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Commissioner	:	<u>Genevieve Shiroma</u>
Administrative Law Judge	:	<u>Amin Nojan</u>
Pubic Advocates Office	:	<u>Justin Menda</u>
Witness	:	



PUBLIC ADVOCATES OFFICE
CALIFORNIA PUBLIC UTILITIES COMMISSION

REPORT ON THE GENERAL OFFICE PLANT
AND COST ADDERS

Los Angeles, California
02/27/2024

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1 **MEMORANDUM**

2 The Public Advocates Office at the California Public Utilities Commission (Cal
3 Advocates) examined application material, data request responses, and other information
4 presented by Golden State Water Company (GSWC) in Application (A.) 23-08-010 to
5 provide the California Public Utilities Commission (Commission or CPUC) with
6 recommendations in the interests of ratepayers for safe and reliable service at the lowest
7 cost. Mr. Mehboob Aslam is Cal Advocates' project lead for this proceeding. This
8 Report is prepared by Justin Menda. Mr. Victor Chan is the oversight supervisor. Ms.
9 Crystal Yu and Mr. Brett Palmer are the legal counsel.

10 Although every effort was made to comprehensively review, analyze, and provide
11 the Commission with recommendations on each ratemaking and policy aspect presented
12 in the Application, the absence from Cal Advocates' testimony of any particular issue
13 connotes neither agreement nor disagreement of the underlying request, methodology, or
14 policy position related to that issue.

CHAPTER 1 PROJECT COST ADDERS

I. INTRODUCTION

GSWC adds contingency, escalation, and overhead amounts (cost adders) to the estimated baseline capital project cost to calculate the total project cost.¹ Project cost adders comprise approximately \$113,232,215 of GSWC’s proposed 2024-2026 capital project costs.² This represents approximately 24% of the total 2024-2026 proposed capital project costs.³

II. SUMMARY OF RECOMMENDATIONS

The Commission should adjust GSWC’s cost adders in its capital project budgets, as follows:

- Remove contingency factors on capital project costs due to the speculative nature of the request.
- Reduce the escalation rate from 6% to -1.81% based on the most recent Consumer Price Index (CPI)-U for information technology, hardware, and services instead of the general CPI-U since it is a better representation of the projects in General Office.⁴
- Reduce the annual overhead to \$20,561,864, \$21,632,798, and \$22,250,834 in 2024-2026, respectively due to reducing the CPI-U escalation rate used

¹ GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “Project List – DO NOT SORT” and “GO Project List.”

² GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “Project List – DO NOT SORT” and “GO Project List.” This number was estimated by calculating the difference between the total proposed capital budget and the total proposed base project cost (prior to adding cost adders). This estimate assumes no other adjustments were made outside of removing project contingency, escalation, and overhead.

³ GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “Project List – DO NOT SORT” and “GO Project List.” 2024-2026 GSWC Proposed Capital Project Costs (cost adders only): \$113,232,215. 2024-2026 GSWC Proposed Capital Project Costs: \$476,867,000. $\$113,232,215 \div \$476,867,000 \approx 24\%$.

⁴ United States Bureau of Labor Statistics November 2023 CPI News Release, Table 3. Refer to: <https://www.bls.gov/news.release/cpi.htm#cpipress.3.f.3>.

1 to escalate certain categories for overhead.⁵ The Commission should
2 maintain the recommended overhead budget even if a different capital
3 budget is adopted in each of these years.

4 **III. ANALYSIS**

5 **A. Contingency**

6 The Commission should not allow GSWC to include contingency in their
7 capital project costs.⁶ The Commission states in their rate case plan that the utility
8 in a normal general rate case must demonstrate the reasonableness of every dollar
9 in their revenue requirement.⁷ Project contingency accounts for project unknowns,
10 which are unpredictable by nature. Therefore, project contingency fails to meet
11 the reasonableness requirement.

12 The Commission has previously rejected the inclusion of contingency in
13 other proceedings. In D.19-05-020, the Commission ruled against including
14 contingency for software projects. The Commission states that “we, however, do
15 not agree that budgeting for contingencies for software projects is necessarily
16 appropriate in a general rate case.”⁸ The Commission explained that contingency
17 is used to account for variables that are unknown and unpredictable and, therefore,
18 cannot be established as reasonable.⁹ D.21-08-036 further supports this by
19 denying contingency allowance for seismic retrofitting stating “budgeting for
20 contingency is not necessarily appropriate in the context of a general rate case,

⁵ GSWC requests \$20,637,412 in 2025 and \$21,751,513 in 2026. GSWC RO Model file “Y_SEC-50_RB_Overhead Rate Projection,” tab: “OH By Object.”

⁶ GSWC uses a project contingency between five and ten percent for capital projects in Regions I, II, and III depending on the project category. GSWC uses a project contingency of five percent for General Office projects.

⁷ D.96-12-066, p. 5.

⁸ D.19-05-020, p. 150.

⁹ D.19-05-020, p. 150.

1 where the utility must demonstrate the reasonableness of every dollar in its
2 forecast revenue requirement.”¹⁰

3 In a competitive market, a company can increase profits by minimizing
4 costs. Otherwise, competitors will outcompete them by offering the same product
5 at a lower cost. However, for regulated utilities, a utility maximizes its returns by
6 maximizing its capital spending and authorized budgets through their rate base.
7 There is no disincentive for a utility to spend less than the entire project budget
8 once it is earmarked and included in rates. The Commission, in its role as a
9 substitute for the natural forces of competition, should not allow for speculative
10 contingency amounts when establishing rates. Not including contingency will
11 incentivize utilities to complete projects within their forecasted budgets, under
12 which the reasonableness of the project was originally assessed.

13 GSWC will still have an opportunity in subsequent rate cases to request
14 recovery of project cost overruns for completed projects that might occur. GSWC
15 will be able to include in its rate base project cost overruns that are prudent and
16 reasonable. GSWC requests to recover project costs that exceeded the authorized
17 project cost budget in the current rate case (in addition to previous rate cases).
18 Certain projects in GSWC’s Construction Work in Progress (CWIP) account were
19 approved in the previous rate cases and are expected to be completed by this rate
20 case cycle with a change in project scope, project budget, or both.¹¹ These
21 projects were reviewed and included in rate base accordingly when reasonable and
22 prudent.

¹⁰ D.21-08-036, p. 331.

¹¹ Prepared Testimony of Elizabeth V. McDonough, Dane T. Sinagra, and David Schickling. CWIP Subcategory 4c is project approved in a previous general rate case (GRC) that will be completed in the 2020 rate cycle with a change in budget or scope. CWIP Subcategory 4d is for that will be completed in after 2023 with a change in budget or scope.

1 **B. Escalation**

2 GSWC uses an escalation rate to escalate their proposed capital project
3 costs to 2024-2026 dollars based on historical project cost, depending on whether
4 the project is for Regions I, II, and III or its General Office.¹² GSWC separates
5 the proposed capital project costs for all Regions into design costs and
6 construction costs in its Result of Operations (RO) Model.¹³ GSWC requests an
7 annual escalation rate of three percent for construction project costs based on the
8 March 2023 Engineering News Record 20 City Construction Cost Index.¹⁴
9 GSWC requests an annual escalation rate of 4%, 3.9%, and 3.9% in 2024-2026,
10 respectively for design project costs using the February 2023 Summary of
11 Compensation per Hour Memo from the CPUC.¹⁵ GSWC uses the February 2023
12 CPI-U escalation rate of six percent for General Office projects.¹⁶

13 **1. General Office Capital Projects**

14 The Commission should use the most recent CPI-U of -1.81%¹⁷
15 related to information technology, hardware, and services instead of the
16 general CPI-U since it is a better representation of the projects in General
17 Office. This reduces the escalation rate for General Office capital projects
18 from six percent.¹⁸ The US Bureau of Labor Statistics defines the CPI as a
19 measure of the average change in prices paid by urban consumers for a
20 market basket of consumer goods and services. GSWC uses the overall

¹² GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.”

¹³ GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “Project List – DO NOT SORT.”

¹⁴ Prepared Testimony of Ernest Gisler, Mark Insko, Megan McWilliams, Dan Flores, and David Shickling, p.21.

¹⁵ Prepared Testimony of Brad Powell, p. 3.

¹⁶ Prepared Testimony of Brad Powell, p. 21.

¹⁷ As of December 12, 2023.

¹⁸ GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.”

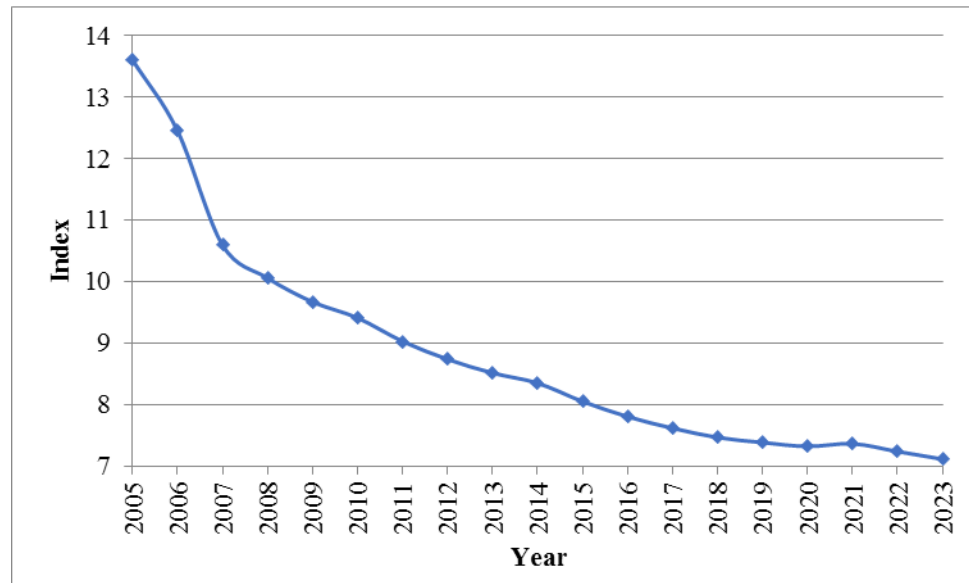
1 CPI for general goods and services for General Office projects but does not
2 look into the CPI related to information technology. Approximately 65%
3 of GSWC’s proposed capital costs for General Office during this rate case
4 are related to information technology projects.¹⁹ According to the US
5 Bureau of Labor Statistics, the CPI related to information technology,
6 hardware and services have decreased 1.81% from the previous year.²⁰ The
7 US Bureau of Labor Statistics also shows between 2005 and 2023 that
8 information technology, hardware and services have experienced an
9 average inflation rate of -2.72% per year.²¹

¹⁹ Total proposed GO project costs: \$33,280,500. GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.” Total proposed information technology capital project costs: \$21,630,200. Prepared Testimony of Daniel Diaz, p. 2. $\$21,630,200 \div \$33,280,500 \approx 65\%$.

²⁰ United States Bureau of Labor Statistics November 2023 CPI News Release, Table 3. Refer to: <https://www.bls.gov/news.release/cpi.htm#cpipress.3.f.3>.

²¹ December 2005 Index: 13.61. November 2023 Index: 6.98. (Percent change between November 2023 Index and December 2005 Index) \div Time period between December 2005 and November 2023 $\approx ((6.98 \div 13.61) - 1) \div 17.9 \text{ year} \approx -2.7\%$ per year. Bureau of Labor Statistics December 2005 CPI. Referenced at: https://www.bls.gov/news.release/archives/cpi_01182006.pdf. Date accessed December 12, 2023. Bureau of Labor Statistics November 2023 CPI. Referenced at: <https://www.bls.gov/news.release/pdf/cpi.pdf>. Date accessed December 12, 2023.

