



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

August 13, 2021

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

Advice Letter No. 568

San Jose Water Company (U-168-W) (SJWC) hereby transmits for filing the following changes to its Rule 3 and Table of Contents as applicable to its service area and which are attached hereto:

<u>Cal. P.U.C Sheet No.</u>	<u>Title of Sheet</u>	<u>Cancelling Cal. P.U.C. Sheet No.</u>
2143-W	Rule No.3	351-W
2144-W	Rule No.3 (Continued)	903-W
2145-W	Table of Contents	2142-W

This advice letter is designated as a Tier 1 advice letter filing.

Background

The California Public Utilities Commission via Chapter 727, statutes of 2005 (SB 1087) amended Section 65589.7 of the Government code requires that water and sewer providers must grant priority for service allocations to proposed developments that include housing units affordable to lower income households.

Request

SJWC respectfully submits this Tier 1 advice letter filing to update its Rule 3 in pursuant to SB 1087 amended section 65589.7 of Government code.

Additionally, this filing also amends Rule 3 to include the following provision:

“Any person or firm taking possession and using water without having made application to the utility for service shall be held liable for the full amount of the service rendered.”

As advised by the Commission, SJWC is requesting to update Rule 3 to incorporate the language in Rule 3 of the Water Division’s digital copy of SJWC’s tariff book and the Rule 3 made available on SJWC’s website.

Amended section 65589.7 of Government code states that:

(a) The housing element adopted by the legislative body and any amendments made to that element shall be immediately delivered to all public agencies or private entities that provide water or sewer services for municipal and industrial uses, including residential, within the territory of the legislative body. Each public agency or private entity providing water or sewer services shall grant a priority for the provision of these services to proposed developments that include housing units affordable to lower income households.

(b) A public agency or private entity providing water or sewer services shall adopt written policies and procedures, not later than July 1, 2006, and at least once every five years thereafter, with specific objective standards for provision of services in conformance with this section. For private water and sewer companies regulated by the Public Utilities Commission, the commission shall adopt written policies and procedures for use by those companies in a manner consistent with this section. The policies and procedures shall take into account all of the following:

(1) Regulations and restrictions adopted pursuant to Chapter 3 (commencing with Section 350) of Division 1 of the Water Code, relating to water shortage emergencies.

(2) The availability of water supplies as determined by the public agency or private entity pursuant to an urban water management plan adopted pursuant to Part 2,6 (commencing with Section 10610) of Division 6 of the Water Code.

(3) Plans, documents, and information relied upon by the public agency or private entity that is not an 'urban water supplier,' as defined in Section 10617 of the Water Code, or that provides sewer service, that provide a reasonable basis for making service determinations.

(c) A public agency or private entity that provides water or sewer services shall not deny or condition the approval of an application for services to, or reduce the amount of services applied for by, a proposed development that includes housing units affordable to lower income households unless the public agency or private entity makes specific written findings that the denial, condition, or reduction is necessary due to the existence of one or more of the following:

(1) The public agency or private entity providing water service does not have *sufficient water supply," as defined in paragraph (2) of subdivision (a) of Section 66473.7, or is operating under a water shortage emergency as defined in Section 350 of the Water Code, or does not have sufficient water treatment or distribution capacity, to serve the needs of the proposed development, as demonstrated by a written engineering analysis and report.

(2) The public agency or private entity providing water service is subject to a compliance order issued by the State Department of Health Services that prohibits new water connections.

(3) The public agency or private entity providing sewer service does not have sufficient treatment or collection capacity, as demonstrated by a written engineering analysis and report on the condition of the treatment or collection works, to serve the needs of the proposed development.

(4) The public agency or private entity providing sewer service is under an order issued by a regional water quality control board that prohibits new sewer connections.

(5) The applicant has failed to agree to reasonable terms and conditions relating to the provision of service generally applicable to development projects seeking service from the public agency or private entity, including, but not limited to, the requirements of local, state, or federal laws and regulations or payment of a fee or charge imposed pursuant to Section 66013.

