

**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 4, 2025

District: N/A

CPUC Utility #: U 346-W **Protest Deadline (20th Day):** June 24, 2025

Advice Letter #: 286-W **Review Deadline (30th Day):** July 4, 2025

Tier ☒1 ☐2 ☐3 ☒ Compliance **Requested Effective Date:** July 1, 2025

Authorization **Rate Impact:** \$706,230
2.3%

Description: Liberty Apple Valley submits this advice letter to request authorization to implement rate changes reflecting interim rates and to establish the Interim Rates Memorandum Account.

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>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

[] 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[] WITHDRAWN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. 286-W

June 4, 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 transmits for filing revised copies of the attached tariff sheets applicable to water service in its service territory.

Summary

Liberty Apple Valley is seeking to implement interim rates in its service area and to modify its Preliminary Statement, to add Part QQ, to reflect the establishment and implementation of the Interim Rates Memorandum Account (“IRMA”) for its service territory. The purpose of the IRMA is to track the difference between the interim rates and the final rates adopted by the Commission in A.24-01-002, et al. The interim rates are based on the existing rate levels, will be subject to refund, and adjusted upward or downward, consistent with the final rates adopted by the Commission in the pending general rate case. The interim rates and IRMA are requested pursuant to the ALJs Ruling Granting Interim Rates in A.24-01-002, et al, dated May 30, 2025 and Public Utilities Code §455.2. The proposed interim rates generate a revenue requirement increase of \$706,230 or 2.30%.

Background

On January 2, 2024, Liberty Apple Valley filed General Rate Case Application No. A.24-01-002 et al for its service area in accordance with D.07-05-062, the Rate Case Plan for Class A water utilities.

Public Utilities Code §455.2 provides for interim rate relief when the Commission is unable to issue its final decision on the general rate case application of a water corporation with greater than 10,000 service connections in a manner ensuring the decision becomes effective on the first day of the test year in the application. Public Utilities Code Section 455.2 states the following:

455.2. (a) The Commission shall issue its final decision on a general rate case application of a water corporation with greater than 10,000 service connections in a manner that ensures that the Commission's decision becomes effective on the first day of the first test year in the general rate increase application.

(b) If the Commission's decision is not effective in accordance with subdivision (a), the applicant may file a tariff implementing interim rates that may be increased by an amount equal to the rate of inflation as compared to existing rates. The interim rates shall be effective on the first day of the first test year in the general rate case application. These interim rates shall be subject to refund and shall be adjusted upward or downward back to the interim rate effective date, consistent with the final rates adopted by the Commission. The Commission may authorize a lesser increase in interim rates if the Commission finds the rates to be

in the public interest. If the presiding officer in the case determines that the Commission's decision cannot become effective on the first day of the first test year due to actions by the water corporation, the presiding officer or Commission may require a different effective date for the interim rates or final rates.

The first day of the test year for Application 24-01-002, et al. is July 1, 2025. Liberty filed a motion requesting interim rates on December 20, 2024 because of its belief that a final decision by the Commission would not be timely for new rates to become effective July 1, 2025. On May 30, 2025, ALJ Margery Melvin issued a Ruling granting Interim Rates. In her ruling, ALJ Melvin ordered:

IT IS RULED that:

1. Liberty Utilities Corp.'s Motion for Interim Rates to be Effective July 1, 2025, and request to create a memorandum account to track any differences between the interim rates and final rates is approved.
2. Liberty Utilities Corp. shall file a Tier 1 advice letter to establish the interim rates and memorandum account.

This advice letter filing is in response to that ruling.

Request

Liberty Apple Valley is requesting interim rates for its service area and to establish an Interim Rates Memorandum Account to track the difference between the interim rates and the final rates adopted by the Commission in this proceeding.

The interim rates are increased by the April 2025 U.S. Cities Consumer Price Index for All Urban Consumers published by the U.S. Bureau of Labor Statistics, resulting in a revenue requirement increase of \$706,230 or 2.30% of Liberty Apple Valley's 2025 adopted revenue requirement.

