

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



April 7, 2023

Tiffany Thong
Manger, Rates and Regulatory Affairs
Liberty Utilities (Park Water) Corp.
9750 Washburn Road
Downey, CA 90241

Dear Ms. Thong,

The Water Division of the California Public Utilities Commission has approved Liberty Utilities' (Park Water) Advice Letter No. 332-A, (Supplement to Advice Letter No. 332), filed on March 21, 2023, regarding authorization to implement an 18-month temporary surcharge to recover the undercollection recorded in its 2022 and prior WRAM and MCBA.

Enclosed are copies of the following revised tariff sheets, effective April 7, 2023, for the utility's files:

P.U.C. Sheet No.	Title of Sheet
1602-W	Schedule No. PR-1-NR Non-Residential Metered Service, Page 2
1603-W	Schedule No. PR-1-R Residential Metered Service, Page 2
1604-W	Table Of Contents, Page 1

Please contact Jefferson Hancock at JHO@cpuc.ca.gov or 415-703-3453, if you have any questions.

Thank you.

Enclosures

**CALIFORNIA PUBLIC UTILITIES COMMISSION
DIVISION OF WATER AND AUDITS**

Advice Letter Cover Sheet

Utility Name: Liberty Utilities (Park Water) Corp.	Date Mailed to Service List: March 21, 2023
District: N/A	
CPUC Utility #: U 314-W	Protest Deadline (20th Day): March 9, 2023
Advice Letter #: 332-W-A	Review Deadline (30th Day): March 20, 2023
Tier: <input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> Compliance	Requested Effective Date: April 7, 2023
Authorization: D.12-04-048	Rate Impact: \$2,270,587 5.63%
Description: Liberty Park Water requests authorization to implement an 18-month temporary surcharge to recover the under-collection recorded in its 2022 and prior WRAM and MCBA.	

The protest or response deadline for this advice letter is 20 days from the date that this advice letter was mailed to the service list. Please see the "Response or Protest" section in the advice letter for more information.

Utility Contact: Tiffany Thong
Phone: 562.923.0711
Email: Tiffany.Thong@LibertyUtilities.com

DWA Contact: Tariff Unit
Phone: (415) 703-1133
Email: Water.Division@cpuc.ca.gov

Utility Contact: AnnMarie Sanchez
Phone: 562.923.0711
Email: AnnMarie.Sanchez@libertyutilities.com

DWA USE ONLY

DATE

STAFF

COMMENTS

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APPROVED

WITHDRAWN

REJECTED

Signature: _____

Comments: _____

Date: _____



Liberty Utilities (Liberty Park Water) Corp.
9750 Washburn Road
Downey, CA 92308-6533
Tel: 562-923-0711
Fax: 562-861-5902

Advice Letter No. 332-W-A

March 21, 2023

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Liberty Utilities (Park Water) Corp. (U 314-W) (“Liberty Park Water”) hereby transmits the attached revised tariff sheets applicable to water service in its service territory.

Pursuant to discussions with the Water Division, this supplemental filing is being made to revise the effective date of the advice letter from March 20, 2023 to April 7, 2023. This supplemental filing will replace Advice Letter 332-W in its entirety.

Summary

This advice letter filing requests authorization to implement a temporary surcharge to the water rates in Liberty Park Water’s Service Area. Liberty Park Water is seeking a temporary surcharge of \$0.376 per Ccf for domestic metered customers for an 18-month period. The surcharge is designed to recover the combined under-collection recorded in the 2022 and prior Water Revenue Adjustment Mechanism (“WRAM”) and the Modified Production Cost Balancing Account (“MCBA”). This request is made pursuant to the Commission’s direction in Decision (“D.”) 08-02-036, dated February 28, 2008 and D. 12-04-048, dated April 19, 2012.

