

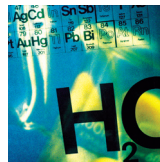
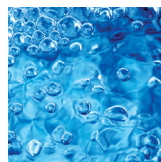
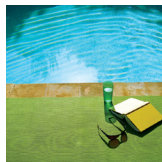
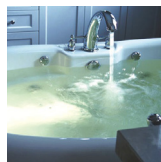
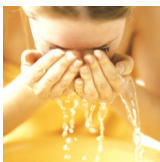


California
Water
Association

Working Together.
Achieving Results.

California Water Association Small Company Instruction Modules

IM-01: Generic Preparation of Advice Letters



CWA ADVICE LETTER INSTRUCTION MODULE

Instruction Manual (IM)-01: GENERIC PREPARATION OF ADVICE LETTERS

September 8, 2013

I.) PURPOSE AND SCOPE:

- 1.) The purpose of this IM is to tell you how to prepare an advice letter (AL) to go with the workpapers and tariff sheets you have already created using the other IMs in this series.
- 2.) The scope of this IM includes the preparation and processing of a typical AL.

II.) NECESSARY DOCUMENTS:

- 1.) CWA recommends that you obtain and read the following documents prior to the preparation of your AL:

Step 1

- a) Read **General Order (G.O.)-96 B, General Rules and Water Industry Rules.**

Available from:

http://docs.cpuc.ca.gov/PUBLISHED/GENERAL_ORDER/164747.htm

Note: A General Order is a standing Commission Order that applies to more than one utility.

Step 2

- b) Read **Standard Practice (SP) U-8-W**, "Creating and Processing Water and Sewer System Advice Letter Filings and Resolutions and Maintaining Tariffs"

Available from: <http://docs.cpuc.ca.gov/published/REPORT/83103.htm>

- 2.) You will also need the following:

Step 3

- a) Obtain a copy of the Workpapers and Tariff Sheets you have already created using another IM.

Step 4

- b) Obtain a blank Advice Letter Cover Sheet (ALCS). (See IV. B below.)

Available from: <http://www.cpuc.ca.gov/NR/rdonlyres/B45033DA-5E6A-4370-B6C6-1E6907D115EE/0/AdviceLetterCoverPage.pdf>

Step 5

- c) Create an updated copy of your Advice Letter Service List (ALSL).
 Note: The ALSL will normally contain contact information for:
- a) nearby similar utilities (water or sewer, both regulated and unregulated),
 - b) other utilities that have requested notification,
 - c) the city, if the service includes customers within the city limits,
 - d) the county in which service is being rendered and
 - e) any individuals or groups who have requested service for that particular type of advice letter.

Specific ALs will also be served as follows:

- a) Requests for acceptance of contiguous service area extensions shall be served on the county Local Area Formation Commission.
- b) Service under Contract or deviation shall be served on all contracting parties.ⁱ

III.) **STEP –BY-STEP PROCEDURES:**

a. **Writing the Advice Letter**

A-1.) Your AL will consist of:

- 1) a **Salutation** section,
- 2) a **List** of new tariff sheets, and existing tariff sheets that are being cancelled, if any,
- 3) a **Summary** section that concisely describes what the advice letter is seeking to do,
- 4) a **Background** section describing what events led up to the filing including prior Commission actions that apply,
- 5) an optional **Discussion** section justifying the filing in light of its background and explaining why it is in the public interest for the Commission to do what the AL asks,
- 6) a **Requested Tier**, Effective Date, and Impact section,
- 7) a **Notice and Protests** section that describes the method of AL notice and customer notice and may contain boilerplate language regarding the filing of Protests and Responses from G.O. 96-B,
- 8) a **Signature** section. The AL must be signed by an officer of the company authorized to represent the company before the Commission, or that person's delegate, and
- 9) a List of **Attachments**.

A-2.) Preparing your Advice Letter generally:

- 1) Use an already filed AL as an example, if possible. Example ALs are available from Class A (and some Class B) utility web sites (class As must post all active ALs.) If you find an existing AL that is trying to do what you are trying to do with yours, just use that AL, modified as necessary. If not, use these instructions to prepare one yourself. Staff will work with you to correct your AL or help you prepare an AL supplement if the original AL that you file is deficient.

