

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

In the Matter of the Application of Golden State
Water Company on Behalf of its Bear Valley
Electric Service Division (U 913 E) for Approval
of the 2021-2026 California Alternate Rates for
Energy and Energy Savings Assistance Programs
and Budgets

Application No. 20-05-015

**AMENDED APPLICATION OF GOLDEN STATE WATER COMPANY ON BEHALF
OF ITS BEAR VALLEY ELECTRIC SERVICE DIVISION (U 913 E) FOR APPROVAL
OF ITS 2021-2026 ENERGY SAVINGS ASSISTANCE AND CALIFORNIA
ALTERNATE RATES FOR ENERGY PROGRAMS AND BUDGETS FOR
BEAR VALLEY ELECTRIC SERVICE**

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Application No. 20-05-015

AMENDED APPLICATION OF GOLDEN STATE WATER COMPANY ON BEHALF OF ITS BEAR VALLEY ELECTRIC SERVICE DIVISION (U 913 E) FOR APPROVAL OF ITS 2021-2026 ENERGY SAVINGS ASSISTANCE AND CALIFORNIA ALTERNATE RATES FOR ENERGY PROGRAMS AND BUDGETS FOR BEAR VALLEY ELECTRIC SERVICE

I. Introduction and Summary of Application

A. Introduction

In accordance with Article 2 and Rule 3.2 of the California Public Utilities Commission (“Commission”) Rules of Practice and Procedure, Golden State Water Company (“GSWC”), on behalf of its Bear Valley Electric Service (“BVES”) Division, hereby submits this Amended Application for Approval of its Energy Savings Assistance (“ESA”) and California Alternate Rates for Energy (“CARE”) Program Plans and Budgets for Program Years 2021-2026 (“Application”). The purpose of this amendment is to correct an inadvertent error in the original application filed on May 29, 2020 in which appendices B through D were not included. This amendment includes all appendices A-D. There are no other substantive differences between the original application and this amended application.

This Application seeks approval of BVES’ proposed ESA and CARE programs and budgets for 2021-2026. GSWC submits this Application in compliance with Decision No. (D.) 19-11-005¹ and the March 25, 2020 letter from Executive Director Stebbins granting an extension until May 29, 2020 to submit BVES’ CARE and ESA program and budget application.

BVES serves the Big Bear Lake ski resort area located in the San Bernardino Mountains east of Los Angeles. BVES provides service to approximately 24,000 customers, of which

¹ D.19-11-005, Ordering Paragraph No. 2 and No. 3.

approximately 22,500 are residential customers and approximately 1,500 are commercial, industrial, or public-authority customers. BVES also provides service to two ski resorts in its territory.

B. Summary of Application

There exists an over-collection of unspent funds recorded in the balancing account for the ESA program. As of December 2019, the over-collection was \$964,862. This over-collection is due to two causes. One is the contractor has been lacking personnel resources to treat homes. The other is the reticence of homeowners to open their door and have their residences treated. The Covid-19 pandemic, shelter in place requirements, home quarantine, and social distancing requirements have strongly reinforced this reticence in 2020 and will likely extend into future years. As a result, BVES anticipates that the over-collection will reach one million dollar by the end 2020. At the May 28, 2020 Commission business meeting, the Commission adopted draft Resolution E-5074 that requires utilities to make advance payments to contractors who treat homes. BVES anticipates that this new Resolution may help the financial situation of some contractors, but the major hurdle is still the reticence of ESA participants to open their homes during the time of social distancing.

On the other hand, there is an under-collection of funds in the amount of \$321,841 relative to the authorized budget for the CARE program. In addition, the CARE penetration rate was only 75 percent in 2019, which was a steep decline from the 98 percent that BVES had achieved in 2015. Resolution M-4842 requires BVES to facilitate non-CARE participants to join the CARE program during the Covid-19 pandemic and the concomitant steep economic downturn. BVES is complying firmly with the provisions of Resolution M-4842. Based on its current extensive and focused efforts toward customers who are economically affected by the pandemic, BVES anticipates that the number of CARE participants will increase in 2020 and 2021.

Considering the two programs together, this Application requests the Commission authorize BVES to transfer at its own discretion a majority of the over-collected funds from the ESA program to the CARE program in order to support the discount needed to subsidize the lower tariff rates charged to a higher number of CARE participants. The transferred funds will be an addition to the CARE proposed budget for program year 2021-2026. Specifically, BVES requests that the Commission grant BVES the authority to transfer \$600,000 of the \$964,862 over-

collection in the ESA program to the CARE program during the program years 2021-2026. The transfer amount is an addition to the CARE requested budget shown in Table 1 below.

In Sections II and III of this Application, BVES provides details on its requested budgets for both ESA and CARE programs for the period 2021 – 2026. The requested budgets for both programs are summarized below in Table 1.

Table 1 - BVES ESA and CARE Programs Requested Budgets 2021-2026						
	2021	2022	2023	2024	2025	2026
Total Annual ESA Program Budget	\$137,055	\$137,055	\$137,055	\$137,055	\$137,055	\$137,055
Total Annual CARE Program Budget	\$277,521	\$291,397	\$305,967	\$321,266	\$337,329	\$354,195
Total	\$409,621	\$415,253	\$421,005	\$426,880	\$432,880	\$439,008

In conformance with the Guidance Document included as Attachment B to D.19-11-005 (Order Reopening Proceeding to Issue Guidance to Small and Multi-Jurisdictional Utilities for the 2021-2026 Energy Savings Assistance Program and California Alternate Rates for Energy Program Budget Application), Appendices A, B, and C provide the information requested in the Guidance Document. Appendix A includes BVES’ ESA proposed budget, ESA planning assumptions, and ESA portfolio goals for program years 2021-2026. Appendix B includes BVES’ CARE proposed program budget and CARE program estimated penetration for program years 2021-2026. Though not applicable for BVES, BVES is also including Appendix C describing ESA and CARE studies.

II. 2021 - 2026 ESA Program Plan and Budget

A. ESA Program Context – Unspent ESA Program Funds

In program year 2009 – 2011, the ESA program was slowed by the implementation of the American Recovery and Reinvestment Act of 2009 (“ARRA”), which included a weatherization program that strained the resources of the contractor who BVES retained to treat customer homes. The number of treated homes in 2009, 2010 and 2011 was significantly below the annual goal of approximately 210 homes per year.

As a result, BVES had unspent ESA funds that were carried forward. In December 2011, BVES filed Advice Letter 262-E to request authority to carry-over approximately \$390,000 of

unspent ESA Program funds into the 2012-2014 program cycle. The Commission approved the request in February 2012. The Commission also approved the catch-up plan for the number of homes to be treated in 2012.

The number of homes treated in 2012 did increase, but did not achieve the adopted target. In 2013, the contractor activities slowed again. As installations resumed in the spring of 2014, it became clear that the program needed more resources to attain current goals. In mid-2014, BVES retained a new contractor who could mobilize the needed resources to align treatments with program goals. However, the new contractor did not attain the targets of treated homes. Subsequently, in 2017 BVES retained a new contractor to address the fewer number of treated homes than the targeted number.

The decline in the contractor activities has an impact on the ESA program budget: unspent funds are carried over and added to the authorized budgets for the subsequent project years. At the beginning of program years 2015-2017 there was an over-collected amount of \$486,938. By the end of 2017, the over-collection has risen to \$685,890. The over-collection was carried over to program year 2018-2020. At the end of December 2019, the over-collection reached \$964,862. Table 2 below shows the over-collected amounts recorded in the ESA balancing account by year.

