



March 4, 2015

Advice Letter No. 300-E

(U 913 E)

## California Public Utilities Commission

Golden State Water Company (GSWC) hereby transmits for filing an original and two copies of this advice letter for its Bear Valley Electric Service (BVES) Division.

**SUBJECT:** Request to Refund to Customers an Overcollection recorded in the Purchase Power Adjustment Clause Balancing Account.

### PURPOSE

Pursuant to the approval of Advice Letter (AL) 290-E, BVES submits for filing this Advice Letter to notify the California Public Utilities Commission (Commission) that BVES' authorized Purchase Power Adjustment Clause (PPAC) Balancing Account has an over-collection of \$868,362, as of November 30, 2014 and is requesting to refund of the over-collected amount, including interest, to its customers.

### BACKGROUND

Decision No. (D.) 02-07-041 authorized the establishment of the PPAC balancing account as well as the following rate components and charges:

Power System Delivery Charge: The Power Delivery Charge, which is also noted as Transmission Charges in BVES' tariff sheets, includes charges levied by Southern California Edison (SCE) and California Independent System Operator (CAISO).

Energy Charge for Purchases: The Energy Charge for Purchases, which is also noted as "Supply - Fuel & Purchased Power costs incurred in providing energy to customers plus Generation charges, if any" in BVES' tariff sheets, varies by customer class and by tier.

Amortization Charge: The Amortization Charge, which is also noted as "Supply Adj - Adjustment to the 'Supply' charges authorized by the CPUC (can be negative or positive)" was set at \$0.02246 per kWh in D. 02-07-041. Customers who participate in the California Alternative Rates for Energy (CARE) program are charged a lower amortization rate.

On October 17, 2014, BVES filed Advice Letter 289-EA to do the following 1.) keep the PPAC Balancing Account open, 2.) terminate the PPAC Amortization Charge, and 3.) refund the September 2014 cumulative over-collection of \$217,095 recorded in the PPAC Balancing Account, via customer credits. Upon discussion with Energy Division staff, GSWC agreed to withdraw its request in Advice Letter 289-EA and file separate advice letters to terminate the PPAC Amortization Charge and refund the over-collection in the PPAC Balancing Account. As such, Advice Letter 290-E requested to terminate the

PPAC Amortization Charge only. Per AL 290-E, BVES will address the refunding of the November 2014 cumulative over-collected balance in the PPAC Balancing Account in a subsequent advice letter filing. On December 3, 2014, the Commission approved AL 290-E, effective November 14, 2014. The recorded over-collection balance, as of November 30, 2014, is \$868,362. In this Advice Letter BVES requests the refund of \$868,362 to its customers based on their energy usage and including 3 months of accrued interest. The PPAC Balancing Account is included in Attachment A to this Advice Letter.

**COMPLIANCE FILING**

Pursuant to conversations with the Energy Division staff, BVES will refund the over-collected amount based on the energy usage of each customer. The refund rate or the customer bill credit rate as the result of the over-collection is based on the total energy usage by all customers recorded in the month of January 2015.

In January 2015, the total energy usage by all residential and commercial customers, including the ski resorts and the city facilities, was approximately 17,018,699 kWh.

|  |                  |
|--|------------------|
| Over-collected amount as of November 30, 2014:     | \$868,362        |
| Interest from December 2014 through February 2015: | <u>\$268</u>     |
| Total refunded to all customers:                   | <b>\$868,630</b> |

Based on the total energy usage recorded for January 2015, the refund rate per kWh is \$0.05104/kWh, thus, the bills of all customers will show a credit of \$0.05104/kWh.

The credit will be implemented in the billing cycle that follows the month of the issuance date of the Commission approval letter. Attachment B includes a sample of a customer billing report. The sample shows each redacted customer account, the customer class, the energy usage of that customer for January 2015, the rate of credit per kWh, and the total credit received by that customer.

Table 1 below provides a summary of the total credit received by each customer class based on energy usage recorded in the month of January 2015.

