

Schedule No. 14.1

(N)

WATER SHORTAGE CONTINGENCY PLAN

WITH STAGED MANDATORY REDUCTIONS AND DROUGHT SURCHARGES

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A. APPLICABILITY

- 1. This schedule applies to all of California Water Service’s regulated ratemaking areas in California, as well as Grand Oaks Water.

B. GENERAL INFORMATION

- 1. All expenses incurred by utility to implement Rule 14.1, and Schedule 14.1, and requirements of the California State Water Resources Control Board (“Water Board”) that have not been considered in a General Rate Case or other proceeding shall be accumulated by Cal Water in a separate memorandum account, authorized in Resolution W-4976, for disposition as directed or authorized from time to time by the Commission.
- 2. All monies collected by Cal Water through waste of water penalties established in this schedule shall be recorded in the appropriate memorandum account and used to offset the expenses described in Section 1 above.
- 3. Except in the case of Grand Oaks, all monies collected by Cal Water through drought surcharges, as established by the Mandatory Water Budgets found in Schedule 14.1, shall be recorded in the appropriate Water Revenue Adjustment Mechanism (“WRAM”) account and used to offset under-collected revenues.
- 4. To the extent that any provision in this Schedule is inconsistent with Rule 14.1, the provisions of this Schedule apply.
- 5. A customer may request installation of a real-time water measurement device on the customer’s service line. The cost of the device, including installation and ongoing operating costs, shall be billed to the customer, and nonpayment may result in discontinuance of service.
- 6. On April 1, 2015, the Governor of the State of California issued Executive Order B-29-15 due to severe drought conditions. The Executive Order, among other requirements, directs the State Water Resources Control Board (“Water Board”) to impose restrictions on urban water suppliers like Cal Water to achieve a statewide 25% reduction in potable urban usage, as compared with the amount used in 2013, through February 2016.
 - A. The restrictions must take into consideration the relative per capita water usage of each water supplier’s service area such that those with high per capital use are required to achieve proportionally greater reductions than those with less use.
 - B. Urban water suppliers must develop rate structures and other pricing mechanisms, such as surcharges and penalties, to achieve 25% water conservation.
- 7. On May 5, 2015, the Water Board issued an Emergency Regulation by Resolution No. 2015-0032 due to continuing drought conditions with specific water use reductions, by service area, and prohibitions on how end-use customers can use potable water. On May 7, 2015, the California Public Utilities Commission (“Commission”) issued Resolution W-5041 ordering compliance with the mandates of the Governor and the Water Board.

C. DEFINITIONS

For the purposes of this Schedule, the following terms have the meanings set forth in this section.
(These are the same as in Rule 14.1, unless otherwise specified.)

- 1. “Commercial nursery” means the use of land, buildings or structures for the growing and/or storing of flowers, fruit trees, ornamental trees, vegetable plants, shrubs, trees and similar vegetation for the purpose of transplanting, for use as stock or grafting, and includes the retail sale or wholesale distribution of such items directly from the premises/lot.

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C. DEFINITIONS (Continued)

