



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

May 31, 2023

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

Advice Letter No. 596

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 hereto:

<u>Cal. P.U.C Sheet No.</u>	<u>Title of Sheet</u>	<u>Cancelling Cal. P.U.C. Sheet No.</u>
2254-W	Schedule No. 1 – General Metered Service	2225-W
2255-W	Schedule No. 1 – General Metered Service (Continued)	2176-W
2256-W	Schedule No. 1B – General Metered Service with Automatic Fire Sprinkler System	2226-W
2257-W	Schedule No. 1C – General Metered Service with Mountain District	2227-W
2258-W	Schedule No. RW –Raw Water Metered Service	2229-W
2259-W	Schedule No. RW –Raw Water MeteredService (Continued)	2203-W
2260-W	Table of Contents	2253-W

With this advice letter, SJWC requests authorization to increase revenue by \$27,606,636 or 5.7% to offset the increases to purchased potable water charges, the ground water extraction fee, and purchased recycled water charges that will be implemented by SJWC's water wholesalers effective July 1, 2023.

These tariffs are submitted pursuant to General Orders (GO) No. 96-B Water Industry Rules 7.3.1(7) and 8.4. This advice letter is designated as a Tier I Advice Letter. SJWC requests that new rates become effective on July 1, 2023.

Background

On May 24, 2022, SJWC filed Advice Letter (AL 577) to include in rates the increase in purchased water, pump tax, and recycled water costs from its wholesaler.

At its May 16, 2023 meeting, Valley Water's Board of Directors formally adopted water rate increases for the 2023-2024 fiscal year, raising the groundwater rate (pump tax) to \$1,974 per Acre Foot (AF) and the purchased water rate to \$2,089/AF effective July 1, 2023. The groundwater rate will increase by \$250/AF from the July 1, 2022 rate of \$1,724/AF (AL 577) and the purchased water rate will increase by \$250/AF from the 2022 rate of \$1,839/AF (AL 577).

Valley Water's groundwater charge for agricultural water will stay at \$36.85/AF which affects the agricultural discount provided by Valley Water and passed through in SJWC's tariffs. The current discount is \$3.8732/ccf will increase to \$4.4471/ccf ($\$1,974/\text{AF} - \$36.85/\text{AF} = \$1,937.15/\text{AF} = \$4.4471/\text{ccf}$).

The updates to purchased water rate, groundwater rate, and agricultural discount are reflected as Special Conditions in SJWC's tariff for Schedule No. 1 General Metered Service, Schedule No. 1C General Metered Service Mountain District, and Schedule No. RW Raw Water Meter Service.

Changes to the rate for untreated water also affect the rate for purchased recycled water. South Bay Water Recycling, SJWC's wholesale recycled water provider, indexes recycled water wholesale rates to the rates charged by Valley Water for untreated water, with appropriate discounts for irrigation, industrial, or agricultural use. The recycled water discount remains at \$105 for irrigation, industrial, and agricultural uses. Effective July 1, 2023, wholesale recycled water rates will be increased by \$250 per AF from adopted July, 2022 rate of \$1,619 to \$1,869 per AF.

This updated to recycled water rate is reflected as Special Conditions in SJWC's tariff for Schedule No. RCW for Recycled Meter Water Rate.

Please see **Attachment A** for actual rate effective July 1, 2023. The following is a summary of total increase in costs:

Increase in Purchased Water	\$17,293,388
Increase in Ground Water Charge	\$9,411,637
Increase in Purchased Recycled Water	\$804,366
Increase in Taxes and Uncollectibles	\$97,246
Total Increase in Costs	\$27,606,636

Copies of detailed workpapers supporting the proposed rate increase and rate calculation have been provided to the Commission Staff in accordance with Standard Practice U-27-W.

Public notice of the offset rate adjustment will be completed by placing a notice (**Attachment B**) in the San Jose Mercury News as soon as possible. Proof of publication will be submitted to the Commission when the notification has been completed. In compliance with Paragraph 4.3 of

General Order 96-B, a copy of this advice letter has been emailed to all interested and affected parties as detailed in SJWC's Service List (**Attachment C**).

Effective Date

SJWC requests that the updated tariff sheets become effective July 1, 2023.

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.

