

Schedule No. MO -14.1.1.
WATER CONSERVATION PLAN
MONTEREY COUNTY DISTRICT

A. BACKGROUND

As described in Rule 14.1.1, the California-American Water Company ("Company" or "CAW") is authorized charge emergency conservation rates, fine Customers, temporarily terminate service for water and/or to install flow restrictors for water waste or use above specific conservation levels, and charge fees for the removal of flow restrictors as described in this tariff.

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B. APPLICABILITY

1. This Schedule applies to water Customers of the Monterey County District's Main System and Customers of the Ryan Ranch, Bishop and Hidden Hills systems all of which are served under rate Schedule MO-1, MO-1MU, and MO-1C authorized by the California Public Utilities Commission ("Commission"). This Schedule applies to Customers supplied by water from the Carmel River System and Seaside Basin (including the Ryan Ranch, Hidden Hills and Bishop systems). It does not apply to Customers in Toro, Ambler Park, Ralph Lane, Garrapata and Chualar systems. It is effective at all times, as required by Rule No. 14.1.1, and for the period noted in the Special Conditions section below.
2. This Schedule shall remain dormant until activated by Commission authorization via a Tier 2 advice letter.
3. Once the Schedule is activated, utility can implement Stages 2,3,and 4, or change levels of the Emergency Conservation Rates, of the Schedule by filing a Tier 2 advice letter.
4. When this schedule is activated, it shall remain in effect until the utility files a Tier 1 advice letter to deactivate a specific stage of the Water Shortage Contingency Plan and such is authorized by the Commission.

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C. WATER USE VIOLATION FINE

1. When Stage 2 or higher of the Water Shortage Contingency Plan has been activated by Commission authorization, the water use restrictions of Stage 1 in the Water Shortage Contingency Plan in Section G.2 of Rule 14.1.1 become subject to fines imposed by the utility. The utility will first work closely with local law enforcement and public agencies charged with enforcing the mandatory water use restrictions. However, should the utility find that the local agency is not effectively enforcing the mandatory use restrictions, the utility, after written warnings, such as door hangers and letters, may begin to issue fines. If a Customer is seen violating the water use restrictions, as outlined in Rule No. 14.1.1 and the Special Conditions below, the Customer will be subject to the following fine structure:
 - a. First offense: Written warning, including explanation of penalty for subsequent offense.
 - b. Second offense within 1 year (of the same restriction): Written warning, including explanation of penalty for subsequent offense and \$100 fine.
 - c. Third offense within 1 year (of the same restriction): Written warning, including explanation of penalty for subsequent offense and a \$250 fine.
 - d. Fourth offense within 1 year (of the same restriction): Written warning, including explanation of penalty for subsequent offense and a \$500 fine.
 - e. Fifth offense within 1 year (of the same restriction): Written warning, including explanation of penalty for subsequent offense and service termination pursuant to Rule 11 and a \$500 fine.
 - f. Sixth offense within 1 year (of the same restriction): Installation of a flow restricting device on Customer's water meter for duration of activation of the Water Shortage Contingency Plan.
2. Offenses for separate water use restrictions will each start at the warning stage.
3. The water use violation fine is in addition to the regular rate schedule charges.

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(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 1145

ISSUED BY
J.T. LINAM

(TO BE INSERTED BY C.P.U.C.)
DATE FILED 12-30-2016

DECISION NO. D.16-12-003

DIRECTOR – Rates & Regulatory

EFFECTIVE 1-29-2017

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D. APPLICABLE EMERGENCY CONSERVATION RATES

1. Emergency Conservation Rates:

- a. Level 1 Emergency Conservation Rates comprised of a 25 percent surcharge shall be implemented on the then existing rates for a minimum of 3 months. The surcharge shall not apply to Tier 1 Residential Customers. (C)
- b. Level 2 Emergency Conservation Rates comprised of a 40 percent surcharge shall be implemented on the then existing rate (without the 25 percent Level 1 surcharge) if after the imposition of Level 1 Conservation Rates for 3 months the monthly production in the California American Water System exceeds the monthly production target for the previous two (2) consecutive months. The surcharge shall not apply to Tier 1 Residential Customers. (C)

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E. ENFORCEMENT

- 1. Letter/Fine: From second violation of the same restriction within a one year period and onwards, a violation letter will be posted on property and sent to billing address, if different.
- 2. Aging of violation: Violations will accrue for the period of one year and be considered corrected and expunged one year after the violation occurs. The purpose of this rule is to prevent discrete violations from accruing in the event of a multi-year enforcement of the Water Shortage Contingency Plan.

