



December 6, 2024

ADVICE LETTER NO. 1456

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

California-American Water Company ("California American Water") (U210W) hereby submits for review this advice letter, including the following tariff sheets, attached hereto, which are applicable to its Northern Division.

**Purpose and Background:**

This advice letter is being filed to update the franchise fee for the County of Sacramento.

California American Water's tariff currently authorizes California American Water to include a surcharge of 2% of gross revenues on each Sacramento County customer bill. California American Water recently determined that a surcharge of 2% on all Sacramento County customer bills was incorrect and more than the amount California American Water was/is required to remit to the County of Sacramento. As a result, California American Water ceased collecting the Sacramento County franchise fee as of November 25, 2024. Additionally, California American Water intends to provide an appropriate bill credit to customers to return the amounts billed in excess of what was/is owed to the County of Sacramento. California American Water will file a tier 1 advice letter seeking authorization to implement customer credits within 60 days of this filing.

Additionally, to further address the issue described above, California American Water requests updating the franchise fee from 2% of gross annual receipts to 1% of gross annual receipts effective January 1, 2025.

**Request:**

California American Water requests that the Sacramento County franchise fee be updated effective January 1, 2025.

**Tier Designation:**

This advice letter is submitted pursuant to General Order No. 96-B and is designated as a Tier 1 filing.

**Effective Date:**

California American Water requests an effective date of January 1, 2025.

**Notice and Service List:**

This is a Tier 1 advice letter that does not require customer notification, as provided in Water Industry Rule 7.3.1 of General Order 96-B. 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 transmitted electronically to competing and adjacent utilities and other utilities or interested parties having requested such notification. ***Please note that this advice letter will only be distributed electronically.***

**Response or Protest**<sup>1</sup>

Anyone may respond to or protest this advice letter. When submitting a response or protest, **please include the utility name and advice letter number in the subject line.**

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<sup>2</sup> are:

1. The utility did not properly serve or give notice of the AL;
2. The relief requested in the AL 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 AL contain material error or omissions;
4. The relief requested in the AL is pending before the Commission in a formal proceeding; or
5. The relief requested in the AL requires consideration in a formal hearing, or is otherwise inappropriate for the AL process; or
6. The relief requested in the AL 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.)
7. A protest may not rely on policy objections to an AL where the relief requested in the AL follows rules or directions established by statute or Commission order applicable to the utility. A protest shall provide citations or proofs where available to allow staff to properly consider the protest.

DWA must receive a response or protest via email (**or** postal mail) within 20 days of the date the AL is filed. When submitting a response or protest, **please include the utility name and advice letter number in the subject line.**

The addresses for submitting a response or protest are:

**Email Address:**

[Water.Division@cpuc.ca.gov](mailto:Water.Division@cpuc.ca.gov)

**Mailing Address:**

CA Public Utilities Commission  
Division of Water and Audits  
505 Van Ness Avenue  
San Francisco, CA 94102

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<sup>1</sup> G.O. 96-B, General Rule 7.4.1

<sup>2</sup> G.O. 96-B, General Rule 7.4.2

On the same day the response or protest is submitted to DWA, the respondent or protestant shall send a copy of the protest to California American Water at:

**Email Address:**

[leana.ramirez@amwater.com](mailto:leana.ramirez@amwater.com)

[cathy.hongola-baptista@amwater.com](mailto:cathy.hongola-baptista@amwater.com)

[jonathan.morse@amwater.com](mailto:jonathan.morse@amwater.com)

**Mailing Address:**

520 Capitol Mall, Suite 630  
Sacramento, CA 95838

555 Montgomery Street, Suite 816  
San Francisco, CA 94111

520 Capitol Mall, Suite 630  
Sacramento, CA 95838

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform DWA, 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.

**REPLIES**

The utility shall reply to each protest and may reply to any response. Any reply must be received by DWA within five business days after the end of the protest period, and shall be served on the same day on each person who filed the protest or response to the AL.

The actions requested in this advice letter are not now the subject of any formal filings with the California Public Utilities Commission, including a formal complaint, nor action in any court of law.

This filing will not cause the withdrawal of service, nor conflict with other schedules or rules.

If you have not received a reply to your protest within 10 business days, please contact Leana Ramirez at (916) 568-4279.