Table 1 - Total Credit by Customer Rate Class

| Customer Rate Class                 | No of Customers by Rate Class | Total Energy Usage by Rate Class | Total Customer Credit by Rate Class |
|-------------------------------------|-------------------------------|----------------------------------|-------------------------------------|
| <b>Commercial Customers</b>         |                               |                                  |                                     |
| A1                                  | 1,280                         | 1,663,230.00                     | (\$84,890.81)                       |
| A2                                  | 124                           | 865,591.00                       | (\$44,179.53)                       |
| A3                                  | 42                            | 1,260,496.00                     | (\$64,335.38)                       |
| A4                                  | 3                             | 319,951.20                       | (\$16,330.22)                       |
| A5 primary                          | 3                             | 3,478,240.00                     | (\$177,528.44)                      |
| A5 secondary                        | 1                             | 0.00                             | \$0.00                              |
| <b>Residential Customer</b>         |                               |                                  |                                     |
| D                                   | 5,590                         | 3,341,016.03                     | (\$170,524.56)                      |
| DE                                  | 49                            | 32,971.00                        | (\$1,682.83)                        |
| DLI                                 | 2,602                         | 1,496,595.01                     | (\$76,385.81)                       |
| DM                                  | 11                            | 17,734.67                        | (\$905.17)                          |
| DMS                                 | 13                            | 235,205.97                       | (\$12,004.85)                       |
| DO                                  | 13,401                        | 4,156,634.05                     | (\$212,153.49)                      |
| <b>Net Energy Metered Customers</b> |                               |                                  |                                     |
| NEMC-ECA                            | 5                             | 29,011.00                        | (\$1,480.71)                        |
| NEMR-ECA                            | 97                            | 80,922.00                        | (\$4,130.24)                        |
| NEMR-ECM                            | 11                            | 12,641.00                        | (\$645.19)                          |
| <b>City Street Light</b>            |                               |                                  |                                     |
| SL                                  | 4                             | 17,395.71                        | (\$887.87)                          |
| <b>Camp Oaks</b>                    |                               |                                  |                                     |
| GSD                                 | 1                             | 11,064.00                        | (\$564.70)                          |
| <b>Grand Total</b>                  | <b>23,237</b>                 | <b>17,018,698.64</b>             | <b>(\$868,629.82)</b>               |

**TIER DESIGNATION**

Advice Letter 300-E is being filed with a Tier 2 designation.

**EFFECTIVE DATE**

BVES respectfully requests that this advice letter become effective on April 3, 2015.

**NOTICE AND PROTESTS**

A protest is a document objecting to the granting in whole or in part of the authority sought in this advice letter.

A response is a document that does not object to the authority sought, but nevertheless presents information that the party tendering the response believes would be useful to the CPUC in acting on the request.

A protest must be mailed within 20 days of the date the CPUC accepts the advice letter for filing. The Calendar is available on the CPUC's website at [www.cpuc.ca.gov](http://www.cpuc.ca.gov).

A protest must state the facts constituting the grounds for the protest, the effect that approval of the advice letter might have on the protestant, and the reasons the protestant believes the advice letter, or a part of it, is not justified. If the protest requests an evidentiary hearing, the protest must state the facts the protestant would present at an evidentiary hearing to support its request for whole or partial denial of the advice letter. The utility must respond to a protest with five days.

**All protests and responses should be sent to:**  
California Public Utilities Commission, Energy Division  
ATTN: Tariff Unit  
505 Van Ness Avenue  
San Francisco, CA 94102  
E-mail: EDTariffUnit@cpuc.ca.gov

Copies should also be mailed to the attention of the Director, Energy Division, Room 4004 (same address above).

Copies of any such protests should be sent to this utility at:  
Golden State Water Company  
ATTN: Nguyen Quan  
630 East Foothill Blvd.  
San Dimas, CA 91773  
Fax: 909-394-7427  
E-mail: nquan@gswater.com

If you have not received a reply to your protest within 10 business days, contact Nguyen Quan at (909) 394-3600 ext. 664.

A copy of this advice letter is being furnished to the entities listed on BVES' General Order 96-B Service List.

**CORRESPONDENCE**

Any correspondence regarding this compliance filing should be sent by regular mail or e-mail to the attention of:

Nguyen Quan  
Manager, Regulatory Affairs  
Golden State Water Company  
630 East Foothill Blvd.  
San Dimas, California 91773  
Email: nquan@gswater.com

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.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Ng. Quan', with a stylized flourish extending to the right.

