



PUBLIC PARTICIPATION HEARING

Great Oaks Water Company General Rate Case Application (A.24-07-001)

October 22, 2024

What is a Public Participation Hearing?

The purpose of the Public Participation Hearing (PPH) is to provide an opportunity for you to communicate directly with the California Public Utilities Commission (CPUC) about how Great Oaks Water Company's (Great Oaks) proposal in its application would impact you and to share any concerns you may have about the service that you receive from Great Oaks.

What is this Rate Application About?

Every three years the large Class A water utilities undergo a "General Rate Case," or GRC, at the California Public Utilities Commission (CPUC). A GRC allows the CPUC to take a broad, in-depth look at a water company's revenues and expenses and consider quality of service and other factors to arrive at just and reasonable rates. As part of a GRC proceeding, a water company requests revenues for the next three years based on its forecasted expenses and necessary investments and must justify the proposed rate increase.¹ Parties to the proceeding then examine and comment on the request in a public process before the CPUC. Below is information on Great Oaks' General Rate Case submitted July 1, 2024.

What is Great Oaks Requesting in A.24-07-001?²

Increases in Revenue to be Recovered:

- 2025: \$1.606 million (5.99%) above current revenues
- 2026: \$2.152 million (7.58%) above proposed 2025 revenues
- 2027: \$2.427 million (7.94%) above proposed 2026 revenues

The amount of revenue to be authorized is based on the forecasted operating and capital costs of doing business. This, combined with forecasted water sales and number of customers, produces the necessary changes in rates.

¹ There will likely be other increases outside of the three-year GRC period. The company can request to increase rates if certain operating costs increase, such as electricity and purchased water.

² The values for 2026 and 2027 are estimated. The actual increases may differ based on the company's recorded data and the inflation forecast for each year.



What are the Main Reasons Great Oaks Cites for Needing to Increase Rates?

- **Groundwater Charges:** \$1,743,019 increase for proposed costs charges levied by Santa Clara Valley Water District on groundwater production.
- **Payroll Expense:** \$133,413 increase for the proposed payroll increases due to yearly escalation factors, job promotion with added responsibilities, and increased starting salary for new employees.
- **Purchased Power:** \$297,303 increase for increasing electricity costs from PG&E and increased water production projected for the proposed Test Year 2025/2026.

How will Great Oaks' Request Impact Me?

Residential Rate Impacts from GRC Request (Not including CPUC fee, surcharges, refunds, or tax)

Service Charge (Meter Size)	Current Eff. 7/1/2024	Proposed		
		Eff. 7/1/2025	Eff. 7/1/2026	Eff. 7/1/2027
5/8"	\$15.42	\$20.79	\$21.34	\$22.05
3/4"	\$23.12	\$31.18	\$32.01	\$33.07
1-inch	\$38.54	\$51.96	\$53.34	\$55.12
Variable Rates				
Tier 1	0 – 12 CCF			
	\$3.5593	\$3.4008	\$3.7385	\$4.1112
Tier 2	13 – 20 CCF			
	\$6.1425	\$5.8688	\$6.4516	\$7.0948
Tier 3	Over 20 CCF			
	\$7.2939	\$6.9689	\$7.6610	\$8.4247

Bills are calculated by combining a service charge and a usage charge. The service charge is a fixed, once per month charge for maintaining the meters, pipes, pumps, valves, and other equipment to deliver water to your residence. Your service charge depends on your meter size. Most of Great Oaks' customers use a 3/4-inch meter. The usage charge is a monthly charge based on each household's water use, meaning the more water used, the higher the volumetric per unit charge could become. For example, for a household with a 3/4-inch meter, using 10 CCF (1 CCF = 748 gallons) in 2024, the usage charge would be calculated by first multiplying 10 CCF by \$3.5593, which equals \$35.59. The total bill is calculated by adding the service charge and usage charge together (\$23.12+\$35.59=\$58.71).

An average-use, residential customer with a 3/4-inch meter using 10 CCF would see an increase in each bill from \$58.71 currently to \$64.88 per month in 2025 under Great Oaks' request in A.24-07-001. The same bill would be \$68.96 in 2026 and \$73.74 in 2027 resulting in an overall 26.77% rate increase over 3 years.



Where Can I Go for Further Information on the Proceeding?

- In addition to the scheduled PPH, customers may submit written public comments at any time during the proceeding and read other public comments via the Commission's website at the Docket Card for this proceeding, using the Public Comment tab at apps.cpuc.ca.gov/c/A2407001
- Documents related to this proceeding are available on the CPUC's website at apps.cpuc.ca.gov/p/A2407001
- Subscribe to receive documents related to this proceeding at subscribecpuc.cpuc.ca.gov/
- To review Great Oaks' Application, or to request a copy of all exhibits, including supporting testimony, please go to: greatoakswater.com/index.htm
- To review Public Advocates Office's testimony, go to: [www.publicadvocates.cpuc.ca.gov/\[Water Proceedings\]](https://www.publicadvocates.cpuc.ca.gov/[Water Proceedings])
- The Public Advisor's Office provides information for the public on how to get involved in proceedings: www.cpuc.ca.gov/pao
- The CPUC's Water Division provides information on the regulatory process for water utilities: www.cpuc.ca.gov/about-cpuc/divisions/water-division