(d) The following definitions apply for purposes of this section:

(1) "Proposed developments that include housing units affordable to lower income households* means that dwelling units shall be sold or rented to lower income households, as defined in Section 50079.5 of the Health and Safety Code, at an affordable housing cost, as defined in Section 50052.5 of the Health and Safety Code, or an affordable rent, as defined in Section 50053 of the Health and Safety Code.

(2) "Water or sewer services" means supplying service through a pipe or other constructed conveyance for a residential purpose, and does not include the sale of water for human consumption by a water supplier to another water supplier for resale. As used in this section, 'water service⁴ provided by a public agency or private entity applies only to water supplied from public water systems subject to Chapter 4 (commencing with Section 116275) of Part 12 of Division 104 of the Health and Safety Code.

(e) This section is intended to neither enlarge nor diminish the existing authority of a city, county, or city and county in adopting a housing element. Failure to deliver a housing element adopted by the legislative body or amendments made to that element, to a public agency or private entity providing water or sewer services shall neither invalidate any action or approval of a development project nor exempt a public agency or private entity from the obligations under this section. The special districts which provide water or sewer services related to development, as defined in subdivision (e) of Section 56426, are- included within this section.

(f) The Legislature finds and declares that this section shall be applicable to all cities and counties, including charter cities, because the Legislature finds that the lack of affordable housing is a matter of vital statewide importance.

Effective Date

SJWC requests that the updated tariff sheets become effective August 13, 2021.

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, 3rd 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 delivered to the service list as detailed in Attachment A. Please note that due to the COVID-19 pandemic, advice letters can only be delivered, served, and filed electronically.

SJWC has Advice Letter 567 pending before the Commission.

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

Enclosures

SAN JOSE WATER COMPANY

ADVICE LETTER NO. 568

ATTACHMENT A

Rule No.3
APPLICATION FOR SERVICE

A. Application for Service

1. Content

Each applicant for service may be required to sign, on a provided by the utility, an application which will set forth:

- a. Date and place of application
- b. Location of premises to be served
- c. Date applicant will be ready for service.
- d. Whether the premises have been heretofore supplied with water by the utility
- e. Purpose for which service is to be used.
- f. Address to which bills are to be mailed or delivered.
- g. Whether applicant is owner or teneant of, or agent for the premises.
- h. Rate schedule desired where optional rates are in effect.
- i. Such other information that the utility may reasonably require.

2. Purpose

The applicant is merely a written request for service and does not bind the applicant to take service for a period of time longer than that upon which the flat rate charge, minimum charge, or readiness to service charge of the applicable rate schedule is based; neither does it bind the utility to serve, except under reasonable conditions.

B. Individual Liability for Joint Service

Two or more parties who join in one application for service shall be jointly and severally liable For payment of bills and shall be billed by means of single periodic bills.

C Change in Customer's equipment or Operations

A customer making any material change in the size, character or extent of the equipment or operations for which the utility's service is utilized shall immediately give the utility written notice of the extent and nature of the change .

(Continued)

(To be inserted by utility)

Issued by

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

Advice No. 568

JOHN TANG

Date Filed

Dec. No.

Vice President,
Regulatory Affairs

Effective

Resolution No. _____

TITLE

Rule No.3
(Continued)

D Service to a Tenant

No tenant applying for residential water service shall be required to pay any charges or penalties on account of non payment of charges by a previous tenant. The company may, however require that service to subsequent tenants be furnished on account of the landlord or property owner

E Service to Affordable Housing

(N)

Applications for service to a proposed development, that includes housing units affordable to lower income households shall not be denied, conditioned, or reduced unless the utility finds in writing that the said action is necessary due to the existence of one or more of the following:

