

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



March 18, 2021

Robert L. Kelly
Vice President, Regulatory Affairs
Suburban Water Systems
1325 N. Grand Ave., Ste. 100
Covina, CA 91724-4044

Dear Mr. Kelly,

The Commission has approved Suburban Water Systems' Advice Letter No. 352, filed on March 4, 2021, regarding Compliance Filing After 12-month Conclusion of Customer Protection Period.

Enclosed is a copy of the advice letter with an effective date of March 4, 2021 for the utility's files.

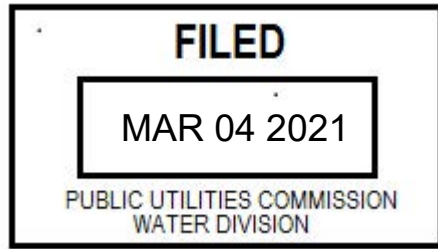
Please contact Jefferson Hancock at JHO@cpuc.ca.gov or 415-703-3453, if you have any questions.

Thank you,

/s/ROBIN BRYANT

Robin Bryant
Water Division

Enclosures



**Suburban
Water Systems**

A SouthWest Water Company

1325 N. Grand Ave. Ste. 100, Covina, CA 91724-4044
Phone: 626.543.2500, Fax: 626.331.4848
www.swwc.com

U-339-W

VIA EMAIL

ADVICE LETTER NO. 352-W

March 4, 2021

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Suburban Water Systems (Suburban) hereby submits this Tier 1 Advice Letter in compliance with Decision (D.) 19-07-015 issued by the California Public Utilities Commission (Commission) on July 19, 2019. This Advice Letter complies with Ordering Paragraphs 11 and 12 of D.19-7-015.¹

I. Compliance with Ordering Paragraph 11 of D.19-07-015

Ordering Paragraph 11 of D.19-07-015 provides:

All Class-A Water utilities (California Water Service Company, California American Water Company, Golden State Water Company, Great Oaks Water Company, Liberty Utilities Apple Valley Ranchos Water, and Park Water), San Jose Water Company, San Gabriel Valley Water Company, and Suburban Water Systems as well as all Class-B utilities (Fruitridge Vista Water Company, Bakman Water Company, Del Oro Water Company, East Pasadena Water Company, Santa Catalina Island Water (a division of Southern California Edison Company), and Alco Water Service).), shall file a Tier 1 Advice Letter at the default, 12-month conclusion of customer protection period (running from the date that customer protections related to the specific disaster became effective), or as reasonably determined by the Governor’s Office of Emergency Services, detailing the mandated protections offered to the customer affected by the disaster, the start and end periods customers received the emergency customer protections, the outreach efforts conducted, the customer impacts, and the associated cost.

A. Mandated Protections Offered to Suburban’s Customers.

On March 4, 2020, Governor Newsom declared a State of Emergency in California related to COVID-19. March 4, 2021 is the 12-month anniversary of the declared State of Emergency.

On March 17, 2020, the Commission’s Executive Director issued a letter to all Class A and B water utilities indicating that the Commission expected “the utilities and service providers subject to D.19-07-015 and D.19-08-025 to extend the same applicable customer protections

¹ D.19-07-015, at pp. 67 – 68.

directed in D.19-07-015 and D.19-08-025 to customers in response to the declared state of emergency due to the spread of COVID-19.” The same letter also stated:

We also expect the utilities and service providers to report to the CPUC on all customer protection measures they implement in response to COVID-19 as soon as they are implemented, so that the CPUC may publicly report on these measures. These customer protections should be retroactively applied to March 4, 2020.

On March 20, 2020, Suburban filed Advice Letter 345-W Regarding Compliance with D.19-07-015 and the Executive Director’s March 17, 2020 letter. In Advice Letter 345-W, Suburban confirmed that it had implemented its Emergency Disaster Relief Customer Protections previously submitted with its Advice Letter 338-W-A and that such protections would be retroactively applied to March 4, 2020, consistent with the Executive Director’s March 17, 2020 letter. The Commission’s Water Division issued a letter to Suburban on March 24, 2020, indicating Commission approval of Advice Letter 345-W.

