



Suburban Water Systems (Suburban) General Rate Case – D.19-05-029 San Jose Hills Service Area

What Does D.19-05-029 Authorize for Suburban?

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

Infrastructure Investments

- **Main Replacement**
- **Reservoir Construction & Maintenance**
- **Plant Improvement**

Operation Expense Increases

- **Purchased Water Cost**
- **Purchased Power Cost**
- **Office Supplies and Other Expenses**
- **Payroll**
 - Four new positions added

Cost Increases Require the Following Increase in Utility Revenue for the Period 2018-2020:

- 2018: \$4.86 million (6.40%) above authorized 2017 revenues
- 2019*: \$2.21 million (2.72%) above proposed 2018 revenues
- 2020*: \$2.19 million (2.63%) above proposed 2019 revenues

*Revenue increases for 2019 and 2020 are estimated using an escalation procedure and inflation factors. Actual increases may vary based on most recent inflation forecast at the time of escalation.

Suburban’s 2018 Revenue to be Recovered in Rates:

\$80,924,613

Recovery and Refund of Balancing and Memorandum Accounts

- One-time surcharge of \$0.12 per ccf to all bills to recover 10 miscellaneous memorandum and balancing accounts¹
- 12-month surcharge of \$0.025 to non-Low Income Ratepayer Assistance (LIRA) bills to recover LIRA program memorandum account undercollections
- 12-month surcredit of \$0.08 per ccf to all bills to refund Water Revenue Adjustment Mechanism (WRAM) balancing account overcollections
- Surcharge of \$0.1554 per ccf to all bills to recover purchased water, pump tax, and purchased power expense balancing account undercollections
- Surcharge of \$0.045 per ccf to non-Low Income Ratepayer Assistance (LIRA) bills to support the LIRA program

¹ See A.17-01-001, Section V.D and D.19-05-029, Section XI.A.





San Jose Hills Service Area

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

Bill Impacts

Meter Size	Tier 1 Usage (ccf)	Current 2017	Proposed		
			2018	2019	2020
5/8"	20	\$13.11	\$13.17 (0.47%)	\$13.52 (2.65%)	\$13.88 (2.63%)
3/4"	20	\$19.66	\$19.76 (0.50%)	\$20.28 (2.65%)	\$20.81 (2.63%)
1-inch	28	\$32.76	\$32.93 (0.52%)	\$33.80 (2.65%)	\$34.69 (2.63%)
	Quantity Rate				
Tariff Area No. 1	Tier 1	\$2.771	\$2.992 (7.97%)	\$3.092 (3.35%)	\$3.173 (2.63%)
	Tier 2	\$3.111	\$3.359 (7.97%)	\$3.471 (3.35%)	\$3.563 (2.63%)
Tariff Area No. 2	Tier 1	\$2.884	\$3.114 (7.97%)	\$3.218 (3.35%)	\$3.303 (2.63%)
	Tier 2	\$3.179	\$3.432 (7.97%)	\$3.547 (3.35%)	\$3.640 (2.63%)
Tariff Area No. 3	Tier 1	\$3.008	\$3.248 (7.97%)	\$3.356 (3.35%)	\$3.445 (2.63%)
	Tier 2	\$3.438	\$3.712 (7.97%)	\$3.836 (3.35%)	\$3.937 (2.63%)

Excluding city tax, surcharges and refunds, an average residential customer in Tariff Area No. 1 with a 3/4-inch meter using 13 ccf (1 ccf = 748 gallons) would see a monthly increase in each bill from **\$56.48** in 2017 to **\$59.50** in 2018. The same bill is estimated to be **\$61.35** in 2019 and **\$62.95** in 2020, resulting in an overall **11.46%** rate increase over 3 years.

Where Can I Go for Further Information on the Proceeding?

- To review Suburban's tariff schedules, go to: <http://www.swwc.com/suburban/tariff/>
- To review the Commission's Decision, go to: <http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M298/K579/298579922.pdf>
- For more information on the Commission's General Rate Case Process, go to: <https://www.cpuc.ca.gov/General.aspx?id=6442461381>