- 2) The following example AL shows the Sections

Example Advice Letter

_____ Water (or Sewer) Company

Address, City, State ZIP

_____ County

Advice Letter No. _____

U# _____

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

_____ Water (or Sewer) Company hereby transmits for filing the following changes in its tariff schedules which are attached hereto:

Cal. P.U.C. Sheet No.	Title of Sheet	Schedule No	Cancelling Sheet No
-W	General Metered Service	1	-W
-W	Flat Rate Service	2	-W
-W	Facilities Fees	F	-W
-W	Table of Contents	None	-W

The present rates became effective on ____ pursuant to Resolution W-____, which authorized an offset (CPI) rate increase of \$____ or ____%.)

The last general rate case (GRC) increase became effective____, 20__ pursuant to Resolution W-____, which authorized a general rate increase of____ or ____%, and a rate of return of ____%.

These tariffs are submitted pursuant to Ordering Paragraph No.1 of Decision No. 92-03-093, dated March 31, 1992, Ordering Paragraph No.2 of Resolution (Res.) W-4493, dated September 2, 2004, or Ordering paragraph No. 1 of Res. W-4540, dated June 16, 2005. The decision and resolutions authorize Class B, C, and D water utilities and sewer utilities to file a request for a Consumer Price Index increase once a year by advice letter. The increase is to be passed on to the utility's customers in their quantity rate and service charge. Res. No. W-4658 authorized a similar filing for utilities who intend to file a GRC. The above referenced decision and resolutions authorize ____ Water (Sewer) Company to file the attached rate schedules and to concurrently withdraw and cancel its present schedules for such service.

Water (Sewer) Company requests permission to increase its revenues (based on increase to the present monthly quantity rate and service charge) by X.X%, the CPI-U for 2012. This projected revenue increase of \$ _____ will not result in a rate of return which exceeds the authorized rate of return of ____%. If _____ files a GRC then these rates shall be adjusted up or down as determined by the Commission for the 2013 year. _____ Water (Sewer) Company requests the new rates be effective January 1, 2013.

This filing will not cause withdrawal of service, nor conflict with any other schedule or rule.

Workpapers justifying this increase have been provided to the CPUC Division of Water and Audits staff.

This filing is made under the provisions of General Order No. 96-B.

As classified in General Order 96-B, Water Industry Rule 7.3.1 (4), this Advice Letter is Tier 1 effective upon filing.

The service list served by AL-XX has been noticed today by email or U.S. mail. The customers will be informed of the increase with the first billing which includes the surcharge, in accordance with G.O. 96-B, Water Industry Rule 3.2.

_____ Water (or Sewer) Company

By: _____

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Signature

Example Advice Letter

Attachments:

Advice Letter Cover Sheet

Tariff Sheets

Advice Letter Service List, or “The Advice Letter Service List is identical to that provided with AL #XX.”ⁱⁱ

“Earnings Test,” or “Workpapers," will be provided upon request”)

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a) Preparing the **Salutation**:

Step 6

- i. Put your Company information at the top

Start with a sheet of your company’s letterhead paper, (or create a letterhead in Word or Excel or other appropriate program.) Use the contact information from Page 3 of your Annual Report (AR). Include the U# from the AR Cover Page.

Note: You may put some of this identifying information in the header of each subsequent page of the AL, as well.

Step 7

- ii. Put the Date of Filing below the letterhead (left or right).

Note: The Date of Filing must be the same or later than the date you served a copy of the AL on any member of your ALSL. See below.

Step 8

- iii. Put “Advice Letter No. XX-W (or XX-SS)”ⁱⁱⁱ on the left after the date. Use your next unused advice letter number for each type of service.

Step 9

- iv. Put your CPUC Utility # below the Advice Letter Number.

- v. Add this line:

Step 10

“TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA”.

Step 11

- vi. Add this paragraph:

“Any Water Company, Inc. (Any Water) hereby transmits for filing the following changes in its tariff schedules and two copies of each are attached hereto:”

but change “Any Water Company, Inc.” to the name of your company, and chose a descriptive “(short name.)” Use the short name subsequently in the paragraphs of the AL.

Step 12

- b) List the new tariff sheets you are submitting in the format shown in the following example:

<u>Cal. P.U.C. Sheet No.</u>	<u>Title of Sheet</u>	<u>Schedule No.</u>	<u>Cancelling Cal. P.U.C. Sheet No.</u>
101-W	General Metered Service	1	92-W
102-W	Public School Metered Service	7M	New
103-W	Private Fire Protection Service (continued)	4	93-W
Cancelled	Surplus Water Hauling Schedule	9-MLZ	54-W
104-W	Table of Contents	None	100-W “

- i) Order the sheets in the order given in G.O. 96-B, General Rule 8.5. and Water Industry Rule 9.1 except the first page of the Table of Contents, which is always listed last and gets the highest sheet number.
- ii) You may ask the Division of Water and Audits (DWA) to number the sheets for you if you wish. If you chose to do that, leave all numbers, including existing sheet numbers, blank.
- iii) To assign your own new tariff sheet numbers, start in the upper left of the table with the number one higher that the sheet number on the first page of your most recently approved Table of Contents, and continue sequentially until all new sheets are numbered.