Revision to Preliminary Statement

Liberty Apple Valley proposes to revise its Preliminary Statement to include Part QQ, Interim Rates Memorandum Account ("IRMA"). The purpose of the IRMA is to track the difference between the interim rates and the final rates adopted by the Commission in this proceeding for the 2025-2027 rate case cycle.

A copy of the ALJ's ruling is attached to this advice letter as Attachment A.

Tier Designation

Pursuant to the ALJ's ruling, this advice letter is submitted with a Tier 1 designation.

Effective Date

Pursuant to the ALJ's ruling, Liberty Apple Valley is requesting that this filing become effective July 1, 2025.

Notice and Service

In accordance with General Order 96-B, General Rule 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 4, 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.24-01-002 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 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, 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 Liberty Apple Valley, 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

Attachment

TT/as

cc: Hani Moussa, Public Advocates Office, mani.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.
1265-W	SCHEDULE NO. 1 RESIDENTIAL GENERAL METERED SERVICE Sheet 1	1257-W
1266-W	SCHEDULE NO. 2 GRAVITY IRRIGATION SERVICE Sheet 1	1258-W
1267-W	SCHEDULE NO. 3 NON-RESIDENTIAL GENERAL METERED SERVICE Sheet 1	1259-W
1268-W	SCHEDULE NO. 4 NON-METERED FIRE SERVICE Sheet 1	1260-W
1269-W	PRELIMINARY STATEMENT Sheet 33	1241-W
1270-W	PRELIMINARY STATEMENT Sheet 34	
1271-W	TABLE OF CONTENTS Sheet 1	1263-W

SCHEDULE NO. 1

Page 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	\$ 3.414	(I)
Tier 2 7 through 26 100 cu. ft.....	\$ 4.552	(I)
Tier 3 All over 26 100 cu ft.	\$ 7.876	(I)

Service Charge:

	Per Meter Per Month	
For 5/8 x 3/4-inch meter	\$ 37.90	(I)
For 3/4-inch meter	56.85	
For 1-inch meter	94.76	
For 1 1/2-inch meter	189.51	
For 2-inch meter	303.22	
For 3-inch meter	568.53	
For 4-inch meter	947.55	
For 6-inch meter	1,895.11	
For 8-inch meter	3,032.17	
For 10-inch meter	4,358.75	(I)

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

Page 1

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.\$ 0.637 (I)

Service Charge:

	Per Meter Per Month	
For 5/8 x 3/4-inch meter	\$ 37.90	(I)
For 3/4-inch meter	56.85	
For 1-inch meter	94.76	
For 1 1/2-inch meter	189.51	
For 2-inch meter	303.22	
For 3-inch meter	568.53	
For 4-inch meter	947.55	
For 6-inch meter	1,895.11	
For 8-inch meter	3,032.17	
For 10-inch meter	4,358.75	(I)

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

Page 1

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.\$ 4.552 (I)

Service Charge:

	Per Meter Per Month	(I)
For 5/8 x 3/4-inch meter	\$ 37.90	
For 3/4-inch meter	56.85	
For 1-inch meter	94.76	
For 1 1/2-inch meter	189.51	
For 2-inch meter	303.22	
For 3-inch meter	568.53	
For 4-inch meter	947.55	
For 6-inch meter	1,895.11	
For 8-inch meter	3,032.17	
For 10-inch meter	4,358.75	

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

Page 1

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:	Per Service Per Month	
2-inch	\$ 56.08	(I)
3-inch	91.17	
4-inch	133.12	
6-inch	228.69	
8-inch	336.18	
10-inch	448.87	
12-inch	595.94	

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)

PRELIMINARY STATEMENT

Page 33

PP. Drinking Water Fees Balancing Account

1. Purpose

The purpose of the Drinking Water Fees Balancing Account (DWFBA) is to track the difference between all actual drinking water fees charged by the State Water Resources Control Board (State Board) (based upon the revised fee schedule adopted by the State Board on September 22, 2021, and any subsequent revisions) and the drinking water fees authorized in rates.

