



San Jose
Water
Company

110 W. Taylor Street
San Jose, CA 95110-2131

April 25, 2019

California Public Utilities Commission
Water Division
505 Van Ness Avenue
San Francisco, CA 94102

Re: Response to Comments - Advice Letter No. 532

To Whom It May Concern:

In compliance with General Order (GO) 96-B, General Rule 7.4.3, San Jose Water Company (SJWC) hereby responds to protests and customer comments to its Advice Letter No. 532 (AL 532). Below, SJWC responds to the protests of the Public Advocates Office, the City of San Jose (San Jose) and the City of Monte Sereno (Monte Sereno), and to issues raised in customer correspondence.

On March 29, 2019, SJWC filed AL 532 with the California Public Utilities Commission (Commission) requesting authorization for SJWC to recover the \$9,020,356 balance accumulated in its Water Conservation Memorandum Account (WCMA) during the period January 1, 2018 through December 31, 2018. The tariffs implementing the requested surcharge in AL 532 were submitted pursuant to GO 96-B as a Tier 3 advice letter.

GO 96-B, General Rule 7.4.2, provides that an advice letter may be protested only on the following grounds:

- (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;
- (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).

SJWC notes that AL 532 clearly specified that these were the only proper grounds for protest.

I. REPLY TO PUBLIC ADVOCATES OFFICE

A. The Relief Requested in AL 532 Would Not Result in SJWC Exceeding its Authorized Rate of Return.

The requested WCMA balance of \$9,020,356 in AL 532 is calculated as the difference between actual sales and the adopted sales based upon Commission-adopted forecasts of fixed and variable costs in SJWC's General Rate Case.¹ In its protest, Public Advocates Office objects to the fact that the balance is measured based on Commission-adopted forecasts of fixed costs rather than actual fixed costs.² Public Advocates Office then claims that "authorizing recovery of the \$9,020,356 requested in AL 532-W would result in SJWC exceeding its authorized rate of return and must be deemed unreasonable."³ These contentions are incorrect for two reasons.

First, the calculation of the WCMA balance submitted in the current AL 532 applies the same methodology used, reviewed and approved by the Water Division and the Commission in two previous advice letter recoveries, first in Commission Resolution W-5071 (2014 WCMA balance) and then in Commission Resolution W-5095 (2015 WCMA balance), and also in allowing recovery of the 2016 and 2017 balances in D.18-11-025, which adopted the partial settlement between SJWC and Public Advocates Office.⁴ Moreover, the calculation methodology is expressly specified in SJWC's Tariff Preliminary Statement, Section I regarding the WCMA, as approved by the Commission in Resolution W-5071, effective March 3, 2014.⁵ Therefore, the distinction Public Advocates Office posits between forecasted and actual fixed costs is irrelevant to SJWC's entitlement to recover the balance in the WCMA.

Second, Public Advocates Office's argument misconstrues the pro-forma earnings test specified by Standard Practice U-27-W. The pro-forma earnings test results submitted as Attachment C to the advice letter follow the Water Division's longstanding methodology for pro-forma earnings test calculations. According to that methodology, the revenue for the pro-forma earnings test (which is the guiding metric) is based upon the use of the actual number of customers, multiplied by the authorized level of usage, multiplied by the actual base rates in effect at the end of the year. Therefore, the pro-forma earnings test already incorporates the recovery of fixed costs that were not actually recovered by SJWC. Thus, the after the fact recovery of the shortfall (*i.e.*, the \$9,020,356 balance for which recovery is requested in AL 532) will not impact the pro-forma earnings test for

¹ AL 532, Attachment A (workpapers showing calculations).

² Public Advocates Office Protest, p. 2.

³ Public Advocates Office Protest, p. 2.

⁴ SJWC acknowledges that settlement agreements are not precedential.

⁵ SJWC Tariff, Cal. P.U.C. Sheet No. 1700-W, effective March 3, 2014.

SJWC. Instead, as shown in the pro-forma earnings tests results in Attachment C to AL 532, the normalized, pro-forma earned rate of return is equal to the authorized rate of return of 7.64%.