In Advice Letter 345-W, Suburban also detailed other actions it was taking in response to the declared State of Emergency, including:

- Suburban had already begun suspending shutoffs even earlier commencing on February 1, 2020 (no Suburban customers are currently shut off);
- Notified the Commission, local governments, local legislators and community partners on March 13, 2020;
- Activated the Disaster Relief Customer Protections and Outreach Plan on March 19, 2020;
- Posted information on our webpage <http://www.swwc.com/suburban/covid19/> beginning on March 13, 2020 and has continued to update the information as necessary;
- Posted the information on customer emails on March 19, 2020;
- Posted the information through our social media channels Facebook Twitter, Instagram, on March 13, 2020, and
- Added a message on customer bills beginning March 19, 2020.

On April 2, 2020, Governor Newsom issued Executive Order N-42-20 instituting a “shutoff moratorium” – a prohibition against discontinuing service for nonpayment – during the COVID-19 State of Emergency. Suburban has fully complied with this Executive Order and no Suburban customer has had water service disconnected for nonpayment during the State of Emergency.

On April 17, 2020, the Commission issued Resolution (Res.) M-4842, which directed utilities to implement Emergency Customer Protections to Support California Customers During the COVID-19 Pandemic. In response thereto, Suburban filed Advice Letter 347-W on April 30, 2020 showing compliance with Res. M-4842. In Advice Letter 347-W, Suburban confirmed that it had already acted upon the first five of the seven Emergency Customer Protections for Water Customers listed actions in Res. M-4842.² Suburban also addressed the final two Emergency Customer Protections for Water Customers. On May 26, 2020, the Commission’s Water

² Res. M-4842, at p. 7.

Division sent a letter to Suburban indicating that the Commission had approved Advice Letter 347-W.

On February 12, 2021, the Commission issued Res. M-4849, which authorized and directed utilities to extend Emergency Customer Protections to support California customers through June 30, 2021, and to file Transition Plans for the expiration of Emergency Customer Protections.

Res. M-4849 required investor-owned Class A and B water utilities to file a Tier 1 Advice Letter within 10 days of the issuance of Res. M-4849 demonstrating compliance with the Extension of Emergency Customer Protections to June 30, 2021. On February 22, 2021, Suburban filed Advice Letter 351-W confirming its extension of seven listed Emergency Customer Protections in Res. M-4849³ to June 30, 2021.

Res. M-4849 also required the Class A and B water utilities to submit draft Transition Plan Advice Letters to CPUC staff by February 25, 2021, containing draft Transition Plans containing the following elements:

1. Activities Timeline;
2. Marketing, Education, and Outreach Strategy;
3. Compliance and Safety; and
4. Progress Tracking and Reporting.

On February 25, 2021, Suburban submitted its Draft Transition Plan Advice Letter as directed. Suburban's Draft Transition Plan included information about each of the four elements listed above.

B. Start and End Date of Emergency Customer Protections.

All Emergency Customer Protections described above began on March 4, 2020, and all will remain in place for Suburban's customers through at least June 30, 2021.

C. Outreach Efforts, Customer Impacts, and Associated Costs.

Throughout the declared State of Emergency, Suburban has provided information to customers through its website, periodic mailings, and its Customer Service representatives. Included in these outreach efforts has been information about bill payment options and encouragement to customers to address past-due bills in full or in part during the pandemic emergency period so that customers are not faced with large past-due balances at the end of the emergency period.

Suburban began voluntary reporting to the Commission's Water Division well before the Commission ordered, first, bi-weekly reporting of pandemic financial impacts, and then monthly reporting of pandemic financial impacts. The financial impacts reported by Suburban consisted of a summary of customer past-due balances in 30-day aging categories (1 – 30 days, 31 – 60 days, 61 – 90 days, 91 – 180 days, 181 – 365 days, and over 365 days). Under current Commission-authorized tariffs, a bill becomes past due if not paid within 19 days after mailing.

³ Res. M-4849, at p. 7.

Under Commission-authorized tariffs, residential customers may not have service disconnected for nonpayment until at least 79 days after a bill is mailed. During the pandemic emergency period, there have been no service disconnections for nonpayment. The financial impacts consist of customers with increasing past-due balances and Suburban having not received those customer payments. Suburban has also reported on customers enrolled in its Customer Assistance Program (CAP), both in terms of the number of enrollees and the past-due balances of those enrolled in the Suburban CAP. A brief summary is provided below:

At the end of August, 2020, Suburban's customers had a total of \$500,676 in unpaid bills of 90 days or more past due. At the end of October, 2020, that total had increased to \$692,292. By the end of calendar year 2020, the total had increased further to \$892,031. At the end of January, 2021, the total of unpaid bills of 90 days or more past due totaled \$1,059,661, consisting of 19,541 total bills, of which 2,331 were for CAP enrollees.