Table 2 - BVES ESA Program Balancing Account Balance 2015-2019					
	2015	2016	2017	2018	2019
Beginning of Year Amount	\$(486,938)	\$(444,921)	\$(536,873)	\$(685,890)	\$(834,871)
End of Year Amount	\$(444,921)	\$(536,873)	\$(685,890)	\$(834,871)	\$(964,862)

(\$) shows an over-collection

B. ESA Proposal Summary

To date, there is an over-collection of unspent funds recorded in the balancing account for the ESA program. As of December 2019, the over-collection was \$964,862. As described in greater detail below, BVES anticipates that the Covid-19 pandemic, shelter in place requirements, and social distancing requirements will impact utility ESA programs throughout 2020 and into subsequent years. Specifically, BVES expects homeowners will be reticent to have their residences treated. BVES anticipates that the over-collection will reach one million dollar or higher by the end 2020. BVES plans to utilize a more realistic ESA treatment goal in recognition

of historical ESA performance and to address the ongoing pandemic and its ancillary effects. Additionally, BVES plans to expand education and outreach efforts in the hopes of expanding ESA treatments.

C. ESA Program Goals and Budgets for Program Years 2021-2026

1. Goals

a) 2015 – 2020 Treatment Goals

Table 3 below shows the Commission authorized goals for home treatment for program years 2015-2017 and 2018-2020. BVES home treatment goals for program years 2015-2017 were to treat 212 homes per year. For program years 2018 – 2020, the goal was to treat 80 homes and to re-treat 105 homes for a total of 185 homes per year.

The actual number of treated homes is quite different from the stated goals. Table 4 below shows that in 2015, the actual number of treated homes was 294 premises, which are 82 homes more than the goal of 212 premises targeted for the year. However, in 2016 there were only 146 treated homes and by 2017 that number declined further to 107 treated homes or approximately 50% fewer treated homes than the stated goal of 212 homes. The decline in the number of homes that are actually treated continued in program years 2018-2020. For 2018 and 2019, the goal was to treat and re-treat 185 premises. However, in 2018 and 2019 BVES treated and retreated only 118 and 133 premises, respectively.

In the first 2 months of 2020, BVES had treated only 22 homes before all non-essential activities were halted by Governor of the State of California due to the Covid-19 pandemic. BVES anticipates that in 2020, even after all economic and social activities are allowed to return to normalcy, the number of treated homes will not reach the authorized targets. Furthermore, the asymptotic characteristic of the Covid-19 infection will continue to traumatize ESA participants who will be extremely reticent to open their homes for treatments in 2021 and possibly in the following years.

Table 3 - BVES Previously Authorized Home Treatment Goals 2015-2020						
	2015	2016	2017	2018	2019	2020

Annual homes treated	212	212	212	80 First time treat; 105 Re-treat	80 First time treat; 105 Re-treat	80 First time treat; 105 Re-treat
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Table 4 - BVES Actual Homes Treated 2015 to 2019					
	2015	2016	2017	2018	2019
Annual Homes Treated	294	146	107	118	133

b) Home Treatment Goals for Program Years 2021-2026

A detailed description of BVES' ESA portfolio goals and target populations is included in Appendix A. Given that BVES has fallen well short of its goal of treating and re-treating 185 homes per year, the goal for program years 2021-2026 will be more modest. Table 5 below shows the proposed goal of 100 homes to be treated annually, or 85 fewer homes per year than proposed in program years 2018-2020.

Table 5 - BVES Proposed Treatment Goals for PY 2021 - 2026						
	2021	2022	2023	2024	2025	2026
Proposed Number of homes to be treated per year	100	100	100	100	100	100

2. Budget

Table 6 below shows the Commission authorized budgets for program years 2015-2017 and 2018-2020. From 2015 to 2017, the ESA budget was \$229,620, and starting in 2018 the budget was raised to \$316,013.

Table 6 - BVES Authorized Annual ESA Budget 2015 - 2020						
	2015	2016	2017	2018	2019	2020
ESA Program Budget	\$229,620	\$229,620	\$229,620	\$316,013	\$316,013	\$316,013

BVES presents in Table 7 the various components of the Commission authorized budget for program years 2018-2020. It should be noted that the total cost for the ESA program is

\$137,055 per year. The over-collection or the unspent portion of the prior program year budgets is then added to the current annual program cost, resulting in a total budget of \$316,013 for 2018, 2019 and 2020.

Table 7 - BVES Approved ESA Detailed Budgets PY 2018-2020				
Budget Categories	2018	2019	2020	Totals
Outreach	\$12,500	\$12,500	\$12,500	\$37,500
Inspections	\$1,000	\$1,000	\$1,000	\$3,000
General	\$37,475	\$37,475	\$37,475	\$112,425
Subtotal Administration	\$50,975	\$50,975	\$50,975	\$152,925
Measures	\$86,080	\$86,080	\$86,080	\$258,240
Energy Education				
Total Program	\$137,055	\$137,055	\$137,055	\$411,165
Carry over	\$178,958	\$178,958	\$178,958	\$536,874
Total Program (including carry over)	\$316,013	\$316,013	\$316,013	\$948,038

Table 8 below lists the actual expenses BVES incurred in the treatment of homes for program years 2015-2017 and 2018-2020. As noted above in Table 4, BVES did treat and re-treat homes in 2018 and 2019, and yet actual expenses during these two year were below their respective budgets of \$316,013 per year. However, when the carry over amount of \$178,958 was removed from the budget, actual expenses in 2018 and 2019 were higher than the ESA program authorized budget of \$137,055 by 79.5% and 74.1%, respectively.

Table 8 - BVES Actual ESA Expenses 2015 -2019					
	2015	2016	2017	2018	2019
Actual Annual Expenses	\$253,342	\$247,397	\$246,730	\$245,968	\$238,547

The carryovers of the unspent amounts in the prior year act as a financial cushion for the ESA program years 2018-2020. However, BVES anticipates that this cushion might be too high financially going forward into the program years 2021-2026, because on the expenses side of the ESA program budget, there will be a significant underspending in 2020. The primary cause of this underspending is the very significant impact of the Covid-19 pandemic and corresponding

statewide lockdown of any non-essential activities and the imposition of social quarantines. BVES expects that there will be large unspent amounts in 2020 as actual expenses will be significantly below the authorized budget for this year, due primarily to customer reluctance to allow ESA work to be conducted on their homes based on the pandemic. Even before the pandemic, customers were already reticent to open the door to a stranger. Therefore, BVES expects that the contractor will not be able to treat many homes in 2020, 2021 and possibly in 2022.

BVES proposes below in Table 9 the ESA budget for program years 2021-2026. BVES assumes the following situations in drafting the proposed budget:

- In 2021, the number of treated homes will be smaller than the targeted 100 homes per year;
- In 2022, the coordination of outreach activities between the ESA program and CARE program may aid in attaining the number of targeted homes for the year; and
- In 2023 and in later years, BVES expects to reach its targeted number of treated homes.

Table 9 below provides BVES proposed budget for program year 2021-2026

Table 9 - BVES ESA Program Proposed Budget for PY 2021 - 2026						
	2021	2022	2023	2024	2025	2026
ESA Proposed Budget	\$137,055	\$137,055	\$137,055	\$137,055	\$137,055	\$137,055

A detailed description of BVES’ proposed budget is included in Appendix A.

