



Liberty Utilities (Apple Valley Ranchos Water) Corp.
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Advice Letter No. 284-W

January 2, 2025

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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

Purpose/Summary

In accordance with Ordering Paragraph No. 4 in D.24-12-007, Liberty Apple Valley is filing this advice letter to implement rate changes to reflect the new authorized cost of capital for Liberty Apple Valley.

Background

On May 1, 2023, Liberty Apple Valley and Liberty Utilities (Park Water) Corp. (“Liberty Park Water”) jointly filed A.23-05-001 et al requesting an authorized cost of capital for years 2024 to 2026 pursuant to the rate case plan for Class A water utilities. On December 5, 2024, the Commission issued D.24-12-007 in A.23-05-001 et al and related matters. This decision adopted the cost of capital between Liberty Apple Valley, Liberty Park Water (along with San Gabriel Valley Water Company, Suburban Water Systems, Great Oaks Water Company). The decision adopts a rate of return of 7.17% for Liberty Apple Valley for 2024. Specifically, Ordering Paragraph Numbers 4, 5, and 6 in D.24-12-007 state,

4. *Liberty Utilities Corp. is authorized a 9.57 percent return on equity and a 3.99 percent cost of long-term debt with a capital structure of 43.00 percent long-term debt and 57.00 percent common equity, resulting in a 7.17 percent return on rate base for the period from July 1, 2024 through June 30, 2027.*
5. *San Gabriel Valley Water Company, Great Oaks Water Company, Suburban Water Services and Liberty Utilities Corp. shall each file a Tier 1 Advice Letter to implement rate changes to reflect the change in the cost of capital adopted herein.*
6. *All advice letters required in Ordering Paragraph 5 shall be filed within 30 days of the date of this order and the rate changes reflecting the approved cost of capitals shall be effective on the date of the filing subject to the determination by Water Division that the advice letters comply with this decision.*

Prior to the adoption of the decision in this proceeding, Liberty Apple Valley’s authorized rate of return was 7.35%, with a 2024 total authorized revenue requirement of \$31,149,701. Liberty Apple Valley is reducing its revenue requirement to reflect the updated rate of return of 7.17%. This resulted in an overall revenue requirement decrease of -\$282,200 or -0.91% of Liberty Apple Valley’s 2024 adopted revenue requirement.

The Commission Staff has been provided with workpapers showing the derivation of the requested rates.

Tier Designation

Pursuant to D.24-12-007 and Water Industry Rule 7.3.1 of General Order 96-B, this advice letter is submitted with a Tier 1 designation.

Effective Date

Liberty Apple Valley is requesting that this advice letter and the tariffs herein become effective on January 2, 2025.

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 January 2, 2025 to competing and adjacent utilities and other utilities or interested parties having requested such notification.

Customer notification of this rate change was previously accomplished in A. 23-05-001 et al and A. 23-05-001 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. When submitting a response or protest, please include the utility name and advice letter number in the subject line. 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
9750 Washburn Road
P. O. Box 7002
Downey, CA 90241
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 Division of Water and Audits 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

cc: Hanı Moussa, Public Advocates Office, (Hani.Moussa@cpuc.ca.gov)
Public Advocates Office, (PublicAdvocatesWater@cpuc.ca.gov)

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
1257-W	SCHEDULE NO. 1 RESIDENTIAL GENERAL METERED SERVICE Sheet 1	1245-W
1258-W	SCHEDULE NO. 2 GRAVITY IRRIGATION SERVICE Sheet 1	1246-W
1259-W	SCHEDULE NO. 3 NON-RESIDENTIAL GENERAL METERED SERVICE Sheet 1	1247-W
1260-W	SCHEDULE NO. 4 NON-METERED FIRE SERVICE Sheet 1	1248-W
1261-W	TABLE OF CONTENTS Sheet 1	1256-W

SCHEDULE NO. 1

RESIDENTIAL GENERAL METERED SERVICE

APPLICABILITY

Applicable to residential metered water service.

TERRITORY

Town of Apple Valley and vicinity, Town of Yermo and vicinity, San Bernardino County.

RATES

Quantity Rates:

Tier 1 First 6 100 cu. ft	\$ 3.338	(R)
Tier 2 7 through 26 100 cu. ft.....	\$ 4.450	(R)
Tier 3 All over 26 100 cu ft.	\$ 7.699	(R)

Service Charge:

	Per Meter Per Month	
For 5/8 x 3/4-inch meter	\$ 37.05	(R)
For 3/4-inch meter	55.58	
For 1-inch meter	92.63	
For 1 1/2-inch meter	185.25	
For 2-inch meter	296.40	
For 3-inch meter	555.75	
For 4-inch meter	926.25	
For 6-inch meter	1,852.50	
For 8-inch meter	2,964.00	
For 10-inch meter	4,260.75	

This Service Charge is a readiness-to-serve charge which is applicable to all metered services and to which is to be added the monthly charge computed at the Quantity Rates.