Table 1-1: 2005-2023 CPI Related to Information Technology, Hardware and Services²²



1 Table 1-1 above shows that 2023 is not an anomaly but is a part of a
 2 decreasing trend. The escalation rate for all general goods and services
 3 escalation does not reflect the same trend as the escalation rate for
 4 information technology, hardware, and services. Therefore, the
 5 Commission should use the CPI related to information technology,
 6 hardware, and services for General Office capital projects.

7

8 **C. Overhead**

9 The Commission should reduce the annual overhead to \$20,561,864,
 10 \$21,632,798, and \$22,250,834 in 2024-2026, respectively due to modifying the
 11 escalation rates used.²³ GSWC calculates the annual 2024-2026 overhead by

²² United States Bureau of Labor Statistics.

²³ GSWC requests \$20,637,412 in 2025 and \$21,751,513 in 2026. GSWC RO Model file “Y_SEC-50_RB_Overhead Rate Projection,” tab: “OH By Object.”

1 escalating the recorded 2022 overhead to 2024-2026 dollars.²⁴ GSWC escalates
 2 the equipment (related to indirect labor), temporary transportation labor (related to
 3 indirect labor), miscellaneous transportation labor (related to indirect labor),
 4 miscellaneous insurance costs, miscellaneous costs, miscellaneous prepay and
 5 benefit costs, and miscellaneous rent costs overhead categories using the CPI-U of
 6 6.4%.²⁵ The CPI-U has generally decreased in 2023. The United States Bureau of
 7 Labor Statistics states that the most recent CPI-U (as of November 2023) is
 8 3.1%.²⁶ The most recent CPI-U should be used since it is better representation of
 9 the current escalation rate.

10 The Commission should adopt a total overhead of \$20,561,864,
 11 \$21,632,798, and \$22,250,834 in 2024-2026, respectively based on the above
 12 adjustments. Table 1-2 below shows the comparison between the 2024-2026
 13 overhead proposed by GSWC and Cal Advocates' recommended budget.

Table 2-2: 2024-2026 Annual Overhead Comparison²⁷

Year	GSWC	Cal Advocates	GSWC > Cal Advocates
2024	\$ 20,637,412	\$ 20,561,864	\$ 75,548
2025	\$ 21,751,513	\$ 21,632,798	\$ 118,715
2026	\$ 22,416,667	\$ 22,250,834	\$ 165,832
Total	\$ 64,805,592	\$ 64,445,497	\$ 360,095

14 In addition, the Commission should adopt an annual overhead of
 15 \$20,561,864, \$21,632,798, and \$22,250,834 in 2024-2026, respectively and
 16 should remain the same even though a different capital budget is recommended in
 17 each of these years. This recommendation accounts for expenses transferred to
 18 projects that GSWC will continue to build but are not forecasting as part of plant-

²⁴ GSWC RO Model file "Y_SEC-50_RB_Overhead Rate Projection," tab: "OH By Object."

²⁵ GSWC RO Model file "Y_SEC-50_RB_Overhead Rate Projection," tab: "OH By Object."

²⁶ United States Bureau of Labor Statistics, Table 5: Chained Consumer Price Index for All Urban Consumers (C-CPI-U) and the Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, all items index. Refer to: <https://www.bls.gov/news.release/cpi.t05.htm>

²⁷ GSWC RO Model file "Y_SEC-50_RB_Overhead Rate Projection," tab: "OH By Object."

1 in service in this rate case cycle. Most of the overhead costs are related to
2 capitalized labor costs. The Commission should not reduce the capitalized labor
3 cost based on the recommended annual overhead of \$20,561,864, \$21,632,798,
4 and \$22,250,834 in 2024-2026, respectively despite a reduction in capital budget
5 amounts. This recommendation would not reduce the amount of supervisory and
6 engineering needs for capital projects that would eventually become part of the
7 rate base. For example, the removal of several capital projects that were
8 previously authorized but GSWC has failed to complete within the respective
9 timeframe and has requested them again in the current rate case as discussed by
10 Cal Advocates' witness Chandrika Sharma's testimony on CWIP.²⁸ These past
11 projects are still active projects despite not being included in this rate case and
12 would require supervisory and engineering needs which drive the capitalized labor
13 costs. Once complete, these capital projects would become part of rate base upon
14 the Commission's approval. In addition, GSWC is involved with projects that
15 were not previously approved by the Commission and might not have been
16 originally factored into rates. These projects also require supervisory and
17 engineering needs, which drive capitalized labor costs. Therefore, it is reasonable
18 for ratemaking purposes that the capital labor costs should not be reduced from the
19 recommended annual overhead of \$20,561,864, \$21,632,798, and \$22,250,834 in
20 2024-2026, respectively when the number of capitalized projects is reduced.

21 **IV. CONCLUSION**

22 The Commission should adjust GSWC's cost adders in its capital project budgets,
23 as follows:

- 24 • The Commission should remove the contingency factors from the capital
25 project costs due to the speculative nature of the request.

²⁸ Report and Recommendations on Water Quality (SR#4) and Construction-Work-in-Progress.

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- The Commission should reduce the escalation rate used for General Office’s capital projects from 6% to -1.81% based on the most recent CPI for information technology, hardware, and services instead of the general CPI-U since it is a better representation of the projects in General Office.
 - The Commission should reduce the annual overhead to \$20,561,864, \$21,632,798, and \$22,250,834 in 2024-2026, respectively based on the updated CPI-U escalation rate.²⁹ The Commission should maintain the recommended overhead budget even if a different capital budget is adopted in each of these years.

²⁹ GSWC requests \$20,637,412, \$21,751,513, and \$22,416,667 in 2024-2026, respectively. GSWC RO Model file “Y_SEC-50_RB_Overhead Rate Projection,” tab: “OH By Object.”

1 **CHAPTER 2 GENERAL OFFICE PLANT**

2 **I. INTRODUCTION**

3 The General Office capital budget is divided into three business segments:
4 Corporate Support (General Office), Centralized Operations Support – COPS (Water),
5 and Billing and Cash Processing (Utility). This chapter presents analysis and
6 recommendations regarding GSWC’s proposed General Office plant projects.

7 **II. SUMMARY OF RECOMMENDATIONS**

8 The Commission should adjust GSWC’s requested budgets for individual
9 proposed projects in the General Office, as follows:

- 10 • Reduce the project cost for the Microsoft Enterprise Licenses Installment
11 Payment and True-Up project to \$641,600 in 2024, \$641,600 in 2025, and
12 \$852,600 in 2026 due to removing the true-up costs and escalation costs.³⁰
- 13 • Reject any funding for the proposed Advanced Metering Infrastructure
14 (AMI) and Leak Detection pilot studies due to the speculative nature of
15 these projects.³¹ Any funding GSWC requests for these pilot projects
16 should be contingent on whether the Commission adopts full project
17 implementation in a future rate case.
- 18 • Reduce the project costs for vehicle replacement projects for General
19 Office to \$311,500, \$0, and \$27,300 in 2024, 2025, and 2026, respectively
20 since 24 vehicles do not warrant replacement and removing redundant sales
21 tax for eight vehicles.³² In addition, the project cost for the two new

³⁰ GSWC requests \$829,200, \$879,000, and \$1,238,200 in 2024-2026, respectively. GSWC requests a base project cost of \$726,698, \$726,698, and \$965,711 in 2024-2026, respectively. GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.” For this recommendation, the Commission should reduce the base project cost for the Microsoft Enterprise Licenses Installment Payment and True-Up project to \$625,804 in 2024, \$625,804 in 2025, and \$831,633 in 2026 due to removing the true-up costs and escalation costs.

³¹ GSWC requests \$490,200 for the AMI pilot project. Prepared Testimony of Brad Powell, Attachment 7, p. 1. GSWC requests \$108,800 in 2024 for the Leak Detection pilot project. GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.”

³² GSWC requests \$654,000, \$521,800, \$723,400 in 2024-2026, respectively for General Office vehicle

- 1 vehicles in Via Verde project should be reduced to \$99,100 due to
2 removing the redundant sales tax.³³
- 3 • Reject any funding for the New Business Portal Enhancement and Mobile
4 Workforce Management Phase 2 projects due to the speculative nature of
5 the request.³⁴
 - 6 • Reduce the annual project cost for the New Business Portal Software
7 Upgrades project to \$9,900, \$9,700, and \$9,600 in 2024-2026, respectively
8 due to removing contingency and overhead costs.³⁵
 - 9 • Reject any funding for the Capital Program Management System until
10 GSWC completes a cost-benefit analysis and evaluation of the best
11 available solution.³⁶
 - 12 • The Commission should reject any funding for the Supervisory Control and
13 Data Acquisition (SCADA) Command Center Implementation project since
14 the project is not necessary and GSWC has not completed a cost-benefit
15 analysis for this project.³⁷ The Commission should also remove the
16 \$64,085 spent on the preliminary design since the preliminary design won't
17 provide a benefit to ratepayers if the Commission rejects the proposed
18 SCADA Command Center Implementation project.³⁸ The Commission
19 should only allow funding related to the preliminary design if the SCADA

replacement projects. GSWC RO Model file "SEC-51_RB_FDR Capital Budget," tab: "GO Project List."

³³ GSWC requests \$125,200 in 2024. GSWC RO Model file "SEC-51_RB_FDR Capital Budget," tab: "GO Project List." For this recommendation, the Commission should reduce the base project cost for the two new vehicles in Via Verde project from \$92,000 to \$82,504 due to removing the redundant sales tax.

³⁴ GSWC requests \$62,400, \$66,200, and \$70,200 in 2024-2026, respectively for the New Business Portal Enhancement project. GSWC requests \$37,500, \$39,700, and \$42,100 in 2024-2026 respectively for the Mobile Workforce Management Phase 2 project. GSWC RO Model file "SEC-51_RB_FDR Capital Budget," tab: "GO Project List."

³⁵ GSWC requests \$13,700, \$14,600, and \$15,400 in 2024-2026, respectively. GSWC RO Model file "SEC-51_RB_FDR Capital Budget," tab: "GO Project List."

³⁶ GSWC requests \$760,000, \$370,700, and \$370,700 in 2024-2026, respectively. GSWC RO Model file "SEC-51_RB_FDR Capital Budget," tab: "GO Project List."

³⁷ GSWC requests \$387,100, \$489,800, and \$435,700 in 2024-2026, respectively. GSWC RO Model file "SEC-51_RB_FDR Capital Budget," tab: "GO Project List." GSWC also requests \$371,076 in operating expenses in 2024-2026. Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 38.

³⁸ Prepared Testimony of Brad Powell, Attachment 7, p. 2.

1 Command Center Implementation project is adopted and once the project is
2 in service and providing a benefit to ratepayers.

3 Attachment 2-1 presents the Cal Advocates' project-specific adjustments.³⁹

4 **III. ANALYSIS**

5 **A. Proposed Projects**

6 **1. Microsoft Enterprise Licenses Installment Payment** 7 **and True-Up**

8 The Commission should reduce the project cost to \$641,600 in 2024,
9 \$641,600 in 2025, and \$852,600 in 2026 due to removing the true-up costs
10 and escalation costs.⁴⁰

11 GSWC states that the license agreement schedule for 2024 and 2025
12 is a continuation of an existing agreement schedule.⁴¹ This means that the
13 license agreement costs are already set in 2024 and 2025 and therefore do
14 not need to be escalated in 2024 and 2025. For 2026, GSWC already
15 escalates the base cost based on how much the license agreement has
16 increased over the past six years (2018-2023).⁴² Since GSWC already
17 escalates the 2026 base project cost, it is not necessary to further escalate
18 the 2026 project cost.⁴³

³⁹ Capital Budget Details – General Office, Attachment 2-1.

⁴⁰ GSWC requests \$829,200, \$879,000, and \$1,238,200 in 2024-2026, respectively. GSWC requests a base project cost of \$726,698, \$726,698, and \$965,711 in 2024-2026, respectively. GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.” For this recommendation, the Commission should reduce the base project cost for the Microsoft Enterprise Licenses Installment Payment and True-Up project to \$625,804 in 2024, \$625,804 in 2025, and \$831,633 in 2026 due to removing the true-up costs and escalation costs.

