Monte Sereno, Saratoga, Santa Clara and the Town of Los Gatos by mailing to their respective City Attorney and City Clerk. The notice will state in

general terms the proposed increases in rates and that San Jose will provide a a copy of the application and related exhibits upon written request.

E. Customer Notice

Pursuant to the terms and within the period specified in Rule 3.2(c), San Jose Water will cause to be published a notice of the proposed increases in rates, and in accordance with Rule 3.2(d) will furnish to its customers notice of this application and the proposed increases in rates. A proposed customer notice is included as Exhibit E to this application.

XII. SUPPORT FOR APPLICATION

As mentioned above, San Jose Water has included with this application the exhibits listed below.

Exhibit A	AMI Report
Exhibit B	Financial Statement
Exhibit C	Presently Effective Rates
Exhibit D	Summary of Earnings
Exhibit E	Proposed Customer Notice

San Jose Water has also served and provided as supporting documents the direct testimony listed below.

Direct Testimony of John Tang	Policy, Revenue Requirement, Rate Implementation
Direct Testimony of Jake Walsh, P.E.	Engineering
Direct Testimony of Tricia Anklan	Business Case for AMI

XIII. CONCLUSION

As discussed above, AMI technology is a critical tool that will help customers comply with state water use standards, reduce water loss through the early notification of the presence of leaks, and minimize the San Jose Water's carbon footprint. San Jose Water respectfully requests that the Commission grant its request to increase rates for water service to fund the deployment of AMI throughout its service area.

Respectfully submitted,

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VERIFICATION

I, John B. Tang, declare and say that I am an officer of the applicant corporation San Jose Water Company, and am authorized to make this verification on its behalf. The statements in the foregoing document, the APPLICATION OF SAN JOSE WATER COMPANY (U 168 W) FOR APPROVAL OF COST RECOVERY FOR ADVANCED METERING INFRASTRUCTURE, are true of my own knowledge, except as to matters which are therein stated on information or belief, and as to those matters I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on December 6, 2019 at Sacramento, California.



John B. Tang

Vice President for Regulatory Affairs and
Government Relations

San Jose Water Company