What Public Advocates Office is proposing here by applying an earnings test based on recorded earnings (as opposed to pro-forma earnings) is akin to the long-defunct earnings test adopted in D.03-06-072, but later eliminated in D.06-04-037.⁶ The Commission moved away from using an earnings test based on recorded earnings in D.06-04-037 due to the adoption of the Rate Case Plan for Class A Water Utilities by D.04-06-018 (subsequently revised in D.07-05-062), which holds utilities to a three-year rate case cycle. Additionally, the Commission noted that the implementation of the D.03-06-072 test undermines Public Utilities Code Section 456, which allows a water company to retain profit that it achieves through efficient operation between rate cases.⁷ Instead, the Commission has since relied on the pro-forma earning test described above.⁸

The Public Advocates Office provides no support for its contention that the Commission should deviate from its long-established practice and from the methodology previously employed for the WCMA balanced calculation. The Commission should reject Public Advocates Office's claims as erroneous and misplaced.

B. SCVWD Continues to Request Water Use Reduction Targets and the State Water Resource Control Board Has Made Several Water Use Restrictions Mandatory.

The section of SJWC's preliminary statement providing for the WCMA states that the WCMA "shall remain in effect until the wholesaler declares the water shortage is over and the mandatory conservation mandates are ceased."⁹ In its protest, Public Advocates Office argues that "For the period of January 1, 2018 to December 31, 2018 that SJWC used to calculate the balance requested in AL 532-W, the declared drought emergency was over and mandatory conservation measures were not in effect."¹⁰ In support of its argument, Public Advocates Office cites to a news release issued January 25, 2017 by SCVWD, SJWC's water wholesaler.¹¹

⁶ D.06-04-037, p. 10, Order Paragraph 2.

⁷ *Id.*, citing Pub. Util. Code Section 456 ("Nothing in this part shall be construed to prohibit any public utility from profiting, to the extent permitted by the commission, from any economies, efficiencies, or improvements which it may make, and from distributing by way of dividends, or otherwise disposing of, such profits.").

⁸ *See also* Standard Practice, U-27-W, p. 27 ("The pro-forma (or ratemaking) rate of return differs from the recorded rate of return in that the revenues and expenses are normalized for weather. In addition, the pro-forma return reflects the most current expense and tariff rate changes in effect.").

⁹ SJWC Tariff, Cal. P.U.C. Sheet No. 1700-W, effective March 3, 2014.

¹⁰ Public Advocates Office Protest, p. 3.

¹¹ *Id.*, p. 3 fn. 7 citing www.valleywater.org/news-events/news-releases/water-board-continues-water-reduction-target.

Public Advocates Office misreads the SCVWD press release, which in fact states that the water wholesaler had voted to continue its call for water use reductions of 20 percent compared to 2013 water use. The release states that “While statewide and local conditions have improved significantly, the board emphasized that dry conditions could return, and the community’s water savings achievements should be continued.” It is clear from the SCVWD statement that while various conditions were improved, water shortage overall was nonetheless continuing. The relevant portion of the adopted SCVWD Resolution reads:¹²

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District calls for: (i) a water use reduction target equal to 20 percent of 2013 water use; (ii) a restriction on outdoor watering of ornamental landscapes or lawns with potable water to a maximum of three days a week (odd numbered and no addresses may water on Mondays, Thursdays and Saturdays; even numbered addresses may water on Tuesdays, Fridays and Sundays); and (iii) local enforcement of the water waste prohibitions currently in effect by the State Water Resources Control Board, or as may be amended; commencing February 1, 2017.

Thus, as summarized in AL 532, “The SCVWD continues to request a water use reduction target of 20% of 2013 usage from all of its retailers, while the State Water Resource Control Board has made several water use restrictions mandatory.”¹³

Therefore, the water shortage as declared by SCVWD was on-going and the water waste prohibitions mandated by State Water Resources Control Board were in effect during the period relevant to AL 532 and remain in effect today.

Public Advocates Office also alleges that “On February 1, [2017], SJWC requested and the Commission authorized suspension of mandatory conservation measures” citing to SJWC’s AL 505, filed on January 27, 2017 with an effective date of February 1, 2017.¹⁴ This too is misleading. In AL 505, SJWC clearly explained that “San Jose Water Company (SJWC) requests authority from the California Public Utilities Commission (CPUC) to suspend its allocation program and all drought surcharges provided for in Schedule 14.1: Water Shortage Contingency Plan with Staged Mandatory Reductions and Drought Surcharges. However, Schedule 14.1, and all of the water use restrictions defined therein, will remain in effect. SJWC furthered explained that “as indicated the drought is not over and water use reduction is still essential, so it is necessary to maintain Schedule 14.1, and the water use restrictions described therein, for the foreseeable

¹² SCVWD Resolution 17-08 (January 31, 2017) (emphasis added), *available at* <https://scvwd.legistar.com/LegislationDetail.aspx?ID=2947847&GUID=DE554ABF-6570-48E0-9F06-46F6C80D3C32&Options=&Search=>

¹³ AL 532, p. 3.

