

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



August 30, 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. 276, filed on July 31, 2023, regarding authorization to deactivate Stage 2 in its Schedule No. 14.1.

Enclosed is a copy of the advice letter with an effective date of August 1, 2023 for the utility's files.

Please contact Alison Pafford at APF@cpuc.ca.gov or 415-417-7615, 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:** July 31, 2023

District: N/A

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

Advice Letter #: 276-W-A **Review Deadline (30th Day):** August 30, 2023

Tier ☒ 1 ☐ 2 ☐ 3 ☐ Compliance **Requested Effective Date:** August 1, 2023

Authorization **Rate Impact:** N/A

Description: Liberty Park Water requests authorization to de-activate Stage 2 in its Schedule No. 14.1.

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

Utility Contact: AnnMarie Sanchez
Phone: 562.923.0711
Email: AnnMarie.Sanchez@Libertyutilities.com

DWA Contact: Tariff Unit
Phone: (415) 703-1133
Email: Water.Division@cpuc.ca.gov

DWA USE ONLY

<u>DATE</u>	<u>STAFF</u>	<u>COMMENTS</u>
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[] 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[] WITHDRAWN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. 276-W

July 31, 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 requests authority from the California Public Utilities Commission (Commission) to de-activate Stage 2, Mandatory Reduction Stage, in its Schedule No. 14.1, Water Shortage Contingency Plan, and move to a Stage 1, voluntary conservation in all of its service areas in San Bernardino County. Liberty Apple Valley requests that this advice letter become effective upon Commission review and remain in effect until modified or terminated by Liberty Apple Valley or the Commission.

Background

On December 8, 2021, Liberty Apple Valley filed Advice Letter 259-W, requesting to update its existing Rule 14.1 and Schedule 14.1, and remain in Stage 1 of Schedule 14.1, to incorporate updates to its Water Shortage Contingency Plan and the State of Emergency Proclamation of Governor Newsom and local agencies regarding the current drought conditions in county served by Liberty Apple Valley, effective January 7, 2022.

On June 10, 2022, Liberty Apple Valley filed Advice Letter 264-W, requesting to implement Stage 2 of its Schedule No. 14.1, Water Shortage Contingency Plan in all of its service areas in San Bernardino County, effective July 12, 2022.

Discussion

Governor Gavin Newsom issued a drought declaration for all California counties through multiple State of Emergency Proclamations.¹

Due to improved water supply conditions, on March 24, 2023, Governor Newsom issued a modified Executive Order N-5-23 to ease drought restrictions but preserve smart water measures.² The Executive Order includes:

- A voluntary 15% water conservation target, while continuing to encourage that Californians make conservation a way of life;
- No requirement that local water agencies implement level 2 of their drought contingency plans;
- Maintaining the ban on wasteful water uses, such as watering ornamental grass on commercial properties;
- Preserving all current emergency orders focused on groundwater supply, where the effects of the multi-year drought continue to be devastating;

¹ <https://www.gov.ca.gov/wp-content/uploads/2021/10/10.19.21-Drought-SOE-1.pdf>
<https://www.gov.ca.gov/wp-content/uploads/2021/07/7.8.21-Conservation-EO-N-10-21.pdf>
<https://www.gov.ca.gov/wp-content/uploads/2021/05/5.10.2021-Drought-Proclamation.pdf>

² <https://www.gov.ca.gov/2023/03/24/governor-newsom-eases-drought-restrictions/>

- Maintaining orders focused on specific watersheds that have not benefited as much from recent rains, including the Klamath River and Colorado River basins, which both remain in drought;
- Retaining a state of emergency for all 58 counties to allow for drought response and recovery efforts to continue.

Pursuant to Governor Newsom’s Executive Order N-5-23, Liberty Apple Valley requests authority to de-activate Stage 2 mandatory conservation and activate Stage 1 voluntary conservation of its Schedule No. 14.1 for all of its service areas.

The Executive Order retains the State of Emergency for all 58 counties to allow for drought and recovery efforts to continue. The emergency water conservation regulations adopted by the State Water Resources Control Board remain in effect. Liberty Apple Valley notes that there are still Colorado River supply challenges and anticipates additional water quality challenges due to a combination of several years of drought and upcoming high-flow events that may impact water supply availability. As such, Liberty Apple Valley will continue to use the 2021 Water Conservation Memorandum Account (“2021 WCMA”) and 2022 Drought Revenue Memorandum Account (“2022 DRMA”) authorized by the Commission in Advice Letters 260-W and 264-W-A, respectively.