Note: The numbers to the right are the sheet numbers of the existing tariffs.

Note: If you are **creating a new tariff sheet**, put it in order on the list per i) above and number it sequentially. Put “New” or “Orig.” in the Cancelling Cal. PUC Sheet Number column. See “Public School Metered Service” in the list above for an example.

Note: If you are **cancelling an existing tariff sheet** (all replaced sheets are stamped “Cancelled” by DWA) and not putting a new one in its place, list the existing sheet in the table and put “Cancelled” as the new sheet number, See Surplus Water Hauling Schedule in the list above for an example.

Note: File all of your cancelled tariff sheets somewhere safe.

Step 13



c) Describe the Background

- i) Describe the historical ALs, Resolutions or Decisions that relate to this filing, such as:

“The last approved AL that changed rates was W-XXXX that requested a [CPI offset, Expense offset, Rate Base offset] of \$_____ or _____%.”

Note: This information is necessary because the requested rates are an increase over the rates in the tariffs attached to the last AL that increased rates. This information provides an audit trail for the changed tariff sheets.

“The last GRC was approved by Resolution No. W-XXXX, November XX, 20XX. The authorized Rate of Return on rate base (or Rate of Margin) was _____%.”

Note: This information is necessary to allow staff to quickly access the last GRC resolution and verify the rate of return if an earnings test is required.

- ii) Provide a similar description of any other document that relates to this filing. This information will allow staff to more expeditiously process the AL. Such as

“This AL supplement is being filed to request the rates authorized in Resolution W-XXXX, dated _____.”

- iii) Always add the following paragraphs at the bottom of this section:

“This filing is made under the provisions of General Order No. 96-B”

“This filing will not cause withdrawal of service, nor conflict with any other schedule or rule.”

Step 14



d) Write the Summary (see examples in each IM, but generically):

- i) Write a paragraph that explains what this advice letter is asking for.

“This advice letter requests a [Consumer Price Index (CPI), or General Rate Case (GRC), or Expense Offset, etc.] increase based upon [the 2012 CPI, or D.92-03-093, or Division of Water and Audit Standard Practice U-27-W, etc.]”

Note: Add other citations as appropriate to justify the request for a tariff change, or other actions you are proposing that need Commission approval.

ii) For a rate increase always include these paragraphs:

“The increase proposed by this advice letter will result in additional revenues of \$_____, or _____% over existing revenues.

“The average customer with a ¾ inch service connection will see an estimated increase in the service charge from \$_____ to _____ per month and an increase in the average cost of water to \$_____ per Ccf.”

Step 15



e) Write the Discussion

Here is where you explain what this AL does in more detail than the Summary. This section is most important in Tier 2 and Tier 3 advice letters, and should fully explain the justification and any calculations provided to convince the Commission that the request is in the public interest. If the Summary is adequate, don't use this section, and go directly to:

Step 16



f) Request a Tier, Effective Date, Impact, etc.

Tier designations were created by DWA to identify the method of disposition of the AL, as required by G.O. 96-B General Rule 7.6.1, Industry Division Disposition (Tiers 1 and 2), or General Rule 7.6.2, Disposition by Resolution (Tier 3.)

Note: You decide what Tier to file under.

You may always request a higher Tier for your filing. Do not request a lower than appropriate or your filing will be rejected.

On the other hand, the purpose of the Tiers was to allow for the minimum time and effort necessary for Commission review, by allowing staff to determine if something is in compliance (so long as the determination is “ministerial.”) Therefore staff may “downgrade a Tier 3 AL to Tier 2 if appropriate.

Note: G.O. 96-B, Water Industry Rules, Section 7.3 gives the Tier classifications for many types of ALs.

- i) File the AL as a **Tier 1** if it implements an existing Commission order. Tier 1 ALs are filed in “compliance” with an order, where the order tells you exactly what to file, or gives you a specific direction on how to do the calculations for the filing. Tier 1 AL tariffs are effective on the date filed unless a later date is requested by the utility.
- ii) File the AL as a **Tier 2** if it needs staff evaluation or input to determine if it is correct. A Tier 2 AL may involve a complicated calculation or

propose a new method of doing something that is consistent with Commission policy, but requires staff review to determine if the AL is proposing the best solution or is entirely correct. Tier 2 should also be used in lieu of Tier 1 if there is some question about whether the filing is actually in compliance with the Resolution or decision (e.g., if specific filing details were not provided in the order.) A Tier 2 filing is effective on the date determined by staff. That date may actually be any date on or after filing, or even before filing if the Commission order so allows. Unless there is a predetermined date, just ask that a Tier 2 filing be effective “as soon as possible.”

