

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



March 29, 2021

Edward N. Jackson  
Director, Rates and Regulatory Affairs  
Liberty Utilities (Apple Valley Ranchos Water) Corp.  
21760 Ottawa Road  
Apple Valley, CA 92308-6533

Dear Mr. Jackson,

The Commission has approved Liberty Utilities' (Apple Valley Ranchos Water) Advice Letter No. 250, filed on February 22, 2021, regarding compliance with Resolution M-4849.

Enclosed is a copy of the advice letter with an effective date of February 22, 2021 for the utility's files.

Please contact Bradley Leong at [BL4@cpuc.ca.gov](mailto:BL4@cpuc.ca.gov) or 415-703-2307, if you have any questions.

Thank you,

/s/ROBIN BRYANT

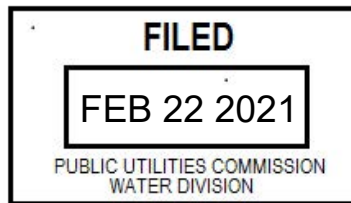
Robin Bryant  
Water Division

Enclosures





Advice Letter No. 250-W



February 22, 2021

## 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 this Tier 1 Advice Letter in compliance with Resolution M-4849, which was adopted by the California Public Utilities Commission (Commission) at its February 11, 2021 voting meeting and issued the next day. In particular, this Advice Letter complies with Resolution M-4849’s directive to Class A water utilities to demonstrate compliance with Resolution M-4849’s extension of Emergency Customer Protections to June 30, 2021.

### **Background**

On March 4, 2020, in response to the COVID-19 pandemic, Governor Newsom officially proclaimed a State of Emergency in California, and on March 13, 2020, the President of the United States proclaimed a National State of Emergency.

On March 27, 2020, Liberty Apple Valley notified the Commission’s Executive Director that the Company was activating the Emergency Disaster Relief Protections described in Advice Letter (“AL”) 239, filed in compliance with Decision (“D.”) 19-07-015, to the extent they are applicable during the COVID-19 Emergency (“Emergency Protections”), and that the Company was also activating its Catastrophic Event Memorandum Account (“CEMA”) in order to record the extraordinary costs Liberty Apple Valley is incurring as a result of the COVID-19 Emergency.

By letter dated March 17, 2020, the Commission’s Executive director instructed all Commission-regulated utilities and service providers subject to D.19-07-015 to extend the same applicable Emergency Protections directed in that decision to customers during the COVID-19 Emergency, and to report to the Commission on all measures they implemented in response to COVID-19 as soon as they are implemented.

On April 2, 2020, Governor Newsom issued Executive Order N-42-20 suspending the authority of water utilities to discontinue service for nonpayment to residential customers and small businesses operating in the critical infrastructure sectors.

On April 16, 2020, the Commission issued Resolution M-4842, ratifying the directives issued by the Executive Director on March 17, 2020, and to retroactively apply the Emergency Protections from March 4, 2020. Resolution M-4842 also required Commission-regulated utilities to identify any customer protections set forth in D.19-07-015 that are not applicable during the COVID-19 pandemic, and to provide justification as to why they are not applicable.

In compliance therewith, on May 1, 2020 Liberty Apple Valley filed AL 241-W setting forth the specific provisions of D.19-07-015 that comprise Liberty Apple Valley's Emergency Protections and which provisions are not applicable during the COVID-19 pandemic.

On February 11, 2021, in response to extraordinary circumstances and the ongoing state of emergency related to the COVID-19 pandemic, the Commission issued Resolution M-4849, extending the Emergency Protections for residential and small business customers through June 30, 2021. Resolution M-4849 also extends the memorandum accounts established and/or activated for the purpose of tracking the incremental costs of complying with the Commission's resolution, and requires "Commission-regulated utilities to file Tier 1 advice letters describing all reasonable and necessary actions to extend the emergency Protections through June 30, 2021.

### **Extension of Emergency Customer Protections**

In the following sections, Liberty Apple Valley provides evidence of how it has extended the seven (7) categories of Emergency Customer Protections listed on page 7 of Resolution M-4849.

#### **(1) Activation of Catastrophic Event Memorandum Account (CEMA) effective to the date of the Governor's declaration of a state of emergency – March 4, 2020.**

On March 24, 2020, Liberty Apple Valley notified then-Commission Executive Director Alice Stebbins, in writing, that Liberty Apple Valley had activated its CEMA, with an effective date of March 4, 2020. Liberty Apple Valley's CEMA remains active.

#### **(2) Make insurance claims on all costs and expenses incurred as a result of the pandemic, and credit insurance payments to their CEMA.**

Liberty Apple Valley has reviewed and determined that it does not have insurance coverage for any identified losses to date.