¹⁴ Public Advocates Office Protest, p. 3.

future.” Therefore, the water use restrictions specified in Schedule 14.1 were never suspended as Public Advocates Office claims.

In summary, all the arguments presented in Public Advocates Office’s protest should be rejected as contrary to fact.

II. REPLY TO THE CITY OF SAN JOSE

A. AL 532 is Consistent with the Tier 3 Advice Letter Process Established by the Commission.

San Jose accuses SJWC of improperly requesting rate increases outside of the General Rate Case process. SJWC vehemently rejects the notion that it is circumventing the Commission’s procedures. Rather than presenting a valid protest of AL 532, this argument instead reflects San Jose’s misunderstanding of the Commission’s ratemaking processes. As explained below, the submission of AL 532 to the Commission is entirely consistent with the advice letter process established by the Commission.

San Jose argues generally that advice letters circumvent the general rate setting process and suggests that the relief requested in AL 532 is not appropriately granted through the Commission’s advice letter process.¹⁵ San Jose cites arguments made by the Public Advocates Office in the General Rate Case (not any actual rule or determination formally made by the Commission) that the 2016 and 2017 WCMA balance should be resolved in SJWC’s General Rate Case in proceeding A.18-01-004.¹⁶ San Jose then describes the partial settlement agreement between SJWC and Public Advocates Office that was adopted in D.18-11-025.¹⁷ San Jose then argues that the recovery of the 2018 WCMA balance sought in AL 532 “should require a more formal hearing and public process than an advice letter...”¹⁸ These contentions fail for a number of reasons.

First, the Commission’s rules provide that, “Unless the Commission expressly provides otherwise, [adoption of a settlement] does not constitute approval of, or precedent regarding, any principle or issue in the proceeding or in any future proceeding.”¹⁹ Therefore, the inclusion of the 2016 and 2017 WCMA balances in the partial settlement agreement has no precedential effect as to whether the 2018 WCMA balance may be recovered through the advice letter process.

Second, SJWC could not have known what its 2018 WCMA balance was when it submitted its General Rate Case application in proceeding A.18-01-004, filed in January 2018, before any of the undercollections had occurred. Even if SJWC had attempted to supplement the record in that proceeding with information about the 2018 WCMA

¹⁵ San Jose Protest, pp. 2-4.

¹⁶ *Id.*, pp. 2-3.

¹⁷ *Id.*, p. 3.

¹⁸ *Id.*, p. 4.

¹⁹ Rule 12.5 of the Commission’s Rule of Practice and Procedure.

balance, it would only have had a few months' worth of data, and only for the early winter and spring months that typically have lower water usage. Therefore, consideration or recovery of the 2018 WCMA balance in the 2018 General Rate Case was not possible.

Thirdly, the tariff provisions approved by the Commission for the Water Conservation Memorandum Account in SJWC's Preliminary Statement, Section I, Subsection 5 regarding disposition specifically states that:

"If the accumulated balance for the WCMA exceeds 2% of the total authorized revenue requirement for the prior calendar year, the Company will file an advice letter to amortize the balance." Thus, the Commission specifically **requires** SJWC to file an advice letter to amortize the balance.

Lastly, the current version of the WCMA has appeared in the preliminary statements of SJWC's tariffs since 2014. SJWC has tracked balances annually since that time and has repeatedly recovered WCMA balances via past advice letter filings.²⁰ In adopting the partial settlement agreement in D.18-11-025, the Commission did not direct SJWC to remove the WCMA from its tariffs, nor has the Commission ever so directed. Furthermore, neither the settlement nor the Commission's decision indicated that SJWC's recovery of future WCMA balances was limited to the general rate case process. As the tariff was still effective through the period relevant for AL 532, it is unclear why San Jose believes that "there is no indication that SJW would seek an additional charge for a 2018 WCMA."²¹ Therefore, this argument should be rejected.

