

## NOTICE OF ADVICE LETTER FILING 1416-A

### Filing to Acquire West San Martin Water Works, Inc.

### ADVICE LETTER 1416-A

#### WHY AM I RECEIVING THIS NOTICE?

On September 26, 2023, California American Water Company (California American Water) submitted Advice Letter 1416 to the California Public Utilities Commission (“CPUC”). It now submits Advice Letter 1416-A, a supplement to the original Advice Letter. Approval of this Advice Letter is expected to increase your bill.

#### WHAT CALIFORNIA AMERICAN WATER REQUESTS?

- Advice Letter 1416-A asks the CPUC to approve California American Water’s acquisition of West San Martin Water Works, Inc.’s (“West San Martin Water”) potable water distribution system and service of its customers. West San Martin Water is in southern Santa Clara County.
- The acquisition would add approximately 309 customer connections to California American Water’s existing connections and is expected to create greater economies of scale and synergies.

#### HOW COULD THIS AFFECT MY WATER BILL?

Neither California American Water nor West San Martin Water customers are expected to see any rate or bill impacts until 2027. California American Water has requested a portion of the purchase price for West San Martin’s system be included in its General Office costs and recovered from all of its customers. As described below, if approved, this would result in an approximately 0.11% cost of service increase to all California American Water customers. California American Water would address consolidation of West San Martin Water customers for ratemaking purposes in a future general rate case (“GRC”). California American Water expects to file its next GRC in 2025, for rates to take effect in 2027. You will receive notice of the GRC proceedings.

If California American Water’s pending advice letter request is approved by the CPUC, the average residential bill with a 5/8” meter with average residential usage would increase by \$0.09 or 0.056% per month.

COMPARISON OF TOTAL RESIDENTIAL BILL PER CUSTOMER PER MONTH BASED ON CURRENT AUTHORIZED RATES					
District	Avg Res Usage (CGL*) <sup>(1)</sup>	Pre-Acquisition Total Bill <sup>(2)</sup>	Post-Acquisition Forecasted Total Bill	\$ Increase	% Increase
Sacramento	78.30	\$65.10	\$65.13	\$0.03	0.056%
Fruitridge	78.30	\$70.90	\$70.94	\$0.04	0.056%
Larkfield	60.47	\$81.40	\$81.44	\$0.04	0.056%
Dunnigan WW	N/A	\$41.96	\$41.98	\$0.02	0.056%
Meadowbrook	120.94	\$61.38	\$61.42	\$0.04	0.056%
Monterey	34.83	\$117.48	\$117.55	\$0.07	0.056%
Central Satellites	82.91	\$121.20	\$121.27	\$0.07	0.056%
Chualar	117.19	\$45.52	\$45.55	\$0.03	0.056%
Monterey Wastewater - Active	N/A	\$146.16	\$146.25	\$0.09	0.056%
Monterey Wastewater - Passive	N/A	\$93.15	\$93.20	\$0.05	0.056%
Ventura	92.68	\$100.96	\$101.02	\$0.06	0.056%
LA - Duarte	106.69	\$98.92	\$98.97	\$0.05	0.056%
LA - Baldwin Hills	89.06	\$87.79	\$87.83	\$0.04	0.056%
LA - San Marino	121.95	\$113.28	\$113.34	\$0.06	0.056%
San Diego	56.70	\$78.91	\$78.95	\$0.04	0.056%
West San Martin	113.56	\$72.44	\$72.48	\$0.04	0.056%

\*CGL=100 gallons

(1) This number is based on residential usage per customer per month listed in A.22-07-001.

(2) Total bill based on rates from Advice Letters 1404 & 1406.

(3) Bill impacts are presented as monthly comparison; however, flat rate residential customers are billed on a semi-annual basis. Applicable surcharges are estimated based on location.

## HOW DOES THE REST OF THIS PROCESS WORK?

This Advice Letter will be reviewed by staff in the Water Division of the CPUC who will determine if the request is reasonable and determine if modifications are necessary.

## PROTESTS AND RESPONSES TO ADVICE LETTER 1416-A

The deadline to protest this advice letter is January 22, 2024, as it will take up to 45 days to provide notices in bill inserts. Please include “**Advice Letter 1416-A**” in any response or protest you submit.

The reasons for the protest can be one of the following:

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 CPUC order, or is not authorized by statute or CPUC 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 CPUC 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 re-litigating a prior order of the CPUC).

If you would like to submit a protest or response about this advice letter, please write to:

California Public Utilities Commission  
Water Division, 3rd Floor  
505 Van Ness Avenue, San Francisco, CA 94102  
Email: **Water.Division@cpuc.ca.gov**

On the same date the response or protest is submitted to the Water Division, the respondent or protestant shall send a copy by mail (or email) to California American Water at the following address:

**Email Address:**  
ca.rates@amwater.com

**Mailing Address:**  
520 Capital Mall, Suite 630  
Sacramento, CA 95814

## WHERE CAN I GET MORE INFORMATION?

Customers with internet access may view and download California American Water's advice letter on California American Water's website by visiting [californiaamwater.com](http://californiaamwater.com). If you have technical issues accessing the documents through the website, please email [Jonathan.Morse@amwater.com](mailto:Jonathan.Morse@amwater.com) for assistance and reference Advice Letter 1416-A in your email.

To request a hard copy of California American Water's Advice Letter, or to obtain more information about the Advice Letter from California American Water, please write to:

California American Water  
Advice Letter 1416-A  
520 Capital Mall, Suite 630  
Attention: Jonathan Morse  
[Jonathan.Morse@amwater.com](mailto:Jonathan.Morse@amwater.com)