#### **(3) Work cooperatively with affected customers to resolve unpaid bills and minimize disconnections for nonpayment.**

Throughout the COVID-19 pandemic emergency, Liberty Apple Valley has worked cooperatively with its customers to resolve unpaid bills. In particular, Liberty Apple Valley has communicated the Emergency Customer Protections to its customers via its website, social media accounts and bill inserts. In addition, Liberty Apple Valley has sent modified notices, which excluded any mention of fees and disconnections, to customers by mail who are more than 90 days past due. Such notices invited those customers to contact Liberty Apple Valley customer service to arrange for full or partial payments or to make arrangements for payment plans that are tailored directly to the customer's needs. Such notices have reminded customers that Governor Newsom's Executive Order N-42-20 states unequivocally that unpaid water bills during the pandemic emergency will be due when the emergency is over and that water utilities, such as Liberty Apple Valley, will be entitled to collect such unpaid amounts.

With respect to disconnections for nonpayment, at the time the Governor declared a state of emergency, there were no Liberty Apple Valley customers whose service had been

disconnected for nonpayment. There have been no disconnections for nonpayment during the COVID-19 pandemic emergency. All customers have received and continue to receive uninterrupted water service during the state of emergency whether they have paid for the water service they have consumed and purchased from Liberty Apple Valley or not.

In addition Liberty Apple Valley has suspended all California Alternative Rates for Water (CARW) removals and discontinued recertification and verification requests for the CARW Program to help minimize disconnection for nonpayment through discounts offered by the program.

**(4) Waive reconnection or facilities fees for customers and suspend deposits for customers who must reconnect to the system.**

Liberty Apple Valley confirms that it has not and will not charge customers reconnection or facilities fees and has suspended deposits for customers who must reconnect to Liberty Apple Valley's water system during the COVID-19 pandemic emergency.

**(5) Provide reasonable payment options to customers.**

Liberty Apple Valley confirms that it has and does provide reasonable payment options to customers, including payment plans. The terms and conditions of such payment options/plans are being tailored to individual customer needs, which Liberty Apple Valley believes is both a reasonable and flexible method of offering such payment options. Liberty Apple Valley confirms that it will continue to provide reasonable payment options to its customers throughout the pandemic emergency.

**(6) Waive bills for victims who lost their homes or if their homes are rendered uninhabitable.**

**(7) Authorize a pro rata waiver of any fixed element of a water bill for the time that the home is uninhabitable, even if the reason for it being uninhabitable is not loss of water service.**

Regarding items 6 and 7, pursuant to Resolution 4842, Liberty Apple Valley filed Advice Letter 241-W on May 1, 2020 where Apple Valley explained why these protections are not applicable to the COVID-19 emergency. These protections apply to customer whose real property suffers damage or destruction during a wildfire, earthquake, flood, or other disaster. The pandemic does not damage or destroy real property. Therefore, Apple Valley has not extended these protections to customers. Advice Letter 241-W was approved by the Commission's Water Division on June 10, 2020.

Finally, Liberty Apple Valley confirms that it shall continue to provide the customer protection measures for residential and small business customers adopted in D.19-07-015 and D.19-08-025 (as applicable), as ordered by Resolution M-4842, through June 30, 2021, as required by Ordering Paragraph 1 of Resolution M-4849. Liberty Apple Valley will also continue its on-going community (customer) awareness and outreach activities, as required under D.19-07-015

and D.19-08-025 (as applicable), as ordered in Resolution M-4842, as required by Ordering Paragraph 4 of Resolution M-4849.

If further or different information is required of Liberty Apple Valley in order to comply with Resolution M-4849, Liberty Apple Valley respectfully requests that it be provided with guidance so that such information may be provided.

**No Effect on Water Service**

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

**Tier Designation**

This is a Tier 1 Advice Letter pursuant to Ordering Paragraph 1 of Resolution M-4849.

**Effective Date**

Pursuant to General Rule 7.3.2 of General Order 96-B, Liberty Apple Valley requests this filing become effective February 22, 2021.

**Notice and Service**

This Advice Letter is being served on Liberty Apple Valley's Advice Letter service list, as well as the service lists for R.17-06-024 and R.18-03-011.

**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 upon 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 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 Division of Water within 20 days of the date this advice letter is filed. The address for mailing or delivering a protest is:

Tariff Unit, Water Division, 3<sup>rd</sup> floor  
California Public Utilities Commission  
505 Van Ness Avenue, San Francisco, CA 94102  
[Water.division@cpuc.ca.gov](mailto: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 Liberty Apple Valley, addressed to:

Edward N. Jackson  
Director, Rates and Regulatory Affairs  
Liberty Utilities (West Region)  
9750 Washburn Road  
P. O. Box 7002  
Downey, CA 90241  
Fax: (562) 861-5902  
E-Mail: [AdviceLetterService@libertyutilities.com](mailto: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 Edward Jackson at (562) 923-0711.

Very truly yours,

LIBERTY UTILITIES (APPLE VALLEY RANCHOS WATER) CORP.

*/s/ Edward N. Jackson*

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Edward N. Jackson  
Director, Rates and Regulatory Affairs (West Region)  
[Edward.Jackson@libertyutilities.com](mailto:Edward.Jackson@libertyutilities.com)

ENJ/aml

cc: Service List R.18-03-011  
Service List R.17-06-024