

PUBLIC NOTICE

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NOTICE OF APPLICATION San Jose Water Company's Request to Increase Water Rates Application No. 21-05-004

Why am I receiving this notice?

On May 3, 2021, San Jose Water Company (SJWC) filed its Cost of Capital (CoC) Application 21-05-004 (Application) with the California Public Utilities Commission (CPUC). In the application, SJWC is requesting to increase its CoC, which is the rate of return the company is authorized to earn on its investments in critical infrastructure to deliver safe and reliable water service. If approved by the CPUC, SJWC's total revenue requirement will increase by 1.61% from \$398,066,686 to \$404,484,218 based on present rates. This will impact your bill.

Why is SJWC requesting this increase to its cost of capital?

SJWC has been providing safe and reliable water service for more than 150 years and many of the facilities used for water service have reached the end of their useful lives. This application is required by the CPUC and will allow SJWC to:

- Attract capital to fund water system investments that allow the company to continue to meet its public health mission.
- Assist in maintaining an investment-grade rating, thereby reducing the overall financing costs and contribute to SJWC's ability to provide safe, high quality, and reliable water service at reasonable rates.

How could this affect my water bill?

If SJWC's rate request is approved by the CPUC, the average monthly residential bill with a 3/4-inch meter using 11 Ccf per month would increase by approximately \$1.50 (or 1.57%) from \$95.30 at present rates, to \$96.80 in 2022. These increases include current and requested surcharges and fees. The charges shown on your water bill may vary from the numbers shown above due to temporary credits or surcharges in effect and your consumption.

Proposed Water Rate Increase

Schedule 1 and Schedule 1C– General Metered Service Charge Rate Impact

Meter Size	Present Rates	2022 Rates	Increase
5/8	\$41.69	\$42.35	\$0.66
3/4	\$41.69	\$42.35	\$0.66
1	\$69.48	\$70.60	\$1.12
1 1/2	\$138.99	\$141.22	\$2.23
2	\$222.38	\$225.95	\$3.57
3	\$416.95	\$423.64	\$6.69
4	\$694.91	\$706.07	\$11.16
6	\$1,389.83	\$1,412.15	\$22.32
8	\$2,223.74	\$2,259.45	\$35.71
10	\$3,196.60	\$3,247.93	\$51.33

Schedule 1 and 1C - Per Ccf Rate Impact

Residential Customers	Present Rates	2022 Rates	Increase
0 to 3 Ccf	\$3.3770	\$3.4316	\$0.0546
4 to 18 Ccf	\$5.0660	\$5.1479	\$0.0819
Over 18 Ccf	\$6.7545	\$6.8637	\$0.1092
All Other Customers (Business, Industrial, Public Authority, Resale)			
Each Ccf	\$5.0660	\$5.1479	\$0.0819

How does the rest of this process work?

This application will be assigned to a CPUC Administrative Law Judge who will consider proposals and evidence presented during the formal hearing process. The Administrative Law Judge will issue a proposed decision that may adopt SJWC's application, modify it, or deny it. Any CPUC Commissioner may sponsor an alternate decision with a different outcome. The proposed decision, and any alternate decisions, will be discussed and voted upon by the CPUC Commissioners at a public CPUC Voting Meeting.

Parties to the proceeding are currently reviewing SJWC's application, including the Public Advocates Office, which is an independent consumer advocate within the CPUC that represents customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. For more information regarding the Public Advocates Office, please call **1-415-703-1584**, email PublicAdvocatesOffice@cpuc.ca.gov, or visit PublicAdvocates.cpuc.ca.gov.

Where can I get more information?

Contact SJWC

Phone: 408-279-7900

Email: customer.service@sjwater.com

Mail: 110 W. Taylor Street, San Jose, CA 95110

A copy of the Application and related documents is available at www.sjwater.com.

Contact CPUC

Please visit cpuc.ca.gov/A2105004comments to submit a comment about this proceeding on the CPUC Docket Card. Here you can also view documents and other public comments related to this proceeding. Your participation by providing your thoughts on SJWC's request can help the CPUC make an informed decision.

If you have questions about CPUC processes, you may contact the CPUC's Public Advisor's Office at:

Phone: **1-866-849-8390** (toll-free) or **1-415-703-2074**

Email: Public.Advisor@cpuc.ca.gov

Mail: CPUC Public Advisor's Office

505 Van Ness Avenue

San Francisco, CA 94102

Please reference **Application 21-05-004** in any communications you have with the CPUC regarding this matter.