3. ESA Program Design and Delivery

BVES describes below: i) the types of treatment measures that it will implement during the first treatment of homes and their subsequent re-treatment, ii) educational materials related to energy efficiency programs; and iii) its strategy to expand outreach.

a) Treatment Measures

In D.18-08-020, the Commission authorizes BVES to treat new homes and re-treat homes that have been treated previously. BVES plans to comply with the Commission guidance as follows:

Treatment: New and Existing ESA Participants

Measures include but are not limited to:

- Light-emitting diode (“LED”) lamps and hardwired LED fixtures;
- Qualifying refrigerator and microwave replacement;
- LED night lights and power strips; and
- Additionally, depending on the conditions of a customer’s premise, other possible measures are: electric furnace repair or replacement, sealing of ducts, low flow shower head and faucet aerators, electric water heater, and other weatherization measures, when applicable (e.g., insulation, weather stripping, caulking, etc.).

Appendix A includes a detailed description of ESA planning assumptions and proposed treatments.

b) Education Program

BVES is developing new energy education materials and practices. BVES reviewed the recommendations in the “Energy Savings Assistance Program, Energy Education Research, Final Report, October 2013”, and will work with its contractor to make sure that field personnel are well trained and will provide cost saving information to BVES customers. BVES’ program manager will follow up telephonically or in person as a part of the post installation verification process.

c) Outreach Program

BVES’ outreach strategy for the ESA program is based on three marketing elements: 1) direct mail of brochures or fliers about the ESA program and telephone calls to CARE customers; 2) door to door canvassing of CARE and Non-CARE participants; and 3) requiring ESA contactors to distribute brochures and fliers to other non-participants homeowners.

D. Revenue Requirement and Rate Impacts

BVES’ CARE and ESA programs are part of its Public Purpose Program (“PPP”). CARE and ESA account for 2 of 5 components of the PPP revenue requirement. Currently the PPP revenue requirement as approved in Advice Letter 373-E is \$1,227,027.82. The CARE and ESA portions are \$778,606.13 and \$138,699.66, respectively. The CARE portion includes an under-collection amortization balance of \$395,157.64. Table ‘CARE & ESA Revenue Requirement’ below shows the change in the PPP revenue requirement based on BVES’ proposed budget assuming all non-CARE and non-ESA components and parameters of PPP remain at levels approved in AL 373-E.

Table - CARE & ESA Revenue Requirement			
Year	CARE	ESA/LIEE	Total PPP Revenue Requirement
2020 Actual (AL 373-E)	\$778,606.13	\$138,699.66	\$1,227,027.82
2020 Adjusted (removed Balancing Account Amortization)	\$378,706.59	\$138,699.66	\$827,128.28
2021	\$280,851.25	\$138,699.66	\$729,272.94
2022	\$294,893.76	\$138,699.66	\$743,315.46
2023	\$309,638.60	\$138,699.66	\$758,060.30
2024	\$325,121.19	\$138,699.66	\$773,542.88
2025	\$341,376.95	\$138,699.66	\$789,798.64
2026	\$358,445.34	\$138,699.66	\$806,867.03

Estimates based on BVES proposed program budgets for 2021-2026 do not include any transfer funds between program accounts. Estimates assume no amortization of balancing account for 2021-2026. Also, estimates assume no change to parameters such as the Franchise Fee rate or other PPP components such as BVES' Solar Initiative as adopted in D.19-08-027.

For 2021-2026, the estimated revenue requirement is lower than the current revenue requirement. Accordingly, the PPP surcharge will also change. The table below shows expected rate changes to customers for the CARE and ESA programs over the program cycles.

Table - PPP Surcharge				
Year	CARE	ESA/LIEE	Total PPP Low Income Surcharge	Total PPP Other than Low Income Surcharge
2020 Actual (AL 373-E)	\$0.00577	\$0.00094	\$0.00304	\$0.00881
2020 Adjusted (removed Balancing Account Amortization)	\$0.00278	\$0.00093	\$0.00301	\$0.00580
2021	\$0.00206	\$0.00093	\$0.00301	\$0.00508
2022	\$0.00217	\$0.00093	\$0.00301	\$0.00518
2023	\$0.00228	\$0.00093	\$0.00301	\$0.00529
2024	\$0.00239	\$0.00093	\$0.00301	\$0.00540
2025	\$0.00251	\$0.00093	\$0.00301	\$0.00552
2026	\$0.00264	\$0.00093	\$0.00301	\$0.00565

Estimates are based on BVES' proposed program budgets for 2021-2026 and do not include any transfer funds between program accounts. Estimates assume no amortization of the balancing account for 2021-2026. Estimated rates are calculated using 2021 sales forecasts

adopted in D.19-08-027. Estimates also assume no changes to parameters such as the Franchise Fee rate or other PPP components such as BVES' Solar Initiative as adopted in D.19-08-027.

Based on the estimated rates, BVES customers would receive a reduction in rates. This is due to the fact BVES' requested budget is lower than previous years.

III. CARE Program for 2021-2026

A. CARE Program Context

BVES customers enrolled in the CARE Program receive a 20 percent discount on their electric bills. This discount is provided to customers who meet the CARE program income requirements established each May by the Commission.² The program is funded in three ways: (1) rate discounts are funded through a Public Purpose Program ("PPP") Surcharge that is tracked in a two-way balancing account; (2) outreach and other program support is funded through the PPP Surcharge and tracked in a one-way balancing account; and (3) general administration is funded through BVES administrative budgets as established in BVES' General Rate Case.

BVES' CARE program participation has experienced a steady decline in participation since 2015. The decline can be attributed to enforcement of the CARE High Usage Customers requirements. In D.14-05-004, the Commission directed all Small Multi-Jurisdictional Utilities (including BVES) to track High Usage Customers ("HUCs").³ BVES has developed internal policies, procedures and tracking systems needed to implement and comply with D.14-05-004.⁴ BVES has sent notices to HUCs advising such customers to abide by the requirements of the CARE program. Many customers are subsequently removed from the program for non-compliance. In 2019, 119 CARE customers were removed from the program.

B. CARE Proposal Summary

Recently BVES has experienced a decline in the number of CARE participants and has an under-collection of funds in its balancing account. While requirements in Resolution M-4842 will partially redress the decline in CARE participation, BVES anticipates that a larger discount will

² BVES' income eligibility guidelines can be found on BVES' Schedule DLI and Form No. 17. Income eligibility guidelines are published every year by the first of May and effective beginning in June through the following May. Income eligibility guidelines are issued by the Commission in accordance with D.12-08-044.

³ In D.12-08-044 the Commission defines HUCs as customers that have energy usage at or above four hundred percent of their baseline. HUCs are further divided into two groups: (1) those with usage between four hundred and six hundred percent of their baseline; and (2) those using six hundred percent or more.

⁴ D.14-05-004, Ordering Paragraph 20.

be required to subsidize the tariff rate for additional CARE participants. In compliance with Resolution M-4842 requirements to admit participants affected by the pandemic into the CARE program, BVES requests that the Commission authorize BVES to transfer the over-collection of funds in the ESA program to the CARE program.

C. CARE Program Goals and Budgets for Program Year 2021-2026

1. Goals

BVES estimates that, based on the 2010 Census approximately thirty-three percent of its full-time residential customers are eligible for CARE, or approximately 2,770 customers in 2019. Because the Big Bear Lake Valley economy is highly dependent on tourism and seasonal recreation, the actual number of eligible customers may vary considerably based on weather and corresponding economic activity. In addition, the CARE program requires that participants must be full time residents in the BVES service area. Seasonal residents are ineligible to participate in the CARE program.

