CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MIJCT DE COMDI ETED DVI CE (Attach additional names as mooded)										
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:	Contact Person for questions and approval letters: Greg Can									
☑ ELC □ GAS	Phone #: 562-299-5117									
□ PLC □ HEAT □ WATER	E-mail: greg.campbell@libertyutilities.com									
EXPLANATION OF UTILITY TYPE (Date Filed/ Received Stamp by CPUC)										
ELC = Electric $GAS = GasPLC = Pipeline$ $HEAT = Heat$ $WATER = Water$										
Advice Letter (AL) #: 97-E Subject of AL: Recovery of ECAC and GHG Revenue differential from January 1 to May 1, 2018 Tier Designation: 1 2 3										
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: D. 18-03-024										
Does AL replace a withdrawn or rejected AL? 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Summarize differences between the AL and the prior withdrawn or rejected AL										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: May 2, 2018 No. of tariff sheets:										
Estimated system annual revenue effect: (%):										
Estimated system average rate effect (%):										
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	Liberty Utilities (C Attention: Advice	CalPeco Electric) LLC								
505 Van Ness Ave., San Francisco, CA 94102	933 Eloise Avenue	Letter 1 Totests								
edtariffunit@cpuc.ca.gov South Lake Tahoe, CA 96150										
Email: greg.campbell@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 U.S. MAIL

May 2, 2018

Advice Letter 97-E (U 933 E)

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

Subject: Liberty Utilities (CalPeco Electric) LLC (U-933 E) – Recovery of ECAC and

GHG Revenue differential from January 1 to May 1, 2018

Purpose

Liberty Utilities (CalPeco Electric) LLC (U 933-E) ("Liberty CalPeco") submits this **Tier 2** Advice Letter to propose revenue recovery of the differential between rates effective January 1 and May 1, 2018 based on decision D.18-03-024.

Discussion

This Advice Letter recommends that the balance from the rate differential in the Energy Charge Adjustment Clause ("ECAC") and Greenhouse Gas ("GHG") revenues be included in the updated July 2018 ECAC/GHG filing, for rates effective January 1, 2019. Liberty CalPeco's recommended policy is based on the application and decision found in:

ECAC (A.17-07-001; D. 18-03-024). Ordering Paragraph No. 4 states, "Liberty Utilities (CalPeco Electric) LLC shall also submit a Tier 2 Advice Letter within 30 days of the effective date of this decision to request recovery of the revenue differential between January 1, 2018 and the first day of the month following the adoption of this decision. This Advice Letter shall provide a calculation to "true up" the revenue differential, and the reasons for using this calculation."

The difference in revenues between the two ECAC rates is approximately \$1.485 million, which is to be credited to Liberty CalPeco customers. Because of the proximity to this current filing, Liberty CalPeco proposes to include this credited amount in the updated ECAC rate change filing in July 2018, for rates effective January 1, 2019. Attachment A provides the calculation for how the \$1.485 million credit will be distributed to Liberty CalPeco customers.

Energy Division Tariff Unit California Public Utilities Commission May 2, 2018 Page 2

The revenue difference between the GHG credits is roughly \$0.317 million to be collected from CalPeco customers. The California Climate Credit for agriculture and small business (less than 20kW demand) customer balance is an increase of approximately \$12,551 in credits. Attachment B provides the calculations supporting the revenue recovery for the GHG rate revisions.

Effective Date

Liberty CalPeco requests that this **Tier 2** Advice Letter be effective as of June 2, 2018.

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 May 22, 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

The protest should be sent via email and U.S. Mail (and by facsimile, if possible) to Liberty CalPeco 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

Energy Division Tariff Unit California Public Utilities Commission May 2, 2018 Page 3

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 list.

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

Attachments

cc: Liberty CalPeco Advice Letter Service List

A.17-07-001 Service List

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

VIA EMAIL

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@mofo.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;

AdviceTariffManager@sce.com; edtariffunit@cpuc.ca.gov; irw@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; mmg@cpuc.ca.gov; kil@cpuc.ca.gov; denise.tyrrell@cpuc.ca.gov; fadi.daye@cpuc.ca.gov; winnie.ho@cpuc.ca.gov; usrb@cpuc.ca.gov; Rob.Oglesby@energy.ca.gov; stevegreenwald@dwt.com; vidhyaprabhakaran@dwt.com; judypau@dwt.com; dwtcpucdockets@dwt.com; patrickferguson@dwt.com; travis.ritchie@sierraclub.org; dan.marsh@libertyutilities.com; sharon.yang@libertyutilities.com; ginge@kinectenergy.com

Liberty Utilities (CalPeco Electric) LLC Service Lists for Application No. 17-07-001

VIA EMAIL

Sharon. Yang@libertyutilities.com
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Dan.Marsh@LibertyUtilities.com
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Attachment A: ECAC Revenue Recovery Differential Calculations

