

CPUC Fact Sheet

PUBLIC PARTICIPATION HEARING

Great Oaks Water Company (Great Oaks)

General Rate Case Application (A.21-07-001)

November 9, 2021

What is this Rate Application About?

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

In this application, Great Oaks is requesting that the CPUC approve a rate increase. The following information is taken from Great Oaks' July 1, 2021 GRC application and Great Oaks' updated report submitted to the CPUC on August 15, 2021.¹

What Increases in Revenue is Great Oaks Requesting to be Funded Through Customer Water Bills for the Period of 2022-2025?²

For Test Year 2022/2023: \$2.619 million (12.05%) above present revenues

For Escalation Year 2023/2024: \$1.762 million (7.23%) above proposed 2022/2023 revenues

For Escalation Year 2024/2025: \$1.880 million (7.20%) above proposed 2023/2024 revenues

What Types of Additional Costs Does Great Oaks Say it Needs to Recover?

Over the three-year rate cycle, Great Oaks is requesting to recover additional operating, maintenance, administrative, general, and labor costs as well as the costs of proposed capital investments to replace and upgrade its water system and facilities. Significant cost increases requested in Great Oaks' application include:

- **Groundwater Charges:** Additional \$4,395,426 in charges levied by Santa Clara Valley Water District (SCVWD) for groundwater production.
- **Customer Communication Program (Outside Services):** \$455,000 for a proposed customer communications program requested to be implemented over the three-year rate cycle.
- **Purchased Power:** \$379,442 for increasing costs of electricity used to power the water system.

¹ The CPUC requires Great Oaks to provide a 45-day update to its originally filed application. Great Oaks' update requests a lowered revenue requirement and rate increase than its original application; Great Oaks' updated request is reflected in this Fact Sheet.

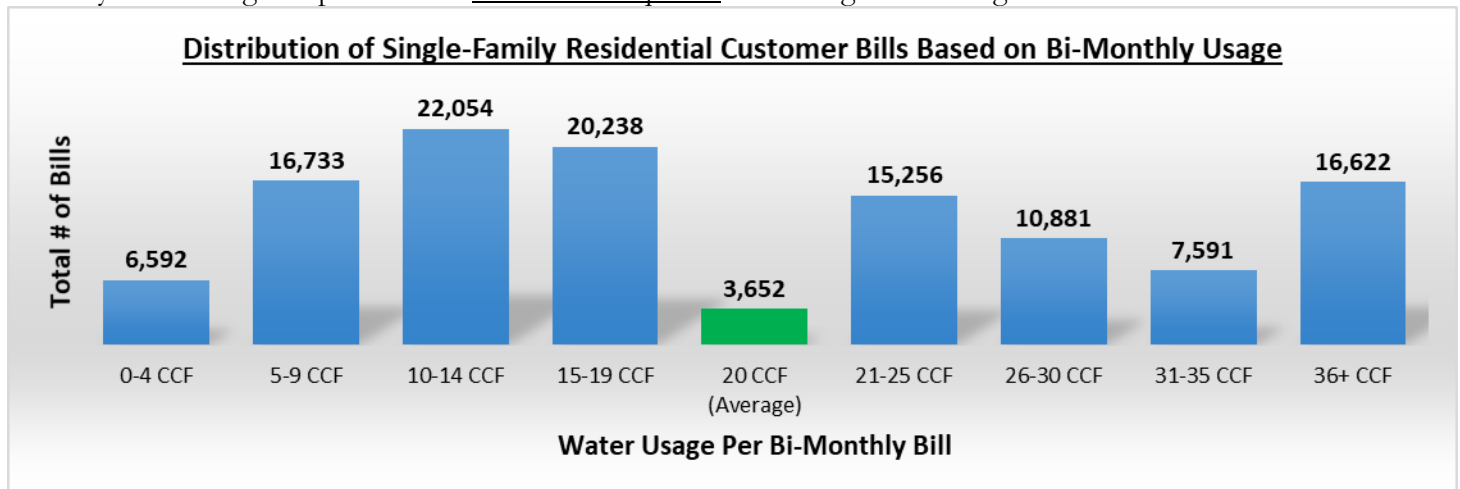
² The amount of revenue to be authorized is based on the forecasted operating and capital costs of doing business. This, combined with forecasted water sales and number of customers, produces the necessary changes in rates.

