



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 Require 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: \$2.74 million (4.90%) above authorized 2017 revenues
- 2019*: \$1.36 million (2.31%) above authorized 2018 revenues
- 2020*: \$1.27 million (2.18%) 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 - \$1,584,566

Authorized Rate Design Changes:

- Consolidation of Monterey satellite systems with Monterey Main

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	2018	2019	2020
5/8-inch	\$12.94	\$13.04 (0.8%)	\$13.32 (2.2%)
3/4-inch	\$19.41	\$19.56 (0.8%)	\$19.99 (2.2%)
1-inch	\$32.35	\$32.60 (0.8%)	\$33.31 (2.2%)
Water Usage Quantity Rate			
Tier 1 0 to 12 Ccf	\$4.4867	\$4.5176 (3.2%)	\$4.6161 (2.2%)
Tier 2 12+ to 18 Ccf	\$7.4779	\$7.5294 (3.2%)	\$7.6935 (2.2%)
Tier 3 18+ to 115 Ccf	\$8.9735	\$9.0353 (3.2%)	\$9.2323 (2.2%)
Tier 4 Over 115 Ccf	\$13.0863	\$13.1764 (3.2%)	\$13.4636 (2.2%)

Excluding CPUC fee, City Tax, surcharges and refunds, an average residential customer with a 5/8-inch meter using 5 ccf (1 ccf = 748 gallons) every month will see a base monthly bill of \$35.37 in 2018. The same bill is estimated to be \$35.63 in 2019 and \$36.40 in 2020, resulting in an overall 10% 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>