LIBERTY UTILITES (CALPECO ELECTRIC) LLC ENERGY COST ADJUSTMENT CLAUSE 2018

(a)		(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(1)	(m)
Line No	_	January	February Actual	March	April	May	June	July	August Forecast	September	October	November	December
1 MWH Sales:			riotuui						10100001				
2 Retail 3 Wholesale		60,403 630	55,623 619	55,076 739	46,530 500	41,771 267	41,702 245	45,034 245	44,616 257	41,106 272	43,688 330	51,007 490	63,610 720
4 Total System Sales		61,033	56,242	55,815	47,030	42,037	41,947	45,280	44,872	41,378	44,018	51,496	64,330
5 % California Jurisdiction 6	_	98.97%	98.90%	98.68%	98.94%	99.37%	99.42%	99.46%	99.43%	99.34%	99.25%	99.05%	98.88%
7 8 Beginning Balance 9	_\$	(5,007,187) \$	(4,033,998) \$	(3,628,758) \$	(3,239,133) \$	(3,320,339) \$	(3,521,344) \$	(3,816,914) \$	(4,159,083) \$	(4,452,633) \$	(4,647,872) \$	(4,612,424) \$	(4,132,626)
10 Fuel and Purchased Power Costs 11 Plus: Fuel Inventory		3,147,653	2,404,358	2,374,949	1,587,083	1,290,618	1,192,887	1,264,596	1,299,599	1,275,239	1,600,988	2,313,606	2,954,446
12 13	-	3,147,653	2,404,358	2,374,949	1,587,083	1,290,618	1,192,887	1,264,596	1,299,599	1,275,239	1,600,988	2,313,606	2,954,446
14 % California Jurisdiction (Line 5)		98.97%	98.90%	98.68%	98.94%	99.37%	99.42%	99.46%	99.43%	99.34%	99.25%	99.05%	98.88%
15 16 California Jurisdictional Cost		3,115,169	2,377,886	2,343,505	1,570,212	1,282,423	1,185,921	1,257,742	1,292,165	1,266,848	1,588,981	2,291,604	2,921,385
17 18 Net Offset Rate Revenue		(2,746,677)	(2,503,000)	(2,495,717)	(2,107,340)	(1,757,878)	(1,755,005)	(1,895,229)	(1,877,604)	(1,729,891)	(1,838,557)	(2,146,566)	(2,676,973)
19 20 ECAC Deferral	-	368,492	(125,114)	(152,212)	(537,128)	(475,455)	(569,085)	(637,487)	(585,439)	(463,043)	(249,576)	145,038	244,412
21 22 Net Balancing Rate Revenue		187,584	172,723	171,075	141,377	281,030	280,570	302,988	300,170	276,555	293,928	343,169	
23 24 Adjustments	(1)	423,475	363,661	377,366	320,852	201,000	-	002,000	000,170	-	-	010,100	427,964
25	(1)												
26 Interest 27		(6,362)	(6,030)	(6,604)	(6,307)	(6,579)	(7,056)	(7,670)	(8,281)	(8,751)	(8,904)	(8,409)	(7,308)
28 Ending Balance 29	\$	(4,033,998) \$	(3,628,758) \$	(3,239,133) \$	(3,320,339) \$	(3,521,344) \$	(3,816,914) \$	(4,159,083) \$	(4,452,633) \$	(4,647,872) \$	(4,612,424) \$	(4,132,626) \$	(3,467,557)
30 31													
32 ECAC Revenue (Offset)	\$	(2,784,265) \$	(2,537,253) \$	(2,529,870) \$	(2,136,178) \$	(1,781,934) \$	(1,779,022) \$	(1,921,165) \$	(1,903,299) \$	(1,753,564) \$	(1,863,717) \$		(2,713,607)
 Less: Franchise & Uncollectible Net Offset Revenue 	\$	37,588 (2,746,677) \$	34,253 (2,503,000) \$	34,153 (2,495,717) \$	28,838 (2,107,340) \$	24,056 (1,757,878) \$	24,017 (1,755,005) \$	25,936 (1,895,229) \$	25,695 (1,877,604) \$	23,673 (1,729,891) \$	25,160 (1,838,557) \$	29,375 (2,146,566) \$	36,634 (2,676,973)
35 36													
37 ECAC Revenue (Balancing) 38 Less: Franchise & Uncollectible	\$	190,151 \$ (2,567)	175,087 \$ (2,364)	173,416 \$ (2,341)	143,311 \$ (1,935)	284,876 \$ (3,846)	284,410 \$ (3,840)	307,134 \$ (4,146)	304,278 \$ (4,108)	280,340 \$ (3,785)	297,950 \$ (4,022)	347,865 \$ (4,696)	433,821 (5,857)
Net Balancing Revenue 40	\$	187,584 \$	172,723 \$	171,075 \$	141,377 \$	281,030 \$	280,570 \$	302,988 \$	300,170 \$	276,555 \$	293,928 \$	343,169 \$	(5,857) 427,964
41 Franchise & Uncollectible Factor		1.350%											
42 43 Carrying Charge Rate		1.69%	1.89%	2.31%	2.31%	2.31%	2.31%	2.31%	2.31%	2.31%	2.31%	2.31%	2.31%
44 45													
46 47 (1) Adjustmtents													
18 19 ECAC Offset Revenue 19 Net ECAC Offset Revenue based on D. 16-12-013	s	(2,746,677) \$	(2,503,000) \$	(2,495,717) \$	(2,107,340)								
Calendar Month Sales (mWh) ECAC Offset Rate / mWh (Based on D. 18-03-024)		60,403 42.66	55,623 42.66	55,076 42.66	46,530 42.66								
54 55 Less: Franchise & Uncollectible		(2,576,792) 34,787	(2,372,877) 32,034	(2,349,542) 31,719	(1,984,957) 26,797								
66 Net ECAC Offset Revenue based on D. 18-03- 67 Reduction in ECAC Offset Revenues	024	(2,542,005) 204,672	(2,340,843) 162,157	(2,317,823) 177,893	(1,958,160) 149,180								
 ECAC Balancing Revenue Net ECAC Balancing Revenue based on D. 16-12-013 		187,584	172,723	171,075	141,377								
61 62 Calendar Month Sales (mWh)		60,403	55,623	55,076	46,530								
 ECAC Balancing Rate / mWh (Based on D. 18-03-0 	024)	(6.82) 411,948	(6.82) 379,349	(6.82) 375,618	(6.82) 317,333								
55 Less: Franchise & Uncollectible 66		(5,561) 406,387	(5,121) 374,228	(5,071) 370,547	(4,284) 313,049								
67 Increase in ECAC Balancing Revenues	_	218,803	201,504	199,473	171,672								
ECAC Offset and Balancing Revenue Adjustr 70	ment <u>\$</u>	423,475 \$	363,661 \$	377,366 \$	320,852	1,485,354							
71 72 73 Effective 1/1/17 (D. 16-12-013)													
74 75 ECAC Offset Rate 76 ECAC Balancing Rate 77		\$/kWh 0.04591 (0.00308) 0.04283	\$/MWh 45.91 (3.08) 42.83										
77 78 79 Effective 5/1/18 (D. 18-03-024) 80		0.04203	42.03										
81		\$/kWh	\$/MWh										
82 ECAC Offset Rate 83 ECAC Balancing Rate		0.04266 (0.00682) 0.03584	42.66 (6.82) 35.84										