2. Applicability

Liberty Apple Valley shall maintain the DWFBA by making entries at the end of each month as follows:

- a. A debit entry shall be made to the DWFBA at the end of each month to record the difference between actual drinking water fees and adopted fees.
- b. Pursuant to Standard Practice U-27-W of the Water Division, interest shall accrue to the DWFBA on a monthly basis by applying a rate equal to one twelfth of the 3-month non-financial Commercial Paper Rate, as reported in the Federal Reserve Statistical Release, to the average of the beginning-of-month and the end-of-month balances. H.15, (<http://www.federalreserve.gov/Releases/H15/NFCP/M3.txt>), or its successor publication (debit or credit).

3. Effective Date

The DWFBA shall go into effect on the effective date of Liberty Apple Valley's Advice Letter 261-W, which is December 15, 2021.

4. Disposition

Disposition of amounts recorded in the DWFBA shall be determined in Liberty Apple Valley's next General Rate Case application, or as otherwise determined by the Commission if the account's cumulative balance exceeds 2% of Liberty Apple Valley's adopted gross revenues. The recovery of over/under collections will be passed on to the customers through volumetric surcredits or surcharges.

QQ. Interim Rates Memorandum Account

1. Purpose

The purpose of the Interim Rates Memorandum Account ("IRMA") is to track the difference between the interim rates and the final rates adopted by the Commission in A.24-01-002, et al, for rate case cycle 2025-2027. The authority to establish this account was granted in Administrative Law Judge (ALJ) Melvin's ruling dated May 30, 2025 in A.24-01-002, et al.

2. Applicability

The IRMA applies to all areas served.

(N)

(N)

(Continued)

PRELIMINARY STATEMENT

Page 34

QQ. Interim Rates Memorandum Account (continued)

(N)

3. Effective Date

The IRMA will become effective on July 1, 2025.

4. Disposition

The IRMA will remain in effect until a decision is reached in Liberty Apple Valley's A.24-01-002, et al, and the new rates are implemented at which time Liberty Apple Valley will file an Advice Letter requesting amortization of the balance.

(N)

TABLE OF CONTENTS

Page 1

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>	
Title Page		900-W	
Table of Contents		1263-W, 1271-W	(T)
Preliminary Statement	845-W, 533-W, 1069-W, 624-W, 914-W, 1104-W, 902-W, 1070-W, 1073-W, 934-W, 994-W, 996-W, 1044-W, 1105-W, 1046-W, 1047-W, 1154-W, 1239-W, 1172-W, 1192-W, 1193-W, 1204-W, 1240-W, 1269-W, 1270-W		(T)
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	1265-W, 1217-W, 1218-W, 1219-W	(T)
Schedule No. 2	Gravity Irrigation Service	1266-W, 1220-W	(T)
Schedule No. 3	Non-Residential General Metered Service-Apple Valley	1267-W, 1221-W, 1222-W, 1223-W	(T)
Schedule No. 4	Non-Metered Fire Services	1268-W, 1224-W, 1225-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	1255-W	
Schedule CAP	Customer Assistance Program	1190-W, 1094-W	
Schedule No. CAP-SC	Customer Assistance Program Sur-Charge	1191-W 819-W	
<u>LIST OF CONTRACTS AND DEVIATION:</u>			
<u>Rules:</u>			
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	1227-W through 1237-W	

(Continued)

Advice Letter No. 286-W
Decision No.

Issued by
Moses Thompson
PRESIDENT

Date Filed
Effective
Resolution No.

Jim Hansen
Navajo Mutual Water Company
P. O. Box 392
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jhansenjr@email.com

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Attention: Ting-Pong Yuen
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