Background and Discussion

WRAM and MCBA

In D.08-02-036 the Commission adopted the settlement agreement between Liberty Park Water and the Division of Ratepayer Advocates (“DRA”) on WRAM and Conservation Rate Design Issues dated June 15, 2007. D.08-02-036 adopted a trial program for Liberty Park Water consisting of a conservation rate design and related mechanisms for decoupling sales and revenue (WRAM and MCBA). The Trial Program was implemented on September 15, 2008 with Commission approval of Park Advice Letter No. 200-W. In D.12-04-048, the Commission modified D.08-02-026 by authorizing an 18-month amortization schedule for the net balance recorded in the WRAM and MCBA.

In D.20-08-047, dated August 27, 2020, the Commission ordered Liberty Park Water to remove the WRAM and MCBA decoupling mechanism in its next GRC application. Therefore, Liberty Park Water did not request Commission authorization to continue the WRAM and MCBA in its 2022 GRC (A.21-07-003 et al, D.23-02-003, dated February 2, 2023). The WRAM and MCBA is terminated as of July 1, 2022. No new activities are recorded in the WRAM and MCBA as of July 1, 2022, only true-up of balances between the amounts authorized for recovery and the actual amounts recovered.

The purpose of the WRAM is to track the difference between adopted and actual commodity rate revenue excluding revenue for fire service, reclaimed water, and miscellaneous fees. The purpose of the MCBA is to track the difference between adopted and actual costs for the following variable costs: purchased water, purchased power, pump tax, and chemicals. The MCBA captures variations in production costs due to either changes in unit price or changes in consumption.

The combined balance recorded in the WRAM and MCBA for the period January 1, 2022 through June 30, 2022 including interest through January 31, 2023, was an under-collection of \$882,664.

Liberty Park Water filed an information-only report with Water Division for the amounts recorded in the WRAM and MCBA during calendar year 2022 on November 30, 2022 detailing the WRAM and MCBA data for six months, ending June 30, 2022, with a net under-collected balance of \$864,745. As compared to the information-only report, this filing includes interest through January 31, 2023, with a total net under-collected balance of \$882,664.

In addition to the net WRAM and MCBA balance of calendar year 2022, Liberty Park Water proposes to include the under-amortized amount from the active surcharge for the 2021 WRAM/MCBA (Advice Letter 322-W) during the time it has been in effect. Because the actual sales were lower than the adopted sales assumed for the surcharge calculation during the time it has been in effect, the surcharge did not recover the regulatory account balances as intended and authorized by the Commission. Therefore, pursuant to the procedure authorized in D.12-04-048 (Section 3.7 Treatment for Under-Amortized Amounts), Liberty Park Water requests authority to include in this filing the balance as of January 31, 2023 of \$15,766 resulting from the under-amortization of the ongoing 2021 WRAM/MCBA surcharge.

On April 30, 2012, the Commission issued Decision 12-04-048, which, among other things, changed the amortization period of the WRAM/MCBA and imposed a 10% cap of the last authorized revenue requirement. D.12-04-048, Ordering Paragraph 3:

3. *We adopted the amortization schedule set forth in Appendix A with a cap on total net Water Revenue Adjustment Mechanism/Modified Cost Balancing Account (WRAM/MCBA) surcharges of 10% of the last authorized revenue requirement. The cap shall be effective the first test year of each applicant's pending or next General Rate Case, as follows:*
 - *Golden State and Park: Advice Letter filings on March 2014*
 - *Cal Water: Advice Letter filings on March 2015*
 - *Apple Valley: Advice Letter filing on March 2016*

WRAM/MCBA account balances incurred prior to the first test year referenced above continue to be amortized under the adopted amortization schedule without being subject to the surcharge cap.

Because of the 10% cap imposed by D.12-04-048, Liberty Park Water has not been approved recovery of the full balances recorded in its 2021 and prior WRAM and MCBA. In this advice letter, Liberty Park Water proposes to true-up of the expired surcharges for the 2020 and prior WRAM and MCBA, with a residual under-collected balance of \$482,492 as of January 31, 2023.

