

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: Ken.Wittman@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) #: **53-E**

Subject of AL: Change in Rates Associated with Liberty Utilities' 2016 Greenhouse Gas Cost and Revenue Forecast and Reconciliation Application

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.15-12-037

Does AL replace a withdrawn or rejected AL?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Summarize differences between the AL and the prior withdrawn or rejected AL¹: _____

Resolution Required? Yes No

Requested effective date: January 1, 2016

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 - Greenhouse Gas Revenue Balancing Account

Pending advice letters that revise the same tariff sheets:

All other correspondence regarding this AL 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: ken.wittman@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

December 29, 2015

**Advice Letter 53-E
(U 933-E)**

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

Subject: Change in Rates Associated with Liberty Utilities' 2016 Greenhouse Gas Cost and Revenue Forecast and Reconciliation Application

Pursuant to Decision (D.) 15-12-037 (Ordering Paragraph 2), issued December 28, 2015, Liberty Utilities (CalPeco Electric) LLC (U 933-E) ("Liberty Utilities") hereby submits this **Tier 1** Advice Letter to implement changes to its rates associated with Liberty Utilities' 2016 Greenhouse Gas Cost and Revenue Forecast and Reconciliation Application, effective January 1, 2016.

Background

On December 29, 2015, the Commission issued D.15-12-037, which approved Liberty Utilities' 2016 Greenhouse Gas Cost and Revenue Forecast and Reconciliation Application. Ordering Paragraph 2 of D.15-12-037 directs Liberty Utilities to file a Tier 1 Advice Letter with "tariffs to implement the rates authorized by this decision and to issue the semi-annual residential Climate Credit of \$26.99 and monthly volumetric small business Climate Credit offsetting 90 % of greenhouse gas costs in rates."¹

Accordingly, Liberty Utilities submits this **Tier 1** Advice Letter to implement the rates, semi-annual Climate Credit, and monthly volumetric small business Climate Credit authorized by D.15-12-037. Redline and clean versions of the impacted Tariff Sheets are included in Attachment A.

Effective Date

Liberty Utilities requests that this **Tier 1** Advice Letter be effective as of January 1, 2016.

Protests

¹ D.15-12-037, mimeo at 20 (Ordering Paragraph 2).

Energy Division Tariff Unit
California Public Utilities Commission
December 29, 2015
Page 2

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 January 18, 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:

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 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 list.

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

Sincerely,



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

Attachments

cc: Liberty Utilities General Order 96 –B Advice Letter Service List

Energy Division Tariff Unit
California Public Utilities Commission
December 29, 2015
Page 3

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@mof.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
mccluretahoe@yahoo.com
catherine.mazzeo@swgas.com
Theresa.Faegre@libertyutilities.com
Ken.Wittman@libertyutilities.com
SDG&ETariffs@semprautilities.com
Alain.Blunier@libertyutilities.com

AdviceTariffManager@sce.com
edtariffunit@cpuc.ca.gov
dlf@cpuc.ca.gov
jrw@cpuc.ca.gov
xjv@cpuc.ca.gov
rmp@cpuc.ca.gov
jaime.gannon@cpuc.ca.gov
mas@cpuc.ca.gov
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
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
jeffreygray@dwt.com
dwtcpudockets@dwt.com
patrickferguson@dwt.com
travis.ritchie@sierraclub.org

Attachment A

Clean and Redline Versions of
Liberty Utilities' Preliminary Statement 20: Greenhouse Gas Revenue Balancing Account
Tariff Sheets 54A and 54B

20. GREENHOUSE GAS REVENUE BALANCING ACCOUNT (GHGRBA)

(continued)

iv. CHANGES IN RATES

(1) Continued

The cost and revenue balances accumulated in the GHG cost sub-account and the GHG Revenue Balancing Account will be amortized so that all deferred costs are recovered and all deferred revenues are distributed within 24 months.

(2) Carbon Pollution Permit Cost

Beginning on January 1, 2016 Liberty Utilities will include on all customer bills a charge to reimburse Liberty Utilities for costs incurred and estimated to incur to comply with Decision 15-12-037. This cost is applicable to all customer classes. It is based on monthly kilowatt usage and will be at a rate of \$0.00488 per kilowatt hour.

(T)

(R)

This cost will be updated minimally on an annual basis.

(3) California (CA) Climate Credit

Beginning on January 1, 2016 Liberty Utilities will issue a CA Climate Credit in compliance with Decision 15-12-037. There are three customer sub-classes that are eligible for the credit.

(T)

a. Emission-Intense and Trade-Exposed (EITE) Customers

Customers in this sub-class meet the California Air Resource Board (ARB)'s leakage risk Industry Assistance definition as adopted in ARB's Cap-and-Trade program. The credit amount will be calculated pursuant to Decision 12-12-033.

(T)

b. Small Businesses

Small business is defined as non-residential entities on a General Service or Agricultural tariff whose electric demand does not exceed 20 kilowatts in more than three months of the preceding twelve-month period. Eligibility will be determined during Liberty Utilities' annual rate migration process and remain in effect until the next migration process.

