



November 30, 2012

Advice Letter No. 274-E

(U 913 E)

## California Public Utilities Commission

Golden State Water Company ("GSWC"), on behalf of its Bear Valley Electric Service ("BVES") Division, hereby transmits for filing an original and three conformed copies of this advice letter with the California Public Utilities Commission ("Commission").

**SUBJECT: 2011 Annual Report on the California Alternate Rates for Energy ("CARE"), Low Income Energy Efficiency ("LIEE") Programs and the Public Purpose Program ("PPP")**

### **Purpose**

This Advice Letter reports to the Commission the results of BVES managed programs in CARE, LIEE and PPP for the year 2011.

### **Background**

On April 28, 2009, BVES filed Supplemental Advice Letter 229-EA. Advice Letter 229-EA was filed in compliance with Commission orders to place the CARE and LIEE program budgets and expenditures in a single Public Purpose Program surcharge (D.08-12-019); to adjust the California Energy Commission ("CEC") Renewable Energy Program surcharge (Resolution E-4160), and to credit customers for unencumbered renewable funds (Resolution E-4160). BVES also requested authority to establish balancing accounts to ensure that individual program funds and expenses are properly recorded and recovered.

Advice Letter 229-EA provided the PPP surcharges as follow:

Programs	Low Income Customers Surcharge (per kWh)	Other Than Low Income Customers Surcharge (per kWh)
CARE Program	\$ .00000 (0.0%)	\$ .00220 (0.467%)
LIEE Program	\$ .00190 (0.757%)	\$ .00190 (0.403%)
CEC Renewables	\$ .00020 (0.079%)	\$ .00020 (0.042%)
CEC RD&D	\$ .00041 (0.163%)	\$ .00041 (0.087%)
<b>TOTAL</b>	<b>\$ .00251</b>	<b>\$ .00471</b>

On May 27, 2009, the Director, Energy Division approved Advice Letter 229-EA effective June 1, 2009.

This advice letter complies with the requirements noted in Advice Letter 229-EA by providing to the Commission by March 1 of each year the disposition of the budgets and expenses of the CARE and LIEE programs and the CEC renewable energy program and research development and demonstration program ("RD&D").

- Attachment A provides the CARE balancing account for 2011, including the implementation of new rates effective January 1, 2011 and the allowable administrative costs of \$8,520 per year.
- Attachment B provides the LIEE balancing account for 2011, including the implementation of new rates effective January 1, 2011.
- Attachment C provides the balancing account for both the CEC renewable energy and RD&D surcharge programs, including the implementation of new rates effective January 1, 2011.

Due to its current GRC Application preparation and filing, BVES experienced a delay in gathering the data for this advice letter filing.

**Tier Designation**

This advice letter is submitted with a Tier 2 designation.

**Effective Date**

GSWC is requesting an effective date of December 29, 2012.

**Notice and Protests**

A protest is a document objecting to the granting in whole or in part of the authority sought in this advice letter.

A response is a document that does not object to the authority sought, but nevertheless presents information that the party tendering the response believes would be useful to the CPUC in acting on the request.

A protest must be mailed within 20 days of the date the CPUC accepts the advice letter for filing. The Calendar is available on the CPUC's website at [www.cpuc.ca.gov](http://www.cpuc.ca.gov).

A protest must state the facts constituting the grounds for the protest, the effect that approval of the advice letter might have on the protestant, and the reasons the protestant believes the advice letter, or a part of it, is not justified. If the protest requests an evidentiary hearing, the protest must state the facts the protestant would present at an evidentiary hearing to support its request for whole or partial denial of the advice letter. The utility must respond to a protest with five days.

**All protests and responses should be sent to:**  
California Public Utilities Commission, Energy Division  
ATTN: Tariff Unit  
505 Van Ness Avenue  
San Francisco, CA 94102  
E-mail: [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

Copies should also be mailed to the attention of the Director, Energy Division, Room 4004 (same address above).

