

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



June 28, 2023

Tiffany Thong
Manager, Rates and Regulatory Affairs
Liberty Utilities (Apple Valley Ranchos Water) Corp.
21760 Ottawa Road
Apple Valley, CA 92308-6533

Dear Ms. Thong,

The Water Division of the California Public Utilities Commission has approved Liberty Utilities' (Apple Valley Ranchos Water) Advice Letter No. 274, filed on June 1, 2023, regarding authorization to implement a 24-month temporary surcharge to amortize the under-collected balance recorded in the Interim Rates Memorandum Account pursuant to D.23-02-003.

Enclosed are copies of the following revised tariff sheets, effective July 1, 2023, for the utility's files:

P.U.C. Sheet No.	Title of Sheet
1212-W	Schedule No. 1, Residential General Metered Service, Sheet 3
1213-W	Schedule No. 2, Gravity Irrigation Service, Sheet 2
1214-W	Schedule No. 3 Non-Residential General Metered Service, Sheet 3
1215-W	Schedule No. 4, Non-Metered Fire Service, Sheet 2
1216-W	Table Of Contents, Sheet 1

Please contact Jefferson Hancock at JHO@cpuc.ca.gov or 415-703-3453, if you have any questions.

Thank you.

Enclosures

**CALIFORNIA PUBLIC UTILITIES COMMISSION
DIVISION OF WATER AND AUDITS**

Advice Letter Cover Sheet

Utility Name: Liberty Utilities
(Apple Valley Ranchos Water) Corp. **Date Mailed to Service List:** June 1, 2023

District: N/A

CPUC Utility #: U 346-W **Protest Deadline (20th Day):** June 21, 2023

Advice Letter #: 274-W **Review Deadline (30th Day):** July 1, 2023

Tier 1 2 3 Compliance **Requested Effective Date:** July 1, 2023

Authorization D.23-02-003 **Rate Impact:** \$1,966,360
7.10%

Description: Liberty Apple Valley requests authorization to implement a 24-month temporary surcharge to amortize the under-collected balance recorded in the Interim Rates Memorandum Account pursuant to D.23-02-003.

The protest or response deadline for this advice letter is 20 days from the date that this advice letter was mailed to the service list. Please see the "Response or Protest" section in the advice letter for more information.

Utility Contact: Tiffany Thong

Phone: 562.923.0711

Email: Tiffany.Thong@libertyutilities.com

DWA Contact: Tariff Unit

Phone: (415) 703-1133

Email: Water.Division@cpuc.ca.gov

Utility Contact: AnnMarie Sanchez

Phone: 562.923.0711

Email: AnnMarie.Let@Libertyutilities.com

DWA USE ONLY

<u>DATE</u>	<u>STAFF</u>	<u>COMMENTS</u>
_____	_____	_____
_____	_____	_____

APPROVED

WITHDRAWN

REJECTED

Signature: _____

Comments: _____

Date: _____



Liberty Utilities (Apple Valley Ranchos Water)
Corp.
21760 Ottawa Road
Apple Valley, CA 92308-6533
Tel: 760-247-6484
Fax: 760-247-1654

Advice Letter No. 274-W

June 1, 2023

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Liberty Utilities (Apple Valley Ranchos Water) Corp. (U 346-W) (“Liberty Apple Valley”) hereby transmits the attached revised tariff sheets applicable to water service in its service territory.

Summary

This request is made pursuant to Ordering Paragraph No. 6 of D.23-02-003, dated February 2, 2023. The purpose of this advice letter is to recover the difference between the interim rates established by Advice Letter 265-W, effective July 1, 2022, and the final rates authorized by Advice Letter 269-W-A, effective April 7, 2023, in compliance with D.23-02-003.

Background and Discussion

Test Year 2019 General Rate Case (“GRC”) Proceeding

On July 2, 2021, Liberty Apple Valley and Liberty Park Utilities (Park Water) Corp. (“Liberty Park Water”), together as Liberty, filed GRC applications (A.21-07-003 and A.21-07-004 respectively) with a Test Year effective date of July 1, 2022. Both applications requested authority to consolidate the proceedings. On September 1, 2021, the assigned Administrative Law Judge (“ALJ”) issued ruling consolidating the proceedings. A prehearing conference was held on September 16, 2021. On September 30, 2021, the assigned Commissioner issued a Scoping Memo and Ruling setting forth the scope of issues, need for hearing, schedule, and category. On January 14, 2022, Liberty filed its amended applications as granted by the assigned ALJ. The public participation hearings were held on March 8 and March 9, 2022 for Liberty Apple Valley and Liberty Park Water respectively. Evidentiary hearings were held virtually from March 21 through March 23, 2022. On May 27, 2022, the assigned ALJ issued ruling granting interim rates equal to the rates then currently in effect and establishment of memorandum accounts to track the difference between interim rates and the final authorized rates. Liberty and Cal Advocates filed Opening and Reply Briefs on May 12 and May 25, 2022 respectively. On February 2, 2023, the Commission issued D.23-02-003 authorizing 2022 revenue requirements for Liberty Apple Valley and Liberty Park Water.