2. "Drip irrigation system" means a non-spray, low-pressure, and low volume irrigation system utilizing emission devices with a precipitation or flow rate measured in gallons per hour (GPH), designed to slowly apply small volumes of water at or near the root zone of plants or other landscaping.
3. "Flow rate" means the rate at which water flows through pipes, valves, and emission devices, measured in gallons per minute (GPM), gallons per hour (GPH), inches per hour (IPH), hundred cubic feet (Ccf), or cubic feet per second (CFS).
4. "Flow-restricting device" means valves, orifices, or other devices that reduce the flow of potable water through a service line, which are capable of passing a minimum of 3 Ccf per person, per month, based upon the U.S. Census calculation of the average number of people in a household in the area.
5. "High-efficiency sprinkler systems" means an irrigation system with emission devices, such as sprinkler heads or nozzles, with a precipitation or flow rate no greater than one IPH.
6. "Irrigation" means the application of potable water by artificial means to landscape.
7. "Irrigation system" means the components of a system meant to apply water to an area for the purpose of irrigation, including, but not limited to, piping, fittings, sprinkler heads or nozzles, drip tubing, valves, and control wiring.
8. "Landscape" means all of the outdoor planting areas, turf areas, and water features at a particular location.
9. "Measureable rainfall" means any amount of precipitation of more than one-tenth of an inch (0.1").
10. "Micro spray irrigation system" means a low-pressure, low-volume irrigation system utilizing emission devices that spray, mist, sprinkle, or drip with a precipitation or flow rate measured in GPH, designed to slowly apply small volumes of water to a specific area.
11. "Ornamental landscape" means shrubs, bushes, flowers, ground cover, turf, lawns, and grass planted for the purpose of improving the aesthetic appearance of property, but does not include crops or other agricultural products or special landscape areas.
12. "Ornamental turf" means a ground cover surface of grass that can be mowed and is planted for the purpose of improving the aesthetic appearance of the property, but does not include crops or other agricultural products or special landscape areas.
13. "Plumbing fixture" means a receptacle or device that is connected to a water supply system, including, but not limited to, pipes, toilets, urinals, showerheads, faucets, washing machines, water heaters, tubs, and dishwashers.
14. "Potable water" means water supplied by Cal Water which conforms to the federal and state standards for human consumption.
15. "Properly programmed" means a smart irrigation controller that has been programmed according to the manufacturer's instructions and site-specific conditions.
16. "Real-time water measurement device" means a device or system that provides regularly updated electronic information regarding the customer's water use.
17. "Runoff" means water which is not absorbed by the soil or landscape to which it is applied and flows from the landscape onto other areas.
18. "Smart irrigation controller" means an automatic device used to remotely control valves that operate an irrigation system that has been tested by an American National Standards Institute accredited third-party certifying body or

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C. DEFINITIONS (Continued)

laboratory in accordance with the Environmental Protection Agency’s WaterSense program (or an analogous successor program), and certified by such body or laboratory as meeting the performance and efficiency requirements of such program, or the more stringent performance and efficiency requirements of another similar program.

19. “Special landscape area” means an area of the landscape dedicated solely to edible plants and areas dedicated to active play such as parks, sports fields, golf courses, and where turf provides a playing surface.

20. “Turf” means a ground cover surface of grass that can be mowed.

21. “Water feature” means a design element where open, artificially supplied water performs an aesthetic or recreation feature, including, but not limited to, ponds, lakes, waterfalls, fountains, and streams.

22. “Water use evaluation” means an evaluation of the efficiency of indoor water-using devices, including, but not limited to, measurement of flow rates for all existing showerheads, faucets, and toilets, inspection for leaks, and providing written recommendations to improve the efficiency of the indoor water-using fixtures and devices and/or an evaluation of the performance of an irrigation system, including, but not limited to, inspection for leaks, reporting of overspray or runoff, and providing written recommendations to improve the performance of the irrigation system.

D. WASTE OF WATER PENALTIES

Each Stage of this Schedule establishes certain restrictions on the use of potable water. essential, wasteful use of potable water. Cal Water is authorized to take the following actions when its personnel verify a customer is using potable water for non-essential, wasteful uses. No person shall have any right or claim in law or in equity, against Cal Water because of, or as a result of, any matter or thing done or threatened to be done pursuant to the restrictions on using potable water for non-essential, wasteful uses.

Note: When a Stage in this Schedule has been activated, Section D in this Schedule supersedes Section D (Enforcement) in Rule 14.1.

1. **FIRST VIOLATION**: Cal Water shall provide the customer with a written notice of violation. In addition, Cal Water is authorized to take the following actions:
 - A. If the customer currently receives service through a metered connection, install a real-time water measurement device on the customer’s service line and provide the customer with access to information from the device. The cost of the device, including installation and ongoing operating costs, shall be billed to the customer, and nonpayment may result in discontinuance of service.
 - B. If the customer does not currently receive service through a metered connection, install a water meter on the customer’s service line, charge the customer for water use pursuant to Cal Water’s metered service tariffs and rules, and install a real-time water measurement device on the customer’s service line and provide the customer with access to information from the device. The cost of the device, including installation and ongoing operating costs, shall be billed to the customer, and nonpayment may result in discontinuance of service.
2. **SECOND VIOLATION**: If Cal Water verifies that the customer has used potable water for non-essential, wasteful uses after having been notified of the first violation, Cal Water shall provide the customer with a second written notice of violation. In addition to the actions prescribed under the first violation above, Cal Water is authorized to take the following actions:
 - A. Apply the following waste of water penalties, which are in addition to any other charges authorized by this Schedule or other Cal Water tariffs.
 - i. If Stage 1 is in effect, \$25 (Stage 1 is detailed below in Section E).
 - ii. If Stage 2 is in effect, \$50 (Stage 2 is detailed below in Section F).