⁴¹ Prepared Testimony of Daniel Diaz, p. 14.

⁴² Prepared Testimony of Daniel Diaz, pp. 15-16.

⁴³ GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.” GSWC in their RO model applies an escalation rate to the base project cost for capital projects.

1 GSWC calculates the true-up costs as a percentage of the agreement
2 costs as opposed to specific improvements.⁴⁴ The Microsoft Enterprise
3 Agreement True-up is the annual process of aligning Microsoft Enterprise
4 with whatever licenses that GSWC have added or removed in the past
5 twelve months. Over the 2018-2023 period, the recorded true-up costs
6 varied greatly from \$5,389 to \$196,470 representing between 1.11% and
7 55.40% of the agreement costs.^{45,46} The number and specific licenses that
8 need to be aligned to Microsoft Enterprise varies on a yearly basis.⁴⁷ The
9 Commission states in D.21-08-036 that a utility must demonstrate the
10 reasonableness of every dollar in its forecast revenue requirement.”⁴⁸
11 Given that the specific licenses and number of licenses that needed to be
12 aligned in a given year are unknown at this time, it does not make sense to
13 include true-up costs at this time. If GSWC incurred any true-up costs,
14 GSWC may request to recover all prudent costs in a subsequent rate case
15 when the true-up costs are known. This will provide transparency to both
16 the Commission and ratepayers on the actual true-up costs and at that time
17 GSWC should be able to recover the cost of all true-up costs determined to
18 be prudent.

19 Based on the adjustments listed above, the Commission should adopt
20 a project cost of \$641,600, \$641,600, and \$852,600 in 2024, 2025, and
21 2026, respectively for this project.⁴⁹

⁴⁴ Prepared Testimony of Daniel Diaz, pp. 15-16.

⁴⁵ Prepared Testimony of Daniel Diaz, p. 16.

⁴⁶ GSWC Response to Public Advocates Office Data Request JMI-002 (Microsoft Enterprise - GO).

⁴⁷ GSWC Response to Public Advocates Office Data Request JMI-002 (Microsoft Enterprise - GO).

⁴⁸ D.21-08-036, p. 331.

⁴⁹ Microsoft Enterprise Licenses Installment Payment and True-Up Cost Estimate, Attachment 2-2. Attachment 2-2 (Microsoft Enterprise Licenses Installment Payment and True-Up Cost Estimate) shows

1 **2. Pilot Study Projects**

2 The Commission should not allow any funding for proposed pilot
3 studies due to the speculative nature of these projects. Any funding GSWC
4 requests for these pilot projects should be contingent on whether the
5 Commission adopts full project implementation in a future rate case.
6 GSWC requests multiple projects in this rate case where it is requesting
7 funding to conduct a pilot study.

8 GSWC requests funding to complete more than 80 projects
9 companywide that were previously authorized.⁵⁰ These projects were
10 previously approved and project funding was built into rates under the
11 assumption that GSWC would complete these projects as scheduled. This
12 means ratepayers funded projects from which they received no benefit. In a
13 competitive market a company makes investments in building infrastructure
14 where there is no guarantee of a return of investment. However, for
15 regulated utilities, a utility is guaranteed a return of investment will be
16 included in rates once the Commission authorizes the investment. Since
17 project costs are embedded into rates, this means ratepayers assume all the
18 risks of the project being completed. The Commission must assert its role
19 as a substitute for competition. By shifting some of the risks back to the
20 utility, utilities will have incentive to complete the projects. GSWC will
21 still have the opportunity to recover all prudent project costs in subsequent
22 rate cases. Moreover, the stand-alone study does not provide tangible
23 benefit to ratepayers prior to the implementation of the full project.
24 Ratepayers also should not bear the risk of the study where the study might

the base project cost. Cal Advocates calculates the total project cost in the RO model after applying all of Cal Advocates' plant adjustments in the RO model.

⁵⁰ GSWC Response to Minimum Data Requirement D.5.

1 show that full project implementation is not cost beneficial and should not
2 move forward after all.

3 GSWC requests \$490,200⁵¹ to conduct an AMI pilot project in
4 Claremont.⁵² GSWC plans on requesting full implementation of AMI in a
5 future rate case pending the results of the pilot.⁵³ GSWC originally stated
6 that this project would be completed by 2023.⁵⁴ However during discovery,
7 GSWC indicated it expects to complete the installation of AMI hardware
8 by September 2023, the collection of field data would be completed by
9 March 2024, and the pilot project would be completed by the end of April
10 2024.⁵⁵ GSWC states that the installation of AMI hardware would be
11 completed by February 1, 2024 and the pilot results won't be available until
12 the third quarter of 2024.⁵⁶

13 GSWC also requests \$108,800 to conduct a leak detection pilot in
14 one of their systems.⁵⁷ GSWC only looked at one particular solution in
15 determining the proposed pilot budget.⁵⁸ The proposed budget for the
16 study is uncertain since the final solution selected for testing during the
17 pilot has not yet been determined. The pilot cost may deviate from the

⁵¹ Prepared Testimony of Brad Powell, Attachment 7, p. 1. GSWC requests \$313,500 in 2023.

⁵² Prepared Testimony of Martin Jeung and Patrick Kubiak, Appendix C, p. 13.

⁵³ Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 81.

⁵⁴ Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 82.

⁵⁵ GSWC Response to Public Advocates Office Data Request JMI-003 (AMI Pilot - Claremont), Attachment 2-3.

⁵⁶ GSWC Response to Public Advocates Office Data Request JMI-013 (DR JMI-003 Follow up), Attachment 2-4.

⁵⁷ Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 6. GSWC also requests \$20,829 in monitoring operating expenses.

⁵⁸ GSWC Response to Public Advocates Office Data Request JMI-006 (Leak Detection Pilot - GO), Attachment 2-5.

1 proposed pilot cost if GSWC selects an alternative solution. GSWC states
2 that it will select a solution based on a set of criteria in the leak detection
3 pilot study.⁵⁹ Given that the solution from the pilot study is unknown, the
4 Commission should not allow GSWC to recover the cost of the pilot study
5 until its result is approved by the Commission in a future GRC. At that
6 time, GSWC may request to include in its rate base the full cost of the pilot
7 study along with the cost to implement the chosen solution.

8 Given the uncertainty of whether these projects will provide a
9 benefit to ratepayers, the Commission should not allow any funding for
10 these pilot projects. The recovery of the pilot study cost should be
11 contingent on whether the Commission adopts the recommendation from
12 such studies.

13 **3. General Office Vehicle Projects**

14 The Commission should reduce the project costs for vehicle
15 replacement projects for General Office to \$311,500, \$0, and \$27,300 in
16 2024, 2025, and 2026, respectively since 24 vehicles do not warrant
17 replacement based on the mileage criteria and removing sales tax for the
18 remaining 8 vehicles.⁶⁰ In addition, the project cost for the two new
19 vehicles in Via Verde project should be reduced to \$99,100 due to
20 removing the redundant sales tax.⁶¹ The average mileage per year was
21 calculated for each vehicle GSWC plans to replace in this rate case for their

⁵⁹ Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 4.

⁶⁰ GSWC requests \$654,000, \$521,800, \$723,400 in 2024-2026, respectively for General Office vehicle replacement projects. GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.” Refer to Attachment 2-6 (General Office Vehicle Replacement Projects) regarding the individual vehicle projects.

⁶¹ GSWC requests \$125,200 in 2024. GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.” For this recommendation, the Commission should reduce the base project cost for the two new vehicles in Via Verde project from \$92,000 to \$82,504 due to removing the redundant sales tax.

1 General Office based on the current vehicle’s purchase date and current
2 mileage.⁶² The estimated 2026 mileage for each vehicle GSWC proposes
3 to replace was calculated using the average mileage multiplied by the age
4 of the vehicle at the end of 2026. The estimated 2026 mileage was
5 compared to the 2008 Department of General Services (DGS) mileage
6 replacement schedule criteria⁶³ to determine whether a vehicle warrants
7 replacement. Refer to Cal Advocates’ witness Kerrie Evans’ testimony
8 regarding the discussion of the criteria used to determine whether a vehicle
9 warrants replacement in the vehicle category blanket budget.⁶⁴ Based on
10 this analysis, 24 vehicles do not warrant replacement and the costs of these
11 vehicles were removed.

12 For the remaining replacement vehicles and new additional vehicles
13 for the Via Verde Office personnel, the project cost was reduced to remove
14 the redundant sales tax. GSWC applies sales tax twice in the total project
15 cost estimate: first in the base project cost⁶⁵ and then in its RO model.⁶⁶
16 Attachment 2-6 shows the amount of sales tax included in the base project
17 cost.⁶⁷ The Commission should adopt the project costs for individual

⁶² GSWC Response to Public Advocates Office Data Request JMI-007 (Vehicle - GO). GSWC Response to Public Advocates Office Data Request JMI-009 (DR JMI-007 Followup).

⁶³ The April 22, 2008, State of California Fleet Handbook – A guide to Fleet Policy from DGS, p. 4. DGS uses a replacement schedule criteria of : 1) 120,000 miles for sedans, station wagons, vans and light duty trucks or vehicles having a gross vehicle weight rating (GVWR) of 8,500 pounds (or less) ; and 2) 150,000 miles for four-wheel drive vehicles, sedans, station wagons, vans and light duty trucks or vehicles having a GVWR of at least 8501 pounds.

⁶⁴ Report on Blanket Items, SR#7, and 2024 Attrition Year Rate Base.

⁶⁵ GSWC GO Capital Workpapers – COPS Vol 1 of 2, pp. 141, 161, and 194. GSWC GO Capital Workpapers – COPS Vol 2 of 2, p. 599.

⁶⁶ GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.” GSWC applies a nine percent sales tax to General Office projects in their RO model.

⁶⁷ General Office Vehicle Replacement Projects, Attachment 2-6.

1 vehicle replacement projects for General Office as shown in Attachment 2-
2 6.⁶⁸

3 **4. Projects Related to Speculative Improvements**

4 The Commission should reject funding for the New Business Portal
5 Enhancement and the Mobile Workforce Management (MWM) Phase 2
6 projects due to the speculative nature of the improvements needed.⁶⁹

7 GSWC states that the New Business Portal Enhancement project is
8 intended to improve the New Business Portal based on new customer
9 feedback.⁷⁰ However, GSWC states that while the New Business Portal is
10 completed, it is not yet in service.⁷¹ This means that GSWC has not
11 received any customer feedback so any potential improvements are
12 speculative in nature.

13 GSWC states that the aim of MWM Phase 2 is to complete any
14 unforeseen MWM development needs.⁷² Given that these improvements
15 are speculative in nature, the true costs associated with these hypothetical
16 improvements are unknown at this time.

17 The Commission states in D.21-08-036 that a utility must
18 demonstrate the reasonableness of every dollar in its forecast revenue

⁶⁸ General Office Vehicle Replacement Projects, Attachment 2-6. The project cost shown in Attachment 2-6 (General Office Vehicle Replacement Projects) for the two new vehicles in Via Verde project is the base project cost. Cal Advocates calculates the total project cost in the RO model after applying all of Cal Advocates' plant adjustments in the RO model.

⁶⁹ GSWC requests \$62,400 in 2024, \$66,200 in 2025, and \$70,200 in 2026 for the New Business Portal Enhancement project. GSWC requests \$37,500 in 2024, \$39,700 in 2025, \$42,100 in 2026 for the MWM Phase 2 project.

⁷⁰ Prepared Testimony of Brad Powell, p. 46.

⁷¹ GSWC Response to Public Advocates Office Data Request JMI-014 (New Business Portal - GO), Attachment 2-8.

⁷² Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 14.