CALIFORNIA-AMERICAN WATER COMPANY

*/s/ Leana Ramirez*

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Leana Ramirez  
Business Support Specialist

**Cal P.U.C.  
Sheet No.**

**Title of Sheet**

**Cancelling  
Cal P.U.C.  
Sheet No.**

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XXXXX-W

Schedule No. ND-1  
Northern Division Tariff Area  
GENERAL METERED SERVICES  
Sheet 6

11009-W

Schedule No. ND-1

Northern Division Tariff Area

GENERAL METERED SERVICES

**NORTHERN DIVISION TARIFF AREA (Continued)**

SPECIAL CONDITIONS

General Items

**All Northern Division**

1. Qualifying low-income customers can receive a discount on their bill. Customers must apply with the Company for acceptance into the low-income program. For additional details, please see Tariff Schedule CA-CAP.
2. Multi-Use Customers (formerly Residential Fire Protection Service "R.F.P.S.") are assessed a surcredit as listed on tariff schedule CA-Multi-Use.
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

**Sacramento, Meadowbrook, and Larkfield Tariff Areas**

1. Pursuant to Decision D. 21-11-018 and in accordance with the Preliminary Statement, the Annual Consumption Adjustment Mechanism (ACAM) pilot provides for an annual adjustment to California American Water Northern Division District rates based on the 12-month actual consumption ending September 30th of the prior year.

**Fruitridge Vista Service Area**

1. Fruitridge Vista Flat Rate applies to a service connection not larger than one inch in diameter.
2. If the utility so elects, a meter shall be installed, and water served under Schedule ND-1 Fruitridge Vista General Metered Service.

Fees and Surcharges

**All Northern Division**

1. All bills are subject to the reimbursement fee set forth in Schedule No. UF.
2. A surcharge for the Customer Assistance Program (CAP) is applied to each California American Water customer bill. Please refer to tariff CA-FEES for charges and details.
3. A surcharge is included on each bill to collect franchise taxes and/or business license fees paid to various municipalities. The amount collected is based on a percentage of gross revenues of each bill. The percentage is 1.00% to Sacramento County and 2.00% to Placer County, City of Rancho Cordova, and Larkfield Sonoma County respectively. (R), (T)
4. Per Advice Letter 1442 and D.21-11-018 a surcharge of \$0.0014 per cgl will be collected from metered customers for the 2019 General Rate Case interim rate true-up. Flat rate customers in Fruitridge Vista will be charged a flat surcharge of \$0.27 per month. The surcharges will be collected over 12 months beginning upon approval of Advice Letter 1442.

(Continued)

(TO BE INSERTED BY UTILITY)		ISSUED BY	(TO BE INSERTED BY C.P.U.C.)	
Advice	1456	S. W. OWENS	Date Filed	<u>December 6, 2024</u>
Decision		SR. DIRECTOR - Rates & Regulatory	Effective	_____
			Resolution	_____

