

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



July 3, 2017

Edward N. Jackson
Director of Revenue Requirements
Liberty Utilities (Park Water) Corp.
PO Box 7002
Downey, CA 90241

Dear Mr. Jackson,

The Commission has approved Liberty Utilities' Advice Letter No.278-W, filed on June 06, 2017, regarding the authorization of rate increases to offset increases in purchased water rates & replenishment rates.

Enclosed are copies of the following revised tariff sheets for the utility's files :

<u>P.U.C. Sheet No.</u>	<u>Title of Sheet</u>
1349-W	Residential Metered Service, page 1
1350-W	Residential Metered Service, page 2
1351-W	Non-Residential Metered Service, page 1
1352-W	Non-Residential Metered Service, page 2
1353-W	Reclaimed Water Service, page 1
1354-W	Reclaimed Water Service, page 2
1355-W	Preliminary Statement, page 6
1356-W	Table of Contents, page 1

Please contact Carmen Rocha at (415) 703-2162 if you have any questions.

Thank you,

/s/ SREEJA MELUVEETIL

Sreeja Meluveetil
Water & Sewer Advisory Branch
Division of Water and Audits

Enclosures

**CALIFORNIA PUBLIC UTILITIES COMMISSION
DIVISION OF WATER AND AUDITS
Advice Letter Cover Sheet**

Utility Name: Liberty Utilities (Park Water) Corp. **Date Mailed to Service List:** June 6, 2017
District: N/A
CPUC Utility #: U-314-W **Protest Deadline (20th Day):** June 27, 2017
Advice Letter #: 278-W **Review Deadline (30th Day):** July 5, 2017
Tier 1 2 3 Compliance **Requested Effective Date:** July 1, 2017
Authorization **Rate Impact:** \$491,926
1.32%

Description: The purpose of this advice letter is to request authorization of an increase in rates of \$491,926 or 1.32% to offset increases in purchased water rates and replenishment rates.

The protest or response deadline for this advice letter is 20 days from the date that this advice letter was mailed to the service list. Please see the "Response or Protest" section in the advice letter for more information.

Utility Contact: Edward N. Jackson

Phone: 562.923.0711, ext. 1212

Email: edward.jackson@libertyutilities.com

Utility Contact: Ellen M. Zimbalist

Phone: 562.923.0711, ext. 1208

Email: ellen.zimbalist@libertyutilities.com

DWA Contact: Tariff Unit

Phone: (415) 703-1133

Email: Water.Division@cpuc.ca.gov

DWA USE ONLY

<u>DATE</u>	<u>STAFF</u>	<u>COMMENTS</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

APPROVED

WITHDRAWN

REJECTED

Signature: _____

Comments: _____

Date: _____



Liberty Utilities®

Advice Letter No. 278-W

June 6, 2017

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Liberty Utilities (Park Water) Corp. (U 314 W) ("Liberty Park Water") hereby transmits the following revised tariff sheets applicable to water service in its service territory:

<u>Calif. P.U.C. Sheet No.</u>	<u>Title of Sheet</u>	<u>Schedule Number</u>	<u>Canceling Sheet No.</u>
1349-W	Residential Metered Service, page 1	PR-1-R	1327-W
1350-W	Residential Metered Service, page 2	PR-1-R	1341-W
1351-W	Non-Residential Metered Service, page 1	PR-1-NR	1328-W
1352-W	Non-Residential Metered Service, page 2	PR-1-NR	1342-W
1353-W	Reclaimed Water Service, page 1	PR-6	1330-W
1354-W	Reclaimed Water Service, page 2	PR-6	1344-W
1355-W	Preliminary Statement, page 6		1326-W
1356-W	Table of Contents, page 1		1348-W

The purpose of this advice letter is to request Commission approval of an increase in rates of \$491,926 or 1.32% to offset increases in purchased water and replenishment rates.