Interim Rates Memorandum Account (“IRMA”)

Pursuant to D.23-02-003, Liberty Apple Valley filed Advice Letter 269-W-A, implementing the final authorized rates for 2022. The advice letter was approved by the Commission with an effective date of April 7, 2023.

Ordering Paragraph No. 6 of D.23.02.003 states the following:

6. Within 120 days of the issuance of this decision, Liberty Utilities (Apple Valley Ranchos Water) Corp. and Liberty Utilities (Park Water) Corp. shall submit Tier 1 advice letters to compare the difference between interim rates and approved rates. The difference between interim rates and final rates adopted here, shall be recovered in accordance with Standard Practice U-27-W.

Liberty Apple Valley has determined the under-collection recorded in the IRMA for the period of July 1, 2022 through April 30, 2023. The net total under-collected revenue of \$1,915,539 and \$81,750 for the domestic and irrigation systems respectively, are calculated using recorded bill and usage consumption as well as adopted and recorded usage revenue for that period.

Effective July 1, 2022, credit card fees were embedded in authorized rates. As such, the credit card fees collected from customers for the period of July 1, 2022 through March 20, 2023, totaling \$65,590 (over-collection), are to be refunded to customers.

With interest through April 30, 2023, including the over-collection of credit card fees, Liberty Apple Valley requests to recover a net shortfall of \$1,882,510 and \$83,849 for the domestic and irrigation systems respectively or 7.10% of its 2022 authorized revenue requirement.

For the domestic system, Liberty Apple Valley proposes a 24-month surcharge of \$0.235 per Ccf for Schedule No. 1, Residential General Metered Service, Schedule No. 3, Non-Residential General Metered Service, and Schedule No. 4, Non-Metered Fire Service. For the irrigation system, Liberty Apple Valley proposes a 24-month surcharge of \$0.088 per Ccf for Schedule No. 2, Gravity Irrigation Service.

The Commission Staff has been provided with workpapers showing the development of the under-collected revenue and interest calculations recorded in the IRMA. The calculation of the surcharge is included in the workpapers.

Tier Designation

Pursuant to Ordering Paragraph No. 6 of D.23-02-003, this advice letter is submitted with Tier 1 destination.

Requested Effective Date

Pursuant to General Rule 7.3.2 of General Order 96-B, Liberty Apple Valley requests this filing become effective July 1, 2023.

Notice and Service

In accordance with General Order 96-B, General Rules 4.3 and 7.2 and Water Industry Rule 4.1, a copy of this advice letter will be mailed or electronically transmitted on June 1, 2023 to competing and adjacent utilities and other utilities or interested parties having requested such notification.

Customer notification of this rate increase was previously accomplished in A.21-07-003, et al. as required by Rule No. 3.2 of the Commission's Rules of Practice and Procedure. Additional public notice of this filing is not required.

Response or Protest

Anyone may respond to or protest this advice letter. A response supports the filing and may contain information that proves 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 are:

- (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; or
- (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 Commission).

A protest shall provide citations or proofs where available to allow staff to properly consider the protest.

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 by mail (or e-mail) to us, addressed to:

Tiffany Thong
Manager, Rates and Regulatory Affairs
Liberty Utilities (California)
9750 Washburn Road
P. O. Box 7002
Downey, CA 90241
Phone: (562) 923.0711
Fax: (562) 861-5902
E-Mail: AdviceLetterService@libertyutilities.com

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform the Water Division within the 20-day protest period so that a late filed protest can be entertained. The informing document should include an estimate of the date the proposed protest might be voted on.

If you have not received a reply to your protest within 10 business days, contact Tiffany Thong at Tiffany.Thong@libertyutilities.com.

Sincerely,

LIBERTY UTILITIES (APPLE VALLEY RANCHOS WATER) CORP.