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D. WASTE OF WATER PENALTIES (Continued)

- iii. If Stage 3 is in effect, \$100 (Stage 3 is detailed below in Section G).
 - iv. If Stage 4 is in effect, \$200 (Stage 4 is detailed below in Section H).
- B. At its sole discretion, waive the waste of water penalty if the customer participates in a water use evaluation provided by Cal Water and/or provides documentation to Cal Water proving that a drip irrigation system, micro spray irrigation system, high-efficiency sprinkler system, or properly programmed smart irrigation controller has been installed, after a notice of violation was delivered, and is in use at the customer's service address.
3. **THIRD VIOLATION:** If Cal Water verifies that the customer has used potable water for non-essential, wasteful uses after having been notified of the second violation, Cal Water shall provide the first and second violations above, Cal Water is authorized to take the following actions:
- A. Apply the following waste of water penalties, which are in addition to any other charges authorized by this Schedule or other Cal Water tariffs.
 - i. If Stage 1 is in effect, \$50 (Stage 1 is detailed below in Section E).
 - ii. If Stage 2 is in effect, \$100 (Stage 2 is detailed below in Section F).
 - iii. If Stage 3 is in effect, \$200 (Stage 3 is detailed below in Section G).
 - iv. If Stage 4 is in effect, \$400 (Stage 4 is detailed below in Section H).
 - B. At its sole discretion, waive the waste of water surcharge if the customer participates in a water use evaluation provided by Cal Water and/or provides documentation to Cal Water proving that a drip irrigation system, micro spray irrigation system, high-efficiency sprinkler system, or properly programmed smart irrigation controller has been installed, after notice of violations have been delivered, and is in use at the customer's service address.
4. **FOURTH VIOLATION:** If Cal Water verifies that the customer has used potable water for non-essential, wasteful uses after having been notified of the third violation, Cal Water shall provide the customer with a fourth written notice of violation. In addition to actions set forth in previous violations prescribed above, Cal Water is authorized to install a flow-restricting device on the customer's service line. Cal Water shall not be held liable for any injuries, damages, and/or consequences arising from the installation of a flow restricting device.
5. **EGREGIOUS VIOLATIONS:** Notwithstanding the foregoing framework for penalties, customers who Cal Water has verified are egregiously using potable water for non-essential, wasteful uses are subject to having a flow-restricting device installed on their service line. After providing the customer with one notice of egregious violation, either by direct mail or door hanger, which documents the egregious use of potable water for non-essential, wasteful uses and explains that failure to correct the violation may result in the installation of a flow-restricting device on the customer's service line, Cal Water is authorized to install a flow-restricting device on the customer's service line. Cal Water shall not be held liable for any injuries, damages, and/or consequences arising from the installation of a flow restricting device.
6. **NOTICES OF VIOLATION:**
- A. Unless otherwise specified, written notices of violation provided to customers pursuant to this Schedule shall document the verified violation and alert the customer to the fact that future violations of the restricted uses of potable water may result in a real-time water management device being installed on the customer's service line at the customers expense, waste of water surcharges being applied to the customer's bill, the installation of a flow-restricting device on the customer's service line, or the discontinuation of the customer's service.

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D. WASTE OF WATER PENALTIES (Continued)

- B. If Cal Water elects to install a flow-restricting device on a customer's service line, the written notice service line, shall document the steps the customer must take in order for the flow-restricting device to be removed, and shall explain that after the flow-restricting device is removed, it may be reinstalled, without further notice, if the customer is again verified by Cal Water to be using potable water for non-essential, wasteful uses.
- 7. **FLOW RESTRICTING DEVICE CONDITIONS:** The installation of a flow-restricting device on a customer's service line is subject to the following conditions:
 - A. The device shall be capable of providing the premise with a minimum of 3 Ccf per person, per month, based upon the U.S. Census calculation of the average number of people in a household in the area.
 - B. The device may only be removed by Cal Water, and only after a minimum three-day period has elapsed.
 - C. Any tampering with the device may result in the discontinuation of the customer's water service and the customer being charged for any damage to Cal Water's equipment or facilities and any required service visits.
 - D. After the removal of the device, if Cal Water verifies that the customer is using potable water for non-essential, wasteful uses, Cal Water may install another flow-restricting device without prior notice. This device shall remain in place until water supply conditions warrant its removal. If, despite the installation of the device, Cal Water verifies that the customer is using potable water for non-essential and, unauthorized wasteful uses, then Cal Water may discontinue the customer's water service, as provided in its Rule No. 11.
- 8. **FLOW-RESTRICTING DEVICE REMOVAL CHARGES:** The charge to customers for removal of a flow-restricting device installed pursuant to this Schedule is \$100 during normal business hours, and \$150 for the device to be removed outside of normal business hours.

