

CALIFORNIA PUBLIC UTILITIES COMMISSION

**ADVICE LETTER FILING SUMMARY
ENERGY UTILITY**

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

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

Utility type:

- ELC GAS
 PLC HEAT WATER

Contact Person: Daniel W. Marsh

Phone #: (562) 299-5104

E-mail: Dan.Marsh@libertyutilities.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas
 PLC = Pipeline HEAT = Heat WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 91-E

Tier Designation: 1 2 3

Subject of AL: Base Revenue Requirement Balancing Account

Keywords (choose from CPUC listing):

AL filing type: Monthly Quarterly Annual One-Time Other

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

Does AL replace a withdrawn or rejected AL?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

Summarize differences between the AL and the prior withdrawn or rejected AL:

Resolution Required? Yes No

Requested effective date: April 14, 2018

No. of tariff sheets: N/A

Estimated system annual revenue effect (%): ___

Estimated system average rate effect (%): 5.27%

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: N/A

Service affected and changes proposed: N/A

Pending Advice Letters that revise the same tariff sheets: N/A

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

CPUC, Energy Division Utility Info (including e-mail)

Attention: Tariff Unit
505 Van Ness Ave., 4th Floor
San Francisco, CA 94102
edtariffunit@cpuc.ca.gov

Liberty Utilities (CalPeco Electric) LLC
Attention: Advice Letter Protests
933 Eloise Avenue
South Lake Tahoe, CA 96150
Email: Dan.Marsh@libertyutilities.com



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

VIA EMAIL AND FEDERAL EXPRESS

March 14, 2018

**Advice Letter No. 91-E
(U 933-E)**

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

Subject: Base Revenue Requirement Balancing Account (“BRRBA”)

Liberty Utilities (CalPeco Electric) LLC (U 933 E) (“Liberty CalPeco”) hereby submits this **Tier 2** Advice Letter No. 91-E requesting the authority to recover the balance in its Base Revenue Requirement Balancing Account (“BRRBA”) in accordance with Section 8 of the Preliminary Statement in Liberty CalPeco’s tariff. Liberty CalPeco originally submitted and received approval of Advice Letters 83-E and 83-E-A, which were approved by the Energy Division on December 5, 2017. Liberty CalPeco did not implement the new rate component due to the discovery of an error in the allocation of costs by customer class. Liberty CalPeco is resubmitting its request in this Advice Letter.

I. Purpose

The purpose of this filing is to request the authority to recover the balance in Liberty CalPeco’s BRRBA over a twenty-four (24) month period effective May 1, 2018.

II. Coordination with Other Pending Rate Change

Liberty CalPeco currently has an Energy Cost Adjustment Clause application (A.17-07-001) (“ECAC Application”) pending before the Commission, with a proposed decision expected to be approved by the Commission to become effective on May 1, 2018.

Assuming a final decision is issued on schedule that enables the revised rates for Liberty CalPeco’s ECAC Application to become effective May 1, 2018, Liberty CalPeco intends to timely make the necessary compliance submissions, including presenting revised tariffs to implement the rate changes and enable the new rates being requested in this Advice Letter and the ECAC Application to become effective as of May 1, 2018. If the decision in the ECAC Application is not issued in time to enable the revised rates to become effective May 1, 2018, Liberty CalPeco shall submit revised tariff sheets based on the rate changes requested in this advice letter to become effective on May 1, 2018, if this advice letter is approved.

III. Background

In accordance with Liberty CalPeco’s tariffs, Liberty CalPeco is authorized to maintain the BRRBA, which records the difference between Liberty CalPeco’s authorized annual base rate revenue requirement and the recorded annual revenue from base rates.

The disposition of the balance in the BRRBA will be addressed in a Tier 2 Advice Letter only if the amount in the BRRBA as of September 30th is +/-5% of the authorized Base Rate Revenue Requirement for to the preceding fifteen (15) months.

IV. Request

A. Recovery of the Balance in the BRRBA

The BRRBA as of September 30, 2017 was \$9,026,803, or 14.77% of Liberty CalPeco’s Base Rate Revenue Requirement for the preceding fifteen months. The balance in the BRRBA increased significantly in 2017 due to the 2016-2017 winter, which created one of the largest snow packs in California history. This large snow pack buried roads and ski lifts, forcing some ski resorts to close during what should have been the busiest days of January resulting in lower than projected base rate revenues.

