

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

October 8, 2014

Jennifer Lukins
President
Lukins Brothers Water Company, Inc.
2031 West Way
Lake Tahoe, CA 96150

Dear Ms. Lukins,

The Commission has approved Lukins Brothers Water Company, Inc.'s Advice Letter No. 56, filed on September 17, 2014, regarding the establishment of Rule 14.1 (Water Conservation and Rationing Plan).

Enclosed are copies of the following revised tariff sheets for the utility's files:

<u>P.U.C. Sheet No.</u>	<u>Title of Sheet</u>
417-W – 424-W	Rule 14.1 (Water Conservation and Rationing Plan)
425-W	Table of Contents

Please contact Ravi Kumra at (415) 703-2571 if you have any questions.

Thank you,

/s/DANIEL SONG

Daniel Song
Water & Sewer Advisory Branch
Division of Water and Audits

Enclosures

RULE 14.1
WATER CONSERVATION & RATIONING PLAN
GENERAL INFORMATION

1. If water supplies are projected to be insufficient to meet normal customer demand, and are beyond the control of the utility, the utility may elect to implement voluntary conservation using the portion of this plan set forth in Section A of this Rule, after notifying the Director of the Commission's Division of Water and Audits of its intent, via a letter in both hard-copy and e-mailed formats.
2. Prior to declaration of mandatory rationing, a utility may request authorization of a Schedule 14.1 – Staged Mandatory Water Conservation and Rationing tariff, via a Tier 2 advice letter.
3. If, in the opinion of the utility, more stringent water measures are required, the utility shall request Commission authorization to implement the staged mandatory conservation and rationing measures set forth in Sections B through E.
4. The utility shall file a Tier 1 advice letter to request activation of a particular stage of Schedule 14.1 – Staged Mandatory Water Conservation and Rationing tariff.
 - a. If a Declaration of Mandatory Rationing is made by utility or governing agency, or
 - b. If the utility is unable to address voluntary conservation levels set by itself, supplier, or governing agency, or
 - c. If the utility chooses to subsequently activate a different stage
5. When Schedule 14.1 is in effect and the utility determines that water supplies are again sufficient to meet normal demands, and mandatory conservation and rationing measures are no longer necessary, the utility shall seek Commission approval via a Tier 1 advice letter to de-activate the particular stage of mandatory rationing that had been authorized.
6. In the event of a water supply shortage requiring a voluntary or mandatory program, the utility shall make available to its customers water conservation kits as required by its version of Rule 20. The utility shall notify all customers of the availability of conservation kits via a bill insert or direct mailers.

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(To be inserted by utility)

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Manager

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

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RULE 14.1(Cont.)
WATER CONSERVATION & RATIONING PLAN

A. CONSERVATION - NON-ESSENTIAL OR UNAUTHORIZED WATER USE

No customer shall use utility-supplied water for non-essential or unauthorized uses, including but not limited to:

1. Use of potable water for more than minimal landscaping, as defined in the landscaping regulated of the jurisdiction or as described in Article 10.8 of the California Government Code in connection with new construction;
2. Use through any meter when the company has notified the customer in writing to repair a broken or defective plumbing, sprinkler, watering or irrigation system and the customer has failed to effect such repairs within five business days;
3. Use of potable water which results in flooding or runoff in gutters or streets;
4. Individual private washing of cars with a hose except with the use of a positive action shut-off nozzle. Use of potable water for washing commercial aircraft, cars, buses, boats, trailers, or other commercial vehicles at any time, except at commercial or fleet vehicle or boat washing facilities operated at a fixed location where equipment using water is properly maintained to avoid wasteful use;
5. Use of potable water washing buildings, structures, driveways, patios, parking lots, tennis courts, or other hard-surfaced areas, except in the cases where health and safety are at risk;
6. Use of potable water to irrigate turf, lawns, gardens, ornamental landscaping by means other than drip irrigation, or hand watering without quick acting positive action shut-off nozzles, on a specific schedule, for example:
 - 1) before 9:00 a.m. and after 5:00p.m.;
 - 2) every other day; or
 - 3) selected days of the week;
7. Use of potable water for watering streets with trucks, except for initial wash-down for construction purposes (if street sweeping is not feasible), or to protect the health and safety of the public;