Liberty Park Water filed Advice Letter 322-W on March 31, 2022 seeking recovery of the combined balance of the 2021 and prior WRAM and MCBA of \$1,803,455. Because of the 10% cap imposed by D.12-04-048, the total combined amount approved for recovery was \$182,000 via an 18-month surcharge, effective May 1, 2022. The surcharge is still active. In this advice letter, Liberty Park Water requests recovery of the remaining balance of \$889,665 as of January 31, 2023.

The total combined balances are \$2,270,587 or 5.63% of Liberty Park Water's 2022 authorized revenue requirement.

Liberty Park Water is therefore requesting recovery of \$2,270,587, or 5.63%, of its authorized 2022 revenue requirement. Liberty Park Water proposes to recover the under-collection recorded in the WRAM and MCBA through an 18-month temporary surcharge of \$0.376 per Ccf applicable to domestic service for schedules PR-1-R, residential metered service, and PR-1-NR, non-residential metered service.

The Commission Staff has been provided with workpapers developing the balances in the WRAM and MCBA. The calculation of the surcharges is included in the workpapers.

Tier Designation

Pursuant to D.07-01-024, this advice letter is submitted with a Tier 1 designation.

Requested Effective Date

Pursuant to General Rule 7.3.2 of General Order 96-B, Liberty Park Water requests this filing become effective on April 7, 2023.

Notice and Service

In accordance with General Order 96-B, General Rules 4.3 and 7.2 and Water Industry Rule 4.1, a copy of this advice letter will be mailed or electronically transmitted on March 20, 2023 to competing and adjacent utilities and other utilities or interested parties having requested such notification.

In accordance with Resolution W-4664, notice is not required. Liberty Park Water will include notice of the rate change within the bill during the first billing period the increase is in effect.

Response or Protest

Anyone may respond to or protest this advice letter. When submitting a response or protest, please include the utility name and advice letter number in the subject line. A response supports the filing and may contain information that proves useful to the Commission in evaluating the

advice letter. A protest objects to the advice letter in whole or in part and must set forth the specific grounds on which it is based. These grounds are:

- (1) The utility did not properly serve or give notice of the advice letter;
- (2) The relief requested in the advice letter would violate statute or Commission order, or is not authorized by statute or Commission order on which the utility relies;
- (3) The analysis, calculations, or data in the advice letter contain material error or omissions;
- (4) The relief requested in the advice letter is pending before the Commission in a formal proceeding; or
- (5) The relief requested in the advice letter requires consideration in a formal hearing, or is otherwise inappropriate for the advice letter process; or
- (6) The relief requested in the advice letter is unjust, unreasonable, or discriminatory (provided that such a protest may not be made where it would require re-litigating a prior order of the Commission).

A protest shall provide citations or proofs where available to allow staff to properly consider the protest.

A response or protest must be made in writing or by electronic mail and must be received by the Division of Water and Audits within 20 days of the date this advice letter is filed. The address for mailing or delivering a protest is:

Tariff Unit, Water Division, 3rd floor
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102
water.division@cpuc.ca.gov

On the same date, the response or protest is submitted to the Water Division, the respondent or protestant shall send a copy by mail (or e-mail) to us, addressed to:

Tiffany Thong
Manager, Rates and Regulatory Affairs
Liberty Utilities
9750 Washburn Road
P. O. Box 7002
Downey, CA 90241
Phone: (562) 923-0711
Fax: (562) 861-5902
E-Mail: AdviceLetterService@libertyutilities.com

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform the Division of Water and Audits within the 20-day protest period so that a

late filed protest can be entertained. The informing document should include an estimate of the date the proposed protest might be voted on.

If you have not received a reply to your protest within 10 business days, contact Tiffany Thong at Tiffany.Thong@libertyutilities.com.

Sincerely,

LIBERTY UTILITIES (PARK WATER) CORP.