1 requirement.”⁷³ Therefore, the Commission should not allow this project.
2 If there is customer feedback or unforeseen development needs that
3 necessitates the need for improvements, then GSWC can make the
4 improvements and request recovery of the associated funding in a
5 subsequent rate case where all prudent funding will be allowed in rates. If
6 the Commission decides to adopt the New Business Portal Enhancement
7 project, then the Commission should remove the redundant contingency
8 and overhead costs from the annual base project cost as discussed further in
9 the section discussing the New Business Portal Software Upgrades project.

10 **5. New Business Portal Software Upgrades**

11 The Commission should reduce the annual project cost for the New
12 Business Portal Software Upgrades project to \$9,900, \$9,700, and \$9,600 in
13 2024-2026, respectively due to removing the redundant contingency and
14 overhead costs.⁷⁴

15 For both the projects, GSWC accounts for both contingency and
16 overhead twice in the total project costs. GSWC accounts for both
17 contingency and overhead in 1) in the base project cost and 2) applying
18 contingency and overhead in the RO model to the base project cost.
19 Approximately \$2,000 of the \$11,000 annual base project cost for the New
20 Business Portal Software Upgrades project is due to contingency and
21 overhead.^{75, 76} GSWC in their RO model applies a contingency of five

⁷³ D.21-08-036, p. 331.

⁷⁴ GSWC requests \$13700 in 2024, \$14,600 in 2025, and \$15,400 in 2026. GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.” For this recommendation, the Commission should reduce the annual base project cost for the New Business Portal Software Upgrades project from \$11,000 to \$9,000 due to removing the redundant contingency and overhead costs.

⁷⁵ New Business Portal Projects Cost Estimates, Attachment 2-7.

⁷⁶ GSWC GO Capital Workpapers – COPS Vol 1 of 2, p. 284.

1 percent and an overhead rate of 12.2% to their proposed General Office
2 projects.⁷⁷ Therefore, the contingency and overhead costs should be
3 removed from the base project consistent with how GSWC calculates
4 contingency and overhead costs, and the Commission should adopt an
5 annual project cost of \$9,900, \$9,700, and \$9,600 in 2024-2026,
6 respectively for the New Business Portal Software Upgrades project.^{78,79}

7 Similarly, approximately \$10,000 of the \$50,000 annual base project
8 cost for the New Business Portal Enhancement project is due to
9 contingency and overhead.⁸⁰ If the Commission decides to adopt the New
10 Business Portal Enhancement project, then the Commission should remove
11 \$10,000 from the annual base project cost to remove the redundant
12 contingency and overhead.⁸¹

13 **6. Capital Program Management System (CPMS)**

14 The Commission should not allow any funding for the CPMS at this
15 time until GSWC completes a cost-benefit analysis and evaluation of the
16 best available solution.⁸² GSWC states that the proposed CPMS is a cloud-
17 based tool to track project cost and documents related to capital projects.⁸³

⁷⁷ GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.”

⁷⁸ The Commission should remove the project contingency of five percent that GSWC includes in their capital project budget for General Office plant projects consistent with the Cal Advocates’ recommendation regarding contingency as discussed in Chapter 1 of this report.

⁷⁹ New Business Portal Projects Cost Estimates, Attachment 2-7. Attachment 2-7 (New Business Portal Projects Cost Estimates) shows the base project cost. Cal Advocates calculates the total project cost in the RO model after applying all of Cal Advocates’ plant adjustments in the RO model.

⁸⁰ GSWC GO Capital Workpapers – COPS Vol 1 of 2, p. 285. If the Commission adopts this project, then it should remove the project contingency of five percent that GSWC includes in their capital project budget for General Office plant projects consistent with the Cal Advocates’ recommendation regarding contingency as discussed in Chapter 1 of this report.

⁸¹ New Business Portal Projects Cost Estimates, Attachment 2-7.

⁸² GSWC requests \$760,000, \$370,700, and \$370,700 in 2024-2026, respectively. GSWC RO Model file

1 GSWC acknowledges that it has not done a comparison of the
2 project need with available solutions to determine the most optimal cost-
3 efficient solution.⁸⁴ GSWC states that it has not determined the functional
4 requirements and infrastructure needs for the proposed solution which
5 GSWC uses to determine the optimal project solution.⁸⁵ Even though
6 GSWC will compare the costs of the different project solutions,⁸⁶ GSWC
7 has not done a cost benefit analysis of project cost and savings to determine
8 the feasibility of the project. At this time, it is premature to determine the
9 project viability since the project requirements and project feasibility has
10 not been completed which might affect the overall project scope.
11 Therefore, the Commission should not allow any funding for this project
12 until GSWC conducts a cost-benefit analysis and evaluation of the project
13 solutions to determine the project viability.⁸⁷

14 **7. SCADA Command Center Implementation**

15 The Commission should reject any funding for a centralized SCADA
16 system since the project is not necessary and GSWC has not completed a
17 cost-benefit analysis for this project.⁸⁸ GSWC states that each service area
18 is served by a district or customer service area office with an associated

“SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.”

⁸³ Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 27.

⁸⁴ Prepared Testimony of Martin Jeung and Patrick Kubiak, pp. 28-29.

⁸⁵ Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 28.

⁸⁶ Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 29.

⁸⁷ GSWC requests \$760,000, \$370,700, and \$370,700 in 2024-2026, respectively. GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.”

⁸⁸ GSWC requests \$387,100, \$489,800, and \$435,700 in 2024-2026, respectively. GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.” GSWC also requests \$371,076 in operating expenses in 2024-2026. Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 38.

1 SCADA system.⁸⁹ This means GSWC conducts daily operations on a local
2 level. GSWC states that the proposed project is necessary to proactively
3 address the needs for the system during high demands and emergency
4 situations companywide.⁹⁰ However, GSWC will still have to
5 communicate with their local office even if the proposed SCADA
6 Command Center is implemented. GSWC states that it would have to
7 receive authorization from the appropriate district superintendent prior to
8 making any operational changes.⁹¹ Therefore, the project is not necessary
9 since GSWC is able to obtain data obtained from SCADA through their
10 local offices. GSWC also claims that the project will result in operational
11 efficiencies but fails to provide any cost benefit analysis of project cost and
12 savings to determine the feasibility of the project.⁹² Since GSWC has not
13 quantified the potential cost savings to ratepayers, it is premature to
14 determine the potential project benefits for ratepayers. Based on the
15 reasons above, the Commission should reject GSWC’s request.

16 GSWC also spent \$64,085 to complete the preliminary design for the
17 SCADA Command Center Implementation project.⁹³ The Commission
18 should remove the \$64,085 spent on the preliminary design since the
19 preliminary design does not currently provide a benefit to ratepayers. The
20 Commission should only allow funding related to the preliminary design if

⁸⁹ Prepared Testimony of Martin Jeung and Patrick Kubiak, Appendix A, p. 11.

⁹⁰ Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 36.

⁹¹ GSWC GO Capital Workpapers – COPS Vol 2 of 2, p. 407.

⁹² Prepared Testimony of Martin Jeung and Patrick Kubiak, pp. 36-37.

⁹³ Prepared Testimony of Brad Powell, Attachment 7, p. 2. GSWC identifies this project as a CWIP project that the Commission has not previously authorized. GSWC identifies the preliminary design project as the “SCADA Control Room.”

1 the SCADA Command Center Implementation project is completed and
2 providing a benefit to ratepayers.

3 **B. Common Plant Issues**

4 **1. Project Contingency**

5 The Commission should remove the project contingency of five
6 percent that GSWC includes in their capital project budget for General
7 Office plant projects consistent with the Cal Advocates' recommendation
8 regarding contingency as discussed in Chapter 1 of this report.

9 **2. Project Escalation**

10 The Commission should reduce the project escalation from 6% to
11 -1.81% consistent with the Cal Advocates' recommendation regarding
12 project escalation for General Office plant projects as discussed in Chapter
13 1 of this report.

14 **C. CWIP**

15 GSWC states that it categorizes their CWIP projects into one of seven
16 categories.⁹⁴ This section refers to adjustments to General Office CWIP project category
17 that GSWC refers to as "Projects Not Approved in a Prior GRC" (Category 5). Two of
18 these projects, specifically the AMI pilot project (Work Order (WO)# 03010075) and the
19 SCADA Control Room project (WO# 03600025), were discussed in earlier sections of
20 this Chapter. For the remaining CWIP categories, refer to Cal Advocates' witness
21 Chandrika Sharma's testimony on CWIP regarding any other adjustments related to the
22 other project categories for General Office CWIP projects.⁹⁵

⁹⁴ Prepared Testimony of Elizabeth V. McDonough, Dane T. Sinagra, and David Schickling, p. 6.

⁹⁵ Report and Recommendations on Water Quality (SR#4) and Construction-Work-in-Progress.

1 **D. Early Retirements**

2 Cal Advocates examined GSWC’s retirements for General Office in 2016-2022.
3 Cal Advocates’ review focused on General Office plant assets added in 2016-2022
4 exceeding \$100,000 that are no longer in service. GSWC provides a list of capital
5 projects exceeding \$100,000 that was added to General Office rate base during 2016-
6 2022 and the current status of whether the plant assets are still in service during
7 discovery.⁹⁶ Cal Advocates did not find any significant issues at this time.

8 **IV. CONCLUSION**

9 The Commission should adjust GSWC’s requested budgets for individual
10 proposed projects in the General Office, as follows:

- 11 • The Commission should reduce the proposed project cost for the Microsoft
12 Enterprise Licenses Installment Payment and True-Up project to \$641,600
13 in 2024, \$641,600 in 2025, and \$852,600 in 2026 due to removing the true-
14 up costs and escalation costs.⁹⁷
- 15 • The Commission should reject any funding at this time for the proposed
16 AMI and Leak Detection pilot studies due to the speculative nature of these
17 projects.⁹⁸ Any funding GSWC requests for these pilot projects should be
18 contingent on whether the Commission adopts full project implementation
19 in a future rate case.
- 20 • The Commission should reduce the project costs for vehicle replacement
21 projects for General Office to \$311,500, \$0, and \$27,300 in 2024, 2025,
22 and 2026, respectively since 24 vehicles do not warrant replacement and

⁹⁶ GSWC Response to Public Advocates Office Data Request JMI-012 (GO Retirements).

⁹⁷ GSWC requests \$829,200, \$879,000, and \$1,238,200 in 2024-2026, respectively. GSWC requests a base project cost of \$726,698, \$726,698, and \$965,711 in 2024-2026, respectively. GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.” For this recommendation, the Commission should reduce the base project cost for the Microsoft Enterprise Licenses Installment Payment and True-Up project to \$625,804 in 2024, \$625,804 in 2025, and \$831,633 in 2026 due to removing the true-up costs and escalation costs.

⁹⁸ GSWC requests \$490,200 for the AMI pilot project. Prepared Testimony of Brad Powell, Attachment 7, p. 1. GSWC requests \$108,800 in 2024 for the Leak Detection pilot project. GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.”

1 removing redundant sales tax for the remaining eight vehicles.⁹⁹ In
2 addition, the project cost for the two new vehicles in Via Verde project
3 should be reduced to \$99,100 due to removing the redundant sales tax.¹⁰⁰

- 4 • The Commission should reject funding for the New Business Portal
5 Enhancement project and the MWM Phase 2 projects due to the speculative
6 nature of the improvements.¹⁰¹
- 7 • The Commission should reduce the annual project cost for the New
8 Business Portal Software Upgrades project to \$9,900, \$9,700, and \$9,600
9 in 2024-2026, respectively due to removing the redundant contingency and
10 overhead costs.¹⁰²
- 11 • The Commission should reject any funding for the CPMS at this time until
12 GSWC completes a cost-benefit analysis and evaluation of the best
13 available solution.¹⁰³
- 14 • The Commission should reject any funding for the SCADA Command
15 Center Implementation project since the project is not necessary and
16 GSWC has not completed a cost-benefit analysis for this project.¹⁰⁴ The
17 Commission should also remove the \$64,085 spent on the preliminary
18 design since the preliminary design won't provide a benefit to ratepayers if
19 the Commission rejects the proposed SCADA Command Center

⁹⁹ GSWC requests \$654,000, \$521,800, \$723,400 in 2024-2026, respectively for GO vehicle replacement projects. GSWC RO Model file "SEC-51_RB_FDR Capital Budget," tab: "GO Project List."