In summary, SJWC's filing of AL 532 is compliant with the advice letter process established by the Commission in GO 96-B. The Tier 3 advice letter process specifically provides, among other things, for "Memorandum Account amortization."²² The request for relief in AL 532 is made in the manner required by the Commission's Standard Practice U-27-W.²³ SJWC is not requesting any procedural exemption for AL 532 from the requirements of GO 96-B or any other applicable Commission rule or order. Instead, it has complied with all applicable requirements. Therefore, the Commission should reject San Jose's protest made on that basis.

For the reasons stated above, the Commission should deny San Jose's request to require a more formal process than the Tier 3 advice letter process for consideration of SJWC's request to recover the 2018 balance in its WCMA.

²⁰ Resolution W-5071, *Order Authorizing Surcharges to Recover \$4,258,794 or, an Increase of 1.5% in Annual Metered Revenue, for Lost Revenues Due to Mandatory Conservation*, December 3, 2015; Resolution W-5095, *Order Authorization Surcharges to Recover \$7,667,713 or, An Increase of 2.57% in Annual Metered Revenue, for Lost Revenues Due to Mandatory Conservation*, April 21, 2016.

²¹ San Jose Protest, p. 4.

²² GO 96-B, Water Industry Rule 7.3.3(7).

²³ See AL 532, p. 1 ("Pursuant to the Commission's Standard Practice U-27-W, recovery of the accumulated balance is requested via a 12-month quantity based surcharge of \$0.1960 per ccf on all potable water usage as the balance is greater than 2% but less than 5% of SJWC's current annual authorized revenue requirement of \$376,180,000.")

B. Explanation of Customer Rate Impact of AL 532

San Jose alleges that “SJW has not shown that the AL 532 is reasonable.”²⁴ In support of that allegation, San Jose cites to a summary of customer bill impacts included in D.18-11-025 and an explanation of those customer bill impacts on SJWC’s website.²⁵ San Jose objects that it is unable to replicate the calculation of customer bill impacts presented by SJWC.²⁶

As a preliminary point, as stated above, the rate changes approved by the Commission in D.18-11-025 and implemented effective January 1, 2019 through the filing and acceptance of AL 528 are not validly challenged in a protest to AL 532. Nor do San Jose’s concerns about the estimation of customer bill impacts from D.18-11-025 constitute valid grounds for protest to AL 532.

Nevertheless, SJWC provides the following explanation in an effort to assist San Jose with understanding how the customer bill impacts of the rate changes following D.18-11-025 were calculated. Rate impacts are calculated at a point in time within the rate case proceeding when appropriate. For example, SJWC’s 2018 GRC application sought a rate increase based on 2017 water rates since it takes many months to prepare the application in advance of a January 4, 2018, filing. As the rate case is processed, changes to rates during the period will invariably impact the filing. In 2018 alone and after the GRC application was submitted, there were three (3) rate increases and two (2) rate decreases authorized by the Commission throughout the year. As such, the workpaper calculation for the rate case proceeding which concluded the 2019 rate impact to be 5.12% or \$4.32 for the typical residential customer with a 3/4-inch meter included only three of the five rate changes. By the time we filed AL 528 in on December 6, 2018, all rate impacts were then known and considered.

Next, San Jose states that “SJW’s Public Notice for AL 532 again references the typical customer with a ¾ inch meter using 11 ccfs per month, if this request is granted would see an increase of \$2.19 or 2.26% per month.”²⁷ San Jose then argues that, “without an accurate understanding of the rate method used to calculate the impact on the typical customer, it is impossible to determine AL 532’s actual impact.”²⁸ This is a fatally flawed argument. The average customer bill impact of AL 532 is stated therein and on SJWC’s public notice for AL 532. There is no authority for San Jose’s implication that its inability to understand how the impact was calculated is grounds to reject AL 532. Nevertheless, SJWC provides the following explanation in an effort to assist San Jose with understanding how the customer bill impacts of AL 532 were calculated.

²⁴ San Jose Protest, p. 4.

²⁵ *Id.*

²⁶ *Id.*

²⁷ *Id.*, p. 5.

²⁸ *Id.*

The current typical residential customer with a 3/4-inch meter consumes 11 ccfs per month. Using this data, the bill impact stemming from AL 532 were determined by taking the difference between a fully burdened bill (all surcharges) and one with the addition of the WCMA collection. As shown below, the typical residential customer will see an increase of \$2.19 or 2.26% per month. Please note that San Jose's Utility Users Tax of 5%, which is collected and remitted to the City of San Jose, is not included in this calculation because it only impacts San Jose customers and not others in other municipalities served by SJWC.