Pursuant to Water Industry Rule 7.3 of General Order 96-B as modified by Resolution W-4664, this expense offset advice letter is classified as Tier 1.

Background

The present base rates for Liberty Park Water were established by Decision 16-01-009. Purchased water expenses reflected in present rates are based on purchased water rates effective January 1, 2015.

Liberty Park Water purchases potable water from the Central Basin Municipal Water District (CBMWD). Effective July 1, 2017, CBMWD raised its rates for potable water to \$1,092 per A.F. In addition, CBMWD increased the service charge. This results in a total increase in Liberty Park Water's annual purchased potable water expense of \$202,959.

Liberty Park Water also purchases reclaimed (non-potable) water from CBMWD. Effective July 1, 2017 CBMWD raised its rates for reclaimed water to \$701/A.F. for all water purchased. This results in an increase in Liberty Park Water's annual purchased reclaimed water expense of \$44,245.

Liberty Park Water pays a replenishment assessment to the Water Replenishment District of Southern California (WRD) for all water pumped. Effective July 1, 2017, WRD increased its rates to \$318 per A.F. This results in an annual increase of \$240,000 replenishment expense.

Increased revenues to cover the above increased expenses would generate an increase in uncollectible expense and franchise fees expense of \$4,722, above the amounts currently reflected in Liberty Park Water's rates. In order to recover the above increased costs, Liberty Park Water is requesting an offset increase of \$491,926 or 1.32% of its 2017 authorized revenue requirement.

Liberty Park Water proposes to recover these increased costs through an increase to the commodity rate in Schedule No. PR-1-R, Residential Metered Service and Schedule No. PR-1-NR, Non-Residential Metered Service of \$0.096 per Ccf, and Schedule No. PR-6, Reclaimed Water Service of \$0.336 per Ccf.

The Commission staff has been provided workpapers in accordance with Standard Practice U-27-W. The workpapers show the derivation of the above amounts, as well as, the development of proposed rates to allow for recovery of these costs.

The attached table shows an adopted Summary of Earnings for Liberty Park for 2017, including the effects of the requested offset, demonstrating that the effect will not result in Liberty Park Water exceeding its authorized rate of return.

There have been no other compensating changes in revenues, expenses, or rate base that would offset the effect of these cost increases.

The increased rates and surcharge proposed in this Advice Letter will only recover increased expenses and will not provide additional profits for Liberty Park Water.

Liberty Park Water also includes an update to the adopted quantities for the Water Revenue Adjustment Mechanism Balancing Account and the Modified Cost Balancing Account contained in the Preliminary Statement.

Requested Effective Date

Pursuant to General Rule 7.3.2 of General Order 96-B, Liberty Park requests this filing become effective July 1, 2017.

Notice and Service

In accordance with General Order 96-B, General Rule 4.3 and 7.2 and Water Industry Rule 4.1, a copy of this advice letter will be mailed or electronically transmitted on June 6, 2017 to competing and adjacent utilities and other utilities or interested parties having requested such notification.

In accordance with Resolution W-4664, notice is not required. Liberty Park will include notice of the rate change within the bill during the first billing period the increase is in effect.

Response or Protest

Anyone may respond to or protest this advice letter. A response supports the filing and may contain information that proves useful to the Commission in evaluating the advice letter. A protest objects to the advice letter in whole or in part and must set forth the specific grounds on which it is based. These grounds are:

- (1) The utility did not properly serve or give notice of the advice letter;
- (2) The relief requested in the advice letter would violate statute or Commission order, or is not authorized by statute or Commission order on which the utility relies;
- (3) The analysis, calculations, or data in the advice letter contain material error or omissions;
- (4) The relief requested in the advice letter is pending before the Commission in a formal proceeding; or
- (5) The relief requested in the advice letter requires consideration in a formal hearing, or is otherwise inappropriate for the advice letter process; or
- (6) The relief requested in the advice letter is unjust, unreasonable, or discriminatory (provided that such a protest may not be made where it would require relitigating a prior order of the Commission).