The number of CARE participants and the penetration rate relative to eligible customers from 2015 through 2019 are shown in Table 9 below. From a high of 2,754 CARE participants in 2015, the number of participants has declined to 2,091 in 2019. The main reason is the HUC requirements to remove CARE participants who have electricity consumption more than 400 percent above the baseline consumption allocated to low income customers. Since 2015, the CARE program penetration rate has declined from a high of 98 percent to a low of 75 percent in 2019, which is significantly below the Commission target of 90 percent penetration.

Table 10 - BVES Annual CARE Participants and Estimated Penetration Rate 2015 - 2019					
	2015	2016	2017	2018	2019
Total Average Annual Participants	2,754	2,616	2,439	2,293	2,111
Penetration rate	98.36%	93.43%	87.11%	81.89%	76.21%
Eligible customers	2,800	2,800	2,800	2,800	2,770
Penetration rate based on Census 2010 estimated number of eligible customers per calendar year from each year’s respective annual reports.					

However, BVES anticipates that the number of CARE participants will increase starting in the second quarter of 2020. This is due to: 1) potentially large numbers of unemployed BVES customers as a result of the Covid-19 pandemic and associated impacts; and 2) Resolution M-4842’s requirement for BVES to freeze HUC requirements for at least 12 months, to change

program eligibility to reach low income customers, to suspend removal of CARE participants from the program, and to discontinue the verification and recertification process that require participants to disclose their income. BVES expects that the economic slowdown and corresponding increase in unemployment resulting from Covid-19 will continue beyond 12 months into 2021, resulting in additional BVES customers qualifying for the CARE program.

During the program years 2015-2017 and 2018-2020, BVES keeps its focus on customer retention by improving and expanding the validation and recertification process. Table 10 below shows the number of new applications and re-certifications for the CARE program during the period 2015-2019.

Table 11 - BVES Average Number of CARE Sign Ups and Re-certifications 2015-2019					
	2015	2016	2017	2018	2019
Number of New Applicants	615	529	475	392	130
Number of Re certification	781	681	639	611	652

2. Budget

A detailed description of BVES’ proposed CARE program budget for 2021-2026 is included in Appendix B. The CARE Program is funded by the PPP Surcharge. The PPP Surcharge for the CARE program is currently \$0.00577/kWh and is collected from all customers who are not CARE participants. Adjustments to the PPP Surcharge are requested in BVES’ General Rate Case application. Table 12 below shows the amount of CARE program funds collected annually from 2015 through 2019 via the PPP Surcharge. At the end of December 2019, BVES has an under-collection of \$321,841 in its CARE balancing account.

Table 12 - BVES CARE Balancing Account Activity 2015-2019					
	2015	2016	2017	2018	2019
Beginning of Year Balance	\$283,011	\$337,390	\$379,079	\$403,277	\$417,802
End of Year Balance	\$337,390	\$379,078	\$403,277	\$417,802	\$321,841

The CARE program budget is comprised of 2 parts, which are for: 1) funding of costs incurred by BVES in its outreach efforts; and 2) funding of the discount that BVES offers to customers who participate in the CARE program.

In order to reach the targeted 90 percent penetration rate, BVES will pursue its outreach efforts in signing up potential CARE participants in tandem with the efforts needed to raise the number of participants in the ESA program. For program years 2021-2026 BVES will combine the two programs as follows: while ESA treatments are being conducted, a BVES representative will inform the homeowner about the CARE program. Additionally, ESA contractors will provide details about the CARE program to homeowners. This approach allows the CARE program and the ESA program to support each other in attaining their separate targets.

In this application, BVES is requesting an increase in its outreach budget to support the expenses of marketing the two combined programs to potential participants who are reticent to allow strangers into their premises based on the Covid-19 pandemic. BVES plans to redouble its outreach efforts to enroll customers who are already on its existing list of potential CARE participants. In prior years, BVES leveraged the Low Income Home Energy Assistance Program (“LIHEAP”) to expand CARE penetration, but the lack of enrollees in the federal program among BVES customers led to its termination. Customers are still able to take advantage of LIHEAP, but it is solely through the County of San Bernardino, not through BVES.

The costs of most CARE related administrative efforts are recorded in BVES’ customer service administrative and general costs accounts, and these costs are not included in the CARE budget request. BVES does not have any direct CARE administrative costs for any of the following: processing the verification, eligibility, enrollment, self-certification and the re-certification of CARE participants.

Table 13 below shows the authorized budgets for the CARE program years 2015-2017 and 2018-2020. Table 14 provides the details for the program year 2018-2020 budgets, which include the costs for the outreach efforts and the revenue discount to fund the CARE program.

Table 13 - BVES Commission Authorized CARE Program Budget 2015-2020						
	2015	2016	2017	2018	2019	2020
Annual CARE Program Budget	\$273,096	\$273,096	\$273,096	\$347,614	\$364,945	\$374,216

Table 14 - BVES Approved CARE Budgets PYs 2018-2020				
Budget Categories	2018	2019	2020	Total
Outreach	\$7,020	\$7,020	\$7,020	\$21,060
Processing/Certification/ Verification	\$0	\$0	\$0	\$0
General	\$1,500	\$1,500	\$1,500	\$4,500
Total Expenses	\$8,520	\$8,520	\$8,520	25,560
CARE Program Discount	\$339,094	\$356,425	\$365,696	\$1,061,215
Total Program Costs	\$347,614	\$364,945	\$374,216	\$1,086,775

In D.18-08-020, the Commission authorized budgets to fund the CARE program in 2018, 2019 and 2020 in the amounts of \$347,614, \$364,945 and \$374,216, respectively. Table 15 below provides the recorded actual expenses incurred by BVES in 2018 and 2019 in the amounts of \$265,529 and 253,462, respectively. Actual expenses are less than the authorized budgets for 2018 and 2019. As shown in Table 12 above, the cumulative effect of lower expenses result in an under-collection of \$321,841 recorded in BVES' balancing account as of 2019.

Table 15 - BVES CARE Program Actual Expenses 2015-2019					
	2015	2016	2017	2018	2019
Discounts	\$306,990	\$289,494	\$269,157.	\$256,114	\$243,200
Admin Cost	\$7,691	\$7,456	\$9,579	\$9,414	\$10,261
Actual Expenses	\$314,681	\$296,950	\$278,737	\$265,529	\$253,462

Table 16 below shows BVES' requested annual budget for the CARE program years 2021-2026. The requested budget takes into account Resolution M-4842 requirements and BVES' expectations of customer behavior going forward.

Table 16 - BVES CARE Program Proposed Budget for PY 2021 - 2026						
	2021	2022	2023	2024	2025	2026
CARE Proposed Budget	\$277,521	\$291,397	\$305,967	\$321,266	\$337,329	\$354,195

D. CARE Program Delivery

BVES' CARE Program is administered by the Public Purpose Program Coordinator. The coordinator is supported by Customer Service personnel who collect customer electric bills daily and explain BVES' various services, including the ESA and CARE programs. In compliance with

Resolution M-4842, trained Customer Service personnel will be available to explain the new requirements of the CARE program.

In this application, BVES is not requesting any additional CARE Program staffing or changes to program structure. BVES plans to use its approved budget for its outreach efforts: 1) proactively working with the Big Bear Lake community to reach eligible customers who have resisted participating in the program; 2) working closely with the ESA Program contractor to refer customers to the CARE Program; 3) working with customers who do not reply to re-verification letters and direct mail; and 4) continuing to work closely with Southwest Gas Company (“SWG”) to identify and share customers who are enrolled in ESA. Many of these responsibilities and efforts are currently performed by BVES staff so there is not expected to be any additional cost to the CARE Program. In addition, BVES currently works closely with its contracted ESA program implementation contractor in order to refer more customers to the CARE Program.

