

**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 for questions and approval letters:

Daniel Marsh

Phone #: (562) 299-5104

E-mail: [dan.marsh@libertyutilities.com](mailto: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) #: 66-E

Subject of AL: Liberty Utilities (CalPeco Electric) LLC (U 933-E) – Annual Public Purpose Program Surcharge Adjustment

–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:

Decision 14-05-004

Does AL replace a withdrawn or rejected AL?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Summarize differences between the AL and the prior withdrawn or rejected AL: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: January 1, 2017

No. of tariff sheets: N/A

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**

**505 Van Ness Ave.,**

**San Francisco, CA 94102**

[edtarriffunit@cpuc.ca.gov](mailto:edtarriffunit@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](mailto: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 HAND-DELIVERY**

October 27, 2016

**Advice Letter 66-E  
(U 933-E)**

California Public Utilities Commission  
Attn: Edward Randolph, Director, Energy Division  
Energy Division, 4<sup>th</sup> Floor  
505 Van Ness Avenue  
San Francisco, CA 94102-3298

**Subject: Liberty Utilities (CalPeco Electric) LLC (U 933-E) Annual Public Purpose  
Program Surcharge Adjustment**

Pursuant to Ordering Paragraphs 10 and 17 of Decision 14-05-004, Liberty Utilities (CalPeco Electric) LLC (U 933-E) ("Liberty CalPeco") hereby submits this **Tier 2** Advice Letter seeking approval for adjustments to its Public Purpose Program surcharge.

**Purpose**

The purpose of this Advice Letter is to revise Liberty CalPeco's Public Purpose Program surcharges to adjust the California Alternate Rates for Energy ("CARE") Program and the Energy Savings Assistance ("ESA") Program components to reflect current activity pursuant to Ordering Paragraphs 10 and 17 of Decision 14-05-004.

**Background**

As of September 30, 2016, Liberty CalPeco's CARE Program is under-collected by (\$192,045). Liberty CalPeco forecasts that the CARE Program under-collection will increase throughout 2017 such that at year end the CARE Program will be under-collected by the amount of (\$271,373).

As of September 30, 2016, Liberty CalPeco's ESA Program is under-collected by (\$21,119). Liberty CalPeco forecasts that the ESA Program under-collection will continue throughout 2017 such that at year end the ESA Program will be under-collected by the amount of (\$16,040).

Liberty CalPeco's forecasts of the current CARE Program Balancing Account and ESA Program Balancing Account are outlined in Exhibit A.

### **Request**

To ensure that Liberty CalPeco does not continue to under-collect in 2017, Liberty CalPeco requests an increase to the CARE Program component of the Public Purpose Program surcharge to bring the CARE Balancing Account balance close to zero by December 31, 2017.

Accordingly, Liberty CalPeco requests an increase of \$0.00047/kWh to the CARE component, which results in a new rate of \$0.0020/kWh as of January 1, 2017. Based on the requested increase, the forecasted under-collection in the CARE Balancing Account will decrease to \$793 as of December 31, 2017.

Additionally, Liberty CalPeco requests an increase to the ESA Program component of the Public Purpose Program surcharge to bring the ESA Balancing Account balance close to zero by December 31, 2017. Liberty CalPeco requests an increase of \$0.000025/kWh to the ESA component, which results in a new rate of \$0.000375/kWh as of January 1, 2017. Based on the requested increase, the forecasted under-collection in the ESA Balancing Account will decrease to \$690 as of December 31, 2017.

The forecasted impact of the requested adjustments is detailed in Exhibit B.

### **Coordination with Other Pending Liberty CalPeco Rate Proceedings**

Liberty CalPeco concurrently has a General Rate Case ("GRC") application (A.15-05-008), an Energy Cost Adjustment Clause ("ECAC") application (A.16-07-001) ("ECAC Application"), and its 2017 Post-Test Year Adjustment Mechanism ("PTAM") Advice Letter (Advice Letter 65-E) pending before the Commission. Liberty CalPeco currently expects the Commission to issue a final decision in the GRC application on a schedule that would enable the revised GRC rates to become effective as of January 1, 2017.<sup>1</sup> Liberty CalPeco's tariff provides that revisions to ECAC rates and revisions to rates due to the PTAM are also to become effective as of January 1, 2017.