1. The utility does not have "sufficient water supply" as defined in paragraph (2) of subdivision (a) of Section 66473.7 of the Government Code, or is operating under a water shortage emergency as defined by Section 350 of the Water Code, or has reached the limits of its capacity to supply water pursuant to Section 2708 of the Public Utilities Code, or does not have sufficient water treatment or distribution capacity, to serve the needs of the proposed development, as demonstrated by a written engineering analysis and report.
2. The utility is subject to a compliance order issued by the State Department of Health Services that Prohibits new water connections
3. The utility providing sewer service does not have sufficient treatment or collection capacity, as demonstrated by a written engineering analysis and report on the condition of the treatment or collection works, to serve the needs of the proposed development.
4. The utility providing sewer service is under an order issued by a regional water quality control board that Prohibits new sewer connections.
5. The applicant for service has failed to agree to reasonable terms and conditions relating to the provision of service generally applicable to development projects, including, but not limited to, the requirements of local, state, or federal laws and regulations.

Unless otherwise stated, definitions of the language herein are governed by Section 65589.7(d) of the Government Code.

F Use Of Water Without Application For Service Having Been Made

Any person or firm taking possession and using water without having made application to the utility for service shall be held liable for the full amount of the service rendered.

(N)

(To be inserted by utility)

Issued by

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Resolution No. _____

TITLE

TABLE OF CONTENTS

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

Subject Matter of Sheet	C.P.U.C. Sheet No.
Title	1495-W
Table of Contents	2145-W, 2024-W, 848-W and 2114-W (T)
Preliminary Statement	919-W, 1303-W, 2032-W, 2033-W, 2034-W, 2035-W, 2058-W, 2037-W 2038-W, 2039-W, 2040-W, 2041-W and 2042-W, 2087-W, 2125-W, 2141-W
Service Area Map Locator	1266-W
Service Area Map Locator, Index	1589-W
Map of Areas With Special Pressure and Fire Flow Conditions	2116-W
Index to Map of Areas With Special Pressure and Fire Flow Conditions	1079-W, 2117-W 1082-W, 1087-W and 1404-W
Rate Schedules:	
Schedule No. 1, General Metered Service	2104-W, 2105-W and 2059-W
Schedule No. 1B, General Metered Service With Automatic Fire Sprinkler System	2106-W, 1741-W, 1882-W and 2060-W
Schedule No. 1C, General Metered Service Mountain District	2107-W, 1952-W, 1884-W and 2052-W
Schedule No. 4, Private Fire Service	2097-W and 2053-W
Schedule No. 9C, Construction and Other Temporary Metered Service	1118-W and 1094-W
Schedule No. 10R, Service to Employees	152-W
Schedule No. 14.1 Water Shortage Contingency Plan With Staged Mandatory Reductions And Drought Surcharges	2131-W, 2132-W, 2133-W, 2134, 2135-W, 2136-W, 2137-W 2138-W, 2139-W, 2140-W
Schedule No. RW, Raw Water Metered Service	2128-W and 2129-W
Schedule No. RCW, Recycled Water Metered Service	2099-W and 2109-W
Schedule No. UF, Surcharge to Fund Public Utilities Commission, Reimbursement Fee	2090-W
Schedule No. WRAP, Water Rate Assistance Program	2111-W and 2056-W
List of Contracts and Deviations	2092-W and 2103-W
Rules:	
No. 1 - Definitions	2064-W and 2065-W
No. 2 - Description of Service	525-W
No. 3 - Application for Service	2143-W, 2144-W (T)
No. 4 - Contracts	352-W
No. 5 - Special Information Required on Forms	2066-W, 2067-W and 2068-W
No. 6 - Establishment and Re-establishment of Credit	354-W
No. 7 - Deposits	355-W and 356-W
No. 8 - Notices	2069-W, 2070-W and 2017-W
No. 9 - Rendering and Payment of Bills	996-W, 997-W and 1146-W

(Continued)

(To be inserted by

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utility) Advice No. 568 _____

JOHN TANG _____

Date Filed _____

Vice President,

Effective _____

Dec. No. _____

Regulatory Affairs _____

Resolution No. _____

TITLE

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