(T)

The credit is (\$0.003974) per kilowatt hour. The credit will be calculated as follows: Carbon Pollution Permit Cost x monthly usage x the Industry Assistance factor. The Industry Assistance factors are located in Appendix 2, Table 1 of Decision 13-12-002.

(I)

(T)

(continued)

Advice Letter No. 53-E

Issued by
Gregory S. Sorensen

Date Filed December 29, 2015

Decision No. 15-12-037

Name
President
Title

Effective January 1, 2016

Resolution No. _____

20. GREENHOUSE GAS REVENUE BALANCING ACCOUNT (GHGRBA)

(continued)

iv. CHANGES IN RATES

(3) California (CA) Climate Credit (continued)

c. Residential Customers

Customers with an active D-1 tariff account with a customer charge in the month preceding the credit being processed will receive an on-bill semi-annual credit of \$26.99.

(R)

The amount of the credit will be determined annually pursuant to Decision 12-12-033.

(T)

Advice Letter No. 53-E

Decision No. 15-12-037

Issued by

Gregory S. Sorensen

Name

President

Title

Date Filed December 29, 2015

Effective January 1, 2016

Resolution No. _____

20. GREENHOUSE GAS REVENUE BALANCING ACCOUNT (GHGRBA)

(continued)

iv. CHANGES IN RATES

(1) Continued

The cost and revenue balances accumulated in the GHG cost sub-account and the GHG Revenue Balancing Account will be amortized so that all deferred costs are recovered and all deferred revenues are distributed within 24 months.

(2) Carbon Pollution Permit Cost

Beginning on ~~April 1, 2015~~ January 1, 2016 Liberty Utilities will include on all customer bills a charge to reimburse Liberty Utilities for costs incurred and estimated to incur to ~~remain compliance-comply~~ with Decision ~~13-12-041~~ 15-12-037. This cost is applicable to all customer classes. It is based on monthly kilowatt usage and will be at a rate of ~~\$0.01168-00488~~ per kilowatt hour.

(T)

(R)

This cost will be updated minimally on an annual basis.

(3) California (CA) Climate Credit

Beginning on ~~April 1, 2015~~ January 1, 2016 Liberty Utilities will issue a ~~California-CA~~ Climate Credit in compliance with Decision ~~13-12-041~~ 15-12-037. There are three customer sub-classes that are eligible for the credit.

(T)

a. Emission-Intense and Trade-Exposed (EITE) Customers

Customers in this sub-class meet the California Air Resource Board (ARB)'s leakage risk Industry Assistance definition as adopted in ARB's Cap-and-Trade program. The credit amount will be calculated pursuant to Decision 12-12-033.

(T)

b. Small Businesses

Small business is defined as non-residential entities on a General Service or Agricultural tariffs whose electric demand does not exceed 20 kilowatts in more than three months of the ~~preceeding-preceding~~ twelve--month period. Eligibility will be determined during Liberty Utilities' annual rate migration process and remain in effect until the next migration process.

(T)

The credit is ~~(\$0.01112003974)~~ per kilowatt hour. The credit will be calculated as follows: the ~~(Carbon Pollution Permit Cost x monthly usage x the Industry~~

(I)

(T)

Issued by

Advice Letter No. 4453-E
27December 29, 2015

Michael R. Smart Gregory S. Sorensen

Date Filed March

Decision No. 12-14-04715-12-037
2015January 1, 2016

Name President

Effective April 1,

Title

Resolution No. _____

LIBERTY UTILITIES (CALPECO ELECTRIC) LLC
SOUTH LAKE TAHOE, CALIFORNIA

Canceling 1st-2nd Revision CPUC Sheet No. 54A
Original 1st Revision CPUC Sheet No. 54A

Assistance factor). The Industry Assistance factors are located in Appendix 2,
Table 1 of Decision 13-12-~~041002~~.

(continued)

Issued by

Advice Letter No. 4453-E Michael R. Smart Gregory S. Sorensen Date Filed March
27 December 29, 2015

Decision No. 12-14-04715-12-037 Name President Effective April 1,
2015 January 1, 2016

Title

Resolution No. _____

20. GREENHOUSE GAS REVENUE BALANCING ACCOUNT (GHGRBA)

(continued)

iv. CHANGES IN RATES

(3) California (CA) Climate Credit (continued)

c. Residential Customers

Customers with an active D-1 tariff account with a customer charge in the month preceding the credit being processed will receive an on-bill semi-annual credit of ~~\$35.04~~26.99.

⌘(R)

The amount of the credit will be determined annually pursuant to Decision 12-12-033.

(T)

Issued by

Advice Letter No. 4453-E Michael R. SmartGregory S. Sorensen Date Filed March 27
December 29, 2015

Decision No. 12-14-04715-12-037
2015January 1, 2016

Name President Effective April 1,

Title Resolution No. _____