

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



January 28, 2022

John Tang
Vice President of Regulatory Affairs
San Jose Water Company
110 West Taylor Street
San Jose, CA 95110-2131

Dear Mr. Tang,

The Water Division of the California Public Utilities Commission has approved San Jose Water Company's Advice Letter No. 572, filed on December 14, 2021, regarding authorization to update Drinking Water fees memorandum account to capture the recent emergency increase in drinking water fees.

Enclosed are copies of the following revised tariff sheets, effective December 15, 2021, for the utility's files:

P.U.C. Sheet	
No.	Title of Sheet
2152-W	Preliminary Statement (Continued) P. Drinking Water Fees Memorandum Account
2153-W	Preliminary Statement (Continued) P. Drinking Water Fees Memorandum Account (Continued)
2154-W	Table of Contents

Please contact Eustace Ednacot at ERE@cpuc.ca.gov or 415-703-1492, if you have any questions.

Thank you.

Enclosures

PRELIMINARY STATEMENT
(Continued)

Q. Ground Water Regulation Legal Expense Memorandum Account

1. Purpose

The purpose of the Ground Water Regulation Legal Expense Memorandum Account (GWRLEMA) is to track litigation and consensus building legal and related expenses associated with the evaluation of the character of San Jose Water Company's water rights and water rights issues related to AB 1739, SB 1168 and SB 1139 as authorized in D.16-06-004.

2. Applicability

The GWRLEMA will track the legal and related expenses incurred related to ground water regulation including:

- a. Consensus Building – expenses related to legal advice in developing a consensus groundwater management plan with the Santa Clara Valley Water District and other stakeholders.
- b. Litigation – expenses related to litigation for SJWC to defend its water supply interests and water rights.
- c. Interest shall accrue on a monthly basis by applying a rate equal to one-twelfth of the 3-month non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, to the average of the beginning-of-month and the end-of-month balances.

3. Disposition

If the accumulated balance for the GWRLEMA exceeds 2% of the total authorized revenue requirement for the prior calendar year, the Company will file an advice letter to amortize the balance. Prior to recovery, charges made to the Ground Water Regulation Legal Expense Memorandum Account are subject to a reasonableness review in the Company's next General Rate Case or in an appropriate advice letter filing. The recovery of under-collections or refunds of over-collections will be passed on to the customers through volumetric surcharges or surcredits.

4. Effective Date

The GWRLEMA shall go into effect on the effective date of Advice Letter No. 496.

P. Drinking Water Fees Memorandum Account

(L)

1. Purpose

The purpose of the Drinking Water Fees Memorandum Account (DWFMA) is to track the difference between actual drinking water fees charged by the State Water Resources Control Board (based on the revised fee structure made effective on September 22, 2021) and the drinking water fees authorized in San Jose Water Company's General Rate Case Decision D.18-03-035 for 2021 and future adopted fees for 2022-23-24 as determined by the Commission. SJWC is currently going through a GRC proceeding and waiting settlement.

2. Applicability

The DWFMA will track the difference between the annual drinking water fees charged by the State Water Resources Control Board and the drinking water fees authorized in general rate case decision D.18-03-035 for 2021 and future adopted fees for 2022-23-24 as determined by the Commission. Interest shall accrue on a monthly basis by applying a rate equal to one-twelfth of the 3-month non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, to the average of the beginning of month and the end-of-month balances.

(continued)

(To be inserted by utility)

Issued by

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

Advice No. 572

JOHN TANG

Date Filed 12/14/2021

Vice President,

Effective 12/15/2021

Dec. No. _____

Regulatory Affairs

Resolution No. _____

TITLE

PRELIMINARY STATEMENT
(Continued)

P. Drinking Water Fees Memorandum Account (Continued)

(L)

3. Disposition

If the accumulated balance for the DWFMA exceeds 2% of the total authorized revenue requirement for the prior calendar year, the Company will file an advice letter to amortize the balance. Prior to recovery, charges made to the DWFMA are subject to a reasonableness review in the Company's next General Rate Case effective in 2025 or in an appropriate advice letter filing. The recovery of over or under-collections will be passed on to the customers through volumetric surcredits or surcharges.

4. Effective Date

The DWFMA shall go into effect on the effective date of Advice Letter No. 572. The DWFMA will sunset with the effective date of the Test Year 2025 rates authorized in SJWC's next General Rate Case Decision.

Q. School Lead Testing Memorandum Account

1. Purpose

The purpose of the School Lead Testing Memorandum Account (SLTMA) is to track incremental expenses associated with conducting lead monitoring and lead sample results interpretations at any Kindergarten to 12th grade (K-12) schools within SJWC's service territory, that requests this service. The SLTMA is being established pursuant to the Amendment to the Domestic Water Supply permit issued by the State Water Resources Control Board Division of Drinking Water to SJWC on January 17, 2017.

2. Applicability

The SLTMA will track the incremental operating and administrative costs incurred in developing and implementing Lead testing at K-12 schools and shall include, but is not limited to:

- a. Incremental and necessary labor costs associated with the planning and coordination with K-12 schools to develop individual sampling plans, collecting and submitting of samples to laboratories, and administering program requirements including assisting the school with interpretation of laboratory results, and contracted labor;
- b. Laboratory fees for all Lead sampling and reporting of the results to the Division of Drinking Water and the school, and all laboratory coordination and instruction;
- c. Incremental customer outreach costs that are necessary in coordination with the local school districts, local communities and local officials in compliance with the the Division of Drinking Water's Lead Testing Program;
- d. A debit entry shall be made to the SLTMA at the end of each month to record the expensed as discussed above.
- e. Interest shall accrue on a monthly basis by applying a rate equal to one-twelfth of the 3-month non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, to the average of the beginning-of-month and the end-of-month balances.

3. Disposition

If the accumulated balance for the SLTMA exceeds 2% of the total authorized revenue requirement for the prior calendar year, the Company will file an advice letter to amortize the balance. Prior to recovery, charges made to the SLTMA are subject to a reasonableness review in the Company's next General Rate Case or in an appropriate advice letter filing or regulatory proceeding. The recovery of over or under-collections will be passed on to the customers through volumetric surcredits or surcharges.

4. Effective Date

The SLTMA shall go into effect on January 17, 2017.

5. Sunset Date

The SLTMA will remain in effect until new rates incorporating the requirements for School Lead Testing are placed into effect under the Company's next General Rate Case decision.

(To be inserted by utility)

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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	2154-W, 2151-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 2040-W, 2041-W, 2042-W, 2087-W and 2125-W, 2141-W, 2152-W, 2153-W	(C)
Service Area Map Locator	1266-W	
Service Area Map Locator, Index	1589-W	
Map of Areas with Special Pressure and FireFlow Conditions	2116-W	
Index to Map of Areas With Special Pressure and FireFlow 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, 2146-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	
No. 4 - Contracts	352-W	
No. 5 - Special Information Required on Forms	2066-W, 2067-W and 2068-W-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)

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