Liberty CalPeco 5 is requesting recovery of the BRRBA as set forth in Table 1 below. Deviating from its tariffs, Liberty CalPeco is requesting that the recovery of the \$9,026,803 be over a twenty-four (24) month period effective May 1, 2018 rather than over a twelve (12) month period effective October 1, 2017. The new rate results in an average annual increase of 5.27% to overall authorized revenue requirement.

Table 1
Base Revenue Requirement Balancing Account by Rate Schedule
As of September 30, 2017

Rate Schedule	Schedule Number		
Domestic Service	D-1	\$	3,006,095
Small General Service	A-1		4,426,588
Medium General Service	A-2		(2,903,924)
Large General Service	A-3		3,620,891
Optional Interruptible Irrigation Service	PA		559,154
Street Lighting	SL/OL		301,362
Outdoor Lighting	SL/OL		16,637
		<u>\$</u>	<u>9,026,803</u>

B. Rates

Table 2, below, provides the resulting rate by rate schedule, of the \$9,026,803 balance in the BRRBA.

Table 2
Rates by Rate Schedule

<u>Rate Schedule</u>	<u>Schedule Number</u>	<u>\$ / kWh</u>
Domestic Service	D-1	0.00500
Small General Service	A-1	0.01989
Medium General Service	A-2	(0.02590)
Large General Service	A-3	0.01345
Optional Interruptible Irrigation Service	PA	0.14466
Street Lighting	SL/OL	0.43538
Outdoor Lighting	SL/OL	0.01280

Effective Date

Liberty CalPeco requests that this **Tier 2** Advice Letter be effective as of April 14, 2018. Approval as of this date will enable Liberty CalPeco to submit the necessary Tier 1 Advice Letter containing the revised tariff sheets to be effective as of May 1, 2018 with the approved changes associated with this Advice Letter and the ECAC Application.

Protests

Anyone wishing to protest this Advice Letter may do so by letter sent via U.S. mail, by facsimile or by email, any of which must be received no later than April 3, 2018, which is 20 days after the date of this Advice Letter. There are no restrictions on who may submit a protest, but the protest shall set forth the grounds upon which it is based and shall be submitted expeditiously. Protests should be mailed to:

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

Energy Division Tariff Unit
California Public Utilities Commission
March 14, 2018
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The protest should be sent via email and U.S. Mail (and by facsimile, if possible) to Liberty Utilities (CalPeco Electric) LLC at the address shown 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 to parties shown on the attached service list.

In accordance with General Order 96-B, Rule 4.2, Liberty CalPeco is providing customers notice through bill inserts and also by printing notices in newspapers of general circulation.

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

Respectfully submitted,

LIBERTY UTILITIES (CALPECO ELECTRIC) LLC

/s/ Daniel W. Marsh

Daniel W. Marsh
Liberty Utilities (CalPeco Electric) LLC
Manager, Rates and Regulatory Affairs
Phone: 562-299-5104
Email: Dan.Marsh@libertyutilities.com

cc: Liberty CalPeco General Order 96-B Service List

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

gbinge@ktminc.com;
emello@sppc.com;
epoole@adplaw.com;
cem@newsdata.com;
rmccann@umich.edu;
sheila@wma.org;
abb@eslawfirm.com;
cbk@eslawfirm.com;
bhodgeusa@yahoo.com;
chilen@nvenergy.com;
phanschen@mofoc.com;
liddell@energyattorney.com;
cem@newsdata.com;
dietrichlaw2@earthlink.net;
ericj@eslawfirm.com;
clerk-recorder@sierracounty.ws;
plumascoco@gmail.com;
marshall@psln.com;
stephenhollabaugh@tdpud.org;
gross@portersimon.com;
mccluretahoe@yahoo.com;
catherine.mazzeo@swgas.com;
Theresa.Faegre@libertyutilities.com;
SDG&ETariffs@semprautilities.com;
greg.campbell@libertyutilities.com;
bcragg@goodinmacbride.com;

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edtariffunit@cpuc.ca.gov;
jrw@cpuc.ca.gov;
rmp@cpuc.ca.gov;
jaime.gannon@cpuc.ca.gov;
mas@cpuc.ca.gov;
txb@cpuc.ca.gov;
efr@cpuc.ca.gov;
tlg@cpuc.ca.gov;
dao@cpuc.ca.gov;
ljt@cpuc.ca.gov;
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