



December 19, 2011

Advice Letter No. 262-E

(U 913 E)

California Public Utilities Commission

Golden State Water Company ("GSWC") hereby transmits for filing an original and four copies of this Advice Letter on behalf of its Bear Valley Electric Service (BVES) Division:

SUBJECT

Unspent 2009-2011 Energy Savings Assistance ("ESA") Program Funds.

PURPOSE

The purpose of this advice letter is to request authority to spend unspent 2009 - 2011 ESA program funds in the 2012 - 2014 program cycle. BVES estimates that it will have approximately \$390,000 of unspent ESA program funds to roll-over into the 2012 program cycle.

BACKGROUND

On June 15, 2011, BVES submitted Application No. ("A") 11-06-018 ("Application") for approval of its Energy Savings Assistance (ESA) and California Alternate Rates for Energy (CARE) plans and budgets for program years 2012 through 2014. In its Application, BVES requests an annual ESA budget of \$229,625, which is the same as the budget approved in D.08-12-019; thus there would be no change in the monthly surcharge currently in rates for this program. In A.11-06-018, BVES identified that it had fallen behind in meeting its program cycle goal. On page 7 of the Application, BVES stated that for reasons relating to the execution of the American Recovery and Reinvestment Act (ARRA) weatherization programs, its implementation contractor was having problems meeting the goals of utilities sponsored programs, including the BVES ESA program. The Application describes a catch-up plan that is in effect in 2011. While the catch-up plan was helpful, the program did not achieve its goals, as planned, and there will be funds carried over into 2012. Therefore, in accordance with D.08-12-019 (at pages 35 and 36), BVES will carry-over all under-spent funds into 2012. This is estimated to be approximately \$390,000. While it is clear from D.08-12-019 that BVES is

required to carry-over under-spent funds into the next program year, it is not clear that it has authority to spend these funds.

Currently, its implementation contractor has approximately 50 homes ready to complete but due to weather and some issues relating to obtaining refrigerators, the contractor does not expect to complete the work by the end of 2011. Almost all of these homes include refrigerator replacement. The cost of treating the homes is estimated to be between \$50,000 and \$75,000. In D.11-11-009, BVES was authorized a monthly bridge funding budget of \$19,135. If these homes are completed in January of 2012, the cost of treating the homes will exceed the \$19,135 monthly authorized budget. In addition, the implementation contractor and BVES believe that it can still catch-up in the first half of 2012. Therefore, BVES requests the following authority:

- 1) Complete the 50 homes that are ready to be serviced in 2012, using funds from the 2009 - 2011 program cycle; and/or
- 2) Continue its 2011 program into 2012, in parallel with its program authorized under D.11-11-009.

TIER DESIGNATION

This Advice Letter is filed as a Tier 1 advice letter.

EFFECTIVE DATE

BVES requests the Commission make the changes to be the effective date January 1, 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.

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: Honesto Gatchalian (jnj@cpuc.ca.gov) or Maria Salinas (mas@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

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

A copy of this advice letter is being furnished to the entities listed on the service list for A.11-06-016.

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

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: Julie Fitch, Director, CPUC – Energy Division
Donald Lafrenz, Energy Division
R. Mark Pocta, DRA

GOLDEN STATE WATER COMPANY

DISTRIBUTION LIST

BEAR VALLEY ELECTRIC DIVISION

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Big Bear City, CA 92314

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CALIFORNIA PUBLIC UTILITIES COMMISSION

Service Lists

PROCEEDING: A1106016

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CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. Golden State Water Company/Bear Valley Electric Service/ U 913-E

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Nguyen Quan

Phone #: (909) 394-3600 ext. 664

E-mail: nquan@gswater.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas
PLC = Pipeline HEAT = Heat WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 262-E

Subject of AL: Request authority to spend unspent 2009 - 2011 ESA program funds in the 2012 - 2014 program cycle. BVES estimates that it will have approximately \$390,000 of unspent ESA program funds to roll-over into the 2012 program cycle.

Keywords (choose from CPUC listing): CARE

AL filing type: Monthly Quarterly Annual One-Time Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL No

Summarize differences between the AL and the prior withdrawn or rejected AL¹: N/A

Resolution Required? Yes No

Tier Designation X1 2 3

Requested effective date: January 1, 2012

No. of tariff sheets: 0

Estimated system annual revenue effect: (%): None

Estimated system average rate effect (%): None

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: None

Service affected and changes proposed¹: None

Pending advice letters that revise the same tariff sheets: None

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Ave.,
San Francisco, CA 94102

inj@cpuc.ca.gov and mas@cpuc.ca.gov

Golden State Water Company
Attn: Nguyen Quan Reg. Affairs
630 E. Foothill Blvd.,
San Dimas, CA 91773
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¹ Discuss in AL if more space is needed.