



# ADVICE LETTER SUMMARY

## ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Liberty Utilities (CalPeco Electric) LLC (U-933-E)

Utility type:

- ELC       GAS       WATER  
 PLC       HEAT

Contact Person: Daniel W. Marsh

Phone #: 562-299-5104

E-mail: Dan.Marsh@libertyutilities.com

E-mail Disposition Notice to: Dan.Marsh@libertyutilities.com

### EXPLANATION OF UTILITY TYPE

ELC = Electric      GAS = Gas      WATER = Water  
 PLC = Pipeline      HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 107-E

Tier Designation: 2

Subject of AL: Base Revenue Requirement Balancing Account ("BRRBA") Reallocation

Keywords (choose from CPUC listing): Balancing Account

AL Type:  Monthly  Quarterly  Annual  One-Time  Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested?  Yes  No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required?  Yes  No

Requested effective date: 12/19/18

No. of tariff sheets: 0

Estimated system annual revenue effect (%): 5.27%

Estimated system average rate effect (%): 5.27%

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected:

Service affected and changes proposed<sup>1</sup>:

Pending advice letters that revise the same tariff sheets:

<sup>1</sup>Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division  
Attention: Tariff Unit  
505 Van Ness Avenue  
San Francisco, CA 94102  
Email: [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

Name: Daniel W. Marsh  
Title: Manager, Rates and Regulatory Affairs  
Utility Name: Liberty Utilities (CalPeco Electric) LLC  
Address: 9750 Washburn Road  
City: Downey State: California  
Telephone (xxx) xxx-xxxx: 562-299-5104  
Facsimile (xxx) xxx-xxxx:  
Email: [Dan.Marsh@libertyutilities.com](mailto:Dan.Marsh@libertyutilities.com)

Name: AnnMarie Lett  
Title: Coordinator, Rates and Regulatory Affairs  
Utility Name: Liberty Utilities (CalPeco Electric) LLC  
Address: 9750 Washburn Road  
City: Downey State: California  
Telephone (xxx) xxx-xxxx: 562-319-4751  
Facsimile (xxx) xxx-xxxx:  
Email: [AnnMarie.Lett@libertyutilities.com](mailto:AnnMarie.Lett@libertyutilities.com)

## ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	



Liberty Utilities (CalPeco Electric) LLC  
933 Eloise Avenue  
South Lake Tahoe, CA 96150  
Tel: 800-782-2506  
Fax: 530-544-4811

**VIA EMAIL AND U.S. MAIL**

November 19, 2018

**Advice Letter No. 91-A  
(U 933-E)**

California Public Utilities Commission  
Energy Division, Tariff Unit  
505 Van Ness Avenue, 4th Floor  
San Francisco, CA 94102-3298

**Subject: Base Revenue Requirement Balancing Account (“BRRBA”) Reallocation**

Liberty Utilities (CalPeco Electric) LLC (U 933 E) (“Liberty CalPeco”) hereby submits this **Tier 2** Advice Letter No. 91-E requesting the authority to change the rates charged to customers in its Base Revenue Requirement Balancing Account (“BRRBA”) in accordance with Section 8 of the Preliminary Statement in Liberty CalPeco’s tariff. Liberty CalPeco originally submitted and received approval of Advice Letters 91-E, which were approved by the Energy Division on July 23, 2018. Liberty CalPeco implemented the new rate component effect August 1, 2018.

**I. Purpose**

The purpose of this filing is to request the authority to change the BRRBA rates by customer class to more fairly collect the BRRBA under-collection.

**II. Background**

In accordance with Liberty CalPeco’s tariffs, Liberty CalPeco is authorized to maintain the BRRBA, which records the difference between Liberty CalPeco’s authorized annual base rate revenue requirement and the recorded annual revenue from base rates.

In AL-91-E, Liberty CalPeco requested and received authorization to recover the BRRBA under-collection of \$9,026,803 over a 24-month period. The allocation of BRRBA was done by customer class, based on the individual over- or under-collection for each customer class, which resulted in wildly fluctuating rates by customer class.