In compliance with Resolution M 4842, any incremental expenses that are not already covered by the CARE requested budget will be recorded in the Covid-19 Pandemic Program Memorandum Account (CPPMA).

1. Processing, Certification, and Verification

CARE customers are automatically re-verified every two years. Fixed income households must be re-verified every four years.⁵ As noted above, BVES does not assign any direct costs to the processing, verification or certification of CARE customers. BVES does not propose any changes to the enrollment, certification, and verification process of its CARE program.

In compliance with Resolution M-4842, BVES has discontinued the requirement that customers provide their current income information during the process of verification and recertification. Pending new guidance from the Commission, BVES will not ask CARE participants for their current income.

2. Outreach and Strategies

Currently, BVES’ outreach includes (1) an annual CARE Program bill insert; (2) two rotating advertisements at bus stops; (3) sharing data on a monthly basis with SWG; (4) monthly/bi-monthly newspaper advertisements; and (5) targeted radio spots throughout the year.

⁵ D.18-08-020, Ordering Paragraph 39.

A large part of BVES' CARE Program success is the sharing of low income customer data with SWG, which has been in place since 2009.

In 2015 and 2016, CARE penetration rates among eligible BVES customers were higher than the Commission targeted 90 percent penetration. But beginning in 2017 the participation rate has declined consistently to 75 percent in 2019. As described above, the decline is due to the implementation of the HUC requirements.

In compliance with Resolution M-4842, BVES has lowered income qualifications, removed the HUC requirements, halted the process of verification and re-certification, and made various adjustments to the CARE program in order to assist jobless customers and other customers impacted by Covid-19. BVES will expand its outreach efforts among community-based organizations or non-profit organizations to advertise and inform its customers about the new CARE program requirements. BVES expects that the CARE penetration rate will strongly increase from its 2019 level of 75 percent as the number of eligible customers will remain high beyond 2021. Estimated CARE program penetration levels are provided in Appendix B.

In summary, there is an under-collection of funds relative to the authorized budget for the CARE program. BVES is complying with Resolution M-4842 which requires BVES to facilitate non-CARE participants to join the CARE program during the Covid-19 pandemic and the concomitant steep economic downturn. In this application BVES also reports that there is a large over-collection of funds, almost a millions dollar that is recorded in its ESA balancing account at the end of December 2019. BVES requests that the Commission authorize BVES to transfer \$600,000 of the \$964,862 over-collection in the ESA program to the CARE program during the program years 2021-2026.

E. Revenue Requirement and Rate Impacts

BVES' CARE and ESA programs are part of its Public Purpose Program ("PPP"). CARE and ESA account for 2 of 5 components of the PPP revenue requirement. Currently the PPP revenue requirement as approved in Advice Letter 373-E is \$1,227,027.82. The CARE and ESA portions are \$778,606.13 and \$138,699.66, respectively. The CARE portion includes an under-collection amortization balance of \$395,157.64. Table 'CARE & ESA Revenue Requirement' below shows the change in the PPP revenue requirement based on BVES' proposed budget assuming all non-CARE and non-ESA components and parameters of PPP remain at levels approved in AL 373-E.

Table - CARE & ESA Revenue Requirement			
Year	CARE	ESA/LIEE	Total PPP Revenue Requirement
2020 Actual (AL 373-E)	\$778,606.13	\$138,699.66	\$1,227,027.82
2020 Adjusted (removed Balancing Account Amortization)	\$378,706.59	\$138,699.66	\$827,128.28
2021	\$280,851.25	\$138,699.66	\$729,272.94
2022	\$294,893.76	\$138,699.66	\$743,315.46
2023	\$309,638.60	\$138,699.66	\$758,060.30
2024	\$325,121.19	\$138,699.66	\$773,542.88
2025	\$341,376.95	\$138,699.66	\$789,798.64
2026	\$358,445.34	\$138,699.66	\$806,867.03

Estimates based on BVES proposed program budgets for 2021-2026 do not include any transfer funds between program accounts. Estimates assume no amortization of balancing account for 2021-2026. Also, estimates assume no change to parameters such as the Franchise Fee rate or other PPP components such as BVES’ Solar Initiative as adopted in D.19-08-027.

For 2021-2026, the estimated revenue requirement is lower than the current revenue requirement. Accordingly, the PPP surcharge will also change. The table below shows expected rate changes to customers for the CARE and ESA programs over the program cycles.

Table - PPP Surcharge				
Year	CARE	ESA/LIEE	Total PPP Low Income Surcharge	Total PPP Other than Low Income Surcharge
2020 Actual (AL 373-E)	\$0.00577	\$0.00094	\$0.00304	\$0.00881
2020 Adjusted (removed Balancing Account Amortization)	\$0.00278	\$0.00093	\$0.00301	\$0.00580
2021	\$0.00206	\$0.00093	\$0.00301	\$0.00508
2022	\$0.00217	\$0.00093	\$0.00301	\$0.00518
2023	\$0.00228	\$0.00093	\$0.00301	\$0.00529
2024	\$0.00239	\$0.00093	\$0.00301	\$0.00540
2025	\$0.00251	\$0.00093	\$0.00301	\$0.00552
2026	\$0.00264	\$0.00093	\$0.00301	\$0.00565

Estimates are based on BVES’ proposed program budgets for 2021-2026 and do not include any transfer funds between program accounts. Estimates assume no amortization of the

balancing account for 2021-2026. Estimated rates are calculated using 2021 sales forecasts adopted in D.19-08-027. Estimates also assume no changes to parameters such as the Franchise Fee rate or other PPP components such as BVES' Solar Initiative as adopted in D.19-08-027.

Based on the estimated rates, BVES customers would receive a reduction in rates. This is due to the fact BVES' requested budget is lower than previous years.

IV. Formal Matters and Procedural Requirements

This Application is brought pursuant to Sections 381, 451, 454, 491 and 701, of the Public Utilities Code, in accordance with Rules 2.1, 2.2 and 3.2 of the Commission's Rules of Practice and Procedure, and in accordance with D.18-08-020 and D.19-11-005.

A. Legal Name and Principal Place of Business

The applicant's legal name is Golden State Water Company ("GSWC"), which makes this Application on behalf of its Bear Valley Electric Service division, which is a regulated division of GSWC. GSWC is a regulated subsidiary of American States Water Company. GSWC's mailing address and principal place of business is 630 East Foothill Boulevard, San Dimas, California, 91773. GSWC's main telephone number is (909) 394-3600.

B. Correspondence or Communications

Correspondence and communications regarding this Application should be addressed to:

Keith Switzer
Vice President, Regulatory Affairs
Golden State Water Company
630 E. Foothill Blvd.
San Dimas, CA 91773

With a copy to:

Jedediah J. Gibson
Ellison Schneider Harris & Donlan LLP
2600 Capitol Avenue, Suite 400
Sacramento, CA 95816
(916) 447-2166
email: JJG@eslawfirm.com

C. Organization and Qualification to Transact Business

GSWC is a corporation duly organized and existing under and by virtue of the laws of the State of California and represents the consolidation, effective on December 31, 1929, upon the order of the Commission, of some twenty corporations which were formerly operated under the

jurisdiction of the Commission as public utilities, together with subsequent acquisitions and additions. The Commission authorized the implementation of a holding company structure and the formation of American States Water Company as the parent company of Southern California Water Company (GSWC's predecessor). GSWC is a public utility, and its principal business is the production and distribution of water for domestic, industrial, municipal and other purposes. GSWC renders water service in various areas in the counties of Contra Costa, Imperial, Lake, Los Angeles, Orange, Sacramento, San Bernardino, San Luis Obispo, Santa Barbara and Ventura. GSWC also is a public utility rendering electric service through its BVES division in the vicinity of Big Bear Lake in San Bernardino County. BVES also is licensed by the City of Big Bear Lake.