- iii) File the AL as a **Tier 3** if it needs Commission approval. A Tier 3 AL is required for all increases in rates, so it is “submitted for disposition by resolution.” The classic definition is “a change that would result in an increase to a rate or charge or a more restrictive term or condition, which change has been authorized by statute or by other Commission order to be requested by advice letter.” If you can’t fully justify Tier 1 or Tier 2, file the AL as a Tier 3. Staff may determine that it can be processed as a Tier 2 instead and will process it as a Tier 2. Ask for an effective date “upon Commission approval.”

Note: Always chose the higher Tier if you are not sure which Tier to use.

Note: If your request is for an action that is not authorized to be done by filing an AL, you will have to file an application.

- iv) Add the requested Tier and other appurtenant language to this section of the AL. For example:

“In accordance with G.O. 96-B, Water Industry Rule 7.3.3 (5), this advice letter is a Tier 3 filing effective upon Commission approval.”

If you have a specific **effective date**, for example, in order to comply with a commission order, or, for an offset, the date that the offsettable cost will change, specify that date.

“In accordance with Resolution No. W-XXXX, Any Water requests approval of this advice letter allowing these tariffs to become effective June 1, 20XX.”

So although the Commission allowed a utility to file the advice letter (Tier 1, compliance) it cannot be effective upon filing. It must be effective on June 1, 20XX.

- v) Also you must include the following paragraph or something like it:

“This filing will not cause the withdrawal of service, result in any deviations from any other approved rates or services, impose any

more or less restrictive conditions, or conflict with other schedules or rules.”^{iv}

Step 17

g) Describe the Notice process:

i) **Advice Letter Service List Notice.** You will always notice the advice letter by sending it to your ALSL before or on the same day that the AL is filed. Ask the members of your ALSL if they would be willing to accept notice by e-mail (or, if not, whether just a copy of the ALCS would be adequate, but continue to send them a copy of the AL until the Commission approves noticing by sending only the ALCS if the recipient approves.)

Note: Members of the ALSL who chose to protest or reply should be instructed to follow the rules about protests and replies (see G.O. 96-B language below):

ii) Include the following paragraph:

“A copy of this advice letter was mailed or electronically transmitted on _____ to competing and adjacent water utilities and nearby governmental agencies. A copy was also served on other utilities and interested parties that have requested such service. A copy of the service list is attached.”

or

“The Service List is the same as that attached to AL # XXXX.”

Where XXXX is the number of an AL that has the same service list as this one. If you use this method, you may remove the ALSL from the list of attachments and not send the ALSL to the service list members. If anyone asks for a copy of the ALSL; however, you must provide it under the same conditions as providing the AL.

iii) Or if you have the capability of posting your advice letter, attachments and workpapers to a web site, say instead:

“This document is available for viewing at (insert the URL). Addressees on the service list have been so informed.”

iv) Send an e-mail or letter to all addressees on the ALSL providing them a copy of the AL with the ALCS and the ALSL or its reference, or the URL. Do not serve a copy of the workpapers (if any).

v) **Provide Customer Notice (if required):** Describe how you have provided proper notice to your customers. Advice Letters that neither raise rates nor result in a diminishment of service now or later do not require customer notice, unless so directed by staff, and your advice

letter language should so state. Most compliance ALs (CPI, GRC Resolution, balancing account recovery) also do not require customer notice, because there is nothing for the customers to protest, but an informational notice must be provided by bill insert or bill annotation with the first bill that contains the increase, if the increase has not been noticed separately.

Note: Offset ALs that request less than a 10% increase in revenues may be noticed by a Legal Notice in a newspaper of local circulation. Include a copy of the notice in your filing. If used, state the newspaper and date in this section.

Note: You may always notice your customers about any AL filing, even if no notice is required.

vi) Non-customer Notice:

Persons or other entities that are not on the AL Service List and are not customers of your utility shall be provided copies of the advice letter, attachments, and workpapers upon request. You may charge a reasonable amount for copying and mailing. Service by the Internet shall be at no charge.