¹⁰⁰ GSWC requests \$125,200 in 2024. GSWC RO Model file "SEC-51_RB_FDR Capital Budget," tab: "GO Project List."

¹⁰¹ GSWC requests \$62,400, \$66,200, and \$70,200 in 2024-2026, respectively for the New Business Portal Enhancement project. GSWC requests \$37,500, \$39,700, and \$42,100 in 2024-2026 respectively for the Mobile Workforce Management Phase 2 project. GSWC RO Model file "SEC-51_RB_FDR Capital Budget," tab: "GO Project List."

¹⁰² GSWC requests \$13,700, \$14,600, and \$15,400 in 2024-2026, respectively. GSWC RO Model file "SEC-51_RB_FDR Capital Budget," tab: "GO Project List." The Commission should reduce the annual base project cost for the New Business Portal Software Upgrades project from \$11,000 to \$9,000 due to removing the redundant contingency and overhead costs.

¹⁰³ GSWC requests \$760,000, \$370,700, and \$370,700 in 2024-2026, respectively. GSWC RO Model file "SEC-51_RB_FDR Capital Budget," tab: "GO Project List."

¹⁰⁴ GSWC requests \$387,100, \$489,800, and \$435,700 in 2024-2026, respectively. GSWC RO Model file "SEC-51_RB_FDR Capital Budget," tab: "GO Project List." GSWC also requests \$371,076 in operating expenses in 2024-2026. Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 38.

1 Implementation project.¹⁰⁵ The Commission should only allow funding
2 related to the preliminary design if the SCADA Command Center
3 Implementation project is adopted and once the project is in service and
4 providing a benefit to ratepayers.

¹⁰⁵ Prepared Testimony of Brad Powell, Attachment 7, p. 2.

Attachments

Qualifications of Witness

QUALIFICATIONS AND PREPARED TESTIMONY
OF JUSTIN MENDA

Q.1 Please state your name and address.

A.1 My name is Justin Menda, and my business address is 505 Van Ness Ave, San Francisco, California 94102.

Q.2 By whom are you employed and what is your job title?

A.2 I am a Utilities Engineer in the Water Branch of the Cal Advocates of California Public Utilities Commission.

Q.3 Please describe your educational and professional experience.

A.3 I received a Bachelor of Science Degree and Master of Science Degree in Civil Engineering from the University of California Irvine.

I have been employed by the Cal Advocates since June 2012. Since that time, I prepared testimonies on capital investment in several GRCs: California Water Service Company's 2012, 2015, 2018 and 2021 GRCs; California-American Water's 2013, 2016, 2019, and 2022 GRCs; San Jose Water Company's 2015 GRC; and Golden State Water Company's 2017 and 2020 GRC.

Q.4 What is your area of responsibility in this proceeding?

A.4 I am responsible for the preparation of testimony regarding proposed plant projects for General Office and cost adders for capital project budgets.

Q.5 Does that complete your prepared testimony?

A.5 Yes, it does.

Attachment 2-1: Capital Budget Details – General Office

Att. Table 2-1: 2024 Proposed Capital Project Cost Details – General Office¹⁰⁶

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
852409-01	Email Protection	\$ 166,100	\$ 188,300	\$ 22,200	88%
852409-02	Multi-factor Authentication	\$ 246,600	\$ 279,500	\$ 32,900	88%
852409-03	Network Boundary Refresh	\$ 126,700	\$ 143,600	\$ 16,900	88%
852409-04	Web Internet Protection	\$ 170,300	\$ 193,100	\$ 22,800	88%
852409-05	Endpoint Detection and Response	\$ 589,900	\$ 668,700	\$ 78,800	88%
852409-06	Vulnerability Management	\$ 333,500	\$ 378,100	\$ 44,600	88%
852409-07	Password Blacklist Checking Solution	\$ 21,600	\$ 24,400	\$ 2,800	89%
852409-08	Application Control System	\$ 225,300	\$ 255,300	\$ 30,000	88%

¹⁰⁶ GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.” Project costs shown are total project costs. Cal Advocates calculates the total project costs in the RO model after applying all of Cal Advocates’ plant adjustments in the RO model.

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
852409-09	Privileged Access Management	\$ 18,700	\$ 21,200	\$ 2,500	88%
852409-10	User Awareness Training and Phishing Simulation System	\$ 122,100	\$ 138,400	\$ 16,300	88%
852409-11	File Security Management	\$ 255,800	\$ 290,000	\$ 34,200	88%
852409-12	Encrypted File Recovery	\$ 2,800	\$ 3,200	\$ 400	88%
872409-01	Personal Computers and Peripherals	\$ 431,000	\$ 488,600	\$ 57,600	88%
872409-02	Microsoft Enterprise Licenses Installment Payment and True-up	\$ 641,600	\$ 829,200	\$ 187,600	77%
872409-03	Inventory and Software Deployment suite	\$ 20,400	\$ 23,100	\$ 2,700	88%
872409-04	Imaging Software	\$ 15,300	\$ 17,400	\$ 2,100	88%
872409-05	CompuTrace Software	\$ 125,000	\$ 141,700	\$ 16,700	88%
862409-06	Database Monitoring Tools	\$ 237,200	\$ 268,800	\$ 31,600	88%

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
862409-02	Microsoft Exchange Upgrade	\$ 178,000	\$ 201,800	\$ 23,800	88%
862409-03	Datacenter Server Refresh	\$ 545,300	\$ 618,100	\$ 72,800	88%
862409-03	Datacenter Server Refresh	\$ 11,300	\$ 12,800	\$ 1,500	88%
862409-01	Enterprise Backup and Recovery Refresh	\$ 480,000	\$ 544,000	\$ 64,000	88%
862409-01	Enterprise Backup and Recovery Refresh	\$ 317,600	\$ 360,000	\$ 42,400	88%
862409-05	Network Refresh	\$ 295,000	\$ 334,300	\$ 39,300	88%
862409-05	Network Refresh	\$ 29,000	\$ 32,800	\$ 3,800	88%
892409-01	Powerplan Provision Module Upgrade	\$ 52,900	\$ 59,900	\$ 7,000	88%
892409-02	JDE Tools and App Upgrade	\$ 489,800	\$ 555,200	\$ 65,400	88%
892409-03	Citrix Upgrade and Redesign	\$ 77,200	\$ 87,500	\$ 10,300	88%

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
822409-01	Electronic Timekeeping System Implementation	\$ 58,700	\$ 66,500	\$ 7,800	88%
792409-01	Install Data Center Security Glass and Doors	\$ 18,700	\$ 21,200	\$ 2,500	88%
792409-02	GO Facility Replacements	\$ 52,300	\$ 59,300	\$ 7,000	88%
792409-03	Replace (3) Refrigerators	\$ 3,700	\$ 4,200	\$ 500	88%
792409-04	Replace (4) EVs	\$ 11,700	\$ 13,200	\$ 1,500	89%
892409-04	Powerplan Upgrade	\$ 390,100	\$ 442,200	\$ 52,100	88%
682409-01	Powerplan Upgrade - Outside Tax Support	\$ 18,100	\$ 20,500	\$ 2,400	88%
302409-01	Misc. Office Furniture & Equipment-Asset Management	\$ 6,800	\$ 7,700	\$ 900	88%
312409-01	Misc. Office Furniture & Equipment-CPMI	\$ 5,300	\$ 6,000	\$ 700	88%
312410-01	Replace Vehicle Number 508104	\$ 42,500	\$ 52,700	\$ 10,200	81%
312410-02	Replace Vehicle Number 508103	\$ -	\$ 52,700	\$ 52,700	0%

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
312410-03	Replace Vehicle Number 500475	\$ -	\$ 113,200	\$ 113,200	0%
322409-01	Misc. Office Furniture & Equipment-CPM II	\$ 5,300	\$ 6,000	\$ 700	88%
322410-01	Replace Vehicle Number 505344	\$ -	\$ 50,900	\$ 50,900	0%
322410-02	Replace Vehicle Number 68924	\$ 42,500	\$ 52,700	\$ 10,200	81%
322410-03	Replace Vehicle Number 67976	\$ 49,500	\$ 61,400	\$ 11,900	81%
382409-01	Misc. Office Furniture & Equipment-CPM III	\$ 8,000	\$ 9,100	\$ 1,100	88%
382410-01	Replace Vehicle Number 503608	\$ 42,500	\$ 52,700	\$ 10,200	81%
382410-02	Replace Vehicle Number 504650	\$ 42,500	\$ 52,700	\$ 10,200	81%
382410-03	Replace Vehicle Number 501873	\$ -	\$ 50,900	\$ 50,900	0%
382410-04	Replace Vehicle Number 500626	\$ 42,500	\$ 52,700	\$ 10,200	81%

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
912409-01	Agent Headsets	\$ 5,900	\$ 6,700	\$ 800	88%
912409-02	CSC Workstation UPS Replacements	\$ 2,400	\$ 2,700	\$ 300	89%
212409-01	Upgrade Hydraulic Modeling Licenses to InfoWater Pro	\$ 72,100	\$ 81,700	\$ 9,600	88%
212409-02	Replace CAD/GIS Laptop & Docking Station (2)	\$ 6,000	\$ 6,800	\$ 800	88%
212409-03	Misc. Office Furniture & Equipment	\$ 1,600	\$ 1,800	\$ 200	89%
242409-01	Replace CAD/GIS Laptop & Docking Station (5)	\$ 15,000	\$ 17,000	\$ 2,000	88%
242409-02	Misc. Office Furniture & Equipment-Engineering Design Center	\$ 4,100	\$ 4,600	\$ 500	89%
252409-01	Replace CAD/GIS Laptop & Docking Station (3)	\$ 9,000	\$ 10,200	\$ 1,200	88%

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
252409-02	Fire Hydrant Pressure Data Logger (4)	\$ 3,900	\$ 4,400	\$ 500	89%
252409-03	Misc. Office Furniture & Equipment- Technical Services	\$ 3,100	\$ 3,500	\$ 400	89%
342409-01	NB Portal software upgrades	\$ 9,900	\$ 13,700	\$ 3,800	72%
342409-02	NB Portal Enhancements	\$ -	\$ 62,400	\$ 62,400	0%
362409-01	Leak Detection Pilot Project	\$ -	\$ 108,800	\$ 108,800	0%
362409-02	Technology Services Laptop Refresh Project	\$ 13,200	\$ 15,000	\$ 1,800	88%
362409-03	MWM Study Project	\$ 60,600	\$ 68,700	\$ 8,100	88%
362409-04	MWM Phase 2 Project	\$ -	\$ 37,500	\$ 37,500	0%

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
362409-05	Data Warehouse Phase 2 Project	\$ 105,800	\$ 119,900	\$ 14,100	88%
362409-06	GIS Phase 2 Project	\$ 363,900	\$ 412,500	\$ 48,600	88%
362409-07	CPMS Project	\$ -	\$ 760,000	\$ 760,000	0%
362409-08	SCADA Command Center Implementation Project	\$ -	\$ 387,100	\$ 387,100	0%
362409-09	SCADA Technology Equipment Project	\$ 128,300	\$ 134,700	\$ 6,400	95%
362409-10	SCADA Master Plan & Standards Update Project	\$ 224,800	\$ 254,800	\$ 30,000	88%
362409-11	Data Warehouse Cloud Hosting Fees	\$ 112,200	\$ 117,800	\$ 5,600	95%
362409-12	MWM Cloud Hosting & Mapping Licensing Fees	\$ 72,800	\$ 76,400	\$ 3,600	95%
362409-13	EAMS Software Subscription Fees	\$ 145,900	\$ 153,200	\$ 7,300	95%
362409-14	FDM Licensing Fees	\$ 20,500	\$ 23,200	\$ 2,700	88%

