

# 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: Ken Wittman

Phone #: 530-543-5267

E-mail:

### EXPLANATION OF UTILITY TYPE

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

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: **49-E**

Subject of AL: Revisions to the Tariffs to Recover the Amounts in the Vegetation Management Memorandum Account

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 15-10-030, General Order 96-B

Does AL replace a withdrawn or rejected AL?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Summarize differences between the AL and the prior withdrawn or rejected AL<sup>1</sup>: \_\_\_\_\_

Resolution Required?  Yes  No

Requested effective date: October 28, 2015

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: Preliminary Statement 13.D Vegetation Management Memorandum Account

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

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**  
**Attention: Tariff Unit**  
**505 Van Ness Ave.,**  
**San Francisco, CA 94102**  
[edtariffunit@cpuc.ca.gov](mailto: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: ken.wittman@libertyutilities.com**

<sup>1</sup> 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 HAND-DELIVERY**

October 30, 2015

**Advice Letter 49-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: Revisions to the Tariffs to Recover the Amounts in the Vegetation Management Memorandum Account Pursuant to Decision 15-10-030**

Liberty Utilities (CalPeco Electric) LLC (U 933-E) (“Liberty Utilities”) hereby submits this **Tier 1** Advice Letter pursuant to Decision 15-10-030 (“Decision”). Ordering Paragraph 1 of the Decision authorizes Liberty Utilities to “recover all costs and interest recorded in the Vegetation Management Memorandum Account [(“VMMA”)] for vegetation management activities during the period between May 11, 2012 and December 31, 2012.” The revised tariff sheets are enclosed as Attachment 1.

Given that the Decision has a Date of Issuance of October 26, 2015, Ordering Paragraph 2 of the Decision directs that the amortization period for Liberty Utilities to recover through rates the amounts in the VMMA shall start on November 1, 2015 and conclude on the last day of the month 21 months after the start of the amortization period (i.e. July 31, 2017).

As of November 1, 2015, the VMMA will have \$2,090,902.31 recorded.

Accordingly, this **Tier 1** Advice Letter is being submitted with the revised tariff sheets necessary to revise rates in order to recover the amounts recorded in the VMMA commencing as of November 1, 2015.

**Effective Date**

Liberty Utilities requests that this **Tier 1** advice letter be effective as of November 1, 2015.

**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 19, 2015, 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 Utilities 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: ken.wittman@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  
Email: vidhyaprabhakaran@dwt.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 lists.

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

Sincerely,



Ken Wittman  
Senior Manager of Finance, Accounting and Regulatory - California  
Liberty Utilities (CalPeco Electric) LLC

Attachments

cc: Liberty Utilities General Order 96 –B Advice Letter Service List  
A.14-04-037 Service List

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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bhodgeusa@yahoo.com  
chilen@nvenergy.com  
phanschen@mofoc.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  
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AdviceTariffManager@sce.com  
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jrw@cpuc.ca.gov  
xjv@cpuc.ca.gov  
rmp@cpuc.ca.gov  
jaime.gannon@cpuc.ca.gov  
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jm3@cpuc.ca.gov  
Jeannie.chang@cpuc.ca.gov  
txb@cpuc.ca.gov  
efr@cpuc.ca.gov  
joc@cpuc.ca.gov  
tlg@cpuc.ca.gov  
dao@cpuc.ca.gov  
ljt@cpuc.ca.gov  
dlf@cpuc.ca.gov  
mmg@cpuc.ca.gov  
md2@cpuc.ca.gov  
kjl@cpuc.ca.gov  
denise.tyrrell@cpuc.ca.gov  
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vidhyaprabakaran@dwt.com  
judypau@dwt.com  
jeffreygray@dwt.com  
dwtcpucdockets@dwt.com  
patrickferguson@dwt.com  
travis.ritchie@sierraclub.org

Liberty Utilities (CalPeco Electric) LLC  
A.14-04-037 Service List

**VIA EMAIL**

cwl@cpuc.ca.gov  
SteveGreenwald@dwt.com  
mccluretahoe@yahoo.com  
dwtcpucdockets@dwt.com  
Angelica.Morales@sce.com  
BCragg@GoodinMacbride.com  
MSomogyi@GoodinMacBride.com  
VidhyaPrabhakaran@dwt.com  
KatieJorrie@dwt.com  
Leuwam.Tesfai@cpuc.ca.gov  
edf@cpuc.ca.gov  
dlf@cpuc.ca.gov  
jrg@cpuc.ca.gov