Attachment B: GHG Revenue Recovery Differential Calculations

LIBERTY UTILITES (CALPECO ELECTRIC) LLC Carbon Pollution Permit Cost Revenue / California Climate Credit Differentials

	(a)		(b) (c)			(d)			(e)		(f)	
Line			Actual Forecast				Forecast			Line		
No				February	March			April	Total		No	
1	Differential											1
2	Contrar Dellistica Demosita Cont											2
3 4	Carbon Pollution Permits Cost Based on D. 18-03-024	\$	327,383	Ф	301,474	Ф	298,511	Ф	265,600	\$	1,192,969	3 4
5	Based on D. 16-12-013	Ф	240,403	Φ	221,378	Φ	219,202	Φ	195,035	Ф	876,018	5
6	Dased 011 D. 10-12-013		240,403		221,370		219,202		193,033		670,010	6
7	Increase / (Decrease)	\$	86,980	\$	80,097	\$	79,309	\$	70,565	\$	316,951	7
8							,			<u> </u>		8
9												9
10	California Climate Credit											10
11	Climate Credit Revenues based on D. 18-03-024	\$	(20,679)	\$	(19,105)	\$	(19,879)	\$	(18,316)	\$	(77,979)	11
12	Climate Credit Revenues based on D. 16-12-013		(17,350)		(16,030)		(16,680)		(15,368)		(65,428)	12
13			,				,		, ,		<u>, , , , , , , , , , , , , , , , , , , </u>	13
14	(Increase) / Decrease	\$	(3,328)	\$	(3,075)	\$	(3,200)	\$	(2,948)	\$	(12,551)	14
15		-										15
16												16
17												17
18	kWh Sales											18
19	Residential		29,963,037		26,970,448		28,684,249		24,951,522			19
20	A-1 <=20kW		5,450,589		5,044,078		5,243,213		4,830,820			20
21	A-1 >20kW		3,065,957		3,224,902		3,352,218		3,088,557			21
22	A-2		5,567,368		5,822,120		5,914,552		5,449,356			22
23	PA		5,535		(3,216)		1,970		1,815			23
24	A-3		16,273,535		14,485,866		11,808,500					24
25	SL		28,613		28,613		28,613		33,826			25
26	OLS		48,134		49,770		42,607	50,370				26
27 28			60,402,768		55,622,581		55,075,922		49,003,745			27 28
20 29			60,402,766		33,022,361		55,075,922		49,003,745			20 29
30												30
31	Rates Effective 5/1/18 (D. 18-03-024)											31
32	Nates Effective 3/1/10 (D. 10-03-024)											32
33			\$/kWh									33
34	Carbon Pollution Permits Cost		0.00542	•								34
35	California Climate Credit		(0.00379)									35
36			(0.000.0)									36
37												37
38	Rates Effective 1/1/17 (D. 16-12-013)											38
39			\$/kWh									39
40	Carbon Pollution Permits Cost	-	0.00398	•								40
41	California Climate Credit		(0.00318)									41