Nguyen Quan  
Manager, Regulatory Affairs

- c: Edward Randolph, Director, Energy Division  
Donald La Frenz, Energy Division  
R. Mark Pocta, Office of Ratepayer Advocates  
Elaine Lau, Energy Division

**GOLDEN STATE WATER COMPANY**

**DISTRIBUTION LIST**

**BEAR VALLEY ELECTRIC DIVISION**

Big Bear City Community Services Dist  
P. O. Box 558  
Big Bear City, CA 92314

City Clerk  
City of Big Bear Lake  
P. O. Box 2800  
Big Bear Lake, CA 92315

City Attorney  
City of Big Bear Lake  
P. O. Box 2800  
Big Bear Lake, CA 92315

County Clerk  
County of San Bernardino  
385 N. Arrowhead Ave., 2<sup>nd</sup> Floor  
San Bernardino, CA 92415-0140

County Counsel  
County of San Bernardino  
385 N. Arrowhead Ave., 4<sup>th</sup> Floor  
San Bernardino, CA 92415-0140

Dave Morse  
2436 Rivendell Lane  
Davis, CA 95616  
[davidmorse9@gmail.com](mailto:davidmorse9@gmail.com)

Brent Tregaskis  
Bear Mountain Resort  
PO Box 77  
Big Bear Lake, CA 92315

**ATTACHMENT A**  
**BVES PURCHASE POWER ADJUSTMENT CLAUSE BALANCING ACCOUNT 2014**

**ATTACHMENT A - BVES PURCHASE POWER ADJUSTMENT CLAUSE BALANCING ACCOUNT 2014**

**BEAR VALLEY ELECTRIC DISTRICT**  
 2014 Balancing Account

|   | JAN.                    | FEB.                 | MARCH                   | APRIL                   | MAY                     | JUNE                  | JULY                  | AUG.                 | SEPT.             | OCT.              | NOV.              | DEC.               | YTD          |
|---|-------------------------|----------------------|-------------------------|-------------------------|-------------------------|-----------------------|-----------------------|----------------------|-------------------|-------------------|-------------------|--------------------|--------------|
| <b>P.P.A.C.R. REVENUE</b>   |                         |                      |                         |                         |                         |                       |                       |                      |                   |                   |                   |                    |              |
| <b>E.D.P. BILLED</b>  |                         |                      |                         |                         |                         |                       |                       |                      |                   |                   |                   |                    |              |
| Revenue   | \$1,753,818             | \$1,527,238          | \$1,209,487             | \$1,095,332             | \$1,066,697             | \$1,108,511           | \$1,229,221           | \$1,251,392          | \$1,176,366       | \$1,044,782       | \$1,189,184       | \$1,328,490        | \$14,980,517 |
| <b>ADJUSTMENTS</b>  |                         |                      |                         |                         |                         |                       |                       |                      |                   |                   |                   |                    |              |
| Residential & Domestic - Account No. 5700:  | \$1,091,292             | \$891,634            | \$739,656               | \$678,476               | \$641,163               | \$635,490             | \$718,071             | \$728,377            | \$697,215         | \$625,183         | \$720,712         | \$744,914          | \$8,912,184  |
| Commercial - Account No.5710:   | \$426,650               | \$394,900            | \$343,820               | \$332,568               | \$348,280               | \$395,161             | \$431,169             | \$443,821            | \$401,248         | \$345,443         | \$353,513         | \$331,150          | \$4,547,722  |
| Industrial - Account No. 5720:  | \$234,507               | \$239,335            | \$124,779               | \$82,964                | \$75,748                | \$76,536              | \$78,520              | \$77,824             | \$76,533          | \$72,740          | \$113,743         | \$250,785          | \$1,504,014  |
| Public St./Hwy Light - Account No. 5730:  | \$1,370                 | \$1,370              | \$1,233                 | \$1,324                 | \$1,506                 | \$1,324               | \$1,461               | \$1,370              | \$1,370           | \$1,415           | \$1,216           | \$1,642            | \$16,598     |
| Total PPACR Revenue   | \$1,753,818             | \$1,527,238          | \$1,209,487             | \$1,095,332             | \$1,066,697             | \$1,108,511           | \$1,229,221           | \$1,251,392          | \$1,176,366       | \$1,044,782       | \$1,189,184       | \$1,328,490        | \$14,980,517 |