A copy of GSWC's Restated Articles of Incorporation as amended on September 16, 2005, was previously filed as an exhibit to GSWC's Application No. A.06-02-023.

GSWC's latest available Balance Sheet and Income Statement are attached hereto as Appendix D. GSWC's current rates and charges for electric service are contained in its respective tariffs and schedules on file with the Commission.

The increase in revenue requirement sought by this Application only reflects and passes through to customers costs to BVES for the services or commodities furnished by it in connection with its proposed 2021-2026 CARE and ESA Program budget years' expenses.

D. Categorization, Hearings, and Issues to be Considered

1. Categorization

Consistent with Rules 2.1(c) and 7.1 of the Commission's Rules of Practice and Procedure, GSWC proposes to categorize this Application as a rate-setting proceeding (as defined in Rule 1.3(e)). Granting the relief requested in this Application would "implement changes that would result in increased rates" as discussed in Rule 3.2(a).

2. Issues to be Considered

The issues to be considered in this Application include: (a) whether the Commission should issue an order approving the requested plans and budgets for BVES' ESA and CARE Programs for 2021-2026 as described in this Application.

3. Need for Hearings

BVES believes the Application, coupled with the supporting documents attached hereto, provide sufficient bases for the Commission to render a decision without the necessity of a hearing. BVES has no information at this time from which it can predict whether this Application will be

protested. If the Commission determines that hearings will be necessary, BVES respectfully requests that the matter be set for a Prehearing Conference, at which time evidentiary hearings may be scheduled.

E. Procedural Schedule

As required by Rule 2.1(c), an approximate schedule is set forth below:

Milestone	Proposed Date (weekend days calculated)
Application filed	May 29, 2020 (Day 0)
Protests/Responses Due	June 28, 2020 (Day 30)
Reply to Protests/Responses	July 8, 2020 (Day 40)
Prehearing Conference/Scoping Ruling	July 13, 2020 (Day 45)
Intervenor Testimony	August 12, 2020 (Day 75)
Rebuttal Testimony	September 1, 2020 (Day 95)
Formal Settlement Negotiations (if necessary)	September 6, 2020 (Day 100)
Hearings (if necessary)	
Initial Briefs (if necessary)	October 6, 2020 (Day 130)
Reply Briefs (if necessary)	October 21, 2020 (Day 145)
Proposed Decision (note that this date can be expedited depending on the need for hearings and briefing)	January 14, 2021 (Day 230)
Comments on Proposed Decision	February 3, 2021 (Day 250)
Replies to Comments on Proposed Decision	February 8, 2021 (Day 255)
Final Decision	February 11, 2021

F. Service List

The official service list has not yet been established in this proceeding. GSWC is serving this application on the service lists for A.15-02-001, A.15-02-002, A.15-02-003, A.15-02-013, A.15-02-024, A.15-03-004, A.19-11-003, A.19-11-004, A.19-11-005, A.19-11-006, and A.19-11-007.

VI. Prayer For Relief

WHEREFORE, Golden State Water Company for its Bear Valley Electric Service Division prays that this Commission issue an Order: Approving GSWC's ESA and CARE Program plans and budgets for 2021-2026.

Dated at San Dimas, California: July 2, 2020

Respectfully submitted,

BY: _____/s/_____

Keith Switzer
Vice President of Regulatory Affairs
Golden State Water Company
630 East Foothill Boulevard
San Dimas, California 91773
(909) 394-3600 Extension 759
KSwitzer@gswater.com

VERIFICATION

I am Vice President of Regulatory Affairs for, and an officer of, Golden State Water Company, and am authorized to make this verification on its behalf with respect to the within Application. The statements in the foregoing document are true of my own knowledge, except as to matters which are therein stated on information or belief, and as to those matters I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 2nd day of July 2020, at San Dimas, California.

/s/

Keith Switzer

Vice President of Regulatory Affairs
Golden State Water Company

APPENDIX A

Appendix A-2 PY 2021-2026 Energy Savings Assistance Program Table A-2, Planning Assumptions

Bear Valley Electric Service

Measures*	R=Resource NR=Non-Resource	Units	PY 2020 Authorized				
			Quantity Installed	kWh (Annual)	kW (Annual)	Therms (Annual)	Projected Expenses
Heating, Ventilation & Air Conditioning				-	0	0	\$ -
Gas Furnace Repair/Replace							
HE-FAU/ Gas Furnace Repair/Replace							
Forced Air Unit Standing Pilot Light Conversion							
Electric Furnace Repair or Replacement							
Thermostats							
Central A/C Replacement							
Duct Sealing							
Prescriptive Duct Sealing							
Maintenance				-	0	0	\$ -
Furnace Clean & Tune							
Enclosure				-	0	0	\$ -
Envelop/Air Sealing Measures							
Attic Insulation							
Kneewall Insulation							
Floor Insulation							
Minor Home Repairs							
Evaporative Coolers Covers							
Storm Windows							
Domestic Hot Water				2,268	0.26	0	\$ 467
Faucet Aerators	R	Each	14	1,134	0.13		\$ 113
Low-Flow Showerhead	R	Each	14	1,134	0.13		\$ 354
Water Heater Repair / Replacement							
Water Heater Blanket							
Water Heater Pipe Insulation							
Thermostatic Shower Valve							
Combined							
Low-Flow Showerhead & Thermostatic Shower Valve							
Thermostatic							
Tub Spout / Tub Diverter							
Lighting				17,390	6.88	0	\$ 42,968
Vacancy Sensors							
LED A-Lamps	R	Each	756	12,474	6.88		\$ 13,534
LED Reflector Bulbs							
LED Reflector Downlight Retrofit Kits							
Interior Hard-wired LED Fixtures	R	Each	122	2,695	0.22		\$ 13,776
Exterior Hard-wired LED Fixtures	R	Each	122	1,643	0.00		\$ 13,776
LED Torchieres							
LED Night Lights	R	Each	197	578	0.00		\$ 1,882
Appliances				23,045	2.77	0	\$ 55,567
Refrigerators	R	Each	44	23,045	2.77		\$ 54,045
Second Refrigerators							
High Efficiency Clothes Washers							
Microwave Ovens	NR	Each	36				\$ 1,523
Miscellaneous				8,505	1.19	0	\$ 5,075
Tier 1 Smart Power Strips							
Tier 2 Advanced Power Strips	R	Each	61	8,505	1.19		\$ 5,075

* Include all proposed new measures, where appropriate.