/s/ Tiffany Thong

TIFFANY THONG

Manager, Rates and Regulatory Affairs

TT/as

Attachments

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
1212-W	SCHEDULE NO. 1 RESIDENTIAL GENERAL METERED SERVICE Sheet 3	1198-W
1213-W	SCHEDULE NO. 2 GRAVITY IRRIGATION SERVICE Sheet 2	1084-W
1214-W	SCHEDULE NO. 3 NON-RESIDENTIAL GENERAL METERED SERVICE Sheet 3	1199-W
1215-W	SCHEDULE NO. 4 NON-METERED FIRE SERVICE Sheet 2	1087-W
1216-W	TABLE OF CONTENTS Sheet 1	1211-W

SCHEDULE NO. 1

RESIDENTIAL GENERAL METERED SERVICE

23. As authorized by the California Public Utilities Commission, a one-time surcredit is to be added to the Customer's bill beginning on the effective date of Advice Letter 270-W. This surcredit is to refund the over collection in the WRAM and MCBA as of June 30, 2023. The surcredit is not applicable to Yermo customers.

The table below shows the surcredits for each meter size.

Meter Size	One-Time Surcredit
5/8"	\$ 6.34
3/4"	\$ 9.51
1"	\$ 15.85
1 1/2"	\$ 31.70
2"	\$ 50.72
3"	\$ 95.10
4"	\$ 158.50
6"	\$ 317.00
8"	\$ 507.20
10"	\$ 729.10

24. As authorized by the California Public Utilities Commission, an amount of \$0.235 per Ccf is to be added to the quantity rate for a period of 24 months, beginning on the effective date of Advice Letter 274-W. This surcharge will recover the under-collection in the Interim Rates Memorandum Account as of April 30, 2023.

(N)
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 (N)

SCHEDULE NO. 2

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GRAVITY IRRIGATION SERVICE

5. As authorized by the California Public Utilities Commission, an amount of \$0.086 per Ccf is to be added to the quantity rate for a period of 12 months, beginning on the effective date of Advice Letter 248-W. This surcharge will recover the under collection in the Incremental Cost Balancing Account as of December 31, 2017.
6. As authorized by the California Public Utilities Commission, an amount of \$2,931.47 surcredit to be added to the Customer's bill for a period of 16 months, beginning on the effective date of Advice Letter 249-W. This surcharge will refund the over collection in the Interim Rates Memorandum Account as of November 19, 2020.
7. As authorized by the California Public Utilities Commission, an amount of \$0.088 per Ccf is to be added to the quantity rate for a period of 24 months, beginning on the effective date of Advice Letter 274-W. This surcharge will recover the under-collection in the Interim Rates Memorandum Account as of April 30, 2023.

(N)
|
(N)

SCHEDULE NO. 3

NON-RESIDENTIAL GENERAL METERED SERVICE

23. As authorized by the California Public Utilities Commission, a one-time surcredit is to be added to the Customer's bill beginning on the effective date of Advice Letter 270-W. This surcredit is to refund the over collection in the WRAM and MCBA as of June 30, 2022. The surcredit is not applicable to Yermo customers.

The table below shows the surcredits for each meter size.

Meter Size	One-Time Surcredit
5/8"	\$ 6.34
3/4"	\$ 9.51
1"	\$ 15.85
1 1/2"	\$ 31.70
2"	\$ 50.72
3"	\$ 95.10
4"	\$158.50
6"	\$ 317.00
8"	\$ 507.20
10"	\$ 729.10

24. As authorized by the California Public Utilities Commission, an amount of \$0.235 per Ccf is to be added to the quantity rate for a period of 24 months, beginning on the effective date of Advice Letter 274-W. This surcharge will recover the under-collection in the Interim Rates Memorandum Account as of April 30, 2023.

(N)
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 (N)