| TOTAL PPACR OFFSET REVENUE  | \$1,753,818             | \$1,527,238          | \$1,209,487             | 1,095,332               | \$1,066,697             | \$1,108,511           | \$1,229,221           | \$1,251,392          | \$1,176,366       | \$1,044,782       | \$1,189,184       | \$1,328,490        | \$14,980,517 |
| <b>CURRENT POWER FOR RESALE</b>   |                         |                      |                         |                         |                         |                       |                       |                      |                   |                   |                   |                    |              |
| SCE 115KV line settlement - \$1.4 mil cash plus \$3.6 mil financed portion(\$38.137/mo 7/1/04-6/1/19 :15 yrs) per amort.schedule (9.75% int.rate) | \$38,137                | \$38,137             | \$38,137                | \$38,137                | \$38,137                | \$38,137              | \$38,137              | \$38,137             | \$38,137          | \$38,137          | \$38,137          | \$38,137           | \$457,645    |
| TOTAL OFFSET COST(a/c#404.8020)   | \$952,205               | \$833,088            | \$914,051               | \$597,529               | \$582,216               | \$807,907             | \$624,685             | \$891,512            | \$866,953         | \$688,447         | \$790,410         | \$1,100,247        | \$9,649,249  |
| <b>NET BALANCE</b>  |                         |                      |                         |                         |                         |                       |                       |                      |                   |                   |                   |                    |              |
| TOTAL PPACR OFFSET REVENUE  | \$1,753,818             | \$1,527,238          | \$1,209,487             | \$1,095,332             | \$1,066,697             | \$1,108,511           | \$1,229,221           | \$1,251,392          | \$1,176,366       | \$1,044,782       | \$1,189,184       | \$1,328,490        | \$14,980,517 |
| APPLICABLE REVENUE @ 98.762%  | \$1,732,106             | \$1,508,330          | \$1,194,513             | \$1,081,772             | \$1,053,492             | \$1,094,788           | \$1,214,003           | \$1,235,899          | \$1,161,803       | \$1,031,847       | \$1,174,462       | \$1,310,794        | \$14,793,810 |
| TOTAL OFFSET COST   | \$990,342               | \$871,225            | \$952,188               | \$635,666               | \$620,353               | \$846,044             | \$662,822             | \$929,649            | \$905,090         | \$726,584         | \$828,547         | \$1,138,384        | \$10,106,894 |
| OVER/(UNDER) COLLEC. BEFORE INT INTEREST.   | \$741,764               | \$637,105            | \$242,325               | \$446,106               | \$433,139               | \$248,744             | \$551,181             | \$306,250            | \$256,713         | \$305,263         | \$345,915         | \$172,410          | \$4,686,916  |
| Three-Month Commercial Paper Rate   | 0.09%                   | 0.10%                | 0.10%                   | 0.10%                   | 0.10%                   | 0.10%                 | 0.10%                 | 0.11%                | 0.10%             | 0.10%             | 0.10%             | 0.13%              |              |
| Average Monthly Interest Rate   | 0.01%                   | 0.01%                | 0.01%                   | 0.01%                   | 0.01%                   | 0.01%                 | 0.01%                 | 0.01%                | 0.01%             | 0.01%             | 0.01%             | 0.01%              |              |
| MONTHLY INTEREST  | (245.57)                | (215.43)             | (178.80)                | (150.13)                | (\$114)                 | (85.11)               | (51.78)               | (17.67)              | 7.39              | 30.81             | 57.95             | 103.41             | (\$859.43)   |
| OVER/(UNDER) COLLEC. INCL. INT  | \$741,518               | \$636,890            | \$242,147               | 445,955.74              | 433,025.41              | 248,658.75            | 551,128.81            | 306,232.82           | \$256,720.04      | \$305,294         | 345,973.08        | \$172,514          | \$4,686,057  |
| 9...12a2  |                         |                      |                         |                         |                         |                       |                       |                      |                   |                   |                   |                    | \$0          |
| <b>CUMULATIVE BALANCE (400.1760.20)</b>   | <b>(\$2,903,662.95)</b> | <b>(\$2,266,773)</b> | <b>(\$2,024,626.33)</b> | <b>(\$1,578,670.59)</b> | <b>(\$1,145,645.18)</b> | <b>(\$896,986.43)</b> | <b>(\$345,857.62)</b> | <b>(\$39,624.80)</b> | <b>217,095.24</b> | <b>522,388.99</b> | <b>868,362.07</b> | <b>\$1,040,876</b> | <b>\$0</b>   |



