



A MESSAGE FROM THE CPUC

Bay Area Region – Coast Springs

California Water Service Company

General Rate Case – A.21-07-002

Every three years the California Public Utilities Commission (CPUC) requires California Water Service Company (Cal Water) to file a General Rate Case (GRC) application. This application allows the CPUC to take a broad, in-depth look at Cal Water's income and expenses and consider quality of service and other factors, and then decide whether to raise or lower Cal Water's rates, and whether to require other changes in Cal Water's operations.

In this application, Cal Water is requesting that the CPUC approve a rate increase. The following information is taken directly from Cal Water's July 1, 2021 application. You can help us make our decision on your water company's request by studying this Fact Sheet and providing us with your comments. This Fact Sheet will help you estimate the effect of the proposed change in your water bills as well as compare your personal water usage to all customers in your rate area.

What Are the Main Reasons Cal Water Cites for Needing to Increase Rates?

- **Capital Expenses Associated with Infrastructure Investments**
 - \$32.4 million for main replacements
 - \$13.4 million for wildfire protection improvements
 - \$9.6 million for unanticipated repairs to services or equipment

How Much is Cal Water Requesting in A.21-07-002?¹

- **Revenue Increases Requested by Cal Water (Bay Area Region)**
 - 2023: \$14.53 million (15.6%) above 2021 revenues
 - 2024: \$4.32 million (4.0%) above proposed 2023 revenues
 - 2025: \$4.27 million (3.8%) above proposed 2024 revenues

The amount of revenue we authorize will be based on the forecasted operating and capital costs of doing business that we authorize. This, combined with forecasted water sales and number of customers, will raise or lower rates.

¹ The values for 2024 and 2025 are estimated. The actual increases may differ based on the company's recorded data and the inflation forecast for each year.

How will Cal Water's Request, If Granted by the CPUC, Impact Me?

Residential Rate Impacts from GRC Request

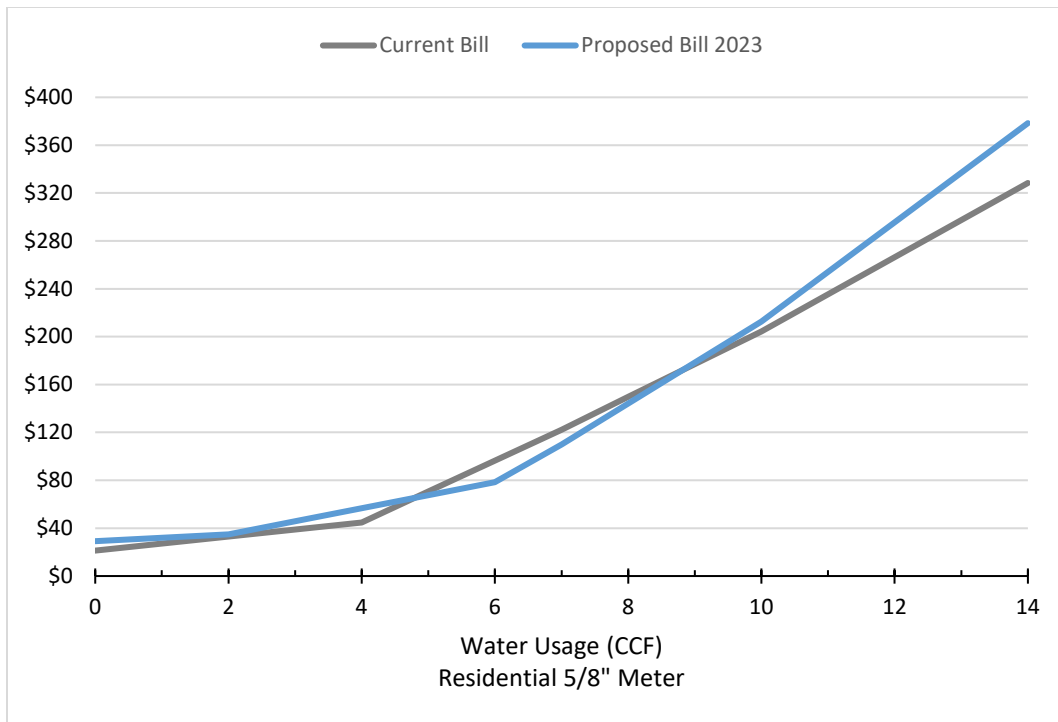
- Includes Capacity Surcharge
- Excludes CPUC fee, other surcharges, refunds, or taxes