**Copies of any such protests should be sent to this utility at:**  
Golden State Water Company  
ATTN: Nguyen Quan  
630 East Foothill Blvd.  
San Dimas, CA 91773  
Fax: 909-394-7427  
E-mail: [nquan@gswater.com](mailto:nquan@gswater.com)

If you have not received a reply to your protest within 10 business days, contact Nguyen Quan at (909) 394-3600 ext. 664.

**Correspondence**

Any correspondence regarding this compliance filing should be sent by regular mail or e-mail to the attention of:

Nguyen Quan  
Manager, Regulatory Affairs  
Golden State Water Company  
630 East Foothill Blvd.  
San Dimas, California 91773  
Email: [nquan@gswater.com](mailto:nquan@gswater.com)

The protest shall set forth the grounds upon which it is based and shall be submitted expeditiously. There is no restriction on who may file a protest.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Ng. Quan', with a stylized flourish at the end.

Nguyen Quan  
Manager, Regulatory Affairs

Cc: Edward Randolph, Director, CPUC – Energy Division  
Linda Serizawa, DRA  
Zenaida Tapawan-Conway, Energy Division  
Syreeta Gibbs, Energy Division

**ATTACHMENT A**

**TABLE III D.2 - 2011 BVES CARE EXPENSES**

CARE Program:	First Quarter Jan-March	Second Quarter April-June	Third Quarter July-Sept	Fourth Quarter Oct-Dec	YTD	Annual Budget	Percentage of Budget
<b>Outreach</b>							
Capitation Fees							
Applications/Inserts		\$1,182			\$1,182		
Media *							
Other Outreach <sup>(1)</sup>							
Other Outreach subsumed in GRC <sup>(5)</sup>	\$0	\$1,182	\$0	\$0	\$1,182		
<b>Subtotal Outreach</b>							
<b>Processing/Certification/Verification</b>							
Internal							
Outside Services <sup>(2)</sup>							
<b>Subtotal Processing/Certification/Verification</b>	\$0	\$0	\$0	\$0	\$0		
<b>General</b>							
Billing System/ Programming							
Consulting Services <sup>(3)</sup>	\$375		\$2,250		\$2,625		
Regulatory Compliance			\$1,847		\$1,847		
Travel							
Filings							
Labor Costs (including overhead) <sup>(4)</sup>							
Incremental							
Other general (please specify) <sup>(1)</sup>							
General costs subsumed in GRC (please specify) <sup>(5)</sup>							
<b>Subtotal General</b>	\$375	\$0	\$4,097	\$0	\$4,472		
<b>TOTAL PROGRAM COSTS (including costs subsumed in GRC)</b>	\$375	\$1,182	\$4,097	\$0	\$5,654		
<b>TOTAL PROGRAM COSTS (excluding costs subsumed in GRC)</b>	\$375	\$1,182	\$4,097	\$0	\$5,654		
<b>CARE Program Discount</b>	\$66,242	\$40,501	\$50,617	\$67,003	\$224,363		
<b>GRAND TOTAL PROGRAM COSTS (including costs subsumed in GRC) &amp; CUSTOMER DISCOUNTS</b>	\$66,617	\$41,683	\$54,714	\$67,003	\$230,017		
<b>GRAND TOTAL PROGRAM COSTS (excluding costs subsumed in GRC) &amp; CUSTOMER DISCOUNTS</b>	\$66,617	\$41,683	\$54,714	\$67,003	\$230,017	\$0	\$0

- (1) Other Outreach/General costs are defined as any direct costs that do not fall into the listed subcategories.
- (2) Outside services should include third party entity contracts to process applications and perform certification and verification activities.
- (3) Identify if consulting services are one time costs or ongoing and include a description of the provided services.
- (4) Ratepayer funded overhead is to include labor overhead only, pursuant to D. 89-09-044 and D. 01-05-033.
- (5) Outreach and general costs that are subsumed in the GRC and therefore excluded from CARE program budgets and applications.