A protest shall provide citations or proofs where available to allow staff to properly consider the protest.

A response or protest must be made in writing or by electronic mail and must be received by the Division of Water and Audits within 20 days of the date this advice letter is filed. The address for mailing or delivering a protest is:

Tariff Unit, Water Division, 3rd floor
California Public Utilities Commission
505 Van Ness Avenue,
San Francisco, CA 94102
water_division@cpuc.ca.gov

On the same date the response or protest is submitted to the Water Division, the respondent or protestant shall send a copy by mail (or e-mail) to us, addressed to:

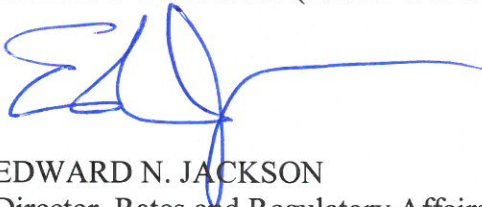
Edward Jackson
Director, Rates and Regulatory Affairs
Liberty Utilities (Park Water) Corp.
9750 Washburn Road
P. O. Box 7002
Downey, CA 90241
Fax: (562) 861-5902
E-Mail: Edward.Jackson@libertyutilities.com

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform the Division of Water and Audits within the 20-day protest period so that a late filed protest can be entertained. The informing document should include an estimate of the date the proposed protest might be voted on.

If you have not received a reply to your protest within 10 business days, contact Edward Jackson at (562) 923-0711, ext. 1212.

Very truly yours,

LIBERTY UTILITIES (PARK WATER) CORP.



EDWARD N. JACKSON
Director, Rates and Regulatory Affairs
562.923.0711, ext. 1212
Edward.Jackson@libertyutilities.com

ENJ/emz

Enclosure

SCHEDULE NO. PR-1-R

RESIDENTIAL METERED SERVICE

APPLICABILITY

Applicable to all metered water services provided to single-family residential customers.

TERRITORY

Within all service areas of Los Angeles County as delineated in the service area maps included in the tariff schedules.

RATES

Quantity Rates:

For the first 900 cubic feet, per 100 cubic feet	\$ 5.553	(I)
For all over 900 cubic feet, per 100 cubic feet	\$ 6.371	(I)

Service Charge:

Per Meter
Per Month

For 5/8 x 3/4-inch meter.....	\$ 21.97
For 3/4-inch meter.....	32.96
For 1-inch meter.....	54.93
For 1 1/2-inch meter.....	109.85
For 2-inch meter.....	175.76
For 3-inch meter.....	329.55
For 4-inch meter.....	549.25
For 6-inch meter.....	1,098.50
For 8-inch meter.....	1,757.60
For 10-inch meter.....	2,526.55
For 12-inch meter.....	3,625.05

This Service Charge is a readiness-to-serve charge which is applicable to all metered services and to which is to be added the monthly charge computed at the Quantity Rates.

SPECIAL CONDITIONS

1. All charges under this schedule to customers in the City of Norwalk are subject to a surcharge of 2.04 percent.
2. A late charge will be imposed per Schedule No. LC.
3. In accordance with Section 2714 of the Public Utilities Code, if a tenant in a rental unit leaves owing the Company, service to subsequent tenants in that unit will, at the Company's option, be furnished on the account of the landlord or property owner.
4. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

(Continued)

(To be inserted by utility)

Issued By

(To be inserted by Cal. P.U.C.)

Advice No. 278-W

GREGORY S. SORENSEN
Name

Date Filed 06-06-2017

Dec. No. _____

PRESIDENT
Title

Effective 07-01-2017

Resolution No. _____

SCHEDULE NO. PR-1-R

RESIDENTIAL METERED SERVICE

(Continued)

20. As authorized by the California Public Utilities Commission, an amount of \$0.451 per Ccf is to be added to the quantity rate for a period of 18-months, beginning on the effective date of Advice Letter 268-W. This surcharge will recover the under-collection in the WRAM and MCBA as of December 31, 2015.