SJWC has Advice Letters 590, 592, and 595 pending before the Commission.

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

Very truly yours,

/s/

NANCI TRAN
Manager of Regulatory Affairs
Enclosures

Schedule No. 1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to general metered water service.

TERRITORY

Portions of Cupertino, San Jose, and Santa Clara, and in Campbell, Los Gatos, Monte Sereno, and Saratoga and in contiguous territory in the County of Santa Clara.

RATES

Quantity Rate Per 100 cu. ft. (Ccf):

Residential Customers with 5/8 x 3/4-inch, 3/4-inch, 1-inch, 1 1/2-inch or 2-inch meter

For Total Monthly Usage from 0 to 6 Ccf.	\$4.7350	(l)
For Total Monthly Usage from 6+ to 12 Ccf.	\$6.5241	(l)
For Total Monthly Usage over 12 Ccf.	\$9.7578	(l)

All Other Customers

For all water delivered, per 100 cu. ft.	\$6.5241	(l)
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Service Charges:

Per Meter Per Month

All Customers:

For 5/8 x 3/4-inch meter	\$53.02
For 3/4-inch meter	\$53.02
For 1-inch meter	\$88.40
For 1-1/2-inch meter	\$176.80
For 2-inch meter	\$282.86
For 3-inch meter	\$530.36
For 4-inch meter	\$883.92
For 6-inch meter	\$1,767.86
For 8-inch meter	\$2,828.58
For 10-inch meter	\$4,066.06

The service charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rate.

(Continued)

(To be inserted by utility)

Issued by

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

Advice No. 596

JOHN TANG

Date Filed

Dec. No.

Vice President,

Effective

Regulatory Affairs

Resolution No.

TITLE

Schedule No. 1

GENERAL METERED SERVICE

(Continued)

SPECIAL CONDITIONS

1. Customers who receive water deliveries for agricultural purposes under this schedule, and who present evidence to the utility that such deliveries qualify for the lower pump tax rates levied by the Santa Clara Valley Water District for agricultural water, shall receive a credit of \$4.4471 per 100 cubic feet on each water bill for the quantities of water used during the period covered by that bill. (l)
2. All bills are subject to the reimbursement fee set forth in Schedule No. UF.
3. To fund the Water Rate Assistance Program (WRAP) for residential low-income households, a surcharge of \$1.45 per month will be added to the bill.
4. To fund the repayment of a Safe Drinking Water State Revolving Fund loan, pursuant to D.03-07-013 dated July 10, 2003, a monthly surcharge will be added to the bill as follows:

Surcharge:		Year 8-20 Per Meter Per Month
For 5/8 x 3/4-inch meter		\$0.04
For 3/4-inch meter		0.04
For 1-inch meter		0.05
For 1-1/2-inch meter		0.10
For 2-inch meter		0.14
For 3-inch meter		0.28
For 4-inch meter		0.39
For 6-inch meter		0.98
For 8-inch meter		1.59
For 10-inch meter		2.32

5. To fund the repayment of a Safe Drinking Water State Revolving Fund loan, pursuant to D.05-01-048 dated January 27, 2005, a monthly surcharge will be added to the bill as follows:

Surcharge:		Year 1-10 Per Meter Per Month	Year 11-20 Per Meter Per Month
For 5/8 x 3/4-inch meter		\$0.02	\$0.02
For 3/4-inch meter		0.02	0.02
For 1-inch meter		0.04	0.02
For 1-1/2-inch meter		0.08	0.06
For 2-inch meter		0.13	0.09
For 3-inch meter		0.23	0.18
For 4-inch meter		0.38	0.32
For 6-inch meter		0.74	0.67
For 8-inch meter		1.19	1.08
For 10-inch meter		1.71	1.55

(Continued)

(To be inserted by utility)

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Regulatory Affairs

Resolution No. _____

TITLE

Schedule No. 1B

GENERAL METERED SERVICE WITH
AUTOMATIC FIRE SPRINKLER SYSTEM

APPLICABILITY

Applicable to all detached single family structures whose automatic fire sprinkler system is served through the meter providing residential water service.

TERRITORY

Portions of Cupertino, San Jose, and Santa Clara, and in Campbell, Los Gatos, Monte Sereno, and Saratoga and in contiguous territory in the County of Santa Clara.