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
372409-01	Misc. Office Furniture & Equipment-Planning & Analysis	\$ 11,500	\$ 13,100	\$ 1,600	88%
352409-01	Misc. Office Furniture & Equipment-Procurement	\$ 7,200	\$ 8,200	\$ 1,000	88%
352409-02	Air Purifiers - 12	\$ 7,600	\$ 8,700	\$ 1,100	87%
352409-03	Misc. Office Furniture & Equipment - Via Verde	\$ 18,000	\$ 20,400	\$ 2,400	88%
352409-04	Xerox Copiers	\$ 163,900	\$ 185,800	\$ 21,900	88%
352410-01	2 New Pool Vehicles Purchase	\$ 99,100	\$ 125,200	\$ 26,100	79%
222409-01	Misc. Office Furniture & Equipment-Water Resources	\$ 3,100	\$ 3,500	\$ 400	89%
712409-01	Ergonomic equipment sets for 25 employees.	\$ 82,300	\$ 93,200	\$ 10,900	88%
712409-02	Automatic External Defibrillators (AED)	\$ 10,800	\$ 12,300	\$ 1,500	88%
712409-03	Safety Training Videos/DVDs	\$ 7,700	\$ 8,700	\$ 1,000	89%

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
712409-04	Mobile Incident Command/Bacteriological Lab Trailer (2)	\$ 245,000	\$ 277,700	\$ 32,700	88%
712410-01	Emergency Equipment Mobile Response Trailer (2)	\$ 252,200	\$ 285,900	\$ 33,700	88%
722409-01	Misc. Office Furniture & Equipment-Water Quality	\$ 4,200	\$ 4,800	\$ 600	88%
722410-01	Replace Vehicle Number 507079	\$ 49,500	\$ 61,400	\$ 11,900	81%
TOTAL 2024		\$ 9,409,800	\$ 12,401,500	\$ 2,991,700	76%

Att. Table 2-2: 2025 Proposed Capital Project Cost Details – General Office¹⁰⁷

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
852509-01	Network Detection and Response	\$ 929,100	\$ 1,136,900	\$ 207,800	82%
852509-02	Data Loss Prevention & Enterprise Digital Rights Management	\$ 198,700	\$ 243,100	\$ 44,400	82%
852509-03	File Security Management	\$ 251,200	\$ 307,400	\$ 56,200	82%
862509-01	Datacenter Server Refresh	\$ 535,400	\$ 655,200	\$ 119,800	82%
862509-01	Datacenter Server Refresh	\$ 11,100	\$ 13,500	\$ 2,400	82%
862509-02	Datacenter Storage Refresh	\$ 1,025,400	\$ 1,254,700	\$ 229,300	82%
862509-02	Datacenter Storage Refresh	\$ 2,046,500	\$ 2,504,200	\$ 457,700	82%
862509-03	WAN Optimization Refresh	\$ 111,900	\$ 136,900	\$ 25,000	82%
862509-03	WAN Optimization Refresh	\$ 696,300	\$ 852,000	\$ 155,700	82%

¹⁰⁷ GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.” Project costs shown are total project costs. Cal Advocates calculates the total project costs in the RO model after applying all of Cal Advocates’ plant adjustments in the RO model.

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
862509-04	Improve Remote Site Support Refresh	\$ 200,700	\$ 245,600	\$ 44,900	82%
872509-01	Imaging Software	\$ 15,100	\$ 18,400	\$ 3,300	82%
872509-02	Mobile Device Management	\$ 87,600	\$ 107,200	\$ 19,600	82%
872509-03	Personal Computers and Peripherals	\$ 423,200	\$ 517,900	\$ 94,700	82%
872509-05	Inventory and Software Deployment suite	\$ 20,000	\$ 24,500	\$ 4,500	82%
872509-04	Microsoft Enterprise Licenses Installment Payment and True-up	\$ 641,600	\$ 879,000	\$ 237,400	73%
892509-01	Sharepoint Upgrade	\$ 32,500	\$ 39,800	\$ 7,300	82%
892509-02	Transform AP (TAP) Upgrade	\$ 36,600	\$ 44,800	\$ 8,200	82%
792509-01	Replace Data Center AC units and condensers	\$ 385,000	\$ 471,100	\$ 86,100	82%
792509-02	Replace all Flourescent Lighting in GO with LED lighting	\$ 91,400	\$ 111,800	\$ 20,400	82%

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
792509-03	GO Facility replacements	\$ 51,300	\$ 62,800	\$ 11,500	82%
792509-04	Replace waterless urinals with low flow urinals	\$ 15,900	\$ 19,500	\$ 3,600	82%
302509-01	Misc. Office Furniture & Equipment-Asset Management	\$ 3,700	\$ 4,500	\$ 800	82%
312509-01	Misc. Office Furniture & Equipment-CPM I	\$ 5,200	\$ 6,300	\$ 1,100	83%
312510-01	Replace Vehicle Number 507756	\$ -	\$ 55,800	\$ 55,800	0%
312510-02	Replace Vehicle Number 508102	\$ -	\$ 60,600	\$ 60,600	0%
312510-03	Replace Vehicle Number 2190	\$ -	\$ 53,900	\$ 53,900	0%
322509-01	Misc. Office Furniture & Equipment-CPM II	\$ 5,200	\$ 6,300	\$ 1,100	83%
322510-01	Replace Vehicle Number 506880	\$ -	\$ 55,800	\$ 55,800	0%
322510-02	Replace Vehicle Number 506879	\$ -	\$ 55,800	\$ 55,800	0%
322510-03	Replace Vehicle Number 504336	\$ -	\$ 55,800	\$ 55,800	0%

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
382509-01	Misc. Office Furniture & Equipment-CPM III	\$ 7,800	\$ 9,600	\$ 1,800	81%
382510-01	Replace Vehicle Number 505069	\$ -	\$ 65,100	\$ 65,100	0%
912509-01	CSC Workstation UPS Replacements	\$ 2,300	\$ 2,900	\$ 600	79%
912509-02	Agent Headsets	\$ 5,800	\$ 7,100	\$ 1,300	82%
212509-01	Replace CAD/GIS Laptop & Docking Station (2)	\$ 5,900	\$ 7,200	\$ 1,300	82%
212509-02	Misc. Office Furniture & Equipment - Engineering Planning	\$ 1,600	\$ 1,900	\$ 300	84%
242509-01	Replace CAD/GIS Laptop & Docking Station (5)	\$ 14,700	\$ 18,000	\$ 3,300	82%
242509-02	Misc. Office Furniture & Equipment-Engineering Design Center	\$ 4,000	\$ 4,900	\$ 900	82%
242510-01	Replace Vehicle Number 503277	\$ -	\$ 53,900	\$ 53,900	0%
242510-02	Replace Vehicle Number 506054	\$ -	\$ 65,100	\$ 65,100	0%

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
252509-01	Replace CAD/GIS Laptop & Docking Station (3)	\$ 8,800	\$ 10,800	\$ 2,000	81%
252509-02	Fire Hydrant Pressure Data Logger (4)	\$ 3,800	\$ 4,700	\$ 900	81%
342509-01	NB Portal software upgrades	\$ 9,700	\$ 14,600	\$ 4,900	66%
342509-02	NB Portal Enhancements	\$ -	\$ 66,200	\$ 66,200	0%
362509-01	Technology Services Laptop Refresh Project	\$ 19,500	\$ 23,800	\$ 4,300	82%
362509-02	MWM Phase 2 Project	\$ -	\$ 39,700	\$ 39,700	0%
362509-03	Data Warehouse Phase 2 Project	\$ 103,900	\$ 127,100	\$ 23,200	82%
362509-04	GIS Phase 2 Project	\$ 27,100	\$ 33,200	\$ 6,100	82%
362509-05	CPMS Project	\$ -	\$ 370,700	\$ 370,700	0%
362509-06	SCADA Command Center Implementation Project	\$ -	\$ 489,800	\$ 489,800	0%

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
362509-07	SCADA Cybersecurity Assessment Project	\$ 139,800	\$ 171,000	\$ 31,200	82%
362509-08	SCADA Master Plan & Standards Update Project	\$ 220,700	\$ 270,000	\$ 49,300	82%
362509-09	Data Warehouse Cloud Hosting Fees	\$ 123,400	\$ 129,600	\$ 6,200	95%
362509-10	MWM Cloud Hosting & Mapping Licensing Fees	\$ 76,400	\$ 80,200	\$ 3,800	95%
362509-11	EAMS Software Subscription Fees	\$ 168,300	\$ 176,700	\$ 8,400	95%
362509-12	FDM Licensing Fees	\$ 20,100	\$ 24,600	\$ 4,500	82%
372509-01	Misc. Office Furniture & Equipment	\$ 6,500	\$ 8,000	\$ 1,500	81%
352509-01	Misc. Office Furniture & Equipment-Procurement	\$ 7,100	\$ 8,700	\$ 1,600	82%
352509-02	Misc. Office Furniture & Equipment - Via Verde	\$ 5,900	\$ 7,200	\$ 1,300	82%

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
222509-01	Misc. Office Furniture & Equipment-Water Resources	\$ 3,000	\$ 3,700	\$ 700	81%
712509-01	Ergonomic equipment sets for 25 employees.	\$ 83,700	\$ 102,400	\$ 18,700	82%
712509-02	Automatic External Defibrillators (AED)	\$ 11,200	\$ 13,700	\$ 2,500	82%
712509-03	Safety Training Videos/DVDs	\$ 7,800	\$ 9,600	\$ 1,800	81%
TOTAL 2025		\$ 8,909,400	\$12,422,800	\$ 3,513,400	72%

Att. Table 2-3: 2026 Proposed Capital Project Cost Details – General Office¹⁰⁸

¹⁰⁸ GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.” Project costs shown are total project costs. Cal Advocates calculates the total project costs in the RO model after applying all of Cal Advocates’ plant adjustments in the RO model.