Note: Estimated labor subsumed in general rate case application is not included in program budgets, per D.89-09-044 and D.01-05-033. However, they are reported here in order to provide a total picture of program costs.  
 \* Radio, TV, Print of general circulation.

#3 Consulting services for work on PY 2011 CARE Annual Report, Low-Income Application for 2012-2114, and program management. Corona Consulting Q1 Mark McNulty and Associates Q3 (hourly)  
 Regulatory compliance includes legal fees from Fulbright & Jaworski

**ATTACHMENT B**

TABLE VIII. A. - 2011 BVES ESA PROGRAM SUMMARY

LIEE EXPENDITURES	Jan-March	April-June	July-Sept	Oct-Dec	YTD	Budget	Percentage of Budget
<b>Program Costs</b>							
Weatherization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,663	0%
Appliance Replacement	\$ -		\$ 28,415	\$ 69,138	\$ 97,553	\$ 163,569	60%
Education, Assessment and Income Verification			\$ 5,156	\$ 9,025	\$ 14,181	\$ 13,418	106%
<b>Total Program Costs</b>	\$ -	\$ -	\$ 33,571	\$ 78,162	\$ 111,734	\$ 178,650	63%
<b>Administrative Costs</b>							
Outreach/Assessment					\$ -	\$ 8,100	
Inspections					\$ -	\$ 4,500	
General	\$ 2,750	\$ -	\$ 23,127	\$ 16,223	\$ 42,100	\$ 38,375	110%
<b>Total Administrative Costs</b>	\$ 2,750	\$ -	\$ 23,127	\$ 16,223	\$ 42,100	\$ 50,975	83%
<b>Grand Total</b>	<b>\$2,750</b>	<b>\$0</b>	<b>\$56,698</b>	<b>\$94,385</b>	<b>\$153,833</b>	<b>\$229,625</b>	<b>67%</b>

Footnote any variance

Program cost includes 9% admin fee SBCAP in all quarters

General Administrative Costs:

Regulatory compliance includes legal fees and regulatory consultant: (Fulbright & Jaworski -[legal] and D.E Morse [regulatory consultant])

Both are hourly fees

1st Qtr:Corona Consulting Tracking System - annual license

3rd Qtr:Mark McNulty& Assoc. costs for preparing Annual report, preparing the Application, mailing/outreach and program management

4th Qtr: Mark McNulty and Associates for program management, LIEE program support, outreach/direct mailing

McNulty & Associates are hourly fees

Bear Valley Electric Service (U913-E)  
Public Purpose Program (PPP)

ATTACHMENT C

California Energy Commission Renewable Energy Program  
California Energy Commission Research, Development and Demonstration (RD&D) Program  
2011 Balancing Account  
Effective January 1, 2011

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Research Development	(3,784.02)	2,760.44	2,692.49	(4,940.96)	1,833.27	1,661.07	(4,296.84)	1,902.76	2,102.30	(5,171.22)	1,826.12	3,604.41
Renewable Energy	(7,842.93)	5,668.88	5,510.50	(10,220.03)	3,791.80	3,404.75	(8,874.18)	3,904.94	4,307.89	(10,699.76)	3,743.52	7,389.04

The table below shows the schedule of quarterly refunds to the California Energy Commission.

Effective January 2011	Research, Development & Demonstration	Renewable Energy Program
1st Quarter	\$6,790.00	\$14,000.00
2nd Quarter	\$6,790.00	\$14,000.00
3rd Quarter	\$6,790.00	\$14,000.00
4th Quarter	\$6,790.00	\$14,000.00
<b>Total Due</b>	<b>\$27,160.00</b>	<b>\$56,000.00</b>

**GOLDEN STATE WATER COMPANY**

**DISTRIBUTION LIST**

**BEAR VALLEY ELECTRIC DIVISION**

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