

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



June 1, 2023

John Tang
Vice President of Regulatory Affairs
San Jose Water Company
110 West Taylor Street
San Jose, CA 95110-2131

Dear Mr. Tang,

The Water Division of the California Public Utilities Commission has approved San Jose Water Company's Advice Letter No. 595, filed on May 3, 2023, regarding authorization to Establish a Lead and Copper Rule Revisions Memorandum Account.

Enclosed are copies of the following revised tariff sheets, effective May 3, 2023, for the utility's files:

P.U.C. Sheet	
No.	Title of Sheet
2252-W	Preliminary Statement (Continued), CC. Lead and Copper Rule Revisions Memorandum Account (LCRRMA)
2253-W	Table of Contents

Please contact Eustace Ednacot at ERE@cpuc.ca.gov or 415-703-1492, if you have any questions.

Thank you.

Enclosures

PRELIMINARY STATEMENT
(Continued)

CC. Lead and Copper Rule Revisions Memorandum Account (LCRRMA)

1. **Purpose**

The purpose of the LCRRMA is to track for potential future recovery any incremental expenses and carrying costs on capital investments incurred by San Jose Water Company (SJWC) that are required to comply with the United States Environmental Protection Agency's (EPA) Lead and Copper Rule Revisions (LCRR) that are not otherwise covered in SJWC's authorized rates.

2. **Applicability**

SJWC expects to incur expenses related to incremental operations and maintenance (O&M) costs, and carrying costs on capital investments that may be required. Costs may include but are not limited to the following:

- Development of service line material inventories for each of SJWC's water systems;
- Preparation of Lead Service Line Replacement (LSLR) Plans for each system;
- Replacement of service lines (if necessary);
- Preparation of a Standard Operating Procedure (SOP) for the development and ongoing maintenance of the customer service line inventories;
- Development of sampling plans for lead and copper compliance monitoring at the taps of customers, daycares and schools for each system;
- Development of school and child care facility inventories for all SJWC's systems, and reparation for and the cost of sampling in these facilities; and
- Preparation of messaging for public education and customer notifications.

3. **Accounting Procedure**

The LCRRMA does not have a rate component.

- a. A debit entry shall be made to the LCRRMA to record the costs described above in Section 2 (Applicability)
- b. Interest shall accrue to the LCRRMA on a monthly basis by applying a rate equal to one twelfth of the 3-month Commercial Paper Rate, as reported in the Federal Reserve Statistical Release, to the average of the beginning-of-month and end-of balances.
- c. A debit entry equal to the revenue of each capital expenditure at SJWC's authorized rate of return and related expenses (including return, income taxes, ad valorem tax, depreciation, and other taxes and fees).
- d. A credit entry to transfer all or portion of the balance in the LCRRMA to other adjustment clauses for future rate recovery, as may be approved by the CPUC.

4. **Effective Date**

The LCRRMA shall go into effect on the effective date of Advice Letter 595.

5. **Disposition**

Disposition of amounts recorded in the LCRRMA shall be determined in SJWC's next General Rate Case.

(To be inserted by utility)

Issued by

(To be inserted by Cal. P.U.C.)

Advice No. 595

JOHN TANG

Date Filed 05/03/2023

Vice President,

Effective 05/03/2023

Dec. No. _____

Regulatory Affairs

Resolution No. _____

TITLE

TABLE OF CONTENTS

The following listed tariff sheets contain all effective rates, rules and regulations affecting the rates and service of the Utility, together with information relating thereto:

Subject Matter of Sheet	C.P.U.C. Sheet No.
Title	1495-W
Table of Contents	2253-W, 2161-W and 2251-W (C)
Preliminary Statement	919-W, 1303-W, 2032-W, 2212-W, 2213-W, 2035-W, 2058-W, 2037-W, 2214-W, 2040-W, 2041-W, 2215-W, 2087-W, 2244-W, 2155-W 2216-W, 2217-W, 2237-W, 2252-W (C)
Service Area Map Locator	1266-W
Service Area Map Locator, Index	2101-W
Map of Areas with Special Pressure and FireFlow Conditions	2116-W
Index to Map of Areas With Special Pressure and FireFlow Conditions	1079-W, 2117-W 1082-W, 1087-W and 1404-W
Rate Schedules:	
Schedule No. 1, General Metered Service	2225-W, 2176-W and 2238-W
Schedule No. 1B, General Metered Service With Automatic Fire Sprinkler System	2226-W, 1741-W, 2183-W, 2239-W, 2227-W, 1952-W, 1884-W and 2184-W, 2240-W
Schedule No. 1C, General Metered Service Mountain District	2228-W and 2187-W
Schedule No. 4, Private Fire Service	1118-W and 1094-W
Schedule No. 9C, Construction and Other Temporary Metered Service	152-W 2131-W, 2132-W, 2133-W
Schedule No. 10R, Service to Employees	2134-W, 2149-W, 2136-W, 2137-W
Schedule No. 14.1 Water Shortage Contingency Plan with Staged Mandatory Reductions and Drought Surcharges	2138-W, 2139-W, 2146-W 2229-W, 2203, 2241-W, 2230-W, 2242-W
Schedule No. RW, Raw Water Metered Service	2234-W
Schedule No. RCW, Recycled Water Metered Service	
Schedule No. UF, Surcharge to Fund Public Utilities Commission, Reimbursement Fee	2248-W and 2056-W
Schedule No. CAP, Customer Assistance Program	
List of Contracts and Deviations	2246-W and 2103-W
Rules:	
No. 1 - Definitions	2064-W and 2065-W
No. 2 - Description of Service	525-W
No. 3 - Application for Service	2143-W, 2144-W
No. 4 - Contracts	352-W
No. 5 - Special Information Required on Forms	2066-W, 2067-W and 2068-W-W
No. 6 - Establishment and Re-establishment of Credit	354-W
No. 7 - Deposits	355-W and 356-W
No. 8 - Notices	2069-W, 2070-W and 2017-W
No. 9 - Rendering and Payment of Bills	2188-W, 2189-W and 2190-W

(Continued)

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