PY 2021 Planned					PY 2022 Planned					PY 2023 Planned				
Quantity Installed	kWh (Annual)	kW (Annual)	Therms (Annual)	Proposed Expenses	Quantity Installed	kWh (Annual)	kW (Annual)	Therms (Annual)	Proposed Expenses	Quantity Installed	kWh (Annual)	kW (Annual)	Therms (Annual)	Proposed Expenses
	-	0	0	0		-	0	0	0		-	0	0	0
	-	0	0	0		-	0	0	0		-	0	0	0
	-	0	0	0		-	0	0	0		-	0	0	0
	2,268	0.26	0	\$ 467		2,268	0.26	0	\$ 467		2,268	0.26	0	\$ 467
14	1,134	0.13		\$ 113	14	1,134	0.13		\$ 113	14	1,134	0.13		\$ 113
14	1,134	0.13		\$ 354	14	1,134	0.13		\$ 354	14	1,134	0.13		\$ 354
	12,474	6.88	0	\$ 42,968		12,474	6.88	0	\$ 42,968		12,474	6.88	0	\$ 42,968
756	12,474	6.88		\$ 13,534	756	12,474	6.88		\$ 13,534	756	12,474	6.88		\$ 13,534
122	2,695	0.22		\$ 13,776	122	2,695	0.22		\$ 13,776	122	2,695	0.22		\$ 13,776
122	1,643	0.00		\$ 13,776	122	1,643	0.00		\$ 13,776	122	1,643	0.00		\$ 13,776
197	578	0.00		\$ 1,882	197	578	0.00		\$ 1,882	197	578	0.00		\$ 1,882
	23,045	2.77	0	\$ 55,567		23,045	2.77	0	\$ 55,567		23,045	2.77	0	\$ 55,567
44	23,045	2.77		\$ 54,045	44	23,045	2.77		\$ 54,045	44	23,045	2.77		\$ 54,045
36				\$ 1,523	36				\$ 1,523	36				\$ 1,523
	8,505	1.19	0	\$ 5,075		8,505	1.19	0	\$ 5,075		8,505	1.19	0	\$ 5,075
61	8,505	1.19		\$ 5,075	61	8,505	1.19		\$ 5,075	61	8,505	1.19		\$ 5,075

PY 2024 Planned					PY 2025 Planned					PY 2026 Planned					Energy Efficiency Savings Claim Source (Workpaper Number or Impact Evaluation Report)
Quantity Installed	kWh (Annual)	kW (Annual)	Therms (Annual)	Proposed Expenses	Quantity Installed	kWh (Annual)	kW (Annual)	Therms (Annual)	Proposed Expenses	Quantity Installed	kWh (Annual)	kW (Annual)	Therms (Annual)	Proposed Expenses	
	-	0	0	0		-	0	0	0		-	0	0	0	
	2,268	0.26	0	\$ 467		2,268	0.26	0	\$ 467		2,268	0.26	0	\$ 467	
14	1,134	0.13		\$ 113	14	1,134	0.13		\$ 113	14	1,134	0.13		\$ 113	Evergreen pg D6 - Table 36
14	1,134	0.13		\$ 354	14	1,134	0.13		\$ 354	14	1,134	0.13		\$ 354	Evergreen pg D6 - Table 36
	12,474	6.88	0	\$ 42,968		12,474	6.88	0	\$ 42,968		12,474	6.88	0	\$ 42,968	
756	12,474	6.88		\$ 13,534	756	12,474	6.88		\$ 13,534	756	12,474	6.88		\$ 13,534	Evergreen pg D6 - Table 36
122	2,695	0.22		\$ 13,776	122	2,695	0.22		\$ 13,776	122	2,695	0.22		\$ 13,776	DEER 2020 (21W)
122	1,643	0.00		\$ 13,776	122	1,643	0.00		\$ 13,776	122	1,643	0.00		\$ 13,776	DEER 2020 (13W)
197	578	0.00		\$ 1,882	197	578	0.00		\$ 1,882	197	578	0.00		\$ 1,882	Evergreen pg D2 - Table 32
	23,045	2.77	0	\$ 55,567		23,045	2.77	0	\$ 55,567		23,045	2.77	0	\$ 55,567	
44	23,045	2.77		\$ 54,045	44	23,045	2.77		\$ 54,045	44	23,045	2.77		\$ 54,045	DNV GL 2019 LOOK-up SCE CZ16
36				\$ 1,523	36				\$ 1,523	36				\$ 1,523	
	8,505	1.19	0	\$ 5,075		8,505	1.19	0	\$ 5,075		8,505	1.19	0	\$ 5,075	
61	8,505	1.19		\$ 5,075	61	8,505	1.19		\$ 5,075	61	8,505	1.19		\$ 5,075	DNV GL 2019 LOOK-up

PY 2021-2026 Energy Savings Assistance Program Table A-3, Portfolio Goals and Target Populations
Bear Valley Electric Service

	Electric Savings					Demand Savings				
	Aggregate Values			Annual Goals		Annual Metric [2]	Aggregate Values			Annual Goal
	Total Potential (kWh)	Total Goal (kWh)	Total Participation Goal (HH)	Average Annual <u>Resource</u> Electric Savings per Household (kWh/HH/yr)	Average Annual <u>Non-Resource</u> Quantitative Goal per Household (units/HH/yr)	Average Annual Household hardship reduction indicator (units/HH/yr) [3]	Total Potential (kW)	Total Goal (kW)	Total Participation Goal (HH)	Average Annual <u>Resource</u> Demand Savings per Household (kW/HH/yr)
Target Populations										
Housing Type										
Single Family	307,241	307,241	135	379.31			64.8	0.08	135	
Multifamily [1]										
Mobile Homes										
Housing Total	307,241	307,241	135	379.31		0	64.8	0.08	135	0
Climate Zone*										
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16		307,241	135	379.31			64.8	0.08		
Climate Zone Total	0	307,241	135	379.31		0	64.8	0.08	0	0
Other Category*										
[Enter Category Name]										
[Enter Category Name]										
[Enter Category Name]										
[Enter Category Name]										
[Enter Category Name]										
Customer Total	0	0	0			0	0	0	0	0

Since the ESA program is not considered "cost-effective" consistent with the definition of Economic Potential in potential studies, BVES assumes that the goal savings equal Economic Potential.

*Optional categories to fill-in. Housing Type and Customer Type are mandatory.
 [1] For the purposes of this Application, consider a multifamily building has at a minimum five or more units.
 [2] Include both Resource and Equity measures in calculation
 [3] Cite source of rates used to calculate any bill savings

APPENDIX B

**PY 2021 - 2026 CARE Table B-1, Proposed Program Budget
Bear Valley Electric Service**

CARE Budget Categories	2020 Authorized	2021 Planned	2022 Planned	2023 Planned	2024 Planned	2025 Planned	2026 Planned
Outreach	\$ 7,020	\$ 7,740	\$ 8,127	\$ 8,533	\$ 8,959	\$ 9,407	\$ 9,878
Processing, Certification, Recertification		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
General	\$ 1,500	\$ 1,654	\$ 1,736	\$ 1,823	\$ 1,914	\$ 2,010	\$ 2,111
SUBTOTAL MANAGEMENT COSTS	\$ 8,520	\$ 9,393	\$ 9,863	\$ 10,356	\$ 10,874	\$ 11,418	\$ 11,988
Subsidies and Benefits	\$ 365,696	\$ 268,128	\$ 281,534	\$ 295,611	\$ 310,392	\$ 325,911	\$ 342,207
TOTAL PROGRAM COSTS & CUSTOMER DISCOUNTS	\$ 374,216	\$ 277,521	\$ 291,397	\$ 305,967	\$ 321,266	\$ 337,329	\$ 354,195