E. STAGE ONE WATER USE RESTRICTIONS

1. WASTEFUL USES OF WATER (STAGE 1)

The following restrictions may be imposed by Cal Water, except where necessary to address an immediate health or safety need, or to comply with a term or condition in a permit issued by a state or federal agency:

- A. Outdoor Irrigation Restrictions (Stage 1)
 - i. Irrigating ornamental landscapes with potable water is limited to no more than ² ~~three (3)~~ days per week, on a schedule established and posted by Cal Water on its website or otherwise provided to customers by bill message, bill insert, direct mail, or email, or as follows:

IRRIGATION SCHEDULE

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Even Street Addresses			✓			✓	
Odd Street Addresses		✓			✓		
No Street Addresses		✓			✓		

Please check with your city government about any restrictions it has adopted on the times outdoor irrigation may occur. If your city does not have any such restrictions, outdoor irrigation may not take place between the hours of 8 a.m. and 6 p.m. Exemptions: hand-watering, drip irrigation, and microspray irrigation on lawns, landscaping, and trees

Violation of any of these water use restrictions may be subject to enforcement measures, including a fine of up to \$100 for each day the violation occurs, installation of flow restrictors, or discontinuance of water service.

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E. STAGE ONE WATER USE RESTRICTIONS (Continued)

4. Notwithstanding the foregoing restrictions, irrigation of special landscape areas or commercial nurseries landscape area or may occur as needed, provided that the customer who wishes to irrigate a special commercial nursery presents Cal Water with a plan to achieve water use reductions commensurate with those that would be achieved by complying with foregoing restrictions.
 5. Notwithstanding the foregoing restrictions, when a city, county, or other local public agency in one of Cal Water's service areas duly adopts restrictions on the number of days or hours of the day that customers may irrigate that are different than those adopted by Cal Water, Cal Water may enforce the city, county, or other local public agency's restrictions.
- ii. Irrigating ornamental landscape with potable water is prohibited during the hours between **8:00 a.m. and 6:00 p.m.**
 - iii. The foregoing restrictions do **not** apply to:
 1. Landscape irrigation zones that exclusively use drip irrigation systems and/or micro spray irrigation system;
 2. Irrigating ornamental landscapes with the use of a hand-held bucket or similar container, with a continuously monitored hose which is fitted with an automatic shut-off nozzle or device attached to it that causes it to cease dispensing water immediately when not in use or monitored, or for the express purpose of adjusting or repairing an irrigation system.
- B. Obligation to Fix Leaks, Breaks or Malfunctions: All leaks, breaks, or other malfunctions in the customer's plumbing fixtures and/or irrigation system must be repaired within **five (5) business days** of written notification by Cal Water, unless other arrangements are made with Cal Water.
- C. Prohibited Uses of Water: Customers are prohibited from using potable water for the following actions:
- i. The application of potable water to landscapes in a manner that causes runoff such that water flows onto adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots, or structures;
 - ii. The use of a hose that dispenses potable water to wash vehicles, including cars, trucks, buses, shut-off nozzle or device attached to it that causes it to cease dispensing water immediately when not in use.
 - iii. The application of potable water to driveways and sidewalks;
 - iv. The use of potable water in a water feature, except where the water is part of a recirculating system;
 - v. The application of potable water to outdoor landscapes during and within forty-eight (48) hours after measurable rainfall (see Definitions);
 - vi. The serving of drinking water other than upon request in eating or drinking establishments, including but not limited to restaurants, hotels, cafes, cafeterias, bars, or other public places where food or drink are served and/or purchased;
 - vii. Irrigation of ornamental turf on public street medians with potable water;
 - viii. Irrigation outside of newly constructed homes and buildings with potable water in a manner inconsistent with regulations or other requirements established by the California Building Standards Commission and the Department of Housing and Community Development.
- D. Operators of hotels and motels shall provide guests with the option of choosing not to have towels and linens laundered daily. The hotel or motel shall prominently display notice of this option in each guest room using clear and easily understood language.