/s/ Tiffany Thong

TIFFANY THONG

Manager, Rates and Regulatory Affairs

TT/as

Attachments

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
1602-W	SCHEDULE NO. PR-1-NR NON-RESIDENTIAL METERED SERVICE Sheet 2	1562-W
1603-W	SCHEDULE NO. PR-1-R RESIDENTIAL METERED SERVICE Sheet 2	1563-W
1604-W	TABLE OF CONTENTS Sheet 1	1601-W

SCHEDULE NO. PR-1-NR

Page 2

NON-RESIDENTIAL METERED SERVICE

5. As authorized by the California Public Utilities Commission, an amount of \$ 0.543 per Ccf is to be added to the quantity rate for a period of 18 months, beginning on the effective date of Advice Letter 289-W. This surcharge will recover the under-collection in the WRAM and MCBA as of December 31, 2018.
6. As authorized by the California Public Utilities Commission, an amount of \$0.120 per Ccf is to be added to the quantity rate for a period of 12 months, beginning on the effective date of Advice Letter 309-W. This surcharge will recover the under collection in the Consolidated Expense Balancing Account as of December 31, 2020.
7. As authorized by the California Public Utilities Commission, an amount of \$2.63 surcredit per customer is to be added to the Customer's bill for a period of 12 months, beginning on the effective date of Advice Letter 309-W. This surcredit will refund the over collection in the Conservation Expense One-Way Balancing Account and the Tangible Property Regulations Consequences Memorandum as of December 31, 2018.
8. As authorized by the California Public Utilities Commission, an amount of \$5.46 surcredit per customer is to be added to the Customer's bill for a period of 12 months, beginning on the effective date of Advice Letter 309-W. This surcredit will refund the over collection in the Pension Expense Balancing Account as of December 31, 2017.
9. As authorized by the California Public Utilities Commission, an amount of \$0.126 per Ccf is to be added to the quantity rate for a period of 16 months, beginning on the effective date of Advice Letter 310-W. This surcharge will recover the under collection in the Interim Rates Memorandum Account as of November 19, 2020.
10. As authorized by the California Public Utilities Commission, an amount of \$0.128 per Ccf is to be added to the quantity rate for a period of 18 months, beginning on the effective date of Advice Letter 313-W. This surcharge will recover the under-collection in the WRAM and MCBA as of December 31, 2020.
11. As authorized by the California Public Utilities Commission, an amount of \$0.030 per Ccf is to be added to the quantity rate for a period of 18 months, beginning on the effective date of Advice Letter 322-W. This surcharge will recover the under-collection in the WRAM and MCBA as of December 31, 2021.
12. As authorized by the California Public Utilities Commission, an amount of \$0.376 per Ccf is to be added to the quantity rate for a period of 18 months, beginning on the effective date of Advice Letter 332-W. This surcharge will recover the under-collection in the WRAM and MCBA as of June 30, 2022. The surcharge is not applicable to La Cañada Flintridge customers.

(N)
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(N)

SCHEDULE NO. PR-1-R

RESIDENTIAL METERED SERVICE

5. As authorized by the California Public Utilities Commission, an amount of \$ 0.543 per Ccf is to be added to the quantity rate for a period of 18 months, beginning on the effective date of Advice Letter 289-W. This surcharge will recover the under-collection in the WRAM and MCBA as of December 31, 2018.
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(N)
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(N)

TABLE OF CONTENTS

The following listed tariff sheets contain all effective rates and rules affecting the charges and service of the utility, together with other pertinent information:

<u>Subject Matter of Sheet:</u>	<u>C.P.U.C. Sheet No.</u>	
Title Page	1407-W	
Table of Contents	1604-W, 1578-W	(T)
Preliminary Statement.....	1408-W, 1274-W, 1316-W, 1275-W, 1276-W, 1528-W, 1029-W, 1071-W, 1504-W, 1505-W, 1297-W, 1506-W, 1507-W, 1508-W, 1309-W, 1336-W, 1415-W, 1424-W, 1464-W, 1476-W, 1477-W, 1552-W, 1555-W, 1559-W, 1568-W, 1586-W, 1596-W, 1597-W, 1598-W	
Service Area Map Los Angeles County	914-W, 499-W, 1498-W, 1410-W	

Rate Schedules:

Schedule No. PR-1-R Residential Metered Service.....	1593-W, 1603-W	(T)
Schedule No. ME-1-R General Metered Service.....	1591-W	
Schedule No. PR-1-NR Nonresidential Metered Service.....	1592-W, 1602-W	(T)
Schedule No. PR-4F Non-Metered Fire Sprinkler Service.....	1594-W, 1512-W	
Schedule No. PR-5 Fire Flow Testing Charge.....	1155-W	
Schedule No. PR-6 Reclaimed Water Service.....	1595-W, 1513-W	
Schedule No. PR-9CM Construction & Other Temporary Meter Service.....	1158-W	
Schedule No. 14.1 Water Shortage Contingency Plan.....	1533-W through 1535-W, 1573-W, 1537-W through 1539-W, 1574-W	
Schedule No. LC Late Payment Charge.....	1459-W	
Schedule No. UF Surcharge to Fund PUC Reimbursement Fee.....	1584-W	
Schedule No. CAP California Assistance Program.....	1589-W, 1520-W	
Schedule No. CAP-SC California Assistance Program Surcharge.....	1590-W	

LIST OF CONTRACTS AND DEVIATIONS: 723-W

Rules:

No. 1 Definitions	1432-W, 1433-W
No. 2 Description of Service	400-W
No. 3 Application for Service	345-W, 916-W
No. 4 Contracts	346-W
No. 5 Special Information Required on Forms	1453-W, 1454-W, 1434-W, 1435-W
No. 6 Establishment and Re-establishment of Credit	347-W
No. 7 Deposits	1014-W, 1161-W
No. 8 Notices 1436-W through	1439-W
No. 9 Rendering and Payment of Bills	1097-W, 1598-W, 1599-W, 1600-W
No. 10 Disputed Bills	1440-W, 1441-W
No. 11 Discontinuance and Restoration of Service	1460-W, 1443-W through 1452-W
No. 12 Information Available to Public	353-W, 354-W
No. 13 Temporary Service	355-W, 356-W

(Continued)

City of Artesia
18747 Clarkdale Avenue
Artesia, CA 90701

City of Santa Fe Springs Water Dept.
11710 Telegraph Road
Santa Fe Springs, CA 90670
janetmartinez@santafesprings.org

Suburban Water Systems
Attention: Kiki Carlson
1325 N. Grand Avenue, Suite 100
Covina, CA 91724-4044
kcarlson@swwc.com

Suburban Water Systems
Attention: Robert Kelly
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Covina, CA 91724-4044

City of Cerritos Water Department
18125 Bloomfield Avenue
Cerritos, CA 90703

Bellflower Somerset Mutual Water Co.
10016 E. Flower St.
P. O. Box 1697 (90707)
Bellflower, CA 90706

City of Norwalk Water Department
12700 S. Norwalk Boulevard
Norwalk, CA 90650

City of Compton Water Department
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ccornwell@comptoncity.org

Golden State Water Company
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regulatoryaffairs@gswater.com

City of Lynwood Water Department
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11330 Bullis Road
Lynwood, CA 90262

City of Paramount Water Department
16400 Colorado Avenue
Paramount, CA 90723
sho@paramountcity.com

City of Bell Gardens
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aclark@bellgardens.org

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ORA Water
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San Francisco, CA 94102

California Water Service Company
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Commerce, CA 90040

Central Basin Municipal Water District
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Bellflower, CA 90706

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Nina Jazmadarian
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Mark Alexander
City Manager
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