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
862609-01	File Security Management	\$ 246,700	\$ 325,800	\$ 79,100	76%
862609-02	Datacenter Server Refresh	\$ 525,700	\$ 694,500	\$ 168,800	76%
862609-02	Datacenter Server Refresh	\$ 10,900	\$ 14,400	\$ 3,500	76%
862609-03	Load-Balancer Refresh	\$ 118,700	\$ 156,800	\$ 38,100	76%
862609-03	Load-Balancer Refresh	\$ 21,600	\$ 28,500	\$ 6,900	76%
872609-01	Imaging Software	\$ 14,800	\$ 19,500	\$ 4,700	76%
872609-02	Personal Computers and Peripherals	\$ 415,600	\$ 549,000	\$ 133,400	76%
872609-04	Inventory and Software Deployment suite	\$ 19,700	\$ 26,000	\$ 6,300	76%
872609-03	Microsoft Enterprise Licenses Renewal and True-up	\$ 852,600	\$ 1,238,200	\$ 385,600	69%
872610-01	Replace Pool Vehicle #502447	\$ 27,300	\$ 36,000	\$ 8,700	76%

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
792609-01	GO Facility replacements	\$ 50,400	\$ 66,600	\$ 16,200	76%
792609-02	Replace (80) UPS Batteries (3-5 year lifespan)	\$ 28,100	\$ 37,100	\$ 9,000	76%
882609-01	Customer Care and Billing Upgrade	\$ 398,600	\$ 526,500	\$ 127,900	76%
882609-02	Customer Care and Billing Upgrade	\$ 1,084,600	\$ 1,432,700	\$ 348,100	76%
302609-01	Misc. Office Furniture & Equipment-Asset Management	\$ 3,600	\$ 4,800	\$ 1,200	75%
312609-01	Misc. Office Furniture & Equipment-CPM I	\$ 5,100	\$ 6,700	\$ 1,600	76%
312610-01	Replace Vehicle Number 505970	\$ -	\$ 69,000	\$ 69,000	0%
312610-02	Replace Vehicle Number 507690	\$ -	\$ 59,200	\$ 59,200	0%
312610-03	Replace Vehicle Number 67477	\$ -	\$ 69,000	\$ 69,000	0%
312610-04	Replace Vehicle Number 500054	\$ -	\$ 59,200	\$ 59,200	0%

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
322609-01	Misc. Office Furniture & Equipment-CPM II	\$ 5,100	\$ 6,700	\$ 1,600	76%
322610-01	Replace Vehicle Number 507954	\$ -	\$ 64,200	\$ 64,200	0%
322610-02	Replace Vehicle Number 505778	\$ -	\$ 69,000	\$ 69,000	0%
322610-03	Replace Vehicle Number 507042	\$ -	\$ 57,200	\$ 57,200	0%
382609-01	Misc. Office Furniture & Equipment-CPM III	\$ 7,700	\$ 10,200	\$ 2,500	75%
382610-01	Replace Vehicle Number 500597	\$ -	\$ 57,200	\$ 57,200	0%
382609-02	Replace CPM Manager Laptop	\$ 2,900	\$ 3,800	\$ 900	76%
912609-01	Agent Headsets	\$ 5,700	\$ 7,500	\$ 1,800	76%
912609-02	CSC Workstation UPS Replacements	\$ 2,300	\$ 3,000	\$ 700	77%
912609-03	Itron Meter Reading Handheld CN80 Device Replacements	\$ 361,100	\$ 477,100	\$ 116,000	76%

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
212609-01	Replace CAD/GIS Laptop & Docking Station (2)	\$ 5,800	\$ 7,600	\$ 1,800	76%
212609-02	Misc. Office Furniture & Equipment-Engineering Planning	\$ 1,600	\$ 2,100	\$ 500	76%
242609-01	Replace CAD/GIS Laptop & Docking Station (5)	\$ 14,500	\$ 19,100	\$ 4,600	76%
242609-02	Misc. Office Furniture & Equipment-Engineering Design Center	\$ 3,900	\$ 5,200	\$ 1,300	75%
242609-03	Replace Plotter/Scanner	\$ 23,200	\$ 30,600	\$ 7,400	76%
242610-01	Replace Vehicle Number 503388	\$ -	\$ 57,200	\$ 57,200	0%
242610-02	Replace Vehicle Number 503403	\$ -	\$ 57,200	\$ 57,200	0%
252609-01	Replace CAD/GIS Laptop & Docking Station (3)	\$ 8,700	\$ 11,500	\$ 2,800	76%
252609-02	Fire Hydrant Pressure Data Logger (4)	\$ 3,700	\$ 4,900	\$ 1,200	76%

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
342609-01	NB Portal software upgrades	\$ 9,600	\$ 15,400	\$ 5,800	62%
342609-02	NB Portal Enhancements	\$ -	\$ 70,200	\$ 70,200	0%
362609-01	Technology Services Laptop Refresh Project	\$ 20,200	\$ 26,700	\$ 6,500	76%
362609-02	MWM Phase 2 Project	\$ -	\$ 42,100	\$ 42,100	0%
362609-03	Data Warehouse Phase 2 Project	\$ 102,000	\$ 134,700	\$ 32,700	76%
362609-04	GIS Phase 2 Project	\$ 26,600	\$ 35,200	\$ 8,600	76%
362609-05	CPMS Project	\$ -	\$ 370,700	\$ 370,700	0%
362609-06	SCADA Command Center Implementation Project	\$ -	\$ 435,000	\$ 435,000	0%
362609-07	SCADA Master Plan & Standards Update Project	\$ 62,700	\$ 82,800	\$ 20,100	76%
362609-08	Data Warehouse Cloud Hosting Fees	\$ 134,600	\$ 141,400	\$ 6,800	95%

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
362609-09	MWM Cloud Hosting & Mapping Licensing Fees	\$ 80,000	\$ 84,000	\$ 4,000	95%
362609-10	EAMS Software Subscription Fees	\$ 161,700	\$ 169,800	\$ 8,100	95%
362609-11	FDM Licensing Fees	\$ 19,700	\$ 26,000	\$ 6,300	76%
372609-01	Misc. Office Furniture & Equipment-Planning & Analysis	\$ 11,100	\$ 14,700	\$ 3,600	76%
352609-01	Misc. Office Furniture & Equipment-Procurement	\$ 6,900	\$ 9,200	\$ 2,300	75%
352609-02	Air Purifiers - 12	\$ 7,400	\$ 9,700	\$ 2,300	76%
352609-03	Misc. Office Furniture & Equipment - Via Verde	\$ 5,800	\$ 7,600	\$ 1,800	76%
352609-04	Xerox Copiers	\$ 153,500	\$ 202,800	\$ 49,300	76%
712609-01	Ergonomic equipment sets for 25 employees.	\$ 85,100	\$ 112,400	\$ 27,300	76%
712609-02	Automatic External Defibrillators (AED)	\$ 11,600	\$ 15,300	\$ 3,700	76%

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed	GSWC > Cal Advocates	Cal Advocates / GSWC
712609-03	Safety Training Videos/DVDs	\$ 8,100	\$ 10,700	\$ 2,600	76%
722610-01	Replace Vehicle Number 507861	\$ -	\$ 69,000	\$ 69,000	0%
TOTAL 2026		\$ 5,176,800	\$ 8,456,200	\$ 3,279,400	61%

**Attachment 2-2: Microsoft Enterprise
Licenses Installment Payment and True-Up
Cost Estimate**

Att. Table 2-4: Microsoft Enterprise Licenses Installment Payment and True-Up Base Project Cost Estimate¹⁰⁹

2024	GSWC	Cal Advocates
Agreement Cost	\$ 625,804	\$ 625,804
True-Up Cost	\$ 100,894	\$ -
Total Base Cost	\$ 726,698	\$ 625,804

2025	GSWC	Cal Advocates
Agreement Cost	\$ 625,804	\$ 625,804
True-Up Cost	\$ 100,894	\$ -
Total Base Cost	\$ 726,698	\$ 625,804

2026	GSWC	Cal Advocates
Agreement Cost	\$ 831,633	\$ 831,633
True-Up Cost	\$ 134,078	\$ -
Total Base Cost	\$ 965,711	\$ 831,633

¹⁰⁹ Prepared Testimony of Daniel Diaz, p. 16.

**Attachment 2-3: GSWC Response to Public
Advocates Office Data Request JMI-003
(AMI Pilot - Claremont)**



August 29, 2023

To: Justina Menda, Public Advocates Office
CALIFORNIA PUBLIC UTILITIES COMMISSION
505 Van Ness Avenue
San Francisco, CA 94102

From
Subject: Data Request JMI-003 (A.23-08-010) (AMI Pilot - Claremont)
Due Date: August 22, 2023 Extension Due Date: August 30, 2023

Dear Justin Menda,

In response to the above referenced data request number, we are pleased to submit the following responses:

Question 1:

Regarding the Advanced Metering Infrastructure (AMI) pilot project (funding project 302209-98 or Work Order 03010075) in Claremont:

- a. Page 81 of the Prepared Testimony of Martin Jeung and Patrick Kubiak states that GSWC identified to conduct the AMI pilot in Claremont.²
 - i. What criterion was used to determine where the pilot would be conducted?
 - ii. Please explain why Claremont was chosen for the pilot.

- b. Page 82 of the Prepared Testimony of Martin Jeung and Patrick Kubiak states that the project cost estimate was developed by a consultant hired by GSWC.³
 - i. Which consultant prepared the project cost estimate?
 - ii. Please provide a copy of the project cost estimate developed by the consultant.
 - iii. Has GSWC awarded a bid for this project? If so, please provide a copy of the winning bid.

² Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 81:3.

³ Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 82:4.

- iv. If GSWC has not awarded a bid for this project in response to question 1.b.iii above, when does GSWC expect to award the project bid.
- c. Referring to the project description section of AMI Pilot Project Cost Estimate shown in Appendix C of the Prepared Testimony of Martin Jeung and Patrick Kubiak, it states that GSWC will deploy all devices on singular meter reading routes.⁴
 - i. Which single meter reading route(s) were chosen for the pilot?
 - ii. Why were the meter reading route(s) mentioned in response to question 1.c.i chosen for the pilot?
 - iii. If the meter reading routes have been determined, please provide a breakdown of the number of meters per size and customer type.
- d. Page 81 of the Prepared Testimony of Martin Jeung and Patrick Kubiak states that GSWC will identify which meter type(s) to test during the pilot stage.⁵ Which meter type(s) does GSWC plan to test during the pilot?
- e. Page 81 of the Prepared Testimony of Martin Jeung and Patrick Kubiak states that GSWC plans to determine whether new pit lids are needed for AMI.⁶ Are new pit lids need for the AMI pilot? If so, how many?
- f. Page 81 of the Prepared Testimony of Martin Jeung and Patrick Kubiak states that GSWC should monitor the pilot using pilot success criteria⁷.
 - i. What criterion are being used to determine whether the pilot is considered successful?
 - ii. How does GSWC determine whether the metrics mentioned in response to question 1.f.i are met?
 - iii. What is GSWC using as a control group to compare the results of the AMI pilot? Explain how this control group was chosen.
- g. Page 82 of the Prepared Testimony of Martin Jeung and Patrick Kubiak states that this project will be completed by the end of 2023.⁸
 - i. Does this mean the installation of all of the AMI related hardware will be installed by the end of 2023 or the entire pilot (including the duration of monitoring data) will be completed by the end of 2023. Please clarify.
 - ii. Has GSWC started the pilot (started monitoring AMI meters)? If so, when has the pilot started? If not, when does GSWC expect the pilot to begin?

⁴ Prepared Testimony of Martin Jeung and Patrick Kubiak, Appendix C, p. 13.

⁵ Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 81:11-12.

⁶ Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 81:9-10.

⁷ Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 81:23-24.

⁸ Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 82: 5.

- h. What is the duration of the AMI pilot?
- i. Page 81 of the Prepared Testimony of Martin Jeung and Patrick Kubiak states that part of the project scope is to finalize details of the pilot such as roles, responsibilities and identify personnel to fill roles.⁹ Has GSWC finalized the details of the roles, responsibilities, and identified the personnel to fill the roles. If so, which staff will be involved in this project and what will be their responsibility for the project?
- j. Appendix C of the Prepared Testimony of Martin Jeung and Patrick Kubiak shows the Project Cost Estimate for the AMI Pilot Project.¹⁰ The Project Cost Estimate states that the total project cost is \$320,000 (including contingency, escalation, and overhead). The Prepared Testimony of Brad Powell shows a list of General Office Construction Work in Progress (CWIP) projects as Attachment 7.¹¹ Page 1 of Attachment 7 shows that the total project cost for the AMI Pilot Project is 490,200.¹²
 - i. Please explain the discrepancy between the project costs.
 - ii. Please provide a cost breakdown of the project discrepancy including all supporting documentation.

Response 1:

- a.
 - i) It was based on criteria such as: tower siting availability at plant sites for potential tower locations, a variety of meter sizes and customer classes, and availability of a field lead, the existing Water Distribution Superintendent, the pilot was located in Claremont CSA
 - ii) Claremont was chosen because it matched the criteria listed in 1.a.i.
- b.
 - i) The consultant who prepared the project cost estimate was West Monroe Partners (WMP).
 - ii) A copy of the project cost estimate developed by the consultant is attached as Exhibit JMI-003 1.b.ii.
 - iii) The bids from Badger Meter and Sensus are attached as Exhibit JMI-003 1.b.iii.
 - iv) Not applicable as bids have been awarded.
- c.
 - i) The route selected was Cycle 54, Route 0635.