RATES

Quantity Rate Per 100 cu. ft. (Ccf):

Residential Customers with 5/8 x 3/4-inch, 3/4-inch, 1-inch, 1 1/2-inch or 2-inch meter

For Total Monthly Usage from 0 to 6 Ccf.	\$4.7350	(I)
For Total Monthly Usage from 6+ to 12 Ccf.	\$6.5241	(I)
For Total Monthly Usage over 12 Ccf.	\$9.7578	(I)

All Other Customers

For all water delivered, per 100 cu. ft.	\$6.5241	(I)
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Service Charges:

Per Meter Per Month

All Customers:

For 5/8 x 3/4-inch meter	\$53.02
For 3/4-inch meter	\$53.02
For 1-inch meter	\$88.40
For 1-1/2-inch meter	\$176.80
For 2-inch meter	\$282.86
For 3-inch meter	\$530.36

Upsize Charges:

For 1/4-inch meter upsize	\$2.67
or 1/2-inch meter upsize	\$5.34
For 3/4-inch meter upsize	\$8.03
For 1-inch meter upsize	\$10.71
For 1-1/2-inch meter upsize	\$16.07

(Continued)

(To be inserted by utility)

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Vice President,

Effective

Regulatory Affairs

Resolution No.

TITLE

Schedule No. 1C

GENERAL METERED SERVICE
Mountain District

APPLICABILITY

Applicable to general metered water service.

TERRITORY

Portions of Los Gatos and in contiguous territory in the County of Santa Clara.

RATES

Quantity Rate Per 100 cu. ft. (Ccf)
Overuse Rates beyond 500 gallons per day limit

Residential Customers with 3/4-inch, 1-inch, 1 1/2-inch or 2-inch meter

For Total Monthly Usage from 0 to 6 Ccf.	\$4.7350	(l)
For Total Monthly Usage from 6+ to 12 Ccf.	\$6.5241	(l)
For Total Monthly Usage over 12 Ccf.	\$9.7578	(l)

All Other Customers(subject to Special Condition 5)

For all water delivered, per 100 cu.ft.	\$6.5241	(l)
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Service Charges:

Per Meter Per Month

For 3/4-inch meter	\$53.02
For 1-inch meter	\$88.40
For 1-1/2-inch meter	\$176.80
For 2-inch meter	\$282.86
For 3-inch meter	\$530.36
For 4-inch meter	\$883.92
For 6-inch meter	\$1,767.86
For 8-inch meter	\$2,828.58
For 10-inch meter	\$4,066.06

The service charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rate.

SPECIAL CONDITIONS

1. Customers who receive water deliveries for agricultural purposes under this schedule, and who present evidence to the utility that such deliveries qualify for the lower pump tax rates levied by the Santa Clara Valley Water District for agricultural water, shall receive a credit of \$4.4471 per 100 cubic feet on each water bill for the quantities of water used during the period covered by that bill. (l)
2. All bills are subject to the reimbursement fee set forth in Schedule No. UF.

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(To be inserted by utility)

Issued by

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Advice No. 596

JOHN TANG

Date Filed _____

Vice President,

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Dec. No. _____

Regulatory Affairs

Resolution No. _____

TITLE

Schedule No. RW

RAW WATER SERVICE

APPLICABILITY

Applicable to raw water metered service.

TERRITORY

Portions of Cupertino, San Jose, and Santa Clara, and in Campbell, Los Gatos, Monte Sereno, and Saratoga and in contiguous territory in the County of Santa Clara.

RATES

Quantity Rate:

Per 100 cu. ft. \$6.2945 (I)

Service Charges:

Per Meter Per Month

For 5/8 x 3/4-inch meter	\$53.02
For 3/4-inch meter	\$53.02
For 1-inch meter	\$88.40
For 1-1/2-inch meter	\$176.80
For 2-inch meter	\$282.86
For 3-inch meter	\$530.36
For 4-inch meter	\$883.92
For 6-inch meter	\$1,767.86
For 8-inch meter	\$2,828.58
For 10-inch meter	\$4,066.06

The service charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rate.