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WATER CONSERVATION & RATIONING PLAN

- 8.** 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.
- 9.** Use of potable water for construction purposes unless no other source of water or other method can be used;
- 10.** Use of potable water for street cleaning;
- 11.** Operation of commercial car washes without recycling at least 50% of the potable water used per cycle;
- 12.** Use of potable water for watering outside plants, lawn, landscape and turf areas during certain hours if and when specified in Schedule No. 14.1 when the schedule is in effect;
- 13.** Use of potable water for decorative fountains or the filling or topping off of decorative lakes or ponds. Exceptions are made for those decorative fountains, lakes, or ponds which utilize recycled water;
- 14.** Use of potable water for the filling or refilling of swimming pools.
- 15.** Service of water by any restaurant except upon the request of a patron; and
- 16.** Use of potable water to flush hydrants, except where required for public health or safety.

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B. STAGED MANDATORY RATIONING OF WATER USAGE

1. Prior to declaration of mandatory rationing, a utility may request authorization of a Schedule 14.1 – Staged Mandatory Water Conservation and Rationing tariff, via a Tier 2 advice letter, with full justification. The utility may not institute Schedule 14.1 until it has been authorized to do so by the Commission.
 - a. A staged Schedule 14.1 that has been authorized by the Commission shall remain dormant until triggered by specific conditions detailed in the Schedule 14.1 tariff and utility has requested and received authorization for activating a stage by Commission.
 - b. Notice of the Tier 2 advice letter and associated public participation hearing shall be provided to customers under General Order (GO) 96-B rules.
 - c. Utility shall comply with all requirements of Sections 350-358 of the California Water Code.
 - d. The Tier 2 advice letter requesting institution of a Schedule 14.1 shall include but not be limited to:
 - i. Proposed Schedule 14.1 tariff, which shall include but not be limited to:
 1. Applicability,
 2. Territory applicable to,
 3. A detailed description of each Stage of Rationing,
 4. A detailed description of the Trigger that Activates each Stage of Rationing,
 5. A detailed description of each water use restriction for each stage of rationing.
 6. Water use violation levels, written warning levels, associated fines, and exception procedures,

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- 7.** Conditions for installation of a flow restrictor,
 - 8.** Charges for removal of flow restrictors, and
 - 9.** Special Conditions
- ii.** Justification for, and documentation and calculations in support of plan, including but not limited to each item in B.1.d.i above.
- 2.** Number of Stages requested by each utility/district may vary, depending on specifics of water shortage event.
- 3.** The utility shall file a Tier 1 advice letter to request activation of a particular stage of Schedule 14.1 – Staged Mandatory Water Conservation and Rationing tariff.
- a.** If a Declaration of Mandatory Rationing is made by utility or governing agency,
 - b.** If the utility is unable to address voluntary conservation levels set by itself or governing agency, or
 - c.** If the utility chooses to subsequently activate a different stage.
 - d.** The Tier 1 advice letter requesting activation of a Schedule 14.1 shall include but not be limited to:
 - i.** Justification for activating this particular stage of mandatory rationing, as well as period during which this particular stage of mandatory conservation and rationing measures will be in effect.
 - ii.** When the utility requests activation of a particular Stage, it shall notify its customers as detailed in Section E, below.
- 4.** All monies collected by the utility through water use violation fines shall not be accounted for as income.
- 5.** All expenses incurred by utility to implement Rule 14.1 and Schedule 14.1 that have not been considered in a General Rate Case or other proceeding, shall be recoverable by utility if determined to be reasonable by Commission.
- a.** These monies shall be accumulated by the utility in a separate memorandum account for disposition as directed or authorized from time to time by the Commission.