Service Charge (Meter Size)	Current Eff. 7/1/2021	Proposed		
		Eff. 1/1/2023	Eff. 1/1/2024	Eff. 1/1/2025
5/8"	\$21.26	\$29.13	\$30.23	\$31.31
3/4"	\$31.89	\$43.70	\$45.35	\$46.97
1-inch	\$53.15	\$72.83	\$75.58	\$78.28
Variable Rates				
Tier 1	1-4 CCF	1-2 CCF	1-2 CCF	1-2 CCF
	\$5.8741	\$2.8772	\$2.9846	\$3.0894
Tier 2	5-7 CCF	3-6 CCF	3-6 CCF	3-6 CCF
	\$25.8741	\$10.8772	\$10.9846	\$11.0894
Tier 3	8-10 CCF	7 CCF	7 CCF	7 CCF
	\$27.3412	\$31.4397	\$31.8694	\$32.2902
Tier 4	Over 10 CCF	8-10 CCF	8-10 CCF	8-10 CCF
	\$31.0089	\$34.2938	\$34.8309	\$35.3571
Tier 4		Over 10 CCF	Over 10 CCF	Over 10 CCF
		\$41.4292	\$42.2349	\$43.0244

Bills are calculated by combining a service charge and a usage charge. The service charge is a fixed, once per month charge for maintaining the meters, pipes, pumps, valves, and other equipment to deliver water to your residence. Your service charge depends on your meter size. Most residential customers use a 5/8-inch meter. The usage charge is a monthly charge based on each household's water use, meaning the more water used, the higher the bill.

The usage charge shown in the table also includes the existing capacity surcharge due to water supply constraints in Coast Springs. Currently the surcharge is \$20/CCF for all usage above 5 CCF. The proposed rates will adjust the surcharge to \$8/CCF for usage between 3-6 CCF. For usages 7 CCF and above, the surcharge will increase to \$20/CCF.

An average-use, residential customer with a 5/8-inch meter using 2 CCF (1 CCF = 748 gallons) would see an increase in each bill from \$33.01 currently to \$34.89 per month in 2023 under Cal Water's request in A.21-07-002. The same bill would be \$36.20 in 2024 and \$37.49 in 2025 resulting in an overall 13.6% billing increase over 3 years.



How Can I Have My Voice Heard?

- Speak at an upcoming CPUC Public Participation Hearing (sometimes referred to as a Public Forum), all of which are currently being conducted remotely. A list of dates, times, and locations is at: www.cpuc.ca.gov/pph
- Submit comments electronically to the CPUC using the “Add Public Comment” button on the “Public Comment” tab of the Docket Card for A.21-07-002. You can also review other public comments related to this rate request: www.cpuc.ca.gov/A2107002Comments. The public may submit multiple public comments throughout the proceeding.
- Mail a letter to the CPUC’s Public Advisor and include the proceeding number A.21-07-002, to: public.advisor@cpuc.ca.gov or CPUC, Public Advisor’s Office, 505 Van Ness Ave., San Francisco, CA 94102.
- The Public Advisor’s Office provides information for the public to get involved in proceedings at: www.cpuc.ca.gov/pao and you can subscribe to receive documents in A.21-07-002 at: <http://subscribecpuc.cpuc.ca.gov/>

Where Can I Go for Further Relevant Information?

- View Cal Water’s application and all filings in this proceeding by the Administrative Law Judge and Commissioner, parties to this proceeding, and the public, as well as hearing transcripts and the proposed decision when it is issued, by going to www.cpuc.ca.gov/A2107002Comments and pressing the “Documents” tab at the top of the page.
- To review Cal Water’s Application, or to request a copy of all exhibits, including supporting testimony, please go to: <https://www.calwater.com/rates/iip-2021/>
- The Public Advocates Office is an independent consumer advocate within the Commission who will review, audit, and submit formal testimony on Cal Water’s GRC application. Its website is: <https://www.publicadvocates.cpuc.ca.gov/>
- The CPUC’s Water Division provides information on the regulatory process for water utilities: <https://www.cpuc.ca.gov/about-cpuc/divisions/water-division>

Affordability Proceeding and Other Related Information

- The CPUC adopted a framework to assess the affordability of utility services. Information on the Affordability Rulemaking R.18-07-006 can be found here: <https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/affordability>
- Other Proceeding related to the Affordability Rulemaking
 - Disconnections and Reconnections Rulemaking (R.18-07-005)
 - Low Income Rates Rulemaking (R.17-06-024)
 - Rate Reform Rulemaking (R.12-06-013)
 - PG&E Essential Use Study (D.18-08-013)