

Del Oro Water Company, Inc.
Statewide Stabilization General Rate Case
Magalia District
Advice Letter No. 516-A

NOTICE OF PROPOSED RATE INCREASE

Del Oro Water Company, Inc. (DOWC), has filed Supplemental Advice Letter No. 516-A with the California Public Utilities Commission (CPUC) on behalf of all DOWC districts (DOWC DISTRICTS) for a Statewide Stabilization General Rate Case (SSGRC) to increase its Annual General Metered Service Rate Readiness to Serve Charges.

BACKGROUND

On November 9, 2018, DOWC established the Lost Revenue Memorandum Account. The memorandum account was established to track, for 12 months, the following factors associated with the November 2018 Camp Fire:

- lost revenues,
- cost savings associated with lower sales on volume-related items such as power,
- funding from any governmental source, and
- any insurance or litigation proceeds received by DOWC for the specific purpose of offsetting lost revenue.

The Lost Revenue Memorandum Account became the Lost Revenue Balancing Account*. DOWC was authorized to collect a \$10.54 surcharge, per customer, per monthly billing (across all of its districts) for 12 months. The surcharge will expire May 31, 2020. The proposed SSGRC will provide the CPUC an opportunity to review the surcharge collection.

Following the catastrophic Camp Fire in which four of DOWC's DISTRICTS sustained heavy losses, DOWC needs to adjust previously authorized sales forecasts for the affected districts. Statewide and regional operating expenses for the previous 8,548 customers need to be readjusted for the remaining 6,470 customers. DOWC proposes that the fair distribution of costs is to charge all customers throughout the 20 DOWC DISTRICTS the same additional Statewide Stabilization Rate of \$20.00.

REQUEST

In Advice Letter No. 516-A, dated February 14, 2020, DOWC has requested authority from the CPUC to increase its overall statewide revenue by \$1,528,190, or 30.62%, in 2020. DOWC proposes to increase only the Readiness to Serve Charge component of each district's rates and specifically for the Magalia District as follows:

Readiness to Serve Charge:	<u>Per Meter, Per Month</u>	
	<u>Present Rates</u>	<u>Proposed Rates</u>
For 5/8 x 3/4 inch meter	21.11	41.11
For 3/4 inch meter	31.67	51.67
For 1 inch meter	52.78	72.78
For 1-1/2 inch meter	168.88	188.88

The Readiness to Serve Charge is applicable to all metered service.

CPUC staff will thoroughly review the utility's request. Following the review, the CPUC may grant the utility's request in whole or in part, or deny it. It may also order the utility to charge rates different from those shown in this notice.

*Resolution W-5193, dated May 30, 2019, changed the account into the Lost Revenue Balancing Account

Customers are encouraged to contact Del Oro at (530) 717-2504 with any questions regarding the rate case. A copy of DOWC's filing may be reviewed at: 426 Broadway, Ste. 303, Chico, CA 95928. You may request a copy be mailed to you by calling 530-717-2504. You will be billed \$0.10 per page for copies.

PROTESTS AND RESPONSES:

Anyone may respond to or protest this filing. A response supports the filing and may contain information that proves useful to the CPUC in its evaluation. A protest objects to the filing in whole or in part and must set forth the specific grounds on which it is based. A protest shall also provide citations or proof where available to allow CPUC staff to properly consider the protest. The grounds for protests are:

1. The utility did not properly serve or give notice of the filing.
2. The relief requested in the filing would violate statute or CPUC order; or is not authorized by statute or CPUC order on which the utility relies.
3. The analysis, calculations, or data in the filing contains material errors or omissions.
4. The relief requested in the filing is pending before the CPUC in a formal proceeding, or
5. The relief requested in the filing requires consideration in a formal hearing, or is otherwise inappropriate for the filing process, or
6. The relief requested in the filing 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 CPUC).

If you wish to respond or protest this advice letter filing, you may do so by writing the CPUC's Water Division no later than March 10, 2020 which is 20 calendar days from the mail date of this notice. Please include "Advice Letter No. 516-A for DOWC Magalia, 2020 Statewide Stabilization General Rate Case" in any response or protest you submit. The CPUC address for mailing (or emailing) a response or protest is:

CPUC, Water Division
505 Van Ness Avenue, Room 3200
San Francisco, California 94102
Fax: (415) 703-2481
E-Mail: water_division@cpuc.ca.gov

On the same date the response or protest is submitted to the CPUC, the respondent or protestant must send a copy by mail (or e-mail) to the utility at:

DOWC, Director of Community Relations
Drawer 5172
Chico, CA 95927
(530) 717-2504 / Fax: (530) 894-5405
E-Mail: communityrelations@corporatecenter.us (*E-mail Preferred*)

If you have not received a reply to your protest from the utility within 10 business days, you may contact DOWC at 530-717-2504. Further information may be obtained from the utility at its business office or from the CPUC at the above address.