SPECIAL CONDITIONS

1. A late charge will be imposed per Schedule No. LC.
2. In accordance with Section 2714 of the Public Utilities Code, if a tenant in a rental unit leaves owing the Company, service to subsequent tenants in that unit will, at the Company's option, be furnished on the account of the landlord or property owner.
3. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

SCHEDULE NO. 2

GRAVITY IRRIGATION SERVICE

APPLICABILITY

Applicable to all water service from the Company's gravity irrigation system.

TERRITORY

Within the entire service areas of the Company.

RATES

Quantity Rates:

All water delivered per 100 cu. ft.\$ 0.623 (R)

Service Charge:

	Per Meter Per Month	
For 5/8 x 3/4-inch meter	\$ 37.05	(R)
For 3/4-inch meter	55.58	 (R)
For 1-inch meter	92.63	
For 1 1/2-inch meter	185.25	
For 2-inch meter	296.40	
For 3-inch mete.....	555.75	
For 4-inch meter	926.25	
For 6-inch meter	1,852.50	
For 8-inch meter	2,964.00	
For 10-inch meter	4,260.75	(R)

SPECIAL CONDITIONS

1. Service under this schedule is limited to lands not developed for residential use.
2. All outlets for this water shall be protected by signs stating: NON-POTABLE WATER-NOT FOR HUMAN CONSUMPTION.
3. A late charge will be imposed per Schedule LC.
4. All bills are subject to the Public Utilities Commission Reimbursement Fee set forth on Schedule No. UF.

(Continued)

SCHEDULE NO. 3

NON-RESIDENTIAL GENERAL METERED SERVICE

APPLICABILITY

Applicable to all non-residential metered water service.

TERRITORY

Town of Apple Valley and vicinity, and Town of Yermo and vicinity, San Bernardino County.

RATES

Quantity Rates:

All water delivered per 100 cu. ft.\$ 4.450 (R)

Service Charge:

	Per Meter Per Month	
For 5/8 x 3/4-inch meter	\$ 37.05	(R)
For 3/4-inch meter	55.58	
For 1-inch meter	92.63	
For 1 1/2-inch meter	185.25	
For 2-inch meter	296.40	
For 3-inch meter	555.75	
For 4-inch meter	926.25	
For 6-inch meter	1,852.50	
For 8-inch meter	2,964.00	
For 10-inch meter	4,260.75	(R)

SPECIAL CONDITIONS

1. A late charge will be imposed per Schedule No. LC.
2. In accordance with Section 2714 of the Public Utilities Code, if a tenant in a rental unit leaves owing the Company, service to subsequent tenants in that unit will, at the Company's option, be furnished on the account of the landlord or property owner.
3. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

(Continued)

SCHEDULE NO. 4

NON-METERED FIRE SERVICE

wwwAPPLICABILITY

Applicable only for water service to privately-owned fire-hydrant and fire-sprinkler systems where water is to be used only for the purpose of fire suppression or for periodic system testing.

TERRITORY

Town of Apple Valley and vicinity, and Town of Yermo and vicinity, San Bernardino County.

RATES

Size of Service:	<u>Per Service</u> <u>Per Month</u>	
2-inch	\$ 54.82	(R)
3-inch	89.12	
4-inch	130.13	
6-inch	223.55	
8-inch	328.62	
10-inch	438.78	
12-inch	582.54	(R)

SPECIAL CONDITIONS

1. The fire protection service connection shall be installed by the utility with the cost paid by the applicant. Such payment shall not be subject to refund.
2. The minimum diameter for fire protection service shall be two (2) inches, and the maximum diameter shall be not more than the diameter of the main to which the service is connected.
3. If a distribution main of adequate size to serve a private fire protection system in addition to all other normal service does not exist in the street or alley adjacent to the premises to be served, then a service main from the nearest main of adequate capacity shall be installed by the utility and the cost paid by the applicant. Such payment shall not be subject to refund.
4. Service hereunder is for private fire systems which are regularly inspected by the local fire protection agency having jurisdiction and to which no connection for other than fire suppression purposes shall be made. Service shall be installed according to specifications of the utility and shall be maintained to the satisfaction of the utility. The utility will install the detector meter listed by the Underwriters Laboratories, Inc. or other device to indicate unauthorized use, leakage, or waste of water. The cost of such installation and the cost of the meter or other device shall be paid by the applicant.
5. The utility undertakes to supply only such water at such pressure as may be available at any time through the normal operation of its system.

(Continued)

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

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Schedule No. 2	Gravity Irrigation Service	1258-W, 1220-W	(T)
Schedule No. 3	Non-Residential General Metered Service-Apple Valley	1259-W, 1221-W, 1222-W, 1223-W	(T)
Schedule No. 4	Non-Metered Fire Services	1260-W, 1224-W, 1225-W	(T)
Schedule No. 5	Fire Flow Testing Charge	850-W	
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Schedule UF	Surcharge to Fund PUC Reimbursement Fee	1255-W	
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<u>LIST OF CONTRACTS AND DEVIATION:</u>			
<u>Rules:</u>			
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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	1227-W through 1237-W	

(Continued)

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Water and Sanitation Division
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Attention: Ting-Pong Yuen
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