(Continued)

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3. Applies to all Enforcement Stages of Water Shortage Contingency Plan.

	Violation 1	Violation 2 (of the same restriction)	Violation 3 (of the same restriction)	Violation 4 (of the same restriction)	Violation 5/6 ⁽²⁾ (of the same restriction)
Proof of violation	Employee or Customer reports, with no additional verification required	Verification with a written report by employee or contractor of CAW	Verification with a written report by employee or contractor of CAW	Verification with a written report by employee or contractor of CAW	Verification with a written report by employee or contractor of CAW
Letter/fine	Warning letter mailed to premise and billing address	Violation letter posted and mailed with \$100 fine on next bill	Violation letter posted and mailed with \$250 fine on next bill	Violation letter posted and mailed with \$500 fine on next bill	Violation letter posted and mailed, shut off per Rule 11 and \$500 fine on next bill
Fixing leaks All Stages	Customer has: 72 hours	Customer has: 72 hours	Customer has: 72 hour	Customer has: 72 hours	Customer has: 72 hours
Time to correct violation	5 days	5 days	5 days	5 days	5 days
Time Customer has to request variance of the alleged violation	14 days to contact CAW in writing	14 days to contact CAW in writing	10 days to file an appeal with CAW in writing	10 days to file an appeal with CAW in writing	10 days to file an appeal with CAW in writing
If the Customer does not agree with CAW's resolution ⁽¹⁾ Reference Section K of Rule 14.1	Further reported violations of the same restricted use will not be counted in the determination of further action until one week after the variance request is resolved	If the Customer disagrees with CAW's resolution, they may file a formal complaint with the CPUC	If the Customer disagrees with CAW's resolution, they may file a formal complaint with the CPUC	If the Customer disagrees with CAW's resolution, they may file a formal complaint with the CPUC	If the Customer disagrees with CAW's resolution, they may file a formal complaint with the CPUC

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⁽¹⁾If a Customer has appealed the receipt of the fine, the fine will continue to be posted on the Customer's account, but will not result in further service action, until at least 14 days after the resolution of appeals. Once resolved, if in the Customer's favor, the fine will be immediately removed from the account. If not resolved in the Customers favor, then the fine will be due and payable as part of the next billing cycle and subject to all such further actions as with any other billed charge.

⁽²⁾For violation 6 instead of shut-off for 3 days and \$500 fine, a flow restrictor will be installed for duration of enforcement.

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ENFORCEMENT (cont)

- 4. An exemption on flow restrictor installations shall be made for water meters serving three or more multi-family dwelling units by substituting an excess water use charge of \$150 times the number of dwelling units located on the meter during each month in which a violation of the Water Waste has been determined. The excess water use charge shall be separately identified on each bill.

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F. FLOW RESTRICTOR REMOVAL CHARGE

The charge for removal of a flow-restricting device and/or reconnecting water service shall be:

Connection Size	Removal Charges
5/8" to 1"	\$150.00
1-1/2" to 2"	\$200
3" and larger	Actual Cost

G. SPECIAL CONDITIONS

- 1. The Tier 2 advice letter requesting activation of Stage 2 or higher of Schedule 14.1.1 shall include documentation of the overall water shortage justifying activation of that particular stage. (C)
- 2. This tariff schedule shall remain in effect until the utility files a Tier 1 advice letter to deactivate a specific stage of the Water Shortage Contingency Plan and such is authorized by the Commission.
- 3. Water use violation fines must be separately identified on each bill.
- 4. Emergency Conservation Rate surcharges must be separately identified on each bill. (C)
- 5. Flow restrictor charges are used to offset costs associated with the installation and removal.
- 6. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
- 7. All monies collected by the utility through Emergency Conservation Rate surcharges shall be booked to the Water Revenue Adjustment Mechanism ("WRAM") or a memorandum account to offset recovery of lost revenues. All flow restrictor removal charges or fines for water use violations collected by the utility and all expenses incurred by the utility to implement Rule 14.1.1 and Schedule 14.1.1, and the requirements of the California State Water Board Resources Control Board ("SWRCB"), or other agencies, that have not been considered in a General Rate Case or other proceeding, shall be tracked in a memorandum account for disposition as directed or authorized from time to time by the Commission and shall be recoverable by the utility if determined to be reasonable by the Commission. (C)

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