

Memorandum

Date: August 22, 2019

To: The Honorable Marybel Batjer
President
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102

From: Department of Water Resources

Subject: Notification of Determination of Revenue Requirements for 2020

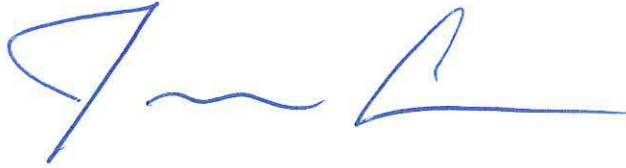
Pursuant to California Water Code sections 80110 and 80134 and the Terms and Conditions of the March 8, 2002 Rate Agreement between the California Department of Water Resources (DWR) and the California Public Utilities Commission (Commission), DWR hereby advises and notifies the Commission that its Determination of Revenue Requirements for the period January 1, 2020 through and including December 31, 2020. DWR has made its determination in accordance with California Water Code, Division 27 and the California Code of Regulations, Division 23, Chapter 4, Sections 510–517. A copy of the DWR's 2020 Revenue Requirements Determination is attached.

DWR requests that the Commission calculate, revise and impose Bond Charges in accordance with Article V of the Rate Agreement sufficient to satisfy the Rate Covenant therein and to satisfy DWR's Retail Revenue Requirements delineated in the 2020 Revenue Requirement Determination for the period January 1, 2020 through and including December 31, 2020.

DWR has ceased purchasing power for sale to customers in the Investor-Owned Utilities (IOUs) service areas therefore the imposition of a Power Charge is not required. The Power Charge accounts will remain open for any future excess amounts that can be allocated back to ratepayers in the IOU service areas. The excess amounts are primarily due to energy crisis settlements and the diminishing required minimum balances in the Power Charge Accounts.

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DWR appreciates the Commission's assistance in implementing its Revenue Requirement Determination for 2020. If you have any questions or need additional information, please contact me at Jesse.Cason@water.ca.gov (916) 557-4620.

A handwritten signature in blue ink, consisting of a stylized 'J' followed by a wavy line and a final flourish.

Jesse Cason
Chief, California Energy Resources Scheduling
California Department of Water Resources
Attachment

(cc: See attached list.)

cc: Honorable Clifford Rechtschaffen, Commissioner
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102

Honorable Martha Guzman. Aceves, Commissioner
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102

Honorable Genevieve Shiroma, Commissioner
California Public Utilities Commission
505 Van Ness Avenue
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Honorable Liane M. Randolph, Commissioner
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102

Alice Stebbins, Executive Director
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102

Honorable Jason Jungreis, Administrative Law Judge
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102

Service List Rulemaking 15-02-012 (via electronic mail)