



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: \$0.00 million (0.0%) above authorized 2017 revenues
- 2019*: \$0.05 million (1.7%) above authorized 2018 revenues
- 2020*: \$0.05 million (1.6%) 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 - \$3,116,375

Authorized Rate Design Changes:

- 10% more revenue from monthly service charge
- 13.6% less consumption
- Phased consolidation with Sacramento 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
5/8-inch	\$16.04	\$17.68 (10.2%)	\$17.66 (-0.1%)
3/4-inch	\$24.06	\$26.52 (10.2%)	\$26.49 (-0.1%)
1-inch	\$40.10	\$44.20 (10.2%)	\$44.15 (-0.1%)
Water Usage Quantity Rate			
Tier 1 0 to 7 Ccf	\$5.5666	\$7.2341 (30.0%)	\$7.2245 (-0.1%)
Tier 2 7+ to 14 Ccf	\$6.3984	\$7.8207 (22.2%)	\$7.8103 (-0.1%)
Tier 3 14+ to 33 Ccf	\$8.3088	\$11.1289 (33.9%)	\$11.1141 (-0.1%)
Tier 4 Over 33 Ccf	\$10.8774	\$14.4683 (33.0%)	\$14.4491 (-0.1%)

Excluding CPUC fee, City Tax, surcharges and refunds, an average residential customer with a 5/8-inch meter using 9 ccf (1 ccf = 748 gallons) every month will see an increase in their monthly bill from \$67.80 in 2017 to \$83.96 in 2018. The same bill is estimated to be \$83.85 in 2019 resulting in an overall 23.7% rate increase over 2 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>