**NORTHERN DIVISION SERVICE LIST**  
**CALIFORNIA-AMERICAN WATER COMPANY**

**BY MAIL:**

Robert A. Ryan, Jr. County of Sacramento Downtown Office 700 H Street, Suite 2650 Sacramento, CA 95814	Walt Shannon 8356 Auberry Drive Sacramento, CA 95828  State of California, Dept. of Health Services Safe Drinking Water State Rev Fund Program Attn: Chief, Safe Drinking Water 1616 Capitol Mall, MS 7418 Post Office Box 997413 Sacramento, CA 95899-7413	Carol Smith 6241 Cavan Drive, 3 Citrus Heights, CA 95621  Mark Norris, County Clerk-Recorder County of Sacramento 600 8th Street Sacramento, CA 95814
Steven J. Thompson 5224 Altana Way Sacramento, CA 95841	Fruitridge Vista Water Company P.O. Box 959 Sacramento, CA 95812	Robert C. Baptiste 9397 Tucumcari Way Sacramento, CA 95827-1045
Anthony La Bouff, County Counsel Placer County 175 Fulweiler Avenue Auburn, CA 95603	Rio Linda Water District 730 L Street Rio Linda, CA 95673	State of California, Dept. of Water Resources Safe Drinking Water Office, Room 804 Attn: Program Manager Post Office Box 942836 Sacramento, CA 94236-0001
Sacramento County WMD 827 7th Street, Room 301 Sacramento, CA 95814	Mario Gonzalez 111 Marwest Commons circle Santa Rosa, CA 95403	California Water Service Co Redwood Valley District 14034 Armstrong Woods Rd Guerneville, CA 95446
Maria D. Duddy 2184 Teakwood Ct. Hollister, CA 95023	Penngrove/Kenwood Water Co 4984 Sonoma Hwy Santa Rosa, CA 95409	Henry Nanjo Department of General Services Office of Legal Services, MS-102 PO Box 989052 West Sacramento, CA 95798-9052
Citrus Heights Water District 6230 Sylvan Road Citrus Heights, CA 95610 <a href="mailto:rchurch@chwd.org">rchurch@chwd.org</a>	Edward W. O'Neill Davis Wright Tremaine LLP 505 Montgomery Street San Francisco, CA 94111-6533	Sacramento Suburban Water District 3701 Marconi Avenue, Suite 100 Sacramento, CA 95821-5303
<b><u>BY E-MAIL:</u></b>	City of Sacramento, Water Division 1391 35th Avenue Sacramento, CA 95822 <a href="mailto:utilities@cityofsacramento.org">utilities@cityofsacramento.org</a>	Marvin Philo 3021 Nikol Street Sacramento, CA 95826 <a href="mailto:mhphilo@aol.com">mhphilo@aol.com</a>
Hilary Straus, General Manager Citrus Heights Water District 6230 Sylvan Road Citrus Heights, CA 95610 <a href="mailto:hstraus@chwd.org">hstraus@chwd.org</a>	Amy Van, City Clerk City of Citrus Heights 6237 Fountain Square Drive Citrus Heights, CA 95621 <a href="mailto:avan@citrusheights.net">avan@citrusheights.net</a>	Jim McCauley, Clerk-Recorder Placer County 2954 Richardson Drive Auburn, CA 95603 <a href="mailto:skasza@placer.ca.gov">skasza@placer.ca.gov</a>

**NORTHERN DIVISION SERVICE LIST**  
**CALIFORNIA-AMERICAN WATER COMPANY**

Florin County Water District  
P.O. Box 292055  
Sacramento, CA 95829  
[fcwd@sbcglobal.net](mailto:fcwd@sbcglobal.net)

Richard Rauschmeier  
California Public Utilities Commission  
DRA - Water Branch, Rm 4209  
505 Van Ness Ave  
San Francisco, CA 94102  
[rra@cpuc.ca.gov](mailto:rra@cpuc.ca.gov)

Susan Sommers  
City Of Petaluma  
P.O. Box 61  
Petaluma, CA 94953  
[suesimmons@ci.petaluma.ca.us](mailto:suesimmons@ci.petaluma.ca.us)

Madera LAFCO  
2037 West Cleveland Avenue  
Madera, CA 93637  
[etmeasurement@maderacounty.com](mailto:etmeasurement@maderacounty.com)

Yvonne Zepeda, City Clerk  
City of Isleton  
P.O. Box 716  
Isleton, CA 95641  
[Yvonne.zepeda@cityofisleton.com](mailto:Yvonne.zepeda@cityofisleton.com)

Office of Ratepayer Advocates  
505 Van Ness Avenue  
San Francisco, CA 94102  
California Public Utilities Commission  
[dra\\_water\\_al@cpuc.ca.gov](mailto:dra_water_al@cpuc.ca.gov)

Dana McRae, County Counsel  
County of Santa Cruz  
701 Ocean Street, Room 505  
Santa Cruz, CA 95060  
[dana.mcrae@co.santa-cruz.ca.us](mailto:dana.mcrae@co.santa-cruz.ca.us)

Deborah Mahler, Deputy Director  
Madera Fire District  
200 West Fourth Street  
Madera, CA 93637  
[deborah.mahler@maderacounty.com](mailto:deborah.mahler@maderacounty.com)

Placer County Water Agency  
144 Ferguson Road  
Auburn, CA 95603  
Customer Service Department  
[customerservices@pcwa.net](mailto:customerservices@pcwa.net)

Heather Hernandez  
Sacramento Suburban Water District  
3701 Marconi Avenue, Suite 100  
Sacramento, CA 95821-5303  
[HHernandez@sswd.org](mailto:HHernandez@sswd.org)

Tim & Sue Madura  
411 Firelight Drive  
Santa Rosa, CA 95403  
[suemadura@sbcglobal.net](mailto:suemadura@sbcglobal.net)