Assuming final decisions are issued in Liberty CalPeco's GRC and ECAC applications on a schedule that enables the revised rates to become effective as of January 1, 2017, and there are no delays in Liberty CalPeco's PTAM Advice Letter, Liberty CalPeco intends to timely make the necessary compliance submissions, including presenting revised tariffs to implement the aggregation of the multiple rate changes and enable the new rates being requested in this Advice Letter, the PTAM Advice Letter, and the GRC and ECAC applications to each become effective

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<sup>1</sup> See A.15-05-008, Joint Motion to Adopt All-Party Settlement Agreement Among Liberty CalPeco (CalPeco Electric) LLC (U933E), the Office of Ratepayer Advocates, and the A-3 Customer Coalition, filed May 18, 2016 ("GRC Settlement Motion") available at: <http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M163/K483/163483968.PDF>.

as of January 1, 2017. The consolidation of these rate changes is intended to minimize the number of rate changes for the customers of Liberty CalPeco.

### **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 November 16, 2016, 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:

CPUC Energy Division  
Attention: Tariff Unit, 4<sup>th</sup> Floor  
505 Van Ness Avenue  
San Francisco, CA 94102  
Facsimile: (415) 703-2200  
Email: [edtariffunit@cpuc.ca.gov](mailto: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](mailto:dan.marsh@libertyutilities.com)

With a copy to:  
Steven F. Greenwald  
Vidhya Prabhakaran  
Davis Wright Tremaine LLP  
505 Montgomery Street, Suite 800  
San Francisco, CA 94111  
Fax: 415-276-6599  
Email: [stevegreenwald@dwt.com](mailto:stevegreenwald@dwt.com)  
Email: [vidhyaprabhakaran@dwt.com](mailto:vidhyaprabhakaran@dwt.com)

### **Effective Date**

Liberty CalPeco requests that this advice filing become effective on January 1, 2017. This advice letter is submitted with a **Tier 2** designation.

Energy Division Tariff Unit  
California Public Utilities Commission  
October 27, 2016  
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**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 contact Daniel Marsh, Manager of Rates and Regulatory Affairs at [dan.marsh@libertyutilities.com](mailto:dan.marsh@libertyutilities.com).

Sincerely,

/s/

Daniel Marsh  
Manager of Rates and Regulatory Affairs  
Office: (562) 299-5104  
Liberty Utilities (CalPeco Electric) LLC

Attachments

cc: Liberty CalPeco Advice Letter 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;  
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patrickferguson@dwt.com;  
travis.ritchie@sierraclub.org

# EXHIBIT A

**LIBERTY UTILITIES (CALPECO ELECTRIC) LLC  
2016 Q4 - 2017 CARE PROGRAM ACTIVITY FORECAST**

Ln <u>No</u>	(a)	(b)	(c)	(d)	Ln <u>No</u>
		<b>2016 Q1 - Q3 Actual</b>	<b>2016 Q4 Forecast</b>	<b>2017 Forecast</b>	
1	<u>Usage</u>				1
2			159,795,027	614,007,062	2
	Total kWh		159,795,027	614,007,062	
	Less CARE customers kWh		<u>(10,767,364)</u>	<u>(38,305,238)</u>	
	Total kWh subject to CARE rate		149,027,663	575,701,823	
3					3
4	<u>Estimated CARE Proceeds</u>				4
5			0.00153	0.00153	5
	CARE Component Rate (\$/kWh)		0.00153	0.00153	
6			\$ (228,012.32)	\$ (880,823.79)	6
	Estimated CARE Proceeds		\$ (228,012.32)	\$ (880,823.79)	
	Estimated CARE Discount to CARE Customers		\$ 234,177.95	\$ 926,485.92	
7			\$ 192,044.74	\$ 203,710.37	7
	Prior Period Carry Forward		\$ 192,044.74	\$ 203,710.37	
8					8
9			\$ 5,500.00	\$ 22,000.00	9
	Approved CARE Admin and Outreach Program Budget		\$ 5,500.00	\$ 22,000.00	
10					10
11		\$ 192,044.74	\$ 203,710.37	\$ 271,372.50	11
	Under/(Over) Collected Amount	\$ 192,044.74	\$ 203,710.37	\$ 271,372.50	
12					12



