



San Jose Water Company (SJWC) General Rate Case – D.18-11-025

What Does D.18-11-025 Authorize for SJWC?

Increases in Operating Costs in the Following Areas Required Increases in Utility Revenue to be Recovered in Rates:

- Water supply costs (purchased water, pump taxes, purchased power, Chemicals)
- Salaries and benefits for SJWC employees
- Water infrastructure investments, Taxes, Rate of Return
- Others Rent, Insurance, Purchased services,

Cost Increases Require the Following Increase in Utility Revenue for the Period 2019-2021:

- 2019: \$16.38 million above authorized 2018 revenues
- 2020*: \$12.07 million above authorized 2019 revenues
- 2021*: \$11.71 million above authorized 2020 revenues

*Revenue increases for 2020 and 2021 are estimated using an escalation procedure and inflation factors. Actual increases may vary based on most recent inflation forecast at that point in time.

SJWC's 2019 Revenue to be Recovered in Rates - \$377,059,000

Authorized Rate Design Changes:

- Percent of revenue to be recovered from Monthly Service Charge increases from 30% to 40%
- Percent of revenue to be recovered from Quantity Rates decreases from 70% to 60%

2019 Balancing and Memorandum Account Recovery:

- 12-month surcharge of \$0.2961 per ccf for balancing accounts
- 12 -month surcharge of \$0.2933 per ccf for memorandum accounts

One-Time Customer Refund for Unauthorized Billing Practice

- \$6.36 for 5/8-inch & 3/4-inch meter customers
- \$10.59 for 1-inch meter customers
- \$21.17 for 1½-inch meter customers





What Are the Residential Bill Impacts Based on Adopted Revenue Increases?

Monthly Service Charge by Meter Size	Present Rates	2019 (% change)	2020 (% change)	2021 (% change)
5/8-inch & 3/4 -inch	\$25.28	\$39.50 (56%)	\$40.76 (3%)	\$41.97 (3%)
1-inch	\$42.10	\$65.83 (56%)	\$67.94 (3%)	\$69.98 (3%)
1 1/2-inch	\$84.24	\$131.67 (56%)	\$135.87 (3%)	\$139.95 (3%)
Water Usage Quantity Rate	Present Rates	2019 (% change)	2020 (% change)	2021 (% change)
Tier 1 0 to 3 Ccf	\$4.25475	\$3.1951 (-25%)	\$3.2516 (2%)	\$3.3517 (3%)
Tier 2 3+ to 18 Ccf	\$4.72750	\$4.7975 (1%)	\$4.8823 (2%)	\$5.0326 (3%)
Tier 3 Over 18 Ccf	\$5.2003	\$6.3951 (23%)	\$6.5081 (2%)	\$6.7085 (3%)

Excluding CPUC fee, City Tax, surcharges and refunds, an average residential customer with a 3/4-inch meter using 22 ccf (1 ccf = 748 gallons) every 2 months will see an increase in their bi-monthly bill from \$151.73 in 2018 to \$174.93 in 2019. The same bill is estimated to be \$179.15 in 2020 and \$184.57 in 2021 resulting in an overall 21% rate increase over 3 years.

Where Can I Go for Further Information?

- To review SJWC's tariff schedules, go to:
<https://www.sjwater.com/sites/default/files/2018-05/A1801004.PDF>
- To review the Commission's D.18-11-025, go to:
<http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M245/K834/245834283.PDF>
- To obtain information on the Commission's General Rate Case Process, go to:
<https://www.cpuc.ca.gov/General.aspx?id=6442461381>