**ATTACHMENT B**  
**SAMPLE OF BVES BILLING REPORT SHOWING CUSTOMER USAGE AND**  
**CREDIT**

**ATTACHMENT B - SAMPLE OF BVES BILLING REPORT SHOWING CUSTOMER USAGE AND CREDIT**

| Customer Account<br>Redacted | Customer<br>Class | January 2015<br>Total Usage<br>kWh | Credit Rate<br>Shown on Bill<br>\$/kWh |                 |
|------------------------------|-------------------|------------------------------------|--|-----------------|
| Sub_acct_id                  | RS_CD             | Total Usage                        | Rate                                   | Customer Credit |
| BVA1yyyy1                    | BVA1              | 1851                               | (\$0.05104)                            | (\$94.47)       |
| BVA1yyyy10                   | BVA1              | 385                                | (\$0.05104)                            | (\$19.65)       |
| BVA1yyyy100                  | BVA1              | 462                                | (\$0.05104)                            | (\$23.58)       |
| BVA1yyyy1000                 | BVA1              | 120                                | (\$0.05104)                            | (\$6.12)        |
| BVA1yyyy1001                 | BVA1              | 1031                               | (\$0.05104)                            | (\$52.62)       |
| BVA1yyyy1002                 | BVA1              | 366                                | (\$0.05104)                            | (\$18.68)       |
| BVA1yyyy1003                 | BVA1              | 803                                | (\$0.05104)                            | (\$40.98)       |
| BVA1yyyy1004                 | BVA1              | 1755                               | (\$0.05104)                            | (\$89.57)       |
| BVA1yyyy1005                 | BVA1              | 3303                               | (\$0.05104)                            | (\$168.58)      |
| BVA1yyyy1006                 | BVA1              | 2517                               | (\$0.05104)                            | (\$128.47)      |
| BVA1yyyy1007                 | BVA1              | 1562                               | (\$0.05104)                            | (\$79.72)       |
| BVA1yyyy1008                 | BVA1              | 4350                               | (\$0.05104)                            | (\$222.02)      |
| BVA1yyyy1009                 | BVA1              | 1200                               | (\$0.05104)                            | (\$61.25)       |
| BVA1yyyy101                  | BVA1              | 220                                | (\$0.05104)                            | (\$11.23)       |
| BVA1yyyy1010                 | BVA1              | 369                                | (\$0.05104)                            | (\$18.83)       |
| BVA1yyyy1011                 | BVA1              | 211                                | (\$0.05104)                            | (\$10.77)       |
| BVA1yyyy1012                 | BVA1              | 379                                | (\$0.05104)                            | (\$19.34)       |
| BVA1yyyy1013                 | BVA1              | 676                                | (\$0.05104)                            | (\$34.50)       |
| BVA1yyyy1014                 | BVA1              | 436                                | (\$0.05104)                            | (\$22.25)       |
| BVA1yyyy1015                 | BVA1              | 1284                               | (\$0.05104)                            | (\$65.54)       |
| BVA1yyyy1016                 | BVA1              | 1836                               | (\$0.05104)                            | (\$93.71)       |
| BVA1yyyy1017                 | BVA1              | 403                                | (\$0.05104)                            | (\$20.57)       |
| BVA1yyyy1018                 | BVA1              | 250                                | (\$0.05104)                            | (\$12.76)       |
| BVA1yyyy1019                 | BVA1              | 2240                               | (\$0.05104)                            | (\$114.33)      |
| BVA1yyyy102                  | BVA1              | 280                                | (\$0.05104)                            | (\$14.29)       |
| BVA1yyyy1020                 | BVA1              | 3191                               | (\$0.05104)                            | (\$162.87)      |
| BVA1yyyy1021                 | BVA1              | 12408                              | (\$0.05104)                            | (\$633.30)      |
| BVA1yyyy1022                 | BVA1              | 382                                | (\$0.05104)                            | (\$19.50)       |
| BVA1yyyy1023                 | BVA1              | 2208                               | (\$0.05104)                            | (\$112.70)      |
| BVA1yyyy1024                 | BVA1              | 676                                | (\$0.05104)                            | (\$34.50)       |
| BVA1yyyy1025                 | BVA1              | 1341                               | (\$0.05104)                            | (\$68.44)       |
| BVA1yyyy1026                 | BVA1              | 399                                | (\$0.05104)                            | (\$20.36)       |
| BVA1yyyy1027                 | BVA1              | 2567                               | (\$0.05104)                            | (\$131.02)      |
| BVA1yyyy1028                 | BVA1              | 4587                               | (\$0.05104)                            | (\$234.12)      |
| BVA1yyyy1029                 | BVA1              | 77                                 | (\$0.05104)                            | (\$3.93)        |
| BVA1yyyy103                  | BVA1              | 638                                | (\$0.05104)                            | (\$32.56)       |
| BVA1yyyy1030                 | BVA1              | 203                                | (\$0.05104)                            | (\$10.36)       |