SPECIAL CONDITIONS

1. The customer is responsible for notice of and compliance with all local, state, and federal rules and regulations that apply from time to time to the use of raw water, as defined in San Jose Water Company's Rule 1.
2. The customer must provide and/or contribute all facilities needed to transport the water from its source to the customer's point of service in accordance with the utility's Rule 15.

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(To be inserted by utility)

Issued by

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

Advice No. 596

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Date File _____

Vice President,

Effective _____

Dec. No. _____

Regulatory Affairs

Resolution No. _____

TITLE

Schedule No. RW

RAW WATER METERED SERVICE
(Continued)

3. The utility will supply at the point of connection only such raw water at such pressures as may be available from time to time from the Santa Clara Valley Water District. The customer shall indemnify the utility and save it harmless from any and all claims arising out of service under this schedule and shall further agree to make no claims against the utility for any loss, damage or injury resulting from service under this schedule.
4. As a condition for service under this schedule, all customers are required to comply with all San Jose Water Company's tariffs, except for those identified in the Commission's General Order 103 regarding supply of water not intended or claimed to be potable.
5. Customers who receive water deliveries for agricultural purposes under this schedule, and who present evidence to the utility that such deliveries qualify for the lower pump tax rates levied by the Santa Clara Valley Water District for agricultural water, shall receive a refund of \$4.4471 per 100 cubic feet for the quantities of water used on the effective date of this advice letter. In accordance with Santa Clara Valley Water District procedures customers will be refunded every six months. (I)
6. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
7. The billing period service charges and all applicable flat rate charges and credit will be

(N) calculated using the Uniform Formula:

$$\left(\frac{\text{Number of Billing Days at Effective Service Charge}}{30.4375} \right) \times (\text{Effective Service Charge}) = \text{Billed Service Charge}$$

8. To amortize the over-collection in the Water Conservation Memorandum Account and the under-collection in the Water Conservation Expense Memorandum Account, these balances will be netted against the recovery of Memorandum and Balancing Accounts under-collection authorized in D.22-10-005 resulting in a one-time sur-credit on the effective date of this Advice Letter as follows:

Sur-credit

For 5/8 x 3/4-inch meter	\$5.65
For 3/4-inch meter	\$5.65
For 1-inch meter	\$9.41
For 1 1/2-inch meter	\$18.82
For 2-inch meter	\$30.12
For 3-inch meter	\$56.47
For 4-inch meter	\$94.12
For 6-inch meter	\$188.25
For 8-inch meter	\$301.20
For 10-inch meter	\$432.97

(To be inserted by utility)

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

Advice No. 596

JOHN TANG

Date Filed _____

Vice President,

Effective _____

Dec. No. _____

Regulatory Affairs

Resolution No. _____

TITLE

SAN JOSE WATER COMPANY

RECYCLED WATER RATES - MONTHLY

Effective July 1, 2023

I. PIPED SUPPLY

Potable customer of SJWC converting to recycled water

A. *Standby Charge Based on Meter Size*

<u>Meter Size</u>	<u>Charge</u>
3/4-inch	\$53.02
1-inch	\$88.40
1-1/2-inch	\$176.80
2-inch	\$282.86
3-inch	\$530.36
4-inch	\$883.92
6-inch	\$1,767.86
8-inch	\$2,828.58
10-inch	\$4,066.06

B. *Quantity Rate*

Irrigation	\$6.0453	per 100 cu.ft.
Industrial	\$6.0453	per 100 cu. ft.
Agricultural	\$6.0453	per 100 cu. ft.

Notes:

- 1) Discounts given by South Bay Water Recycling passed through to customers.
0.08% PUC fee and 5% utility user's tax will be applied to the bill.

SAN JOSE WATER COMPANY

RECYCLED WATER RATES - MONTHLY

Effective July 1, 2023

II. WELL SUPPLY

A well user is defined as a customer of the Santa Clara Valley Water District who procures his/her non-potable supply from an on-site well. The service charge for well users will be in accordance with the following schedule:

A. *Standby Charge Based on Meter Size*

<u>Meter Size</u>	<u>Charge</u>
2-inch	43.66
3-inch	58.22
4-inch	65.47
6-inch	109.18
8-inch	130.99
10-inch	203.76

B. *Quantity Rate*

Irrigation	\$4.2906 per 100 cu. ft.
Industrial	\$4.2906 per 100 cu. ft.
Agricultural	\$4.2906 per 100 cu. ft.