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E. STAGE ONE WATER USE RESTRICTIONS (Continued)

[Stage 1 (cont.)]

- e. Limits on Filling Ornamental Lakes or Ponds: Filling or re-filling ornamental lakes or ponds with potable water is prohibited, except to the extent needed to sustain aquatic life, provided that such animals are of significant value and have been actively managed within the water feature prior to the implementation of any staged mandatory restrictions of water use as described in this Schedule.
- f. Other duly adopted restrictions on the use of potable water as prescribed from time to time by the Commission or other authorized government agencies are incorporated herein by reference.

F. STAGE TWO WATER USE RESTRICTIONS

1. MANDATORY WATER BUDGETS AND BANKING (STAGE 2)

The Governor's Executive Order mandates a 25% reduction in potable urban usage, as compared with the amount used in 2013, through February 2016. To carry out this mandate, the Water Board must develop water use restrictions that take into consideration the relative per capita water usage of each water supplier's service area such that those with high per capita use are required to achieve proportionally greater reductions than those with less use. In addition, water suppliers must develop rate structures and other pricing mechanisms, such as surcharges and penalties, to achieve 25% water conservation.

A. Mandatory Reduction Percentage: The Water Board has established increasing levels of required water reduction based upon residential per capita per day use (R-GPCD) for the three summer months of July through September 2014.

- i. The Mandatory Reduction Percentage for each of Cal Water's service areas [and Grand Oaks] is in **Appendix B**. This Mandatory Reduction Percentage is the percentage by which customers in that area must reduce their total potable water use, as compared to their use in 2013.

B. Customer Water Budgets: Each customer with metered potable water service (residential and non-residential customers) will receive an individualized "water budget" for each billing period.

- i. The water budget will be the amount of water the customer can use in that billing period without incurring a "drought surcharge." The water budget will be based on the units of water (Ccfs) that customer used in the same billing period in 2013, minus the Mandatory Reduction Percentage established by the Water Board (as identified in **Appendix B**). A customer's water budget will vary according to their monthly water usage in 2013.
- ii. If a customer was not in his or her current location in 2013, the average monthly consumption will be used as a starting budget. If customers have a unique situation and the average budget is not appropriate, they can file an appeal to have their water budget increased. Cal Water may also modify the starting budget to reflect suitable use.
- iii. The water budget for the following billing period will appear on each customer's water bill. Customers will also be able to find their water budgets, and their individual water use history dating back to 2013, by going to usage.calwater.com (do not include "www"), and entering their account number, street (or house) number, and ZIP code.
- iv. **Water budgets will become effective with the first billing period that begins in the month of June 2015.** No Drought Surcharges will be applied for billing periods that include any days in the month of May 2015.

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F. STAGE TWO WATER USE RESTRICTIONS (Continued)

[Stage 2 (cont.)]

- C. **Minimum Water Budgets:** A minimum monthly amount of water that protects the health and safety of customers will be established for each service area as a Minimum Water Budget for single-family residential customers.
 - i. No single-family residential customer will have a water budget that is below the threshold of the monthly Minimum Water Budget, even if applying the Mandatory Reduction Percentage to that customer's 2013 usage would result in a lower amount.
 - ii. The Minimum Water Budget for each service area is identified in **Appendix A**. (For areas with bi-monthly billing and bi-monthly water budgets, the Minimum Water Budget in Appendix A should be doubled for the billing period.)
- D. **Drought Surcharges:** If a customer uses more units of potable water (Ccf) than their Water Budget in a billing period, that customer's water bill will reflect an additional "Drought Surcharge" for each unit of water over the Water Budget.
 - i. The Drought Surcharge per unit of water for each service area is identified in **Appendix A**.
 - ii. Customers will continue to pay the normal tariffed rates for potable water, in addition to any applicable Drought Surcharges. Cal Water retains the right to increase the surcharges if there are changes to the rates in the future.
- E. **Water Banking:** Customers will be able to "bank" unused units of water from their water budget for use in future billing periods.
 - i. Should a customer exceed his or her monthly budget, any banked units of water will be applied to the overage before drought surcharges are imposed.
 - ii. Banked water units can only offset future usage that exceeds a water budget.
- F. **Water Budget Appeals:** If specified criteria are met, a customer can file an appeal to have his or her water budget increased.
 - i. The reasons appeals may be considered include: water use necessary for health and safety; business or economic needs, including process-water requirements; significant long-term savings achieved since 2011; average monthly water use in 2014 that is at least 50% lower than district average; and large animal care (e.g. horse).
 - ii. All appeals must be submitted online at www.calwater.com/appeal or via a written application form (available at www.calwater.com/appeal or from our local Customer Center).
 - iii. Surcharges incurred during the appeal review period may be waived if the review takes an extended period of time.

