

**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:** December 1, 2025

District: N/A

CPUC Utility #: U 346-W **Protest Deadline (20th Day):** December 21, 2025

Advice Letter #: 287-W **Review Deadline (30th Day):** December 31, 2025

Tier ☐ 1 ☒ 2 ☐ 3 ☐ Compliance **Requested Effective Date:** January 1, 2026

Authorization D.23-02-003 **Rate Impact:** \$905,511
2.93%

Description: This advice letter requests authorization to implement a temporary surcharge to recover the under-collected balance recorded in the MWRAM.

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 Lett

Phone: 562.923.0711

Email: AnnMarie.Lett@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[] WITHDRAWN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. 287-W

December 1, 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 the attached revised tariff sheets applicable to water service in its service territory.

Summary

This advice letter requests authorization to implement a temporary surcharge to the water rates in Liberty Apple Valley’s service area. Liberty Apple Valley seeks approval of a temporary surcharge of \$0.323 per Ccf for residential metered customers for a 12-month period. The proposed surcharge is designed to recover the under-collection recorded in the May 2023 through June 2025 Monterey Water Revenue Adjustment Mechanism (“MWRAM”) Balancing Account.

Background and Discussion

In D.23-02-003 the Commission adopted the settlement agreement between Liberty Apple Valley and the Public Advocates Office (“Cal Advocates”) regarding the MWRAM¹, with an effective date of July 1, 2022. The purpose of the MWRAM is to track the difference between (1) recorded quantity-rate water revenues received under the authorized tiered rates, and (2) the equivalent rate revenues that would have been received using single quantity (uniform) rates for residential customers.

The MWRAM was established as part of Commission’s ongoing trial program involving increased block-rate structures and conservation activities. The Commission determined that this balancing account mechanism is appropriate to support conservation pricing signals while maintaining revenue neutrality.

Recovery of the periods, July 1, 2022 through April 2023, was previously approved by the Commission in Advice Letter 274-W, with an effective date of July 1, 2023, authorizing recovery through Liberty Apple Valley’s Interim Rates Memorandum Account due to delays associated with the issuance of D.23-02-003.

In this advice letter, Liberty Apple Valley requests authority to recover the MWRAM Balancing Account balance from May 2023 through June 2025, including interest through October 31, 2025, in the total amount of \$905,511 or 2.93% of Liberty Apple Valley’s 2025 authorized revenue requirement.

¹ D.23-02-003, JOINT-19 AVR Resolved Issues.

Liberty Apple Valley proposes to recover the under-collection recorded in the MWRAM through a 12-month temporary surcharge of \$0.323 per Ccf, applicable to domestic service under Schedule No. 1, Residential General Metered Service.

Commission Staff has been provided with workpapers supporting the development of the MWRAM balance, including interest calculations. The surcharge calculation is included in the workpapers.

Tier Designation

Pursuant to D.07-01-024, this advice letter is submitted with a Tier 2 designation.

Requested Effective Date

Pursuant to General Rule 7.3.2 of General Order 96-B, Liberty Apple Valley requests this filing become effective on January 1, 2026.

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 December 1, 2025 to competing and adjacent utilities and other utilities or interested parties having requested such notification.

In accordance with Resolution W-4664, notice is not required. Liberty Apple Valley will include notice of the rate change within the bill during the first billing period the surcharge is in effect.

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 (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.
1272-W	SCHEDULE NO. 1 RESIDENTIAL GENERAL METERED SERVICE Sheet 4	1219-W
1273-W	TABLE OF CONTENTS Sheet 1	1271-W

SCHEDULE NO. 1

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RESIDENTIAL GENERAL METERED SERVICE

26. 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 275-W-A. This surcredit is to refund the over collection in the Tax Cuts and Jobs Act Memorandum Account as of June 30, 2022.

The table below shows the surcredit for each meter size.

Meter Size	One-Time Surcredit
5/8"	\$ 13.35
3/4"	\$ 20.03
1"	\$ 33.38
1 1/2"	\$ 66.75
2"	\$ 106.80
3"	\$ 200.25
4"	\$ 333.75
6"	\$ 667.50
8"	\$1,068.00
10"	\$1,535.25

27. As authorized by the California Public Utilities Commission, an amount of \$0.190 per Ccf is to be added to the quantity rate for a period of 36 months, beginning on the effective date of Advice Letter 275-W-A. This surcharge will recover the under-collection in the Pension Expense Balancing Account as of December 31, 2021.
28. As authorized by the California Public Utilities Commission, an amount of \$5.599 per Ccf is to be added to the quantity rate for a period of 36 months, beginning on the effective date of Advice Letter 275-W-A. This surcharge will recover the under-collection in the Yermo Water Revenue Balancing Account as of June 30, 2022. This surcharge is only applicable to Yermo customers.
29. As authorized by the California Public Utilities Commission, an amount of \$0.323 per Ccf is to be added to the quantity rate for a period of 12 months, beginning on the effective date of Advice Letter 287-W. This surcharge will recover the under-collection in the Monterey Water Revenue Adjustment Mechanism Balancing Account as of June 30, 2025.

(N)
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(N)

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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:

<u>Subject Matter of Sheet:</u>	<u>CPUC Sheet No.</u>	
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Table of Contents	1273-W, 1264-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	
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, 1272-W (T)
Schedule No. 2	Gravity Irrigation Service	1266-W, 1220-W
Schedule No. 3	Non-Residential General Metered Service-Apple Valley	1267-W, 1221-W, 1222-W, 1223-W
Schedule No. 4	Non-Metered Fire Services	1268-W, 1224-W, 1225-W
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
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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
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No. 12	Information Available to Public	366-W, 367-W
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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)

Advice Letter No. 287-W
Decision No. D.23-02-003

Issued by
Moses Thompson
PRESIDENT

Date Filed
Effective
Resolution No.

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