Notes:

- 2) Discounts given by South Bay Water Recycling passed through to customers.
0.08% PUC fee and 5% utility user's tax will be applied to the bill.

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	2260-W, 2161-W and 2251-W	(C)
Preliminary Statement	919-W, 1303-W, 2032-W, 2212-W, 2213-W, 2035-W, 2058-W, 2037-W 2214-W, 2040-W, 2041-W, 2215-W, 2087-W, 2244-W, 2155-W 2216-W, 2217-W, 2237-W, 2252-W	(C)
Service Area Map Locator		1266-W
Service Area Map Locator, Index		2101-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	2254-W, 2255-W and 2238-W	(C)
Schedule No. 1B, General Metered Service With Automatic Fire Sprinkler System	2256-W, 1741-W, 2183-W, 2239-W	(C)
Schedule No. 1C, General Metered Service Mountain District	2257-W, 1952-W, 1884-W and 2184-W, 2240-W	(C)
Schedule No. 4, Private Fire Service	2228-W and 2187-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-W, 2149-W, 2136-W, 2137-W	
Schedule No. RW, Raw Water Metered Service	2138-W, 2139-W, 2146-W	
Schedule No. RCW, Recycled Water Metered Service	2258-W, 2259-W, 2241-W, 2230-W, 2242-W	(C)
Schedule No. UF, Surcharge to Fund Public Utilities Commission, Reimbursement Fee	2234-W	
Schedule No. CAP, Customer Assistance Program	2248-W and 2056-W	
List of Contracts and Deviations	2246-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	2188-W, 2189-W and 2190-W	

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(To be inserted by utility)

Issued by

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Advice No. 596

JOHN TANG
Vice President,
Regulatory Affairs

Date Filed _____
Effective _____
Resolution No. _____

Dec. No. _____

SAN JOSE WATER COMPANY

ADVICE LETTER NO. 596

ATTACHMENT A

ACTUAL RATE

**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 23-39

**DETERMINING SURFACE WATER, TREATED WATER, AND SOUTH COUNTY
RECYCLED WATER CHARGES FOR FISCAL YEAR 2023–2024**

WHEREAS, the Board of Directors of the Santa Clara Valley Water District (Valley Water) does find and declare as follows:

1. That pursuant to Section 26.5 of the Santa Clara Valley Water District Act (“District Act”), a written report detailing Valley Water’s activities in the protection and augmentation of the water supplies of Valley Water, including a recommendation as to charges for surface water that should be imposed in Zones W-2, W-5, W-7, and W-8 of Valley Water during the ensuing fiscal year;
2. That on February 24, 2023, written notice was mailed to all owners and operators of water-producing facilities within Valley Water’s boundaries, advising of the proposed raw surface water charge rates to be levied, and of the opportunities to be heard concerning such charges, including the right to file a written protest objecting to any applicable proposed increase;
3. That pursuant to Section 26.6 of the District Act and consistent with the Governor’s Executive Order N-29-20, on the 11th day of April 2023, at 1 p.m. a public hearing upon said report was duly commenced via teleconference, videoconference and in-person attendance, with the opportunity given to the public to comment, and was continued for further hearing to the evening of April 13, 2023 (teleconference, videoconference and in-person attendance in Morgan Hill) and again to the afternoon of April 25, 2023 (teleconference, videoconference and in-person attendance in the Valley Water Boardroom located at 5700 Almaden Expressway, San Jose), whereupon the hearing was concluded, more than 45 days after notice of the hearing was given;
4. That during said public hearing, additional information and evidence was provided that was considered by the Board in making this decision;
5. That the charges established by this resolution are for the purpose of paying the cost of constructing, maintaining, and operating facilities to import water into Valley Water; paying the cost of purchasing imported water; paying the cost of constructing, maintaining, and operating facilities for groundwater recharge, surface distribution, and the purification and treatment of water; and paying the principal and interest of any bonded indebtedness or other financial obligations of Valley Water incurred for those purposes;
6. The record owners of water-producing facilities were given the opportunity to file a written protest objecting to the proposed raw surface water charge increase;
7. That this Board considered all protests objecting to the proposed raw surface water charge increases for Zones W-2, W-5, W-7, and W-8, respectively, and after the close of the hearing determined that written protests were not received from more than 50 percent of the record owners of surface water facilities in Zone W-2, W-5, W-7, and W-8; and
8. That the California Environmental Quality Act does not apply to approval of these charges pursuant to statutory exemption California Code of Regulations Title 14, Chapter 3, Section 15273, because, as identified in Valley Water’s annual report on the protection and augmentation of the water supplies of Valley Water, the charges are expressly made for the purpose of:

Determining Surface Water, Treated Water, and South County Recycled Water Charges for
Fiscal Year 2023–2024

Resolution No. 23-39

- a. Meeting operating expenses, including employee wage rates and fringe benefits;
- b. Purchasing or leasing supplies, equipment, or materials;
- c. Meeting financial reserve needs; and
- d. Obtaining funds for capital projects necessary to maintain service within existing service areas.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District that the charges to be applied in fiscal year 2023–2024 (July 1, 2023–June 30, 2024) for surface-delivered water of Valley Water, for Valley Water watermaster service, and the area within which such charges shall be applied will be as follows:

1. The Basic User Charge per acre-foot for raw surface-delivered water in Zone W-2 is:

Water Other Than Agricultural	Agricultural Water
\$1,974.00	\$36.85

2. The Basic User Charge per acre-foot for raw surface-delivered water in Zone W-5 is:

Water Other Than Agricultural	Agricultural Water
\$543.50	\$36.85

3. The Basic User Charge per acre-foot for raw surface-delivered water in Zone W-7 is:

Water Other Than Agricultural	Agricultural Water
\$657.50	\$36.85

4. The Basic User Charge per acre-foot for raw surface-delivered water in Zone W-8 is:

Water Other Than Agricultural	Agricultural Water
\$398.00	\$36.85

5. The charge for watermaster service throughout Valley Water whether such service is for agricultural water or for water other than agricultural water shall be \$54.00 per acre-foot; and
6. Charges per acre-foot for surface water delivered to users in Valley Water outside of Zone W-2, Zone W-5, Zone W-7, or Zone W-8 shall be the same as those imposed within the zone to which the user’s turnout is most nearly located.

BE IT FURTHER RESOLVED that upon due review of anticipated costs and revenues of Valley Water, the following rate schedule in dollars per acre-foot for the delivery of treated water is hereby established as the Contract Treated Water Charge, which is comprised of

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Determining Surface Water, Treated Water, and South County Recycled Water Charges for
Fiscal Year 2023–2024

Resolution No. 23-39

the Basic User Charge and the Treated Water Surcharge for the 2023–2024 fiscal year (July 1, 2023–June 30, 2024):

Charge	Amount
Basic User Charge	\$1,974.00
Treated Water Surcharge	<u>115.00</u>
Contract Treated Water Charge	\$2,089.00

BE IT FURTHER RESOLVED that the price to be charged per acre-foot for recycled water from the South County Regional Wastewater Authority Facility at Gilroy shall be the following for the 2023–2024 fiscal year (July 1, 2023–June 30, 2024):

Water Other Than Agricultural	Agricultural Water
\$523.50	\$67.20

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Water District by the following vote on May 16, 2023:

- AYES: Directors Santos, Estremera, Beall, Hsueh, Varela
- NOES: Directors Eisenberg, Keegan
- ABSENT: Directors
- ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

DocuSigned by:

F600AB219490464...
JOHN L. VARELA
Chair, Board of Directors

ATTEST: MICHELE L. KING, CMC

DocuSigned by:

7E1632DBD93E40C...
Clerk, Board of Directors



5/30/2023

San Jose Water Company
374 W Santa Clara Street
San José, CA 95196
Attn: Kurt Elvert

RE: South Bay Water Recycling Wholesale Rate for the Period of July 1, 2023 through June 30, 2024

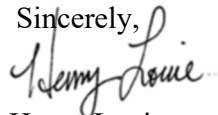
Dear Kurt:

This letter is to inform you of the new recycled water wholesale rates that will be in effect during the 2023-2024 fiscal year. As you know, since July 2004 recycled water wholesale rates have been indexed to the rates charged by the Santa Clara Valley Water District (SCVWD) for untreated water, with appropriate discounts for irrigation, industrial, or agricultural use.