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C. ENFORCEMENT OF STAGED MANDATORY CONSERVATION AND RATIONING

1. The water use restrictions of the conservation program, in Section A of this rule, become mandatory when the authorized Schedule 14.1-Staged Mandatory Rationing Program is triggered, the utility files a Tier 1 advice letter requesting activation of a particular stage, and authorization is received from the Commission.
 - a. In the event a customer is observed to be using water for any nonessential or unauthorized use as defined in Section A of this rule, the utility may charge a water use violation fine in accordance with Schedule No. 14.1.
2. The utility may, after one verbal and one written warning, install a flow-restricting device on the service line of any customer observed by utility personnel to be using water for any non-essential or unauthorized use as defined in Section A above.
3. A flow restrictor shall not restrict water delivery by greater than 50% of normal flow and shall provide the premise with a minimum of 3 Ccf/person/month. The restricting device may be removed only by the utility, only after a three-day period has elapsed, and only upon payment of the appropriate removal charge as set forth in Schedule No. 14.1.
4. After the removal of the restricting device, if any non-essential or unauthorized use of water shall continue, the utility may install another flow-restricting device. This device shall remain in place until water supply conditions warrant its removal and until the appropriate charge for removal has been paid to the utility.
5. Any tampering with flow restricting device by customer can result in fines or discontinuation of water use at the utility's discretion.
6. If, despite installation of such flow-restricting device pursuant to the provisions of the previous enforcement conditions, any such non-essential or unauthorized use of water shall continue, then the utility may discontinue water service to such customer. In such latter event, a charge as provided in Rule No. 11 shall be paid to the utility as a condition to restoration of service.

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7. All monies collected by the utility through water use violation fines shall not be accounted for as income. All expenses incurred by utility to implement Rule 14.1 and Schedule 14.1 that have not been considered in a General Rate Case or other proceeding, shall be recoverable by utility if determined to be reasonable by Commission. These additional monies shall be accumulated by the utility in a separate memorandum account for disposition as directed or authorized from time to time by the Commission.
8. The charge for removal of a flow-restricting device shall be in accordance with Schedule No. 14.1.

D. APPEAL PROCEDURE

1. Any customer who seeks a variance from any of the provisions of this water conservation and rationing plan shall notify the utility in writing, explaining in detail the reason for such a variation. The utility shall respond to each such request in writing.
2. Any customer not satisfied with the utility's response may file an appeal with the staff of the Commission. The customer and the utility will be notified of the disposition of such appeal by letter from the Executive Director of the Commission.
3. If the customer disagrees with such disposition, the customer shall have the right to file a formal complaint with the Commission. Except as set forth in this Section, no person shall have any right or claim in law or in equity, against the utility because of, or as a result of, any matter or thing done or threatened to be done pursuant to the provisions of this water conservation and rationing plan.

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E. PUBLICITY

1. As stated under Section B.1.b and c, when a utility requests authorization of a Schedule 14.1 – Staged Mandatory Water Conservation and Rationing tariff, via a Tier 2 advice letter, it shall provide notice of the Tier 2 advice letter and associated public meeting provided to customers, under General Order (GO) 96-B rules, and shall comply with all requirements of Sections 350-358 of the California Water Code (CWC), including but not limited to the following:
 - a. In order to be in compliance with both the GO and CWC, the utility shall provide notice via both newspaper and bill insert/direct mailing.
 - b. Utility shall file one notice for each advice letter filed, that includes both notice of the filing of the Tier 2 advice letter as well as the details of the public meeting (date, time, place, etc.).
 - c. The public meeting shall be held after the utility files the Tier 2 advice letter, and before the Commission authorizes implementation of the tariff.
 - d. Utility shall consult with Division of Water and Audits staff prior to filing advice letter, in order to determine details of public meeting.
2. In the event that a Schedule 14.1-Staged Mandatory Rationing Plan is triggered and utility requests activation through the filing of a Tier 1 advice letter, the utility shall notify its customers and provide each customer with a copy of Schedule 14.1 by means of bill insert or direct mailing. Notification shall take place prior to imposing any fines associated with this plan.
3. During the period that a stage of Schedule 14.1 is activated, the utility shall provide customers with updates in at least every other bill, regarding its water supply status and the results of customers' conservation efforts.

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