Step 18

h) Add this Protest and Responses language to all of your ALs:

“Anyone may respond to or protest this advice letter. A response supports the filing and may contain information that proves useful to the Commission in evaluating the advice letter. A protest objects to the advice letter in whole or in part and must set forth the specific grounds on which it is based. These grounds are:^v

- (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 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;
- (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).

A protest shall provide citation or proofs where available to allow staff to properly consider the protest.

A response or protest must be made in writing or by electronic mail and must be received by the Division of Water and Audits within 20 days of the date this advice letter is filed. The address for mailing or delivering a protest is:

Tariff Unit, Division of Water and Audits, 3rd floor
California Public Utilities Commission
505 Van Ness Avenue, San Francisco, CA 94102
water_division@cpuc.ca.gov

On the same date the response or protest is submitted to the Division of Water and Audits, the respondent or protestant shall send a copy by mail or e-mail to Any Water Company, addressed to:

Ralph W. Any
123 Any St.
Any, CA 9XXXX

The protestant shall promptly provide a copy of the protest to anyone who requests a copy.^{vi}
Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform the Division of Water and Audits (see above) within the 20 day protest period so that a late-filed protest can be entertained. The informing document should include an estimate of the date the proposed protest might be voted on.

If the protestant believes that he Commission should hold an evidentiary hearing, the protest must expressly request and explain the need for an evidentiary hearing. The explanation must identify material disputed facts and say why a hearing must be held. Any right a protestant may otherwise have to an evidentiary hearing will be waived if the protestant does not follow this procedure.

The advice letter process does not provide for any responses, protests, or comments, except for the utility's reply, after the 20 day comment period.

Replies: The utility shall reply to each protest and may reply to any response. Each reply must be received by the Division of Water and Audits within 5 business days after the end of the protest period, and shall be served on the same day to the person who filed the protest or response.^{vii}

Step 19



i) Sign the AL

The advice letter must be signed by a company official authorized by the utility to sign advice letters. If that person has changed, file a revised copy of your Title Page with the name of the new signer. If utility staff or a consultant is signing the AL, put "for" before the official's name.

Any Water Company	Revised	Cal. P.U.C. Sheet No. _____
Any County	Cancelling Revised	Cal. P.U.C. Sheet No. _____
U# _____		

TARIFF SCHEDULES

APPLICABLE TO

WATER SERVICE

**Together with Information Affecting
Rates and Service**

of

ANY WATER COMPANY, INC
(Name of Utility)

P.O. Box 123
Any, CA 9XXXX
(Mailing Address)
(City or Town and County)

Operating In or Near
The unincorporated area including
Any Subdivision and vicinity,
Located approximately three miles south
of _____, _____ County
(City or Town and County)

Contact Person: Sally W. Any, Jr.
Mailing Address: _____

(if different from above)

Telephone: XXX-XXX-XXX
e-mail: anywater@aol.com

The effective tariff schedules of this utility, including the rates and rules herein, have been regularly filed with the Public Utilities Commission of the State of California. No officer, inspector, solicitor, agent, or employee of this utility has any authority to waive, alter, or amend these tariff schedules or any part thereof in any respect.

(To be inserted by utility)
Advice Letter No. _____

Issued by _____

(To be inserted by Cal. P.U.C.)
Date Filed: _____

NAME

Effective _____

Decision No. _____

Resolution No. _____

Step 20

j) List the Attachments

Always attach the Advice Letter Cover Sheet and Proposed Tariffs.^{viii} If you are serving an ALSL that has not already been used to serve a filed advice letter, include the Advice Letter Service List. Workpapers are attachments, but if they are voluminous, say that they will be provided upon request, they provide them within two business days if requested.^{ix} They must be provided to staff as described below, but are not normally served with the AL.

b. Annotating the Tariff Sheets (See the previous tariff sheet for an example)

B-1.) Header and Footer

Step 21

- a) On the left top make sure the utility’s name and address, or county served, and the Commission’s “U#” number of your utility appears on each sheet.^x

Step 22

- b) On the top right, make sure the sheet numbers match those in the second section of the AL (if you are numbering the sheets). Put the new number in the “Revised” or “Orig.” Cal. P.U.C. Sheet No.” space in the upper right hand corner of each new tariff sheet. Put “Revised” and the existing sheet number in the right hand space on the lower line.

Note: If you are creating a new tariff sheet, put “Original” in the space to the left of the “Cal. P.U.C. Sheet No.” in the upper right of the tariff sheet and the number from Section 2 in the right hand space. Leave the spaces on the lower line blank.