**PY 2021 - 2026 CARE Table B-2, Estimated Penetration
Bear Valley Electric Service**

	Total Enrolled 12-31-18	Total Enrolled Through May 2019*	PY 2019 Estimated Eligible	Estimated Net PY 2019 Enrollments	Estimated Year End PY 2020 Participation	Estimated PY 2020 Goal Rate	Estimated PY 2021 Net Enrollments	Estimated Year End PY 2021 Participation	Estimated PY 2021 Goal Rate (a)	Estimated PY 2022 Net Enrollments	Estimated Year End PY 2022 Participation	Estimated PY 2022 Goal Rate (a)
(Source)	(1)		(2)	(3)	(Col. B+E)	(Col. F/D)	(2)	(Col. F+H)	(Col. I/D)	(2)	(Col. I+K)	(Col. L/D)
	2,235	2,204	2,853	43	2,278	80%	44	2,322	81%	46	2,368	83%

(a) Estimated Goal Rate will fluctuate based on updated CARE Eligibility information.
 (1) CARE Annual Reports, dated 5/1/19
 (2) Each utility's estimate based on eligibility rates filed.
 (3) Most recent estimates of net enrollments.
 * Estimate amount

Estimated PY 2023 Net Enrollments	Estimated Year End PY 2023 Participation	Estimated PY 2023 Goal Rate (a)	Estimated PY 2024 Net Enrollments	Estimated Year End PY 2024 Participation	Estimated PY 2024 Goal Rate (a)	Estimated PY 2025 Net Enrollments	Estimated Year End PY 2025 Participation	Estimated PY 2025 Goal Rate (a)	Estimated PY 2026 Net Enrollments	Estimated Year End PY 2026 Participation	Estimated PY 2026 Goal Rate (a)
(2)	(Col. L+N)	(Col. O/D)	(2)	(Col. O+Q)	(Col. R/D)	(2)	(Col. R+T)	(Col. U/D)	(2)	(Col. U+W)	(Col. X/D)
47	2,415	85%	48	2,463	86%	49	2,512	88%	50	2,562	90%

APPENDIX C

PY 2021 - 2026 ESA & CARE Table C-1 Studies
Bear Valley Electric Service

Studies						
Line No.	Statewide Study	Total Cost	Percent paid by Utility	Total Cost paid by Utility	Start Date	End Date
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A	N/A

APPENDIX D:
GOLDEN STATE WATER COMPANY FINANCIAL STATEMENTS

GOLDEN STATE WATER COMPANY
BALANCE SHEETS

(in thousands)	December 31,	
	2019	2018
Assets		
Utility Plant, at cost		
Water	\$ 1,700,442	\$ 1,649,535
Electric	108,425	106,064
Total	1,808,867	1,755,599
Less — accumulated depreciation	(531,801)	(551,244)
	1,277,066	1,204,355
Construction work in progress	117,676	76,737
Net utility plant	1,394,742	1,281,092
Other Property and Investments	28,212	23,263
	28,212	23,263
Current Assets		
Cash and cash equivalents	401	4,187
Accounts receivable — customers, less allowance for doubtful accounts	20,907	23,395
Unbilled revenue — receivable	18,636	17,892
Other accounts receivable, less allowance for doubtful accounts	1,857	1,959
Income taxes receivable from Parent	7,727	5,617
Materials and supplies	4,920	4,797
Regulatory assets — current	20,930	16,527
Prepayments and other current assets	4,497	5,275
Total current assets	79,875	79,649
Other Assets		
Operating lease right-of-use assets	12,745	—
Other	6,880	5,218
Total other assets	19,625	5,218
Total Assets	\$ 1,522,454	\$ 1,389,222

**GOLDEN STATE WATER COMPANY
BALANCE SHEETS**

(in thousands)	December 31,	
	2019	2018
Capitalization and Liabilities		
Capitalization		
Common shareholder's equity	\$ 551,188	\$ 503,575
Long-term debt	280,996	281,087
Total capitalization	832,184	784,662
Current Liabilities		
Intercompany payable to Parent	158,845	—
Long-term debt — current	344	40,320
Accounts payable	45,756	47,865
Accrued other taxes	10,640	9,911
Accrued employee expenses	12,386	11,910
Accrued interest	2,736	3,550
Unrealized loss on purchased power contracts	3,171	311
Operating lease liabilities	1,612	—
Other	9,745	9,432
Total current liabilities	245,235	123,299
Other Credits		
Intercompany payable to Parent	—	57,289
Advances for construction	63,989	66,305
Contributions in aid of construction — net	134,706	124,385
Deferred income taxes	127,806	118,241
Regulatory liabilities	23,380	44,867
Unamortized investment tax credits	1,295	1,367
Accrued pension and other post-retirement benefits	68,469	57,636
Operating lease liabilities	11,588	—
Other	13,802	11,171
Total other credits	445,035	481,261
Commitments and Contingencies		
Total Capitalization and Liabilities	\$ 1,522,454	\$ 1,389,222

GOLDEN STATE WATER COMPANY
BALANCE SHEETS

(in thousands, except share data)	December 31,	
	2019	2018
Common Shareholder's Equity:		
Common Shares, no par value:		
Authorized: 1,000 shares		
Outstanding: 165 shares in 2019 and 2018	\$ 293,754	\$ 292,412
Reinvested earnings in the business	257,434	211,163
	551,188	503,575
 Long-Term Debt		
Notes/Debentures:		
6.81% notes due 2028	15,000	15,000
6.59% notes due 2029	40,000	40,000
7.875% notes due 2030	20,000	20,000
7.23% notes due 2031	50,000	50,000
6.00% notes due 2041	62,000	62,000
Private Placement Notes:		
3.45% notes due 2029	15,000	15,000
9.56% notes due 2031	28,000	28,000
5.87% notes due 2028	40,000	40,000
6.70% notes due 2019	—	40,000
Tax-Exempt Obligations:		
5.50% notes due 2026	7,730	7,730
State Water Project due 2035	3,563	3,667
Other Debt Instruments:		
American Recovery and Reinvestment Act Obligation due 2033	3,406	3,581
	284,699	324,978
Less: Current maturities	(344)	(40,320)
Debt issuance costs	(3,359)	(3,571)
	280,996	281,087
Total Capitalization	\$ 832,184	\$ 784,662

GOLDEN STATE WATER COMPANY
BALANCE SHEETS

(in thousands)	For the years ended December 31,		
	2019	2018	2017
Operating Revenues			
Water	\$ 319,830	\$ 295,258	\$ 306,332
Electric	39,548	34,350	33,969
Total operating revenues	359,378	329,608	340,301
Operating Expenses			
Water purchased	72,289	68,904	68,302
Power purchased for pumping	8,660	8,971	8,518
Groundwater production assessment	18,962	19,440	18,638
Power purchased for resale	11,796	11,590	10,720
Supply cost balancing accounts	(7,026)	(15,649)	(17,939)
Other operation	26,336	25,334	24,877
Administrative and general	59,905	62,156	62,408
Depreciation and amortization	32,441	38,395	37,852
Maintenance	12,843	13,104	12,970
Property and other taxes	18,168	16,809	16,402
Gain on sale of assets	(88)	(8)	(8,318)
Total operating expenses	254,286	249,046	234,430
Operating Income	105,092	80,562	105,871
Other Income and Expenses			
Interest expense	(23,399)	(22,621)	(22,055)
Interest income	1,867	2,890	1,766
Other, net	3,280	784	2,234
Total other income and expenses	(18,252)	(18,947)	(18,055)
Income from operations before income tax expense	86,840	61,615	87,816
Income tax expense	20,177	13,603	34,059
Net Income	\$ 66,663	\$ 48,012	\$ 53,757