G. STAGE THREE WATER USE RESTRICTIONS

1. MANDATORY WATER BUDGETS AND BANKING (STAGE 3)

Water budgets will be based on a customer's consumption during a historical base period and will include a percentage reduction designed to meet necessary water-use reductions. Cal Water may include provisions such as minimum water budgets to protect the health and safety of customers, and water banking allowing customers additional flexibility with regard to their required reductions.

In addition to the normal rate paid for the unit of water, a drought surcharge will be charged to a customer for each unit of water used over the established water budget for the billing period. Cal Water may implement surcharges up to three (3) times those charged in Stage 2. Cal Water will establish an appeals process for customers that will allow for requests for increased water budgets.

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G. STAGE THREE WATER USE RESTRICTIONS (Continued)

[Stage 3 (cont.)]

- ii. The use of a hose that dispenses potable water to wash vehicles, including cars, trucks, buses, boats, aircraft, and trailers, whether motorized or not, except where the hose is fitted with a shut-off nozzle or device attached to it that causes it to cease dispensing water immediately when not in use (note: this provision appears under Section E in Rule 14.1).
 - iii. The application of potable water to driveways and sidewalks;
 - iv. The use of potable water in a water feature, except where the water is part of a recirculating system;
 - v. The application of potable water to outdoor landscapes during and within forty-eight (48) hours after measurable rainfall;
 - vi. The serving of drinking water other than upon request in eating or drinking establishments, including but not limited to restaurants, hotels, cafes, cafeterias, bars, or other public places where food or drink are served and/or purchased;
 - vii. Irrigation of ornamental turf on public street medians with potable water;
 - viii. Irrigation outside of newly constructed homes and buildings with potable water in a manner inconsistent with regulations or other requirements established by the California Building Standards Commission and the Department of Housing and Community Development.
 - ix. Use of potable water for street cleaning with trucks, except for initial wash-down for construction purposes (if street sweeping is not feasible);
 - x. Use of potable water for construction purposes, such as consolidation of backfill, dust control, or other uses unless no other source of water or other method can be used.
- D. Operators of hotels and motels shall provide guests with the option of choosing not to have towels and linens laundered daily. The hotel or motel shall prominently display notice of this option in each guest room using clear and easily understood language.
- E. Limits on Filling Ornamental Lakes or Ponds: Filling or re-filling ornamental lakes or ponds with potable water is prohibited, except to the extent needed to sustain aquatic life, provided that such animals are of significant value and have been actively managed within the water feature prior to the implementation of any staged mandatory restrictions of water use as described in this Schedule.
- F. Other duly adopted restrictions on the use of potable water as prescribed from time to time by the Commission or other authorized government agencies are incorporated herein by reference.

H. STAGE FOUR WATER USE RESTRICTIONS

1. MANDATORY WATER BUDGETS AND BANKING (STAGE 4)

Water budgets will be based on a customer's consumption during a historical base period and will include a percentage reduction designed to meet necessary water-use reductions. Cal Water may include provisions such as minimum water budgets to protect the health and safety of customers, and water banking allowing customers additional flexibility with regard to their required reductions.

In addition to the normal rate paid for the unit of water, a drought surcharge will be charged to a customer for each unit of water used over the established water budget for the billing period. For Stage 4, Cal Water may implement surcharges up to three (3) times those charged in Stage 2. Cal Water may require customer consumption reductions of up to 50%.

Cal Water will establish an appeals process for customers that will allow for requests for increased water budgets.

