



# ADVICE LETTER SUMMARY

## ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Liberty Utilities (CalPeco Electric) LLC ("Liberty CalPeco") (U-933-E)

Utility type:

- ELC       GAS       WATER  
 PLC       HEAT

Contact Person: Daniel W. Marsh  
 Phone #: 562-299-5104  
 E-mail: Dan.Marsh@libertyutilities.com  
 E-mail Disposition Notice to: Dan.Marsh@libertyutilities.com

EXPLANATION OF UTILITY TYPE  
 ELC = Electric      GAS = Gas      WATER = Water  
 PLC = Pipeline      HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 112-E

Tier Designation: 2

Subject of AL: Revised Liberty CalPeco Tariff Reflecting CEMA Interest applied to average net balance account.

Keywords (choose from CPUC listing): Memorandum Account

AL Type:  Monthly  Quarterly  Annual  One-Time  Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested?  Yes  No

If yes, specification of confidential information: N/A

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information: N/A

Resolution required?  Yes  No

Requested effective date: 2/18/19

No. of tariff sheets: 1

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: Catastrophic Event Memorandum Account (CEMA)

Service affected and changes proposed<sup>1</sup>: N/A

Pending advice letters that revise the same tariff sheets: N/A

<sup>1</sup>Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division  
Attention: Tariff Unit  
505 Van Ness Avenue  
San Francisco, CA 94102  
Email: [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

Name: Daniel W. Marsh  
Title: Manager, Rates and Regulatory Affairs  
Utility Name: Liberty Utilities (CalPeco Electric) LLC  
Address: 9750 Washburn Road  
City: Downey State: California  
Telephone (xxx) xxx-xxxx: 562-299-5104  
Facsimile (xxx) xxx-xxxx:  
Email: [Dan.Marsh@libertyutilities.com](mailto:Dan.Marsh@libertyutilities.com)

Name: AnnMarie Lett  
Title: Coordinator, Rates and Regulatory Affairs  
Utility Name: Liberty Utilities (CalPeco Electric) LLC  
Address: 9750 Washburn Road  
City: Downey State: California  
Telephone (xxx) xxx-xxxx: 562-319-4751  
Facsimile (xxx) xxx-xxxx:  
Email: [AnnMarie.Lett@libertyutilities.com](mailto:AnnMarie.Lett@libertyutilities.com)

## ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	



Liberty Utilities (CalPeco Electric) LLC  
933 Eloise Avenue  
South Lake Tahoe, CA 96150  
Tel: 800-782-2506  
Fax: 530-544-4811

**VIA EMAIL AND UPS**

January 18, 2019

**Advice Letter 112-E  
(U 933-E)**

California Public Utilities Commission  
Energy Division, Tariff Unit  
505 Van Ness Avenue, 4<sup>th</sup> Floor  
San Francisco, CA 94102-3298

**Subject: Liberty Utilities (CalPeco Electric) LLC (U-933 E) -- Revised Liberty CalPeco  
Tariff Reflecting CEMA Interest Applied to Average Net Balance Account.**

Pursuant to the California Code, Public Utilities Code - PUC § 454.9 and the Catastrophic Events Memorandum Account (CEMA) guidelines, Liberty Utilities (CalPeco Electric) LLC (U 933-E) ("Liberty CalPeco") requests California Public Utilities Commission ("Commission") approval to revise its CEMA tariff to reflect applied interest to the average net balance in the CEMA account at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month as reported in the Federal Reserve Statistical Release, H.15, or its successor publication. Accumulated interest will be included in the amount on which interest is accrued, but will be identified as a separate component of the CEMA account.

**Background**

In 1991, the Commission approved the Catastrophic Events Memorandum Account (CEMA). The purpose of this account is to allow utilities to recover the incremental costs incurred to repair, restore or replace facilities damaged during a disaster declared by the appropriate federal or state authorities. Consistent with other Liberty CalPeco Memorandum Accounts, the CEMA Tariff is being updated to include the interest, which was inadvertently omitted when Liberty CalPeco originally created its CEMA.

**Proposed Changes**

Liberty CalPeco seeks to apply interest to the average net balance in the CEMA account at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month as reported in the Federal Reserve Statistical Release, H.15, or its successor publication. Accumulated interest will be included in the amount on which interest is accrued, but will be identified as a separate component of the CEMA account.

**Effective Date**

Liberty CalPeco requests that this Tier 2 advice filing become effective **February 18, 2019**.