**Attachment 1**  
**Revised Tariff Sheets**

**PRELIMINARY STATEMENT**  
(Continued)

**13. MEMORANDUM ACCOUNTS** (Continued)

**D. VEGETATION MANAGEMENT MEMORANDUM ACCOUNT (“VMMA”)**

i. **PURPOSE**

The purpose of the VMMA has been to record expenses Liberty incurred between May 11, and December 31, 2012, including interest, associated with all vegetation management activities required by General Orders 95 and 165, and any other order or decision by the Commission, for which the Commission had not already authorized rate recovery. In accordance with Decision 15-10-030, Liberty shall amortize the amounts collected in the VMMA through the collection of a rate (“VMMA Amortization Rate”) described in Section D.iv.

(T)

ii. **APPLICABILITY**

The VMMA Amortization Rate shall apply to all customer classes.

(N)

iii. **ACCOUNTING PROCEDURE**

Liberty shall maintain the VMMA by making entries at the end of each month as follows:

a. A debit entry equal to the payments related to vegetation management costs incurred between May 11, and December 31, 2012 for which the Commission has not already authorized rate recovery. Liberty ceased making debit entries for payments related to vegetation management costs incurred on and after January 1, 2013, upon the rates established by its 2013 General Rate Case becoming effective.

(T)

b. When interest is payable under this part of the Preliminary Statement, the interest rate shall be 1/12 of the most recent month’s interest rate on Commercial paper (prime, 3 months), published by the Federal Reserve Statistical Release, H.15. Should publication of the interest rate on commercial paper (prime, 3 months) be discontinued, interest will so accrue at the rate of 1/12 of the most recent month’s interest rate on commercial paper, which most closely approximates the rate that was discontinued and which is published in the Federal Reserve Statistical Release, H.15, or its successor publication.

c. Pursuant to Decision 15-10-030, for each month commencing November 2015 until July 2017, a monthly credit entry will be posted to this account equal to the amount collected for such month by the VMMA Amortization Rate. Any remaining under or overcollection in the VMMA as of July 31, 2017 will be transferred to the Base Revenue Requirement Balancing Account.

(N)

iv. **CHANGE IN RATES**

Pursuant to Decision 15-10-030, the VMMA Amortization Rates below associated with the amortization of the amounts in the VMMA are effective as of November 1, 2015.

↑  
(N)  
↓

Issued by

Advice Letter No. 49-E

Greg Sorensen

Date Filed October 30, 2015

Name

Decision No. 15-10-030

President

Effective November 1, 2015

Title

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

(T)

**PRELIMINARY STATEMENT**

(Continued)

**13. MEMORANDUM ACCOUNTS** (Continued)

**D. VEGETATION MANAGEMENT MEMORANDUM ACCOUNT ("VMMA")** (Continued)

The amount charged each month related to the VMMA Amortization Rate will be included within the existing separate Vegetation Management line item for customer's bills identifying the amounts that Liberty is recovering associated with vegetation management expenses. Liberty will close the VMMA as of July 31, 2017 and upon disposition of any balance in accordance with Section D.iii.c.

Residential (\$/kWh)	Commercial (\$/kWh)					
	A-1	A-2	A-3*	PA	SL	OL
0.00197	0.00183	0.00286	N/A	0.00259	0.00076	0.00204

\*The A-3 VMMA Amortization Rate will be collected as an additional \$334.57/month fixed charge from each A-3 customer.



Advice Letter No. 49-E

Decision No. 15-10-030

Issued by  
Greg Sorensen  
 Name  
President  
 Title

Date Filed October 30, 2015

Effective November 1, 2015

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



**PRELIMINARY STATEMENT**  
(Continued)

**13. MEMORANDUM ACCOUNTS** (Continued)

**D. VEGETATION MANAGEMENT MEMORANDUM ACCOUNT ("VMMA")**

i. PURPOSE

The purpose of the VMMA ~~is~~ has been to record expenses Liberty incurred between May 11, and December 31, 2012, including interest, associated with all vegetation management activities required by General Orders 95 and 165, and any other ~~or future~~ order or decision by the Commission, for which the Commission ~~has had~~ not already authorized rate recovery. In accordance with Decision 15-10-030, Liberty shall amortize the amounts collected in the VMMA through the collection of a rate ("VMMA Amortization Rate") described in Section D.iv.