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Issued by

(To be inserted by Cal. P.U.C.)

Advice Letter No. 2168-A

PAUL G. TOWNSLEY

Date Filed April 28, 2015

Decision No. -

Vice President

Effective June 1, 2105

Resolution No. -

This tariff sheet has been approved by the
California Public Utilities Commission.

Schedule No. 14.1

(N)

**WATER SHORTAGE CONTINGENCY PLAN
WITH STAGED MANDATORY REDUCTIONS AND DROUGHT SURCHARGES (continued)**

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H. STAGE FOUR WATER USE RESTRICTIONS (Continued)

[Stage 4 (cont.)]

2. WASTEFUL USES OF WATER (STAGE 4)

The following restrictions may be imposed by Cal Water, except where necessary to address an immediate health or safety need or to comply with a term or condition in a permit issued by a state or federal agency. Differences from or additions to previous Stages are underlined. (The following restrictions are the same as those provided in Stage 4 of Rule 14.1.)

- A. Irrigating ornamental landscape with potable water is prohibited, except when a hand-held bucket nozzle or device attached to it that causes it to cease dispensing water immediately when not in use or monitored is used to maintain vegetation, including trees and shrubs.
- B. Obligation to Fix Leaks, Breaks or Malfunctions: All leaks, breaks, or other malfunctions in the customer's plumbing fixtures or irrigation system must be repaired within **one (1) business day** of written notification by Cal Water, unless other arrangements are made with Cal Water.
- C. Prohibited Uses of Water: Customers are prohibited from using potable water for the following actions:
 - i. The application of potable water to landscapes in a manner that causes runoff such that water flows onto adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots, or structures;
 - ii. The use of a hose that dispenses potable water to wash vehicles, including cars, trucks, buses, boats, aircraft, and trailers, whether motorized or not, except where the hose is fitted with a shut-off nozzle or device attached to it that causes it to cease dispensing water immediately when not in use.
 - iii. The application of potable water to driveways and sidewalks;
 - iv. The use of potable water in a water feature, except where the water is part of a recirculating system;
 - v. The application of potable water to outdoor landscapes during and within forty-eight (48) hours after measurable rainfall;
 - vi. The serving of drinking water other than upon request in eating or drinking establishments, including but not limited to restaurants, hotels, cafes, cafeterias, bars, or other public places where food or drink are served and/or purchased;

[Note that items previously identified as (ix) and (x) in Stage 3 have been eliminated.]

 - vii. Use of potable water for street cleaning with trucks (previous Stage allowed certain exceptions);
 - viii. Use of potable water for construction purposes, such as consolidation of backfill, dust control, or other uses (previous Stage allowed certain exceptions).
- D. Operators of hotels and motels shall provide guests with the option of choosing not to have towels and linens laundered daily. The hotel or motel shall prominently display notice of this option in each guest room using clear and easily understood language.
- E. Limits on Filling Ornamental Lakes or Ponds: Filling or re-filling ornamental lakes or ponds with potable water is prohibited, except to the extent needed to sustain aquatic life, provided that such animals are of significant value and have been actively managed within the water feature prior to the implementation of any staged mandatory restrictions of water use as described in this Schedule.
- F. Other duly adopted restrictions on the use of potable water as prescribed from time to time by the Commission or other authorized government agencies are incorporated herein by reference.

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APPENDIX A

Drought surcharges apply to all metered customers of potable water.