For example:

“	<u>Original</u>	Cal. P.U.C. Sheet No.	<u>274-W</u>
Canceling	<u>Revised</u>	Cal. P.U.C. Sheet No.	<u>“</u>

Note: If you are cancelling an “Orig.” sheet put “Orig.” in the left hand space on the lower line and the existing sheet number of the original sheet being revised in the lower right hand space.

For example:

“	<u>Revised</u>	Cal. P.U.C. Sheet No.	<u>289-W</u>
Canceling	<u>Original</u>	Cal. P.U.C. Sheet No.	<u>274-W ”</u>

Step 23

- c) At the bottom left of each tariff sheet, identify the document justifying the filing of this AL. For example, if the AL is filed in compliance with a Commission decision or resolution put the Decision or Resolution number in the Decision space at the bottom. If it is not a compliance filing, put “GO-96B” in the Decision space.
- d) Make sure that “Issued by” section has the correct name and title as the Title Sheet (1st Sheet in your Tariffs).

c. Preparing the Advice Letter Cover Sheet (ALCS)^{xi}



CALIFORNIA PUBLIC UTILITIES COMMISSION DIVISION OF WATER AND AUDITS Advice Letter Cover Sheet				(Date Filed / Received Stamp by CPUC)									
Advice Letter # 47 Associated with AL# 46 Associated with AL# Replacing AL#:		Date Mailed to Service List: 17-Feb-13 Authorization for Filing: D.92-03-093		Requested Effective Date: Upon Commission Approval Compliance Filing? <input type="checkbox"/> Yes <input type="checkbox"/> No		Requested Tier: <input type="checkbox"/> Tier 1 <input type="checkbox"/> Tier 2 <input type="checkbox"/> Tier 3 <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width: 10%;">Rate</td> <td style="width: 10%;">\$</td> <td>\$103,787.69</td> </tr> <tr> <td>Impact</td> <td>%</td> <td>20.20%</td> </tr> </table>		Rate	\$	\$103,787.69	Impact	%	20.20%
Rate	\$	\$103,787.69											
Impact	%	20.20%											
The public has 20 days from Date Mailed (above) to protest this advice letter. If you chose to protest or respond to the advice letter, send Protest and/or Correspondence within 20 days to:				Director Division of Water and Audits 505 Van Ness Ave. San Francisco, CA 94102									
and if you have email capability, also email to:				water_division@cpuc.ca.gov									
Your protest also must be served on the Utility				(see attached advice letter for more information and grounds for protest)									
Company Name: Any Water Company, Inc.					CPUC Utility Number:								
Address: 123 Any St.					WTA _____ WTB _____ WTC 123 WTD _____ SWR _____								
City, State, Zip: Any, CA 9XXXX													
Contact Name:		Phone No.		Email Address:									
Filer	Ralph W. Any	(123) 456-7890		ralph@anywater.com									
Alternate	Fred L. Curry	(415) 759-9244		flcurry@gmail.com									
Description: General Rate Case for Test Year 20XX.													
(FOR CPUC USE ONLY)													
WTS Budget/Activity/Type _____ / _____ / _____				Process as: <input type="checkbox"/> Tier 1 <input type="checkbox"/> Tier 2 <input type="checkbox"/> Tier 3									
				20th Day	30th day								
Project Manager:				Suspended on:									
Analyst:				Extended on:									
Due Date:				Resolution No.:									
Completion Date:				AL/Tariff Effective Date:									
GO-96B, General Rule 4.6													

- Step 24
 C-1.) Enter the advice letter number in the upper left space. Enter any pending ALs that affect the same tariffs as this advice letter in the space or spaces below. If this AL is replacing a withdrawn or rejected AL, enter that AL number.
- Step 25
 C-2.) Enter the latest date you mailed this AL to a member of the ALSL.
- Step 26
 C-3.) Enter the Decision or Resolution number in the Authorization for Filing block. If you are filing a new advice letter, enter "G.O. 96-B".
- Step 27
 C-4.) Enter the Requested Effective Date. If this is Tier 1 enter "Date filed" or the actual date you want the tariffs to be effective. Similarly with a Tier 2 filing, enter "Upon Staff Approval" or a specific date that you wish the tariffs to be effective. A Tier 3 AL will always be "Upon Commission Approval."
- Step 27
 C-5.) Enter your company information, including your U# from your AR cover, in the blocks provided. All information should be the same as your last accepted Annual Report, Enter the Contact Name and Alternate and contact information as appropriate.
- Step 28
 C-6.) Provide a description of the filing in adequate detail that a layperson who reads it can tell if he or she would like to review the actual AL.