21.

(D)

(D)

22.

23. As authorized by the California Public Utilities Commission, an amount of \$0.020 per Ccf is to be added to the quantity rate for a period of 12 months, beginning on the effective date of Advice Letter 271-W. This surcharge will recover the net under-collection in the Interim Rates Memorandum account as of January 21, 2016.

24. As authorized by the California Public Utilities Commission, an amount of \$ 0.081 per Ccf is to be added to the quantity rate for a period of 12 months, beginning on the effective date of Advice Letter 275-W. This surcharge will recover the under-collection in the WRAM and MCBA as of December 31, 2016.

(To be inserted by Utility)

Advice No. 278-W

GREGORY S. SORENSEN

Name

Dec. No. _____

PRESIDENT

Title

(To be inserted by Cal. P.U.C.)

Date Filed

06-06-2017

Effective

07-01-2017

Resolution No. _____

SCHEDULE NO. PR-1-NR
NON-RESIDENTIAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service except that provided to single-family residential customers.

TERRITORY

Within all service areas of Los Angeles County as delineated in the service area maps included in the tariff schedules.

RATES

Quantity Rate:

For all water delivered per 100 cubic feet	\$ 5.908	(1)
	Per Meter	
	Per Month	
Service Charge:		
For 5/8 x 3/4-inch meter	\$ 21.97	
For 3/4-inch meter	32.96	
For 1-inch meter	54.93	
For 1 1/2-inch meter	109.85	
For 2-inch meter	175.76	
For 3-inch meter	329.55	
For 4-inch meter	549.25	
For 6-inch meter	1,098.50	
For 8-inch meter	1,757.60	
For 10-inch meter	2,526.55	
For 12-inch meter	3,625.05	

This Service Charge is a readiness-to-serve charge which is applicable to all metered services and to which is to be added the monthly charge computed at the Quantity Rates.

SPECIAL CONDITIONS

1. All charges under this schedule to customers in the City of Norwalk are subject to a surcharge of 2.04 percent.
2. A late charge will be imposed per Schedule No. LC.
3. In accordance with Section 2714 of the Public Utilities Code, if a tenant in a rental unit leaves owing the Company, service to subsequent tenants in that unit will, at the Company's option, be furnished on the account of the landlord or property owner.
4. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

(Continued)

(To be inserted by utility)	Issued By	(To be inserted by Cal. P.U.C.)
Advice No. <u>278-W</u>	<u>GREGORY S. SORENSEN</u> Name	Date Filed <u>06-06-2017</u>
Dec. No. _____	<u>PRESIDENT</u> Title	Effective <u>07-01-2017</u>
		Resolution No. _____

SCHEDULE NO. PR-1-NR

NON-RESIDENTIAL METERED SERVICE
(Continued)

20. As authorized by the California Public Utilities Commission, an amount of \$0.451 per Ccf is to be added to the quantity rate for a period of 18-months, beginning on the effective date of Advice Letter 268-W. This surcharge will recover the under-collection in the WRAM and MCBA as of December 31, 2015.

21.

(D)

(D)

22.

23. As authorized by the California Public Utilities Commission, an amount of \$0.020 per Ccf is to be added to the quantity rate for a period of 12 months, beginning on the effective date of Advice Letter 271-W. This surcharge will recover the net under-collection in the Interim Rates Memorandum account as of January 21, 2016.

24. As authorized by the California Public Utilities Commission, an amount of \$ 0.081 per Ccf is to be added to the quantity rate for a period of 12 months, beginning on the effective date of Advice Letter 275-W. This surcharge will recover the under-collection in the WRAM and MCBA as of December 31, 2016.

(To be inserted by Utility)

Issued By

(To be inserted by Cal. P.U.C.)