	1/1/2019 AL 528A		AL 532			
CCF	11		11			
3/4 inch meter charge	39.5	39.5	39.5	39.5		
0-3	3.1951	\$9.59	3.1951	\$9.59		
4-18	4.7975	\$38.38	4.7975	\$38.38		
over 18	6.3951	\$0.00	6.3951	\$0.00		
WRAP	1.45	1.45	1.45	1.45		
SRF I	0.04	0.04	0.04	0.04		
SFR II	0.02	0.02	0.02	0.02		
19 GRC Balancing Account	0.2961	3.2571	0.2961	3.2571		
19 GRC Memo Account	0.2933	3.2263	0.2933	3.2263		
2018 WCMA Surcharge	0	<u>0</u>	0.196	<u>2.156</u>		
Subtotal		\$95.46		\$97.61		
PUC Fee	1.40%	<u>\$1.34</u>	1.40%	<u>\$1.37</u>		
Total Bill Fully Burdened		<u>\$96.80</u>		<u>\$98.98</u>	\$2.19	2.26%

San Jose's uncertainty as to how the customer bill impacts are calculated are misplaced and do not form a valid basis to protest AL 532. As stated above, GO 96-B states that for protests to be made on the grounds that "the relief requested in the advice letter is unjust, unreasonable, or discriminatory ... a protest may not be made where it would require relitigating a prior order of the Commission."²⁹ The relief requested in AL 532 follows the rules and directions established by Commission orders. San Jose's protest based upon the customer bill impact must be rejected as it would require relitigating of the prior orders of the Commission establishing the WCMA and the methodology for recovery of under-collected costs.

For the reasons stated above, the Commission should also deny San Jose's request for "additional time to review PAO's response or protest to AL 532."

²⁹ GO 96-B, p. 13.
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III. REPLY TO THE CITY OF MONTE SERENO

A. SJWC's Earlier Rate Increases Were Implemented In Accordance With Commission Orders

Monte Sereno argues that the relief requested in AL 532 is “unjust, unreasonable, or discriminatory.”³⁰ In support of this argument, Monte Sereno cites to recent increases in rates previously approved by the Commission in November 2018 through its adoption of the partial settlement agreement in D.18-11-025.³¹ Implementation of those rate changes was the subject of SJWC’s earlier AL 528, filed by SJWC on December 6, 2018. AL 528 was accepted by the Commission on December 28, 2018. Therefore, to the extent that Monte Sereno is objecting to the earlier rate changes implemented by AL 528, a protest here to AL 532 is not a valid manner of challenging the earlier relief requested—and already approved—in AL 528.

As indicated above, GO 96-B allows for protests to be made on the grounds that “the relief requested in the advice letter is unjust, unreasonable, or discriminatory,” but “such a protest may not be made where it would require relitigating a prior order of the Commission.”³² “[A] protest may not rely on policy objections to an advice letter where the relief requested in the advice letter follows rules or directions established by statute or Commission order applicable to the utility.”³³ This requirement for valid protests is illustrated with the example provided therein: “Where the Commission has approved a rate change, an advice letter submitting tariff sheets in compliance with the Commission order approving the rate change is not subject to protest on the grounds that the rates are unjust, unreasonable, or discriminatory.”³⁴ As the earlier SJWC rate changes cited by Monte Sereno were specifically approved by the Commission in D.18-11-025, a protest here to those rates changes on the grounds that the rates are unjust, unreasonable, or discriminatory is invalid.

B. The Relief Requested in AL 532 Follows Directions Established By Commission Order Applicable to SJWC

Monte Sereno also alleges that “In addition, with Advice Letter 532, SJWC is proposing to once again increase water rates because, they believe, that they need to recover \$9M of under-collection due to water conservation measures established by the State of California and the SCVWD.”³⁵ Monte Sereno argues that “Customers should not carry the burden of making SJWC’s revenue ‘whole’ when the water sales were grossly miscalculated to begin with.”³⁶

³⁰ Monte Sereno Protest, p. 1.

³¹ *Id.* (bulleted paragraphs 1-2).

³² GO 96-B, General Rule 7.4.2.

³³ *Id.*

³⁴ *Id.*

³⁵ Monte Sereno Protest, pp. 1-2.