d. Processing the Advice Letter

- Step 29
 D-1.) To file electronically, create a copy of your AL, ALCS, tariff sheets and ALSL (if applicable) in .pdf format, and email to the water_division@cpuc.ca.gov and to each recipient of your ALSL that has given you an e-mail address. Mail a printed copy of each to the rest. If you can post these documents to a web site, do so and send the ALSL recipients a notice of the posting with the URL of the web page. Once you have mailed or e-mailed the documents, you have met the filing requirements.
- Step 30
 D-2.) Mail a signed original and two copies of the AL with attachments and two copies of the workpapers (unless otherwise directed) to
- Tariff Unit
Division of Water and Audits
505 Van Ness Ave
San Francisco
CA 94102
- Step 31
 D-3.) Send a stamped self-addressed envelope and another copy of the ALCS to the Tariff Unit and request the Tariff Unit stamp the ALCS with the filed stamp and date and return it to you.

Step 32

- D-4.) If the filing is Tier 1, **charge the new rates starting five days after the date filed^{xii}**, unless you have requested a later effective date. If you sent your Tier 1 filing electronically, the date you sent it is your filed date. If not, your tariffs will be filed on the date the AL is received by the Commission. Once an AL is effective, it may not be withdrawn^{xiii}, but you may be directed to file an amendment, substitute (slip) sheet or, if your AL is rejected, a new AL or supplement that corrects your filed AL.

D-5.) The Tariff Unit will enter your AL information into a computer tracking system, and will then send your AL to a manager for assignment.

Step 33

- D-6.) Send an e-mail to water_division@cpuc.ca.gov requesting that you be informed of the name when an analyst is assigned.

D-7.) After 30 days if you don't get a Notice of Suspension, your Tier 1 filing is accepted. If you do get a Notice, it does not mean there is anything wrong with your AL. It simply means that staff needs more time to complete its review.

Step 34

- D-8.) Keep a written record of each Data Request from staff. You may request that a verbal data request be followed up in writing if you wish. Respond within 5 days of the date of the data request with the information requested or with a date when you will provide the information.

Note: If you believe that a data request is repetitive or onerous, contact the analyst's supervisor but continue to comply with the data request.

D-9.) Before the 30th day from filing you may get a **Notice of Suspension**. If Your AL does not raise rates or reduce service, and a notice of suspension is not issued, your AL becomes effective as filed on the 30th day from filing.^{xiv} If you do receive a Notice of Suspension, that does not mean that there is anything wrong with your AL, it simply means that it is taking longer than 30 days for the staff to review. The same thing may happen at the 120th day, at which time the suspension cannot be for longer than 6 months.^{xv}

D-10.) **Slip Sheet and Supplement Service**. If you are required to file a **slip sheet** replacing a page in your tariffs or the advice letter itself, to correct typographical, non-substantive errors, clarify language or request a later effective date, send copies to your ALSL.^{xvi} If you are required to file a **supplement** to your advice letter, you must process it as a new advice letter.

D-11.) **Workpapers Service**. Changes to the workpapers do not require service to the ALSL, but you must send a copy of the changed pages to anyone who protested or replied to the AL or who requested a copy of the workpapers. If the changes to the workpapers are so substantial as to require a supplement, send the supplement to anyone who requested a copy of the workpapers as well.

e. Processing Protests

Step 35

- E-1. A valid **protest** must be served on both your utility and the CPUC. If you get a letter or e-mail purporting to be a protest, review it for conformance with the directions in your AL. If it is not in conformance, ask your analyst what action you should take.

If it is in conformance, prepare a response but don't send it until after the 20 day protest period (from filing) has ended. Then send to the protestant and send a copy to DWA. **Keep** a list of the names and contact information with copies of all correspondence for all individuals filing protests and responses.

Step 36

- E-2. If you get a **request for a copy** of your AL or workpapers, send a copy for free to any of your customers or any member of your ALSL. If the requestor is not a customer or on your ALSL, you may charge the same amount the Commission's Central files charges for copies. Contact: central-files@cpuc.ca.gov.

f. Disposition

F-1. **Withdrawal.** You may withdraw a Tier 1 advice letter within five days of filing, a Tier 2 advice letter anytime before staff disposition and a Tier 3 filing anytime before the draft resolution has been placed on the Commission calendar. You must inform staff of the withdrawal by e-mail or letter and inform all members on the service list for the advice letter as well.