Advice No. 278-W

GREGORY S. SORENSEN
Name

Date Filed 06-06-2017

Dec. No. _____

PRESIDENT
Title

Effective 07-01-2017

Resolution No. _____

SCHEDULE NO. PR-6

RECLAIMED WATER SERVICE

APPLICABILITY

Applicable to all meter reclaimed water service.

TERRITORY

Within all service areas of Los Angeles County as delineated in the service area maps included in the tariff schedules.

RATES

Quantity Rate:

For all water delivered per 100 cu. ft.....\$ 4.986 (1)

Service Charge:	<u>Per Meter</u> <u>Per Month</u>
For 5/8 x 3/4-inch meter	\$ 21.97
For 3/4-inch meter	32.96
For 1-inch meter	54.93
For 1 1/2-inch meter	109.85
For 2-inch meter	175.76
For 3-inch meter	329.55
For 4-inch meter	549.25
For 6-inch meter	1,098.50
For 8-inch meter	1,757.60
For 10-inch meter	2,526.55
For 12-inch meter	3,625.05

This Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is to be added the bimonthly charge computed at the Quantity Rates.

SPECIAL CONDITIONS

1. The user (customer) is responsible for on-site compliance with local, state, or federal regulations that may apply to the use of an approved reclaimed water source.
2. All charges under this schedule to customers in the City of Norwalk are subject to a surcharge of 2.04 percent.
3. A late charge will be imposed per Schedule No. LC.
4. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

(Continued)

(To be inserted by utility)

Issued By

(To be inserted by Cal. P.U.C.)

Advice No. 278-W

GREGORY S. SORENSEN
Name

Date Filed 06-06-2017

Dec. No. _____

PRESIDENT
Title

Effective 07-01-2017

Resolution No. _____

LIBERTY UTILITIES (PARK WATER) CORP.
9750 WASHBURN ROAD
P. O. BOX 7002
DOWNEY, CALIFORNIA 90241-7002

REVISED Cal. P.U.C. Sheet No. 1354-W
Canceling REVISED Cal. P.U.C. Sheet No. 1344-W

SCHEDULE NO. PR-6
RECLAIMED WATER SERVICE
(Continued)

5.

(D)

(D)

6. As authorized by the California Public Utilities Commission, an amount of \$0.004 per Ccf is to be added to the quantity rate for a period of 12 months, beginning on the effective date of Advice Letter 271-W. This surcharge will recover the net under-collection in the Interim Rates Memorandum account as of January 21, 2016.

(To be inserted by Utility)

Issued By

(To be inserted by Cal. P.U.C.)

Advice No. 278-W

GREGORY S. SORENSEN

Date Filed

06-06-2017

Name

Effective

07-01-2017

Dec. No. _____

PRESIDENT

Title

Resolution No. _____

PRELIMINARY STATEMENT
(Continued)

WATER REVENUE ADJUSTMENT MECHANISM/MODIFIED COST BALANCING ACCOUNT
(WRAM/MCBA)