SCHEDULE NO. 4

Page 2

NON-METERED FIRE SERVICE

6. Any unauthorized use of water, other than for fire extinguishing purposes shall be charged for at the regular established rate as set forth under Schedule No. 3, Non-Residential General Metered Service, and/or may be the grounds for the immediate disconnection of the service without liability to the Company.
7. A late charge will be imposed per Schedule No. LC.
8. All bills subject to the reimbursement fee set forth on Schedule No. UF.
9. As authorized by the California Public Utilities Commission, an amount of \$0.277 per Ccf is to be added to the quantity rate for a period of 12-months, beginning on the effective date of Advice Letter 248-W. This surcharge will recover the under collection in the following regulatory accounts as of December 31, 2017: Income Tax Repair Regulations Implementation Memorandum Account, Low Income Customer Data Sharing Cost Memorandum Account, Cost of Capital Memorandum Account, Interim Rates Memorandum Account, 2014 Water Conservation Memorandum Account, and the Residual balances for various balancing and memorandum accounts approved for Recovery in Advice Letter 177-W and Advice Letter 210-W.
10. As authorized by the California Public Utilities Commission, an amount of \$4.43 surcredit per customer is to be added to the Customer's bill for a period of 12 months, beginning on the effective date of Advice Letter 248-W. This surcredit will refund the over collection in the Employee and Retiree Healthcare Balancing Account and Tangible Property Regulations Consequences Memorandum Account as of December 31, 2017.
11. As authorized by the California Public Utilities Commission, an amount of \$4.06 surcredit per customer is to be added to the Customer's bill for a period of 12 months, beginning on the effective date of Advice Letter 248-W. This surcredit will refund the over-collection in the Pension Expense Balancing Account as of December 31, 2017.
19. As authorized by the California Public Utilities Commission, an amount of \$0.078 per Ccf is to be added to the quantity rate for a period of 16 months, beginning on the effective date of Advice Letter 249-W. This surcharge will recover the under collection in the Interim Rates Memorandum Account as of November 19, 2020.
20. As authorized by the California Public Utilities Commission, an amount of \$0.235 per Ccf is to be added to the quantity rate for a period of 24 months, beginning on the effective date of Advice Letter 274-W. This surcharge will recover the under-collection in the Interim Rates Memorandum Account as of April 30, 2023.

(N)
|
(N)

TABLE OF CONTENTS

The following listed tariff sheets contain all effective rates and rules affecting the charges and service of the utility, together with other pertinent information:

<u>Subject Matter of Sheet:</u>		<u>CPUC Sheet No.</u>
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Preliminary Statement	845-W, 533-W, 1069-W, 624-W, 914-W, 1104-W, 902-W, 1070-W, 1071-W, 1072-W, 1073-W, 1074-W, 1075-W, 1076-W, 1077-W, 1078-W, 1079-W, 934-W, 1080-W, 994-W, 996-W, 1044-W, 1105-W, 1046-W, 1047-W, 1166-W, 1169-W, 1172-W, 1192-W, 1193-W, 1204-W, 1205-W	
Service Area Map-Apple Valley Ranchos		1131-W
Service Area Map-Yermo		846-W
<u>Rate Schedules:</u>		
Schedule No. 1	Residential General Metered Service-Apple Valley	1207-W, 1166-W, 1212-W (T)
Schedule No. 1 YE-R	Residential General Metered Service-Yermo	1183-W, 1184-W
Schedule No. 2	Gravity Irrigation Service	1208-W, 1213-W (T)
Schedule No. 3	Non-Residential General Metered Service-Apple Valley	1209-W, 1167-W, 1214-W (T)
Schedule No. 3 YE-NR	Non-Residential General Metered Service-Yermo	1187-W, 1188-W
Schedule No. 4	Non-Metered Fire Services	1210-W, 1215-W (T)
Schedule No. 5	Fire Flow Testing Charge	850-W
Schedule No. LC	Late Payment Charge	1028-W
Schedule 14.1	Water Shortage Contingency Plan	1133-W through 1135-W, 1172-W, 1137-W through 1139-W, 1173-W
Schedule UF	Surcharge to Fund PUC Reimbursement Fee	1180-W
Schedule CAP	Customer Assistance Program	1190-W, 1094-W
Schedule No. CAP-SC	Customer Assistance Program Sur-Charge	1191-W 819-W

LIST OF CONTRACTS AND DEVIATION:

Rules:

No. 1	Definitions	999-W, 1000-W
No. 2	Description of Service	159-W
No. 3	Application for Service	13-W, 553-W
No. 4	Contracts	361-W
No. 5	Special Information Required on Forms	1022-W, 1023-W, 1001-W, 1002-W
No. 6	Establishment and Re-establishment of Credit	362-W
No. 7	Deposits	711-W, 730-W
No. 8	Notices	1003-W through 1006-W
No. 9	Rendering and Payment of Bills	689-W, 690-W, 1195-W, 1196-W
No. 10	Disputed Bills	1007-W, 1008-W
No. 11	Discontinuance and Restoration of Services	1029-W, 1010-W through 1019-W
No. 12	Information Available to Public	366-W, 367-W
No. 13	Temporary Service	368-W, 369-W
No. 14	Continuity of Service	370-W
No. 14.1	Water Conservation and Rationing Plan	1141-W through 1152-W
No. 15	Main Extensions	386-W through 392-W, 529-W, 1044-W, 1045-W, 564-W, 396-W through 398-W, 1178-W, 984-W
No. 16	Service Connections, Meters, and Customer Facilities	399-W through 405-W

(Continued)

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