(T)

ii. APPLICABILITY

The VMMA Amortization Rate ~~does not have a rate component~~ shall apply to all customer classes.

(N)

iii. ACCOUNTING PROCEDURE

Liberty shall maintain the VMMA by making entries at the end of each month as follows:

a. A debit entry equal to the payments related to vegetation management costs incurred between May 11, and December 31, 2012 for which the Commission has not already authorized rate recovery. Liberty ~~shall cease~~ making debit entries for payments related to vegetation management costs incurred on and after January 1, 2013, upon the ~~effective date of the~~ rates established by its 2013 General Rate Case becoming effective.

(T)

b. When interest is payable under this part of the Preliminary Statement, the interest rate shall be 1/12 of the most recent month's interest rate on Commercial paper (prime, 3 months), published by the Federal Reserve Statistical Release, H.15. Should publication of the interest rate on commercial paper (prime, 3 months) be discontinued, interest will so accrue at the rate of 1/12 of the most recent month's interest rate on commercial paper, which most closely approximates the rate that was discontinued and which is published in the Federal Reserve Statistical Release, H.15, or its successor publication.

c. Pursuant to Decision 15-10-030, for each month commencing November 2015 until July 2017, a monthly credit entry will be posted to this account equal to the amount collected for such month by the VMMA Amortization Rate. Any remaining under or overcollection in the VMMA as of July 31, 2017 will be transferred to the Base Revenue Requirement Balancing Account.

(N)

~~iv.~~ EFFECTIVE DATE

Issued by

Advice Letter No. 49-E Michael R. Smart Greg Sorensen

Date Filed

July October 30 15, 2015

Decision No. 15-10-030  
2015

Name  
President

Effective July November 15,

(T)

Title

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

Liberty shall only book to the VMMA those incremental costs incurred after the effective date of this tariff, which date shall be no earlier than the date the revised tariff sheet required by Resolution E 4464 is filed.

v. ~~ACCOUNT DISPOSITION~~

~~Liberty shall request the recovery of the balance in the VMMA in a future formal proceeding. The authority to establish the VMMA does not imply full cost recovery. The reasonableness of incurred costs that Liberty seeks to recover in the VMMA after its approved effective date will be determined in the formal proceeding set forth by the Commission. Liberty will cease incurring costs into the VMMA after the effective date of the rates established by its 2013 General Rate Case.~~

iv. CHANGE IN RATES

Pursuant to Decision 15-10-030, the VMMA Amortization Rates below associated with the amortization of the amounts in the VMMA are effective as of November 1, 2015.

**PRELIMINARY STATEMENT**

(Continued)

**13. MEMORANDUM ACCOUNTS (Continued)**

**D. VEGETATION MANAGEMENT MEMORANDUM ACCOUNT ("VMMA") (Continued)**

The amount charged each month related to the VMMA Amortization Rate will be included within the existing separate Vegetation Management line item for customer's bills identifying the amounts that Liberty is recovering associated with vegetation management expenses. Liberty will close the VMMA as of July 31, 2017 and upon disposition of any balance in accordance with Section D.iii.c.

<u>Residential</u> <u>(\$/kWh)</u>	-	<u>Commercial</u> <u>(\$/kWh)</u>					
-	-	<u>A-1</u>	<u>A-2</u>	<u>A-3*</u>	<u>PA</u>	<u>SL</u>	<u>OL</u>
-	-	-	-	-	-	-	-
<u>0.00197</u>	-	<u>0.00183</u>	<u>0.00286</u>	<u>N/A</u>	<u>0.00259</u>	<u>0.00076</u>	<u>0.00204</u>

\*The A-3 VMMA Amortization Rate will be collected as an additional \$334.57/month fixed charge from each A-3 customer.