We have been notified by the SCVWD that the rate for untreated water will increase from \$1,724/AF to \$1,974/AF during the coming fiscal year (23-24). The recycled water discount per San José City Council Resolution 77326 is now \$105 for irrigation, industrial and agricultural uses. Therefore, the wholesale rates will be increased as shown in the table below. As a result, the following wholesale rates for recycled water will be in effect for the period July 1, 2023 through June 30, 2024:

Type of Use	2022-2023	2023-2024
Irrigation	\$1,619/AF	\$1,869/AF
Industrial/Agricultural	\$1,619/AF	\$1,869/AF

Should you have any questions regarding the new wholesale rates for recycled water, please contact Russ Ficklin at 408-794-6803 or by email at russ.ficklin@sanjoseca.gov.

Sincerely,


Henry Louie
Senior Engineer
South Bay Water Recycling

cc: SBWR File

Participating Agencies
City of San Jose
City of Santa Clara
City of Milpitas
West Valley
Sanitation District
Burbank Sanitary District
Cupertino Sanitary District
County Sanitation
District No. 2-3
San Jose Water Company
Santa Clara Valley
Water District
United States Bureau of
Reclamation

SAN JOSE WATER COMPANY

ADVICE LETTER NO. 596

ATTACHMENT B

PUBLIC NOTICE FOR RATE OFFSET

P U B L I C N O T I C E

NOTICE OF ADVICE LETTER FILING SAN JOSE WATER COMPANY'S FILING TO INCREASE WATER RATES ADVICE LETTER 596

Effective July 1, 2023, Valley Water, the wholesale water supply agency to San Jose Water Company (SJWC), will increase rates for purchased water and groundwater extraction fees charged to SJWC. If the CPUC approves this advice letter, effective July 1, 2023, rates will be recalculated to reflect actual water consumption in 2023. This will increase your bill.

Why is SJWC requesting this increase?

SJWC pays fees to pump groundwater and to purchase treated water from Valley Water, Santa Clara County's wholesale water supply agency. On May 16, 2023, Valley Water voted to increase wholesale water charges by \$250 effective July 1, 2023, through June 30, 2024. SJWC purchases over 90% of its water supply from Valley Water and delivers it to homes and businesses. The cost of this water supply is passed through to customers at cost. SJWC is filing Advice Letter 596 to recover the pass-through increase.

How could this affect my water bill?

If SJWC's rate request is approved by the CPUC, the monthly bill for the typical residential customer with a 3/4-inch meter using 11 Ccf (1 Ccf = 748 gallons) per month would increase by approximately \$6.53 (or 5.52%) from \$118.30 at present rates, to \$124.83 starting July 1, 2023. This amount will be reflected on customers' bills through the quantity charges as shown below. A comparison of the current and the proposed quantity rates is as follows:

Tariff Schedules No. 1. General Metered Service, Schedule No. 1B General Metered Service With Fire Sprinkler System and Schedule No. 1C General Metered Service, Mountain District

	Current Quantity Rate	Proposed Quantity Rate
Residential Customers		
Tier 1: For Monthly Usage from 0-6 Ccf	\$4.1461	\$4.7350
Tier 2: For Monthly Usage from 6-12 Ccf	\$5.9352	\$6.5241
Tier 3: For Monthly Usage over 12 Ccf	\$9.1689	\$9.7578
All Other Customers		
Quantity Rate	\$5.9352	\$6.5241

Tariff Schedules No. RW Raw Water Service

Current Quantity Rate per Ccf	Proposed Quantity Rate per Ccf
\$5.7056	\$6.2945

Tariff Schedules No. RCW Recycled Water Service

Current Quantity Rate per Ccf	Proposed Quantity Rate per Ccf
\$5.4694	\$6.0453

How does the rest of this process work?

This advice letter will be reviewed by staff in the Water Division of the CPUC. They will determine if the request is reasonable and determine if modifications are necessary.

Protests and Responses to Advice Letter 596

Please include "Advice Letter 596" in any response or protest you submit.