District	Tariff Area	Drought Surcharge Non-LIRA Customers (a)	Drought Surcharge LIRA Customers (b)	Minimum Monthly Water Budget (Ccf) (c)	Rate Support Fund (RSF) Areas
Antelope Valley	Fremont Valley & Lake Hughes	\$4.5200	\$2.2600	5	RSF Area
	Lancaster	\$7.1180	\$3.5590	5	
	Leona Valley	\$4.5200	\$2.2600	5	RSF Area
Bakersfield		\$4.1868	\$2.0934	7	
Bayshore	Mid-Peninsula	\$10.0000	\$5.0000	6	
	South San Francisco	\$5.6492	\$2.8246	6	
Bear Gulch		\$10.0000	\$5.0000	6	
Chico		\$3.1314	\$1.5657	6	
Dixon		\$7.9402	\$3.9701	7	
Dominguez		\$6.9934	\$3.4967	7	
East Los Angeles		\$3.7605	\$1.8803	9	
Grand Oaks		\$2.1236	\$1.0618	5	
Hermosa Redondo		\$9.1586	\$4.5793	5	
Kern River Valley		\$4.5200	\$2.2600	4	RSF Area
King City		\$6.7536	\$3.3768	9	
Livermore		\$7.6194	\$3.8097	6	
Los Altos		\$8.1608	\$4.0804	6	
Marysville		\$5.1470	\$2.5735	6	
Oroville		\$6.1840	\$3.0920	6	
Palos Verdes		\$9.5358	\$4.7679	6	
Redwood Valley		\$4.5200	\$2.2600	4	RSF Area
Salinas		\$5.7776	\$2.8888	7	
Selma		\$3.0122	\$1.5061	8	
Stockton		\$5.5506	\$2.7753	7	
Visalia		\$2.9796	\$1.4898	7	
Westlake		\$9.2378	\$4.6189	6	
Willows		\$4.1356	\$2.0678	6	

- (a) The Drought Surcharge is equal to two (2) times the highest residential tier rate with a \$10.00 maximum EXCEPT:
 The Drought Surcharge in Rate Support Fund (RSF) areas is equal to \$4.52.
 The Drought Surcharge for districts with a 10% or less water reduction requirement is equal to the highest residential tier rate.
- (b) The Drought Surcharge for LIRA customers is 50% of the Drought Surcharge for Non-LIRA customers.
- (c) The Minimum Water Budget is set at 55 gpcd (gallons per capita per day) multiplied by the number of people per household for the area according to the U.S. Census.

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**WATER SHORTAGE CONTINGENCY PLAN
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APPENDIX B

Supplier Name	Total Water Production 2013 (Jun - Feb)	Percent Saved (Jun-14 - Feb-15, compared to 2013)	Jul-Sep 2014 R-GPCD	Tier	Conservation Standard	Estimated Savings (Gallons)
California Water Service Company South San Francisco	2,075,673,590	8%	48.8	2	8%	166,053,887
California Water Service Company East Los Angeles	3,998,522,861	4%	51.4	2	8%	319,881,829
California Water Service Company King City	428,820,478	6%	67.7	3	12%	51,458,457
California Water Service Company Dominguez	8,444,765,582	4%	83.7	4	16%	1,351,162,493
California Water Service Company Salinas District	4,612,101,098	12%	86.0	4	16%	737,936,176
California Water Service Company Mid Peninsula	3,986,792,209	11%	87.4	4	16%	637,886,753
California Water Service Company Redwood Valley	108,182,674	24%	93.3	4	16%	17,309,228
California Water Service Company Hermosa/Redondo	2,984,799,071	0%	96.4	5	20%	596,959,814
California Water Service Company Stockton	6,808,665,567	7%	97.6	5	20%	1,361,733,113
California Water Service Company Livermore	2,781,467,781	31%	120.5	6	24%	667,552,267
California Water Service Company Marysville	575,127,769	14%	125.5	6	24%	138,030,664
California Water Service Company Oroville	830,595,287	18%	131.6	7	28%	232,566,680
California Water Service Company Dixon, City of	382,549,575	9%	144.3	7	28%	107,113,881
California Water Service Company Kern River Valley	222,882,376	10%	148.9	7	28%	62,407,065
California Water Service Company Willows	364,301,895	13%	168.6	7	28%	102,004,531
California Water Service Company Los Altos/Suburban	3,714,706,268	16%	173.8	8	32%	1,188,706,006
California Water Service Company Selma	1,492,399,536	17%	189.2	8	32%	477,567,851
California Water Service Company Visalia	8,033,215,230	11%	191.7	8	32%	2,570,628,874
California Water Service Company Bakersfield	18,863,864,960	11%	197.6	8	32%	6,036,436,787
California Water Service Company Chico District	6,759,462,002	16%	210.4	8	32%	2,163,027,841
California Water Service Company Bear Gulch	3,623,142,017	11%	252.5	9	36%	1,304,331,126
California Water Service Company Palos Verdes	5,184,622,055	4%	255.4	9	36%	1,866,463,940
California Water Service Company Antelope Valley	186,061,165	-16%	296.7	9	36%	66,982,019
California Water Service Company Westlake	2,085,449,133	8%	336.7	9	36%	750,761,688

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