Monthly Detail (In Thousands of Dollars)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Month	Service Charge and other Non- WRAM Revenue	Quantity Charge Revenue for WRAM	Total Revenue	Purchased Water	Purchased Power	Leased Water Rights	Replenishment	Chemicals	Total Production Cost
	9,846.9	27,350.4							
Jan	\$731.1	\$2,030.63	\$2,761.7	\$515.1	\$32.04	\$55.53	\$113.43	\$5.83	\$721.9
Feb	\$750.7	\$2,085.14	\$2,835.8	\$528.9	\$32.90	\$57.02	\$116.48	\$5.99	\$741.3
Mar	\$700.2	\$1,944.74	\$2,644.9	\$493.3	\$30.69	\$53.18	\$108.63	\$5.59	\$691.4
Apr	\$724.0	\$2,010.90	\$2,734.9	\$510.1	\$31.73	\$54.99	\$112.33	\$5.78	\$714.9
May	\$823.4	\$2,287.13	\$3,110.6	\$580.2	\$36.09	\$62.54	\$127.76	\$6.57	\$813.1
Jun	\$870.3	\$2,417.30	\$3,287.6	\$613.2	\$38.15	\$66.10	\$135.03	\$6.94	\$859.4
Jul	\$926.8	\$2,574.21	\$3,501.0	\$653.0	\$40.62	\$70.39	\$143.80	\$7.39	\$915.2
Aug	\$933.9	\$2,593.85	\$3,527.7	\$658.0	\$40.93	\$70.93	\$144.89	\$7.45	\$922.2
Sep	\$928.3	\$2,578.34	\$3,506.6	\$654.1	\$40.69	\$70.51	\$144.03	\$7.41	\$916.7
Oct	\$878.6	\$2,440.47	\$3,319.1	\$619.1	\$38.51	\$66.73	\$136.33	\$7.01	\$867.7
Nov	\$836.3	\$2,323.00	\$3,159.3	\$589.3	\$36.66	\$63.52	\$129.76	\$6.67	\$825.9
Dec	\$743.3	\$2,064.69	\$2,808.0	\$523.8	\$32.58	\$56.46	\$115.33	\$5.93	\$734.1
12 Month Total	\$9,846.9	\$27,350.4	\$37,197.3	\$6,938.0	\$431.6	\$747.9	\$1,527.8	\$78.6	\$9,723.9

AL 278-W Offset Increase (July 1, 2017)

2017 Adopted Quantities

Total Revenue	\$37,197.3
Total Purchased Water	\$6,938.0
Total Purchased Power	\$431.6
Total Leased Water Rights	\$747.9
Total Replenishment	\$1,527.8
Total Chemicals	\$78.6
	\$9,723.9

(continued)

(To be inserted by Utility)

Issued By

(To be inserted by Cal. P.U.C.)

Advice No. 278-W

GREGORY S. SORENSEN

Date Filed 06-06-2017

Dec. No. _____

PRESIDENT

Effective 07-01-2017

Resolution No. _____

TABLE OF CONTENTS

The following listed tariff sheets contain all effective rates and rules affecting the charges and service of the utility, together with other pertinent information:

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Table of Contents	1356-W, 1347-W (T)
Preliminary Statement	722-W, 1274-W, 1316-W, 1275-W, 1276-W, 1355-W, 1297-W, 1203-W, 1320-W, 1298-W, 1309-W, 1336-W (T)
Service Area Map Los Angeles County	914-W, 499-W through 502-W
<u>Rate Schedules:</u>	
Schedule No. PR-1-R Residential Metered Service	1349-W, 1350-W (T)
Schedule No. PR-1-NR Nonresidential Metered Service	1351-W, 1352-W (T)
Schedule No. PR-4F Non-Metered Fire Sprinkler Service	1329-W, 1343-W
Schedule No. PR-5 Fire Flow Testing Charge	1155-W
Schedule No. PR-6 Reclaimed Water Service	1353-W, 1354-W (T)
Schedule No. PR-9CM Construction & Other Temporary Meter Service	1158-W
Schedule No. 14.1 Water Shortage Contingency Plan	1233-W through 1238-W
Schedule No. LC Late Payment Charge	848-W
Schedule No. UF Surcharge to Fund PUC Reimbursement Fee	1334-W
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No. 3 Application for Service	345-W, 916-W
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No. 5 Special Information Required on Forms	798-W through 800-W
No. 6 Establishment and Re-establishment of Credit	347-W
No. 7 Deposits	1014-W, 1161-W
No. 8 Notices	1136-W, 802-W
No. 9 Rendering and Payment of Bills	1097-W through 1100-W
No. 10 Disputed Bills	609-W, 610-W
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No. 12 Information Available to Public	353-W, 354-W
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(continued)