What are the Residential Bill Impacts Based on Requested Revenue Increases?

Excluding the CPUC fee, City Tax, surcharges and refunds, an average residential customer with a 3/4-inch meter using 10 CCF (1 CCF = 748 gallons) per month will see an increase in their **bi-monthly bill** from \$114.11 in 2021/2022 to \$119.12 in 2022/2023, a 4.39% increase. The same bill is estimated to be \$126.28 in 2023/2024 and \$133.79 in 2024/2025, resulting in an overall 17.25% rate increase over three years.

Three-Year Cumulative Impact to Base Charges				
Total Increase			Total % Increase	
\$19.68			17.25%	
Monthly Service Charge				
Meter Size	Present Rates ³	2022/2023 (% Change)	2023/2024 (% Change)	2024/2025 (% Change)
5/8-inch	\$16.69	\$15.86 (-5%)	\$16.37 (+3%)	\$16.85 (+3%)
3/4-inch	\$25.04	\$23.79 (-5%)	\$24.56 (+3%)	\$25.28 (+3%)
1-inch	\$41.73	\$39.65 (-5%)	\$40.93 (+3%)	\$42.14 (+3%)
Water Usage Quantity Rate				
Bi-Monthly Usage Range	Present Rate	2022/2023 (% Change)	2023/2024 (% Change)	2024/2025 (% Change)
0 to 12 CCF	\$2.48	\$2.77 (+12%)	\$2.99 (+8%)	\$3.23 (+8%)
13 to 20 CCF	\$4.28	\$4.78 (+12%)	\$5.16 (+8%)	\$5.57 (+8%)
Over 20 CCF	\$5.09	\$5.68 (+12%)	\$6.13 (+8%)	\$6.61 (+8%)

The graph below shows the distribution of bi-monthly metered water usage per bill amongst single-family residential customers for the year starting on July 1, 2020 and ending on June 30, 2021. It illustrates that approximately 3% of bi-monthly bills sent to all customers during this period reflected the average water usage. Approximately 58% of bi-monthly bills during this period were less than or equal to the average water usage.



³ Present rates were made effective on July 1, 2021 by Commission authorization of Great Oaks Water Company's AL 300-W-A.

How Can I Have My Voice Heard?

- Speak at an upcoming CPUC Public Participation Hearing (sometimes referred to as a Public Forum). A list of dates, times, and locations can be found 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.21-07-001. You can also review other public comments related to this rate request: <https://apps.cpuc.ca.gov/c/A2107001>. 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.21-07-001, 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 <https://www.cpuc.ca.gov/about-cpuc/divisions/news-and-public-information-office/public-advisors-office> and you can subscribe to receive documents in A.21-07-001 at: <http://subscribecpuc.cpuc.ca.gov/fps/Default.aspx>.

Further Information on the Proceeding:

- View Great Oaks’ July 1, 2021 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 <https://apps.cpuc.ca.gov/c/A2107001> and selecting the “Documents” tab at the top of the page.
- View Great Oaks’ customer notice and the CPUC’s Fact Sheet at <https://www.cpuc.ca.gov/about-cpuc/divisions/news-and-public-information-office/public-advisors-office>.
- The Public Advocates Office is an independent consumer advocate within the Commission who will review, audit, and submit formal testimony on Great Oaks’ GRC application. Its website is: <https://www.publicadvocates.cpuc.ca.gov/>.
- The CPUC’s Water Division provides information on the regulatory processes for water utilities at <https://www.cpuc.ca.gov/about-cpuc/divisions/water-division> and specific information on the General Rate Case process at: <https://www.cpuc.ca.gov/about-cpuc/divisions/water-division/water-rates-and-general-rate-case-proceedings-section/general-rate-case-process>.
- A summary of the Commission’s Decision 19-09-010 for Great Oaks’ previous General Rate Case, which was made effective on September 12, 2019, can be found here: <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/water-division/reports/grc-fact-sheets/gowc-grc-decisionfactsheet.pdf>.
- The CPUC adopted a framework to assess the affordability of utility services. Information on the Affordability Rulemaking R.18-01-006 can be found here: <https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/affordability>.