Tier Designation

Pursuant to Resolution W-4976, Liberty Apple Valley submits this advice letter with a Tier 1 designation.

Requested Effective Date

Pursuant to General Order 96-B, General Rule 7.3.3, Liberty Apple Valley requests that this filing become effective on August 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 July 31, 2023 to competing and adjacent utilities and other utilities or interested parties having requested such notification.

Liberty Apple Valley will notify its customers of the request to move from Stage 2 to Stage 1 within Schedule No. 14.1, through a bill message and by posting information on its website.

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 Commission's 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 (California)
Liberty Utilities (Park Water) Corp.
9750 Washburn Road
P. O. Box 7002
Downey, CA 90241
Fax: (562) 861-5902
E-Mail: Tiffany.Thong@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

**EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA**

EXECUTIVE ORDER N-5-23

WHEREAS on April 21, 2021, May 10, 2021, July 8, 2021, and October 19, 2021, I proclaimed States of Emergency to exist due to drought conditions; and

WHEREAS the multi-year nature of the current drought, which began three years after the record-setting drought of 2012-2016, continues to have significant, immediate impacts on communities across California with vulnerable water supplies, farms that rely on irrigation to grow food and fiber, and fish and wildlife that rely on stream flows and cool water; and

WHEREAS the March 3, 2023, snow survey conducted by the Department of Water Resources and partner agencies found that most regions of the Sierra Nevada are above average for snow water content, and some regions are nearing record amounts of snow, and snow and rain has fallen across many regions of the state since then, with more precipitation forecasted; and

WHEREAS improved conditions have helped rehabilitate surface water supplies, but have not abated the severe drought conditions that remain in some parts of the State, including the Klamath River basin and the Colorado River basin, and many groundwater basins throughout the State remain depleted from overreliance and successive multi-year droughts; and

WHEREAS continued action by the State is needed to address ongoing consequences of the drought emergency, including groundwater supply shortages, domestic well failures, and drought-related harm to native fishes in the Klamath River and Clear Lake watersheds; and

WHEREAS the drought emergency has required a dynamic and flexible response from the State, and several provisions in my prior Proclamations and Orders have been terminated or superseded already, specifically Paragraphs 4 and 8 of my State of Emergency Proclamation dated April 21, 2021, Paragraphs 2, 4, and 7 of my State of Emergency Proclamation dated May 10, 2021, Paragraphs 3, 4, 5, 6, and 10 of my State of Emergency Proclamation dated July 8, 2021, and Paragraph 9 of Executive Order N-7-22; and

WHEREAS improved conditions warrant an even more targeted State response to the ongoing drought emergency and certain provisions in my State of Emergency Proclamations dated April 21, 2021, May 10, 2021, July 8, 2021, and October 19, 2021, and in Executive Orders N-10-21, N-7-22, and N-3-23 provide authority that is no longer needed to mitigate the effects of the drought conditions or direct actions by state agencies, departments, and boards that have already been completed; and

WHEREAS notwithstanding the rescission of certain emergency authorities for emergency drinking water action, state agencies have existing legal authority and funding to continue expedited work to advance the human right to water, and state agencies will continue all ongoing drought resilience planning work, including through coordination with local agencies and tribes; and

WHEREAS next winter's hydrology is uncertain and the most efficient way to preserve the State's improved surface water supplies is for Californians to continue their ongoing efforts to make conservation a way of life; and

WHEREAS to protect public health and safety, it is critical the State take certain immediate actions without undue delay to prepare for and mitigate the effects of the drought conditions, and under Government Code section 8571, I find that strict compliance with various statutes and regulations specified in this Order would prevent, hinder, or delay the mitigation of the effects of the drought conditions.

