



California-American Water Company (Cal-Am) General Rate Case – D.18-12-021

What Does D.18-12-021 Authorize for Cal-Am?

Increases in Operating Costs in the Following Areas Required Increases in Utility Revenue to be Recovered in Rates:

- Water supply costs (purchased water, pump taxes, purchased power, Chemicals)
- Water infrastructure: Mains replacement, plant improvements
- Payroll
- Other - Rent, Insurance, Purchased services

Cost Increases Require the Following Increase in Utility Revenue:

- 2018: \$6.29 million (13.0%) above authorized 2017 revenues
- 2019*: \$1.42 million (2.6%) above authorized 2018 revenues
- 2020*: \$1.30 million (2.3%) above authorized 2019 revenues

*Revenue increases for 2019 and 2020 are estimated using escalation and inflation factors. Actual increases may vary based on current inflation estimates.

Cal-Am's 2018 Revenue to be Recovered in Rates - \$53,252,730

Authorized Rate Design Changes:

- Addition of Tier 3 Quantity Rate
 - Tier 1: 1.00x
 - Tier 2: 1.34x
 - Tier 3: 2.09x
- Phased consolidation with Larkfield district

2018 Balancing and Memorandum Account Recovery:

- \$18.9M (8.5%) to be recovered company-wide by surcharge
- \$7.2M (3.2%) tax credit to be refunded company-wide by surcredit





What Are the Residential Bill Impacts Based on Adopted Revenue Increases?

Monthly Service Charge by Meter Size	Present Rates	2018	2019	2020
5/8-inch	\$13.23	\$11.44 (-13.5%)	\$11.65 (1.8%)	\$11.92 (2.3%)
3/4-inch	\$19.84	\$17.16 (-13.5%)	\$17.48 (1.9%)	\$17.88 (2.3%)
1-inch	\$33.07	\$28.60 (-13.5%)	\$29.13 (1.9%)	\$29.80 (2.3%)
Water Usage Quantity Rate				
Tier 1 0 to 10 Ccf	\$3.1132	\$3.0193 (-3.0%)	\$3.0658 (1.5%)	\$3.1363 (2.3%)
Tier 2 10+ to 20 Ccf	\$3.3929	\$4.0478 (19.3%)	\$4.1101 (1.5%)	\$4.2046 (2.3%)
Tier 3 Over 20 Ccf	-	\$6.3356	\$6.4332 (1.5%)	\$6.5812 (2.3%)

Excluding CPUC fee, City Tax, surcharges and refunds, an average residential customer with a 5/8-inch meter using 11 ccf (1 ccf = 748 gallons) every month will see a decrease in their monthly bill from \$47.48 in 2017 to \$45.68 in 2018. The same bill is estimated to be \$46.42 in 2019 and \$47.49 in 2020, resulting in an overall 0.01% rate increase over 3 years.

Where Can I Go for Further Information?

- To review Cal-Am's tariff schedules, go to:
<https://amwater.com/caaw/customer-service-billing/billing-payment-info/water-rates>
- To review the Commission's D.18-12-021, go to:
<http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M252/K251/252251101.pdf>
- To obtain information on the Commission's General Rate Case Process, go to:
<https://www.cpuc.ca.gov/General.aspx?id=6442461381>