**LIBERTY UTILITIES (CALPECO ELECTRIC) LLC  
2016 Q4 - 2017 ESA PROGRAM ACTIVITY FORECAST**

Ln No	(a)	(b)	(c)	(d)	Ln No
		<b>2016 Q1 - Q3 Actual</b>	<b>2016 Q4 Forecast</b>	<b>2017 Forecast</b>	
1	<u>Usage</u>				1
2		Total kWh	159,795,027	614,007,062	2
3					3
4	<u>Estimated ESA Proceeds</u>				4
5		ESA Surcharge Rate (\$/kWh)	0.00035	0.00035	5
6		Estimated ESA Proceeds	\$ (55,928.26)	\$ (214,902.47)	6
7		Prior Period Carry Forward	\$ 21,119.42	\$ 18,341.49	7
8					8
9		ESA Program Costs	<u>\$ 53,150.33</u>	<u>\$ 212,601.30</u>	9
10					10
11		Under/(Over) Collected Amount	\$ 21,119.42	\$ 18,341.49	11
12				\$ 16,040.32	12

# EXHIBIT B

**LIBERTY UTILITIES (CALPECO ELECTRIC) LLC**  
**2016 Q4 - 2017 CARE PROGRAM ACTIVITY FORECAST**

Ln No	(a)	(b)	(c)	(d)	(e)	Ln No
		<b>2016</b>	<b>2016</b>	<b>2017</b>		
		<b>Q1 - Q3 Actual</b>	<b>Q4 Forecast</b>	<b>Forecast</b>	<b>Total</b>	
1	<u>Usage</u>					1
2	Total kWh		159,795,027	614,007,062		2
	Less CARE customers kWh		(10,767,364)	(38,305,238)		
	Total kWh subject to CARE rate		<u>149,027,663</u>	<u>575,701,823</u>		
3						3
4	<u>Estimated CARE Proceeds</u>					4
5	CARE Component Rate (\$/kWh)		0.00153	0.002000		5
6	Estimated CARE Proceeds	\$	(228,012.32)	\$ (1,151,403.65)		6
	Estimated CARE Discount to CARE Customers	\$	234,177.95	\$ 926,485.92		
	Prior Period Carry Forward	\$	192,044.74	\$ 203,710.37		
7						7
8						8
9	Approved CARE Admin and Outreach Program Budget	\$	<u>5,500.00</u>	\$ <u>22,000.00</u>		9
10						10
11	Under/(Over) Collected Amount	\$	192,044.74	\$ 203,710.37	\$ 792.65	11
12						12
13	<u>Rate Impact</u>					13
14	Increase/(Decrease) of Existing CARE Surcharge Rate (\$/kWh)				0.00047	14
15	Percentage Increase/(Decrease) of Existing CARE Surcharge Rate				30.7%	15
16						16
17	Revised CARE Surcharge Rate for 2017 (\$/kWh)				<u>0.00200</u>	17

**LIBERTY UTILITIES (CALPECO ELECTRIC) LLC**  
**2016 Q4 - 2017 ESA PROGRAM ACTIVITY FORECAST**

Ln No	(a)	(b)	(c)	(d)	(e)	Ln No
		<b>2016 Q1 - Q3 Actual</b>	<b>2016 Q4 Forecast</b>	<b>2017 Forecast</b>	<b>Total</b>	
1	<u>Usage</u>					1
2	Total kWh		159,795,027	614,007,062		2
3						3
4	<u>Estimated ESA Proceeds</u>					4
5	ESA Surcharge Rate (\$/kWh)		0.000350	0.000375		5
6	Estimated ESA Proceeds		\$ (55,928.26)	\$ (230,252.65)		6
7	Prior Period Carry Forward		\$ 21,119.42	\$ 18,341.49		7
8						8
9	Approved ESA Program Budget		<u>\$ 53,150.33</u>	<u>\$ 212,601.30</u>		9
10						10
11	Under/(Over) Collected Amount	\$ 21,119.42	\$ 18,341.49	\$ 690.14		11
12						12
13	<u>Rate Impact</u>					13
14	Increase/(Decrease) of Existing ESA Surcharge Rate (\$/kWh)				0.000025	14
15	Percentage Increase/(Decrease) of Existing ESA Surcharge Rate				7%	15
16						16
17	Revised ESA Surcharge Rate for 2017 (\$/kWh)				<u>0.000375</u>	17