Furthermore, Suburban does not have either a marketing or outreach budget, and, as of December 31, 2020 Suburban had incurred \$94,447 of non arrearage cost that it has debited to the CEMA account for future recovery.

II. Compliance with Ordering Paragraph 12 of D.19-07-015.

Ordering Paragraph 12 of D.19-07-015 provides:

All Class-A Water utilities (California Water Service Company, California American Water Company, Golden State Water Company, Great Oaks Water Company, Liberty Utilities (Apple Valley Ranchos Water, and Park Water), San Jose Water Company, San Gabriel Valley Water Company, and Suburban Water Systems as well as all Class-B Water utilities (Fruitridge Vista Water Company, Bakman Water Company, Del Oro Water Company, East Pasadena Water Company, Santa Catalina Island Water (a division of Southern California Edison Company), and Alco Water Service).) shall file a Tier 1 Advice Letter twelve months from a qualifying event, documenting the collaborative engagement they had with the Governor's Office of Emergency Services and the California Department of Forestry and Fire Protection demonstrating information sharing that aided these entities in carrying out their mission.

A. Collaboration and Information Sharing.

While the Emergency Customer Protections adopted in D.19-07-015 were primarily geared towards wildfire disasters, Suburban interprets the language of Ordering Paragraph 12, in the context of the COVID-19 State of Emergency, to require reporting on Suburban's collaboration with State and local emergency services and the information-sharing that has taken place during the pandemic State of Emergency.

From the beginning of the declared State of Emergency, Suburban has participated in various community outreach initiatives, including chamber meetings organized by the chambers in their service territories for the purpose of discussing and addressing water utility-related aspects of the

pandemic. These meetings have covered various topics and were a collaborative effort to provide information and assistance when and where necessary. Our outreach is ongoing.

Suburban has also been involved with emergency management meetings covering much the same topics. Those meetings, too, are ongoing.

Through the California Water Association (CWA), Suburban has been kept informed of State government activities pertaining to the COVID-19 State of Emergency as well. The CWA meetings on such topics also are continuing.

Suburban has stayed abreast and informed of requirements mandated by regulatory agencies, such as Los Angeles County Department of Public Health, and the California Department of Occupational Safety and Health (Cal/OSHA) to prevent the spread of COVID-19. Suburban has implemented various controls to comply with regulations and to ensure the safety and health of its employees, including:

- Engineering controls (e.g., building ventilation)
- Administrative controls (e.g., training, social distancing and employee gathering requirements, facial coverings requirement, building ventilation, telework, limited workplace access, platooning, cleaning and disinfecting, hand hygiene/sanitation, postings, job aids, updates in tailgates)
- Personal Protective Equipment (e.g., N-95s, gloves)

III. Compliance with D.19-07-015.

Suburban respectfully submits this Tier 1 Advice Letter in compliance with Ordering Paragraphs 11 and 12 of D.19-07-015.

Tier Designation and Effective Date

This is a Tier 1 Advice Letter pursuant to General Order 96-B and Water Industry Rule 7.3.1(3) (Compliance with mandatory statute, decision, or resolution). Suburban requests that the Advice Letter is effective upon filing, March 4, 2021.

Response or Protest

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:

- (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 in the advice letter contain material error or omissions;
- (4) The relief requested in the advice letter is pending before the Commission in a formal proceeding; or
- (5) The relief requested in the advice letter requires consideration in a formal hearing, or is otherwise inappropriate for the advice letter process; or

- (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 citations 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 Water Division within 20 days of the date this advice letter is filed. The address for mailing or delivering a protest is:

Tariff Unit, Water Division, 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 Water Division, the respondent or protestant shall send a copy by mail (or e-mail) to us, addressed to:
Suburban Water Systems, Robert L. Kelly, V.P. Regulatory Affairs, 1325 N. Grand Avenue,
Suite 100, Covina, CA 91724, FAX (626) 331-4848, or e-mail bkelly@swwc.com

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform the Water Division, 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.

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.

If you have not received a reply to your protest within 10 business days, contact Suburban Water Systems at (626) 543-2500.

This filing will not cause the withdrawal of service, nor conflict with other schedules or rules. In compliance with Water Industry Rule 4.3 of General Order 96-B, a copy of this advice letter has been mailed or electronically transmitted to all interested and affected parties as detailed in Attachment A.

Sincerely,

/s/Robert L. Kelly

Robert L. Kelly
Vice President, Regulatory Affairs