³⁶ *Id.*, p. 2.

As stated above, GO 96-B provides that a protest may not rely on policy objections to an advice letter where the relief requested in the advice letter follows rules or directions established by Commission order. The Commission has determined that the WCMA mechanism is appropriate in coordination with increasing water conservation activities or mandatory water use restrictions and conservation required by outside governmental agencies or entities and the methodology was authorized in D.90-08-055 and D.91-10-042. The unrecovered fixed cost recovery requested in AL 532 is calculated based on the WCMA methodology as approved by the Commission in Resolution W-5071 on December 3, 2015.³⁷ Accordingly, the relief requested in AL 532 follows the “rules or directions established by Commission order.” Therefore, Monte Sereno’s arguments regarding the impact of AL 532 on customer rates constitute policy objections that are invalid as grounds upon which a protest may be lodged.

With respect to Monte Sereno’s allegation that “water sales were grossly miscalculated to begin with,” the relevant water sales forecasts resulting in SJWC’s customer rates were previously approved by the Commission.³⁸ These rates were based on the best available information at the time, using a methodology accepted by the Commission. Furthermore, the under-collection at issue in AL 532 was a result of water conservation measures established by the State of California and the Santa Clara Valley Water District (SCVWD). Monte Sereno’s objection to those previously approved sales forecasts does not constitute a valid basis for protest to AL 532.

IV. REPLY TO CUSTOMER RESPONSES

In addition to the protests from the Public Advocates Office, San Jose, and Monte Sereno, SJWC also received correspondence from customers in response to AL 532. A significant number of these communications used identical or near-identical language.

The comments received raised largely the following points:

- The relief requested in AL 532 is unjust and unreasonable.
- The rate increases implemented pursuant to D.18-11-025 or other earlier decisions are unjust and unreasonable.
- SJWC does not deserve any increase in rates until a thorough investigation and audit of SJWC is completed.

As explained above, the relief requested in AL 532 is consistent with Commission orders authorizing SJWC to implement the WCMA and applies the Commission-approved methodology for calculating the appropriate recovery. Additionally, the criticism of rate increases made pursuant to D.18-11-025 and the claims regarding the investigation and audit of SJWC are not valid grounds for protests and are outside the scope of the relief requested in AL 532.

³⁷ SJWC AL 532, p. 4. The WCMA calculations are provided in Attachment A to AL 532.

³⁸ See D.16-06-004 (approving partial settlement agreements adopting water sales forecasts).

In addition to covering the points described above, SJWC received a response alleging without support or any explanation that (1) “SJWC did not properly serve, or give notice of the advice letter,” (2) “The relief requested in the advice letter would violate statute, or CPUC order, or is not authorized by statute, or CPUC order on which SJWC relies,” and (3) “The analysis, calculations, or data in the advice letter contain material error, or omissions.” It is unclear from this response what the basis was for any of those assertions. SJWC complied with the Commission’s requirements regarding service and notice and based its calculations on the Commission’s established methods. SJWC objects to each of these vague and unsupported allegations.

SJWC received one response that the “quantity surcharge requested is far too low” and instead recommending a larger surcharge be implemented to “more fairly distribute the fixed costs to the heaviest water users” rather than “increasing the base service charge every year.” This response is outside the scope of the valid grounds for protest specified in GO 96-B and concerns rate design issues not at issue in AL 532.

SJWC also received one mailed response to AL 532 without a return address stating, “How much did it cost to print this notice in Spanish? America is an English speaking country.” SJWC vehemently objects to this response and is committed to meeting the Commission’s goals of providing the public equal access to information.

V. CONCLUSION

As required under GO 96-B General Rule 7.4.3, SJWC is filing this response within 5 business days of the after the end of the protest period and is serving this response on each person who provided comments for whom an address is available. As discussed above, the arguments raised in the protests to AL 532 are without merit. SJWC respectfully requests that the Commission deny the protests and approve AL 532 as filed, without modification.

Sincerely,

A handwritten signature in blue ink, appearing to read 'John B. Tang', with a stylized flourish at the end.

John B. Tang, P.E.
Vice President of Regulatory Affairs

cc: Rowena Turner, Mayor, City of Monte Sereno
Colleen D. Winchester, Sr. Deputy City Attorney, City of San Jose
Ana Marie Johnson, Program Manager, Public Advocates Office

bcc: AL 532 correspondents