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes, including the California Emergency Services Act, and in particular, Government Code sections 8567, 8571, and 8627, do hereby issue the following Order to become effective immediately:

IT IS HEREBY ORDERED THAT:

1. The orders and provisions contained in my State of Emergency Proclamations dated April 21, 2021, May 10, 2021, July 8, 2021, and October 19, 2021, and Executive Orders N-7-22 (March 28, 2022), N-3-23 (February 13, 2023), and N-4-23 (March 10, 2023), remain in full force and effect, except as modified by those Proclamations and Orders and herein. State agencies shall continue to implement all directions from those Proclamations and Orders and accelerate implementation where feasible.
2. The following provisions of my State of Emergency Proclamation dated April 21, 2021, are terminated:
 - a. Paragraph 2;
 - b. Paragraphs 5-7; and
 - c. Paragraphs 9-14.
3. The following provisions of my State of Emergency Proclamation dated May 10, 2021, are terminated:
 - a. Paragraph 1;
 - b. Paragraph 3;
 - c. Paragraph 5; and
 - d. Paragraphs 9-10.
4. The following provisions of my State of Emergency Proclamation dated July 8, 2021, are terminated:
 - a. Paragraph 2;
 - b. Paragraphs 7-8, except those portions of paragraph 7 withdrawing provisions of prior orders;
 - c. Paragraphs 11-12.

5. The following provisions of my State of Emergency Proclamation dated October 19, 2021, are terminated:

- a. Paragraph 2;
- b. Paragraphs 4-5;
- c. Paragraph 8; and
- d. Paragraph 10.

6. The following provisions of Executive Order N-10-21 are terminated:

- a. Paragraph 1; and
- b. Paragraph 3

7. The following provisions of Executive Order N-7-22 are terminated:

- a. Paragraphs 1-3;
- b. Paragraph 6; and
- c. Paragraphs 14-15.

8. The following provisions of Executive Order N-3-23 are terminated:

- a. Paragraph 1; and
- b. Paragraph 3, except those portions of the paragraph withdrawing provisions of prior orders.

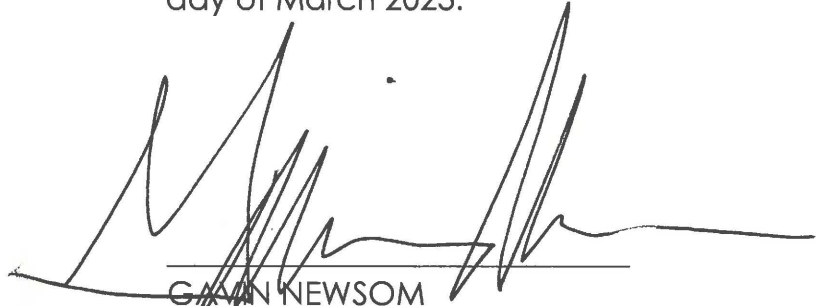
9. Paragraph 6 of my State of Emergency Proclamation dated May 10, 2021, and Paragraph 9 of my State of Emergency Proclamation dated July 8, 2021, are withdrawn and replaced with the following text:

To ensure critical instream flows for species protection in the Klamath River and Clear Lake watersheds, the State Water Resources Control Board (Water Board) and Department of Fish and Wildlife shall evaluate the minimum instream flows and other actions needed to protect salmon, steelhead, the Clear Lake Hitch, and other native fishes in critical streams systems in these watersheds and work with water users, tribes, and other parties on voluntary measures to implement those actions. To the extent voluntary actions are not sufficient, the Water Board, in coordination with the Department of Fish and Wildlife, shall consider emergency regulations to establish minimum instream flows to mitigate the effects of the drought conditions. For purposes of state agencies carrying out or approving any actions contemplated by this paragraph, Public Resources Code, Division 13 (commencing with Section 21000) and regulations adopted pursuant to that Division are suspended. Nothing in this Paragraph affects or limits the validity of actions already taken in the Klamath and Clear Lake watersheds or ongoing under Paragraph 6 of my State of Emergency Proclamation dated May 10, 2021, or Paragraph 9 of my State of Emergency Proclamation dated July 8, 2021.

IT IS FURTHER ORDERED that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 24th day of March 2023.



GAVIN NEWSOM
Governor of California

ATTEST:

SHIRLEY N. WEBER, PH.D.
Secretary of State

Jim Hansen
Navajo Mutual Water Company
P. O. Box 392
Apple Valley, CA 92307
jhansenjr@email.com

Town of Apple Valley
Attention: Frank Robinson
14955 Dale Evans Parkway
Apple Valley, CA 92307
dcron@applevalley.org

Manuel Benitez
County of San Bernardino
Special Districts Department
Water and Sanitation Division
12402 Industrial Blvd.
Bldg. D, Ste. 6
Victorville, CA 92392

California Public Utilities Commission
Attention: Ting-Pong Yuen
ORA Water
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San Francisco, CA 94102
tpy@cpuc.ca.gov

Samuel Martinez
Executive Officer
Local Agency Formation Commission
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