**III. Request**

**A. Change in Allocations of BRRBA Undercollection**

The BRRBA rates as approved in AL-91-E were calculated based on the individual over- and under-collections by customer class. This allocation methodology resulted in wildly fluctuating BRRBA rates by customer class. Liberty CalPeco is requested authorization to change BRRBA rates to equally recover the BRRBA balance from all customers by calculating a rate based on total kWh sales. This calculation results in one BRRBA rate for all customer classes, with the exception

of A-3. A-3's BRRBA rate is slightly lower because it is not appropriate to recover the under-collection of vegetation management costs from A-3, as A-3 pays a monthly flat rate for vegetation management.

Liberty CalPeco is requesting recovery of the BRRBA as set forth in Table 1 below. The new rate results in an average annual increase of 5.27% to overall authorized revenue requirement.

**Table 1**  
**Base Revenue Requirement Balancing Account by Rate Schedule**  
**As of September 30, 2017**

<u>Rate Schedule</u>	<u>Schedule Number</u>	
Domestic Service	D-1	\$4,564,458
Small General Service	A-1	\$1,690,287
Medium General Service	A-2	\$851,774
Large General Service	A-3	\$1,875,792
Optional Interruptible Irrigation Service	PA	\$29,361
Street Lighting	SL/OL	\$5,258
Outdoor Lighting	SL/OL	\$9,874
		<u>\$9,026,803</u>

**B. Rates**

Table 2, below, provides the resulting rate by rate schedule, of the \$9,026,803 balance in the BRRBA.

**Table 2**  
**Rates by Rate Schedule**

<u>Rate Schedule</u>	<u>Schedule Number</u>	<u>\$ / kWh</u>
Domestic Service	D-1	\$0.00760
Small General Service	A-1	\$0.00760
Medium General Service	A-2	\$0.00760
Large General Service	A-3	\$0.00697
Optional Interruptible Irrigation Service	PA	\$0.00760
Street Lighting	SL/OL	\$0.00760
Outdoor Lighting	SL/OL	\$0.00760

**Effective Date**

Liberty CalPeco requests that this **Tier 2** Advice Letter be effective as of December 19, 2018. Approval as of this date will enable Liberty CalPeco to submit the necessary Tier 1 Advice Letter containing the revised tariff sheets to be effective as of January 1, 2019 with the approved changes associated with this Advice Letter.

**Protests**

Anyone wishing to protest this Advice Letter may do so by letter sent via U.S. mail, by facsimile or by email, any of which must be received no later than December 10, 2018, which is 20 days after the date of this Advice Letter. There are no restrictions on who may submit a protest, but the protest shall set forth the grounds upon which it is based and shall be submitted expeditiously. Protests should be mailed to:

Energy Division Tariff Unit  
California Public Utilities Commission  
November 19, 2018  
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California Public Utilities Commission  
Energy Division, Tariff Unit  
505 Van Ness Avenue, 4<sup>th</sup> Floor  
San Francisco, CA 94102-3298  
Facsimile: (415) 703-2200  
Email: [edtariffunit@cpuc.ca.gov](mailto:edtariffunit@cpuc.ca.gov)

The protest should be sent via email and U.S. Mail (and by facsimile, if possible) to Liberty Utilities (CalPeco Electric) LLC at the address shown below on the same date it is mailed or delivered to the Commission:

Liberty Utilities (CalPeco Electric) LLC  
Attn: Advice Letter Protests  
933 Eloise Avenue  
South Lake Tahoe, CA 96150  
Fax: 530-544-4811  
Email: [Dan.Marsh@libertyutilities.com](mailto:Dan.Marsh@libertyutilities.com)

**Notice**

In accordance with General Order 96-B, Section 4.3, a copy of this Advice Letter is being sent electronically to parties shown on the attached service list.

In accordance with General Order 96-B, Rule 4.2, Liberty CalPeco is providing customers notice through bill inserts and also by printing notices in newspapers of general circulation.

If additional information is required, please do not hesitate to contact me.

Respectfully submitted,

LIBERTY UTILITIES (CALPECO ELECTRIC) LLC

*/s/ Daniel W. Marsh*

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Liberty Utilities (CalPeco Electric) LLC  
Manager, Rates and Regulatory Affairs  
Phone: 562-299-5104  
Email: [Dan.Marsh@libertyutilities.com](mailto:Dan.Marsh@libertyutilities.com)

cc: Liberty CalPeco General Order 96-B Service List

Liberty Utilities (CalPeco Electric) LLC  
Advice Letter Filing Service List  
General Order 96-B, Section 4.3

**VIA EMAIL**

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