



July 22, 2015

Advice Letter No. 304-E

(U 913 E)

## California Public Utilities Commission

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

**SUBJECT:** Request to Terminate Supply Adjustment Charge

### **PURPOSE**

Decision No. (D.) 14-11-002 authorized BVES to decrease the existing Supply Adjustment charge from \$0.02246/kWh to \$0.01729/kWh. BVES hereby submits for filing this Advice Letter (AL) to notify the California Public Utilities Commission (Commission) that BVES' authorized Purchase Power Adjustment Clause (PPAC) Balancing Account has an over-collection of \$2,949,158, as of June 30, 2015. Thus, BVES requests that the Supply Adjustment charge of \$0.01729/kWh be terminated on July 31, 2015.

### **BACKGROUND**

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/kWh in D. 02-07-041. Customers who participate in the California Alternative Rates for Energy (CARE) program are charged a lower amortization rate.

D.14-11-002, dated November 6, 2014, authorized BVES to decrease the Supply Adjustment charge from \$0.02246/kWh to \$0.01729/kWh.<sup>1</sup>

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<sup>1</sup> D.14-11-002, Appendix A, Exhibit B, Uncontested Settlement Agreement, Section 6.4, page 18.

On November 14, 2014, BVES filed AL 290-E to notify the Commission that BVES' PPAC Balancing Account had an over-collection of \$217,095, as of September 30, 2014. BVES requested to terminate the Supply Adjustment charge (formerly the PPAC Amortization Charge) of \$0.02246/kWh, effective November 14, 2014. BVES also requested in AL 290-E that it will address the refunding of the total and final cumulative over-collection 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, terminating the \$0.02246/kWh.

On March 4, 2015, BVES filed AL 300-E to report to the Commission that as of November 30, 2014, the over-collection in the PPAC Balancing Account was \$868,362 and BVES requested to refund the over-collected amount, including interest, to its customers. On May 21, 2015, the Commission approved AL 300-E effective April 3, 2015.

Even after the authorized termination of the \$0.02246/kWh Supply Adjustment charge and pursuant to D.14-11-002, the authorized implementation of a lower Supply Adjustment charge of \$0.01729/kWh, the over-collection continues to cumulate in the PPAC Balancing Account. As of June 30, 2015, the over-collected amount is \$2,949,158. Therefore, BVES requests the Commission authorization to terminate the \$0.01729/kWh on July 31, 2015.

BVES will address the refunding of the total and final cumulative over-collected balance in the PPAC Balancing Account in a subsequent advice letter filing.

#### **TIER DESIGNATION**

Advice Letter 304-E is being filed with a Tier 1 designation.

#### **EFFECTIVE DATE**

BVES respectfully requests that this advice letter become effective on August 1, 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 black ink, appearing to read 'Ng. Q.', 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

**GOLDEN STATE WATER COMPANY**

**DISTRIBUTION LIST**

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