**Protests**

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, by facsimile or by email, any of which must be received no later than **February 7, 2019**, which is 20 days after the date of this filing. The protest shall set forth the grounds upon which it is based and shall be submitted expeditiously. There is no restriction on who may file a protest. Protests should be mailed to:

California Public Utilities Commission  
Energy Division, Tariff Unit  
505 Van Ness Avenue, 4<sup>th</sup> Floor  
San Francisco, CA 94102-3298  
Facsimile: (415) 703-2200  
Email: edtariffunit@cpuc.ca.gov

The protest also should be sent via email and U.S. Mail (and by facsimile, if possible) to Liberty CalPeco at the addresses show below on the same date it is mailed or delivered to the Commission.

Liberty Utilities (CalPeco Electric) LLC  
Attn.: Advice Letter Protests  
933 Eloise Avenue  
South Lake Tahoe, CA 96150  
Fax: 530-544-4811  
Email: Dan.Marsh@libertyutilities.com

**Notice**

In accordance with General Order 96-B, Section 4.3, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list.

If additional information is required, please do not hesitate to contact me.

Sincerely,

*/s/ Dan Marsh*

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Dan Marsh  
Manager, Rates and Regulatory Affairs  
Liberty Utilities (CalPeco Electric) LLC

**Attachments**

cc: Catastrophic Event Memorandum Account (CEMA) Tariff Redline Copy and Clean Copy

Energy Division Tariff Unit  
California Public Utilities Commission  
January 18, 2019  
Page 3

Liberty Utilities (CalPeco Electric) LLC  
Advice Letter Filing Service List  
General Order 96-B, Section 4.3

**VIA EMAIL**

gbinge@ktmnc.com;  
emello@sppc.com;  
epoole@adplaw.com;  
cem@newsdata.com;  
rmccann@umich.edu;  
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cbk@eslawfirm.com;  
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phanschen@mofoc.com;  
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patrickferguson@dwt.com;  
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dan.marsh@libertyutilities.com;  
sharon.yang@libertyutilities.com;  
ginge@kinectenergy.com

# ATTACHMENTS

**Catastrophic Event Memorandum Account (CEMA) Tariff**

**Redline Copy And Clean Copy Included**

**PRELIMINARY STATEMENT**  
(Continued)

**13. MEMORANDUM ACCOUNTS** (Continued)

**A. Catastrophic Event Memorandum Account (CEMA)** (Continued)

ii. PROCEDURE (Continued)

3. The letter shall specify the date, time and location of the catastrophic event. The letter shall also state which service areas are affected, the impact on the Utility's facilities, and give an estimate of the extraordinary costs expected to be incurred.
4. Entries to the CEMA shall be made at the end of each month commencing with the month in which the event occurs. The Utility shall record capital costs and expenses separately.
5. The Utility shall not record any capital costs or expenses incurred prior to the start of the declared disaster or state of emergency, as identified by the appropriate authorities.
6. Liberty shall apply interest to the average net balance in the CEMA account at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month as reported in the Federal Reserve Statistical Release, H.15, or its successor publication. Accumulated interest will be included in the amount on which interest is accrued, but will be identified as a separate component of the CEMA account.

iii. APPLICABILITY

The CEMA balance will be recovered from all customer classes, unless specifically requested for exclusion by the Utility.

iv. CHANGES IN RATES

Costs recorded in the CEMA may be recovered in rates only after a request by the Utility, a showing of reasonableness, and approval by the Commission. Such a request may be made by formal application specifically for that purpose, by inclusion in a subsequent general rate case, or other rate setting request.

Advice Letter No. 112-E

Gregory S. Sorensen  
Name

Date Filed January 18, 2019

Decision No. \_\_\_\_\_

President  
Title

Effective February 17, 2019

Resolution No. \_\_\_\_\_





**PRELIMINARY STATEMENT**  
(Continued)

**13. MEMORANDUM ACCOUNTS** (Continued)

**A. Catastrophic Event Memorandum Account (CEMA)** (Continued)

ii. PROCEDURE (Continued)

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Advice Letter No. 28112-E Michael R. SmartGregory S. Sorensen Date Filed July  
15, 2013 January 18, 2019

Decision No. \_\_\_\_\_ Name President Effective July 15, 2013February 17,  
2019

Title

Resolution No. \_\_\_\_\_

LIBERTY UTILITIES (CALPECO ELECTRIC) LLC  
SOUTH LAKE TAHOE, CALIFORNIA

Canceling 2nd3rd Revised CPUC Sheet No. 40  
2nd1st Revised CPUC Sheet No. 40

(Continued)

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Advice Letter No. 28112-E Michael R. SmartGregory S. Sorensen Date Filed July  
15, 2013 January 18, 2019

Decision No. \_\_\_\_\_ Name President Effective July 15, 2013February 17,  
2019

Title

Resolution No. \_\_\_\_\_

(T)