The reasons for the protest can be one of 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 CPUC order, or is not authorized by statute or CPUC 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 CPUC 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 re-litigating a prior order of the CPUC).

If you would like to submit a protest or response about this advice letter, please write to:

California Public Utilities Commission
Water Division, 3rd Floor
505 Van Ness Avenue, San Francisco, CA 94102
Email: 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 by mail (or e-mail) to SJWC at the following address:

San Jose Water Company
Attn: Regulatory Affairs
110 W. Taylor Street
San Jose, CA 95110
regulatoryaffairs@sjwater.com

Where can I get more information?

Customers with internet access may view and download SJWC's advice letter on its website by visiting www.sjwater.com/filings-cpuc. If you have technical issues accessing the documents through the website, please e-mail regulatoryaffairs@sjwater.com for assistance and reference Advice Letter 596 in your e-mail.

To request a hard copy of SJWC's advice letter, or to obtain more information about the advice letter from SJWC, please write to:

San Jose Water Company
Attention: Regulatory Affairs
Advice Letter 596
110 W. Taylor Street
San Jose, CA 95110
regulatoryaffairs@sjwater.com

SAN JOSE WATER COMPANY

ADVICE LETTER NO. 596

ATTACHMENT C

SERVICE LIST

SAN JOSE WATER COMPANY (U-168-W)

ADVICE LETTER 596 SERVICE LIST

Big Redwood Park Water	waldburford@gmail.com;
Brush & Old Well Mutual Water Company	BOWMWC@brushroad.com;
Cal Water	cwsrates@calwater.com;
City of Campbell	publicworks@cityofcampbell.com;
City of Cupertino City Attorney	cityattorney@cupertino.org;
City of Cupertino Director of Public Works	rogerl@cupertino.org;
City of Milpitas	tndah@ci.milpitas.ca.gov ;
City of Milpitas	smachida@ci.milpitas.ca.gov;
City of Monte Sereno	steve@cityofmontesereno.org;
City of Monte Sereno	bmekechuk@cityofmontesereno.org;
City of Santa Clara	water@santaclaraca.gov;
City of San Jose	jeffrey.provenzano@sanjoseca.gov;
City of Saratoga	jcherbone@saratoga.ca.us;
County of Santa Clara	county.counsel@cco.sccgov.org;
DB Davis	dbdavis@rockwellcollins.com;
Dept. of Water Resources, Safe Drinking Water Office	sdwo@water.ca.gov;
Valley Water	dtaylor@valleywater.org;
Gillette Mutual Water Company	gapowerz@gmail.com;
Gillette Mutual Water Company	goldiey@pacbell.net;
Gillette Mutual Water Company	keyoung@pacbell.net;
Great Oaks Water	jroeder@greatoakswater.com;
Great Oaks Water	tguster@greatoakswater.com;
Cal Water	jpolanco@calwater.com;
James Hunter	j88hunter882@gmail.com;
City of Cupertino	KirstenS@cupertino.org;
Public Advocates Office	mukunda.dawadi@cpuc.ca.gov;
Public Advocates Office	PublicAdvocatesWater@cpuc.ca.gov;
Mountain Springs Mutual Water Co.	Lorenroy@icloud.com;
Mt. Summit Mutual Water Company	wshoefler@comcast.net;
Oakmount Mutual Water Company	gortiz12@comcast.net;
Patrick Kearns MD	pjk3@comcast.net;
Raineri Mutual Water Company	info@rainerimutual.org;
Ridge Mutual Water Company	pmantey@yahoo.com;
Rishi Kumar	rkumar@saratoga.ca.us;
San Jose Mercury News	progers@bayareanewsgroup.com;
Valley Water	afulcher@valleywater.org;
Valley Water	abaker@valleywater.org;
Saratoga Heights Mutual Water Company	sjw@shmwc.org;
SouthWest Water Company	kcarlson@swwc.com;
Stagecoach Mutual Water Company	stagecoachroadMWC@gmail.com;
Summit West	RJonesPE@aol.com;
Summit West	board@summitwest.org;
Town of Los Gatos Dir. of Public Works	ppw@losgatosca.gov;
WRATES	rita_benton@ymail.com;
Villa Del Monte	mntmom33@comcast.net;