

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

EXPLANATION OF UTILITY TYPE

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

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 71-E-A

Subject of AL: Supplement to AL 71-E - Establishment of a Tax Memorandum Account in Accordance with Decision 16-12-024

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:

Ordering Paragraph No. 6 of Decision ("D.")16-12-024

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL 71-E

Summarize differences between the AL and the prior withdrawn or rejected AL¹: _____

Resolution Required? Yes No

Requested effective date: January 1, 2017

No. of tariff sheets: 2

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:

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets:

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

Utility Info (including e-mail)
Liberty Utilities (CalPeco Electric) LLC
Attention: Advice Letter Protests
933 Eloise Avenue
South Lake Tahoe, CA 96150
Email: dan.marsh@libertyutilities.com

¹ Discuss in AL if more space is needed.



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

February 6, 2017

**Advice Letter 71-E-A
(U 933 E)**

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

Subject: Supplement to Liberty Utilities Advice Letter AL-71-E - Establishment of a Tax Memorandum Account in Accordance with Decision 16-12-024

Purpose

Pursuant to General Order 96-B, Rule 7.5.1, Liberty Utilities (CalPeco Electric) LLC (U933E) (“Liberty CalPeco”) provides this supplement to Advice Letter 71-E (“Supplement”) for purposes of making certain revisions that better clarify the overall requests being made in Advice Letter 71-E.

Background

In accordance with Ordering Paragraph No. 6 of D.16-12-024, Liberty CalPeco is establishing a tax memorandum account to record any revenue differences resulting from the income tax expenses authorized in General Rate Case (“GRC”) proceedings and the tax expenses incurred by Liberty CalPeco during the current GRC period (2016-2018) and each subsequent GRC period.

After conferring with Energy Division, Liberty CalPeco is making tariff language changes to better reflect what will be recorded to the tax memorandum account.

The revised tariff sheets are included as Attachment A.

Clarifying Revision

The initial tariff sheets provided in AL-71-E proposed recording revenue differences between forecasted and incurred income tax expenses. In the revised tariff sheets, the word “forecasted” has been replaced with “authorized.” This is the only proposed change from AL-71-E.

Effective Date

Liberty CalPeco requests that this **Tier 2** Advice Letter be effective as of January 1, 2017.

Protests

Anyone wishing to protest this supplemental 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 February 27, 2017, 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
Daniel W. Marsh
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
December 23, 2016
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.15-05-008 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;
abb@eslawfirm.com;
glw@eslawfirm.com;
clerk-recorder@sierracounty.ws;
plumascoco@gmail.com;
marshall@psln.com;
stephenhollabaugh@tdpud.org;
gross@portersimon.com;
mcluretahoe@yahoo.com;
catherine.mazzeo@swgas.com;
Theresa.Faegre@libertyutilities.com;
SDG&ETariffs@semprautilities.com;
Alain.Blunier@libertyutilities.com;

AdviceTariffManager@sce.com;
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;
mmg@cpuc.ca.gov;
kjl@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

ATTACHMENT A

PRELIMINARY STATEMENT
(Continued)

13. MEMORANDUM ACCOUNTS (Continued)

J. Tax Memorandum Account

i. PURPOSE

Pursuant to Commission Decision 16-12-024, issued December 8, 2016, the Tax Memorandum Account will record any revenue differences resulting from the income tax expenses authorized in Liberty CalPeco general rate case ("GRC") proceedings and the tax expenses incurred by Liberty CalPeco during each subsequent GRC period.

ii. APPLICABILITY

The Tax Memorandum Account shall apply to all customers unless otherwise specified by the Commission.

iii. ACCOUNTING PROCEDURES

The Tax Memorandum Account will record any revenue differences between the income taxes authorized in Liberty CalPeco GRC proceedings and the tax expenses incurred by Liberty CalPeco during the 2016 through 2018 GRC period and in each subsequent GRC period.

The Tax Memorandum Account will have separate line items detailing the differences between tax expenses authorized and tax expenses incurred.

The Tax Memorandum Account will specifically track differences resulting from:

1. Net revenue changes;
2. Mandatory tax law changes, tax accounting changes, tax procedural changes, or tax policy changes; and
3. Elective tax law changes, tax accounting changes, tax procedural changes, or tax policy changes

Advice Letter No. 71-E-A

Decision No. 16-12-024

Issued by
Gregory S. Sorensen
Name
President
Title

Date Filed February 6, 2017

Effective January 1, 2017

Resolution No. _____

