



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: \$0.37 million (1.00%) above authorized 2017 revenues
- 2019*: \$0.65 million (1.73%) above authorized 2018 revenues
- 2020*: \$0.65 million (1.70%) 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 - \$37,351,683

Authorized Rate Design Changes:

- 13% more revenue from Tier 1 consumption

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	2020
5/8-inch	\$10.04	\$8.55 (-14.8%)	\$8.90 (4.1%)	\$9.05 (1.7%)
3/4-inch	\$15.05	\$12.83 (-14.8%)	\$13.35 (4.1%)	\$13.58 (1.7%)
1-inch	\$25.10	\$21.38 (-14.8%)	\$22.25 (4.1%)	\$22.63 (1.7%)
Water Usage Quantity Rate				
Tier 1 0 to 12 Ccf	\$3.7759	\$4.3182 (14.36%)	\$4.3717 (1.2%)	\$4.4460 (1.7%)
Tier 2 12+ to 24 Ccf	\$4.8411	\$4.9806 (2.9%)	\$5.0423 (1.2%)	\$5.1280 (1.7%)
Tier 3 24+ to 40 Ccf	\$6.4388	\$6.6093 (2.7%)	\$6.6911 (1.2%)	\$6.8048 (1.7%)
Tier 4 Over 40 Ccf	\$9.4891	\$9.7749 (3.0%)	\$9.8960 (1.2%)	\$10.0642 (1.7%)

Excluding CPUC fee, City Tax, surcharges and refunds, an average residential customer with a 5/8-inch meter using 18 ccf (1 ccf = 748 gallons) every month will see an increase in their monthly bill from \$84.40 in 2017 to \$90.25 in 2018. The same bill is estimated to be \$91.61 in 2019 and \$93.17 in 2020, resulting in an overall 10.4% 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/K251/25251101.pdf>
- To obtain information on the Commission's General Rate Case Process, go to:
<https://www.cpuc.ca.gov/General.aspx?id=6442461381>