F-2. **Disposition by Staff.** If your AL is Tier 1 and became effective five days after filing ("Effective Pending Disposition"), or if it is to become effective later or is a Tier 2 filing, you will get a notice of the disposition after staff has reviewed it. Staff will post its approval or rejection on the Internet.^{xvii} If staff approves the AL, it will either notify you by e-mail or mail and will send you a copy of your AL with the effective date stamped on each tariff sheet.

If staff rejects your AL, file the tariff sheets with your withdrawn and cancelled tariffs and do not use the AL number or the tariff sheet numbers again.

F-3. **Disposition by Resolution.** Staff will try to create a Resolution that you agree with. If you have differences, you should not hesitate to discuss those differences with staff. If necessary, don't hesitate to ask to talk to the analyst's supervisor. You are the owner of the company, and you will be stuck with implementing the ordering paragraphs in the resolution, which have force of law on your water or sewer company. Do your best to not alienate staff, but if you really don't agree on important items, you can either request that staff prepare a second resolution that adopts what you want, or request review by the Supervisor, then the Program Manager, then by an Administrative Law Judge. If you chose the two-resolution method, staff will schedule both resolutions for the same Commission meeting. You may also request a meeting with the Commissioners (start with the "Water Commissioner), to explain your concerns prior to the Commission vote.

All proposed resolutions are required to be released to the public for 30 days before the Commission can vote on them.^{xviii}

F-4. Once the resolution is approved, immediately file an advice letter to adopt the ordering paragraphs in the resolution. Do not deviate from the Commission order. If you have any questions as to what constitutes compliance, contact staff and do as they recommend.

g. Publishing Tariffs.

G-1. Put your new tariffs in your Tariff Book binder in the order shown on your new Table of Contents. Put the old tariffs in another binder in sheet number order. Members of the public are allowed to inspect either of these tariff binders at any reasonable time. You may not ask them to disclose the nature of their interest.^{xix}

h. Requests for Modification

A resolution is a Commission order and may be appealed in the same manner as a Decision. Since the Commission decides regulatory issues, the only scope for appeal is Legal Error. If you chose this route, you will need an attorney to perform it properly.

ⁱ General Order (G.O.) 96-B, Water Industry Rule 3.2 (1).

ⁱⁱ G.O. 96-B page 7, General Rule 4.7 (8)

ⁱⁱⁱ G.O. 96-B, page 7 “General Rule 4.7 “(1) number the advice letter sequentially, beginning with No 1 for the first advice letter filed by the utility for each type of service rendered, followed by a letter designation for the type of service if the Industry Division so requires;”

^{iv} G.O. 96-B, page 7 General Rule 4.7 “(3) state whether any deviations would be created, service withdrawn from any present customer, or more or less restrictive conditions imposed;”

^v G.O. 96-B, page 12, General Rule 7.4.2

^{vi} G.O. 96-B, page 12, General Rule 7.4.1

^{vii}

^{viii} G.O. 96-B, page 7 “General Rule 4.7 (2) attach the tariff sheets (new or revised) showing the changes that would be made by the advice letter...”

^{ix} G.O. 96-B, page 7, General Rule 4.7 (6)

^x G.O. 96-B, General Rule 8.4.1 (1)

^{xi} G.O. 96-B, page 6 “General Rule 4.6 “Cover Sheet A utility filing an advice letter shall include with its advice letter a cover sheet...”

^{xii} G.O. 96-B Water Industry Rule 7.3.1 “Tier 1 The following advice letters are effective pending disposition...” and Water Industry Rule 7.2 (1) “A Compliance Advice Letter will become effective as specified in the applicable resolution or decision, or if not specified, five days after the date of filing.”

^{xiii} G.O. 96-B, page 14 General Rule 7.5.3

^{xiv} Public Utilities Code, Section 455., Paragraph 2: “All rates, classifications, contracts, practices, or rules not so suspended shall become effective on the expiration of 30 days from the time of filing thereof with the commission...”

^{xv} Public Utilities Code, Section 455. “Except as provided in Section 455.1, the period of suspension of the rate, classification, contract, practice, or rule shall not extend beyond 120 days beyond the time when it would otherwise go into effect unless the commission extends the period of suspension for a further period not exceeding six months.”

^{xvi} G.O. 96-B, General Rule 7.5.1 paragraph 3, in part: “A substitute sheet or supplement shall be filed and served in the same manner and on the same persons as the advice letter, plus any other persons who have filed a protest or response.”

^{xvii} G.O. 96-B, General Rule 7.6.1, paragraph 6, in part: “the Industry Division will report its disposition at the Commission’s Internet site.”

^{xviii} Public Utilities code Section 311 (g)

^{xix} G.O. 96-B, General Rule 8.1.1