⁹ Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 81:6-8.

¹⁰ Prepared Testimony of Martin Jeung and Patrick Kubiak, Appendix C, p. 13.

¹¹ Prepared Testimony of Brad Powell, Attachment 7.

¹² Prepared Testimony of Brad Powell, Attachment 7, p. 1. Attachment 7 shows \$176,700 in CWIP (as of 12/31/22) and requests \$313,500 in 2023.

- ii) These routes were chosen because they provide a good representation of the various sizes of meters we have throughout our service areas.
- iii) Please refer to the table below.

METER_SIZE	Premise	Count of METER_SIZE
Water CCF - 1"	NON-RES	30
	RES	68
Water CCF - 1-1/2"	NON-RES	2
	RES	2
Water CCF - 2"	NON-RES	22
Water CCF - 3"	NON-RES	3
Water CCF - 3/4"	NON-RES	1
	RES	11
Water CCF - 4"	NON-RES	1
Water CCF - 5/8"	NON-RES	17
	RES	164
Grand Total		321

- d. Meter type:
 - Badger – Disc Series (PD Meter) E-Series (Ultra Sonic)
 - Sensus – SR2(PD Meter) i-Perl/Ally (Static Meter/Electro-Magnetic)
- e. New meter pit lids will be installed as part of the pilot project in the same quantity as described in our response to 1.c.iii.
- f.
 - i) Criterion being used to determine whether the pilot is considered successful are listed in Exhibit JMI-003 1.f.i.
 - ii) GSWC will determine whether the metrics mentioned in response to question 1.f.i are met using two approaches. For data that is similar to that obtained by manually reading meters, the results will be compared to the results of manual meter reading. For criterion that are unique to AMI, WMP will compare the results to other AMI pilot studies they have performed.
 - iii) The control group will be a comparison of the manual reads that will continue to be taken on the AMI meters versus the electronically received data for these meters.
- g.
 - i) GSWC's plan is to complete the installation of all of the AMI related hardware by the end of September of 2023. Collection of field data would be completed by

the end of March 2024. The project would be completed by the end of April 2024 with GSWC's acceptance of the consultant's final report.

- ii) Monitoring of AMI meters would begin at the beginning of October 2023.
- h. GSWC wants to obtain six months of meter reading data once the AMI meters have become operational.
- i. The Water Distribution Superintendent overseeing the Claremont Customer Service Area will be responsible for meter installation and monitoring of collected data. The General Manager for the Foothill District and a GSWC consultant will provide managerial oversight and coordination with WMP. WMP will provide the following services:
 - Identify suitable AMI vendors for a limited scale pilot.
 - Define AMI pilot scope, schedule, and budget.
 - Oversee technical integration/data transfer.
 - Provide technical advisory to Client in vendor negotiations and meetings.
 - Conduct project management activities such as conducting status meetings, facilitating issue resolution, and managing risks
 - Monitor pilot performance using pilot success criteria.
 - Compile results and lessons learned from the AMI pilot.
 - Develop AMI pilot report, solicit feedback from the project team and finalize report

- j. i) The Prepared Testimony of Martin Jeung and Patrick Kubiak, Volume 1 of 2, Appendix C, page 13 of 87, includes a project cost estimate (PCE) reflecting the requested amount to complete the project of \$313,500 for year 2023. The amount \$320,000 noted in the PCE is due to rounding, and not the requested amount used in the RO Model.

GSWC is requesting \$313,500, for year 2023 for this CWIP project, which is reflected in the Prepared Testimony of Brad Powell, Attachment 7, page 1, under column titled "Funds Needed in 2023" and in the RO Model Workpaper file "Y_SEC-50_RB_CWIP", tab "IN_CWIP", cells L18 and P18.

The amount \$176,700 included in the Prepared Testimony of Brad Powell, Attachment 7, page 1, under column titled "CWIP at 12/31/2022" and in the RO Model Workpaper file "Y_SEC-50_RB_CWIP", tab "IN_CWIP", Cell K18 is the end of year 2022 recorded CWIP.

- ii) Please see response to question 1.j.i and refer to Exhibit JMI-003 1.j.ii. The amount spent as of 12/31/22 was for completion of Phases 1 and 2 of the project resulting in West Monroe Partner's AMI Financial Analysis and Report (including

related overhead expenses). GSWC is requesting additional funds in 2023 to complete the project as stated in the project cost estimate included in the Prepared Testimony of Martin Jeung and Patrick Kubiak, Volume 1 of 2, Appendix C, page 13 of 87.

END OF RESPONSE

**Attachment 2-4: GSWC Response to Public
Advocates Office Data Request JMI-013 (DR
JMI-003 Follow up)**



January 18, 2024

To: Justin Menda, Public Advocates Office
CALIFORNIA PUBLIC UTILITIES COMMISSION
505 Van Ness Avenue
San Francisco, CA 94102

Subject: Data Request JMI-013 (A.23-08-010) JMI-003 Follow Up
Due Date: January 19, 2024

Dear Justin Menda,

In response to the above referenced data request number, we are pleased to submit the following responses:

Question 1:

Regarding GSWC's response to question 1.g.i of data request "GSWC GRC TY 2025 DR JMI-003 (AMI Pilot – Claremont)" regarding whether the project would be complete by 2023, GSWC states that it is "GSWC's plan is to complete the installation of all of the AMI related hardware by the end of September of 2023. Collection of field data would be completed by the end of March 2024. The project would be completed by the end of April 2024 with GSWC's acceptance of the consultant's final report."

- a. Did GSWC complete the installation of all AMI related hardware by September of 2023?
- b. Is the installation of all AMI related hardware complete? If so, when was it completed? If not, when does GSWC expect all of the installation to be completed?
- c. If the installation has not been completed by September 2023, please explain the project delay.
- d. If the installation has not been completed by September 2023, when would the collection of field data start and be completed? When would the project be completed?

Response 1:

- a. The majority of the Sensus meters have already been installed. However, the majority of the Badger meters were only delivered in September 2023 and the endpoints were not delivered until November 6, 2023. Further, GSWC did not

receive instructions from Badger on how to integrate the end points with our Oracle CC&B application until December 27, 2023. GSWC plans to install the Badger meters in January 2024 in alignment with the reading/billing cycle to minimize the impact of the pilot on customers. The plan is to have all meters (Badger and Sensus) installed by February 1, 2024.

- b. Please see answer to question 1a.
- c. Please see answer to question 1a.
- d. GSWC anticipates data collection to start once all meters have been installed. The pilot project should be completed in Q3 2024.

END OF RESPONSE

**Attachment 2-5: GSWC Response to Public
Advocates Office Data Request JMI-006
(Leak Detection Pilot - GO)**



October 19, 2023

To: Justin Menda, Public Advocates Office
CALIFORNIA PUBLIC UTILITIES COMMISSION
505 Van Ness Avenue
San Francisco, CA 94102

Subject: Data Request JMI-006 (A.23-08-010) Leak Detection Pilot - GO
Due Date: October 19, 2023

Dear Justin Menda,

In response to the above referenced data request number, we are pleased to submit the following responses:

Question 1:

Page 4 of the Prepared Testimony of Martin Jeung and Patrick Kubiak states that in order to conduct the pilot, GSWC will select a solution based on these criteria.² GSWC provided a proposal prepared by Echologic, LLC in GSWC's GO Capital Workpapers Centralized Operations Support (COPS).³ Has GSWC requested other proposals? If so, please provide copies and related documents of any other proposals GSWC has received.

Response 1:

GSWC requested only one proposal to be used for budgetary purposes. Please note that prior to proceeding with the pilot, GSWC will issue requests for competitive bids to select the best value leak detection solution.

Question 2:

Page 4 of the Prepared Testimony of Martin Jeung and Patrick Kubiak states that GSWC will select one of its water systems to deploy the chosen solution for the pilot to evaluate the effectiveness of the leak detection system.⁴

² Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 4:8-15.

³ GO Capital Workpapers – GO COPS Volume 2 of 2, starting on p. 1 of 289.

⁴ Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 4:17-18.

- a. Has GSWC decided which system it plans on conducting the pilot? If so, which system is GSWC planning on conducting a pilot?
- b. Page 4 of the Prepared Testimony of Martin Jeung and Patrick Kubiak states that the pilot system will be selected based on these factors: 1) number of hydrants in the range of 50s; 2) number of total leaks per 100 feet in 2022; and 3) year-over-year leak count increase trend.⁵ Provide the values for these criterion for the selected system.
- c. For the criteria shown on page 4 of the Prepared Testimony of Martin Jeung and Patrick Kubiak, are the criteria equally weighted? If not, how are each of the criteria weighted?
- d. If GSWC has determined where in the system the pilot will occur? If so, explain where in the system the pilot will occur and why that particular part of the system was chosen.

Response 2:

- a. The water system where the pilot should be conducted will be selected in collaboration with the selected vendor, leveraging the vendor's selection process recommendations and GSWC's selection criteria.
- b. As mentioned in Response 2a, the water system where the pilot should be conducted has not yet been selected.
- c. Weighting for the selection criteria has not yet been finalized.
- d. As noted in Response 2a, the water system where the pilot should be conducted has not yet been selected.

Question 3:

What is the duration of the proposed pilot?

Response 3:

- a. For a typical implementation, Echologics reported running their permanent leak detection pilots for 90 days after commissioning the system.

Question 4:

Page 4 of the Prepared Testimony of Martin Jeung and Patrick Kubiak states that in order to conduct this pilot, GSWC will select a solution based on seven different criteria.⁶

- a. Which solution(s) are being considered for the pilot?
- b. Has GSWC determined which solution will be used for the pilot? If so, what solution was chosen and why was that particular solution chosen?

⁵ Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 4:18:22.

⁶ Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 4:8-15.

- c. For the criterion shown on page 4 of the Prepared Testimony of Martin Jeung and Patrick Kubiak, are the criteria equally weighted? If not, how are each criterion weighted?

Response 4:

- a. The solutions to be considered will be identified when GSWC starts its system selection process.
- b. Please see response to Question 4a. Also, as mentioned above, GSWC will issue requests for competitive bids to select the best value leak detection solution.
- c. Weighting for the selection criteria has not yet been finalized.

Question 5:

Page 6 of the Prepared Testimony of Martin Jeung and Patrick Kubiak states that the Leak Detection Pilot Project is expected to have \$20,829 in operating expenses over the 2024-2026 period.⁷ Table 1 shown on page 6 of the proposal prepared by Echologics, LLC shows an annual amount of \$5,400 for monitoring fees.⁸ Explain how the \$20,829 total for 2024-2026 was calculated.

Response 5:

The operating expense amount for the 2024-2026 period should be \$18,232. This amount reflects the \$5,400/year monitoring fee provided by Echologics in 2022, escalated using applicable RO Model escalation factors.

Question 6:

Please answer the following questions regarding the results of the Leak Detection Pilot Project:

- a. What criteria will be used to determine whether the pilot is considered successful?
- b. How does GSWC determine whether the metrics mentioned in response to question 6.a are met?
- c. What is GSWC using as a control group to compare the results of the pilot? Explain how this control group was chosen.

Response 6:

- a. The KPIs used to measure the pilot success will be identified and finalized with the selected vendor. Typical pilot performance criteria may include:
 - 1. Leak tracking
 - i. Number of true positives
 - ii. Number of false positives
 - iii. Number of false negatives
 - iv. Real water losses

⁷ Prepared Testimony of Martin Jeung and Patrick Kubiak, p. 6: 8.

⁸ GO Capital Workpapers – GO COPS Volume 2 of 2, starting on p. 6 of 289 (pdf p. 11).

2. System Communication
 - i. Communication test to ensure the leak detection hardware is properly communicating with the user interface.
 - ii. Percentage of system response: target percentage of all possible communications over a defined period to be received and displayed on user interface.
 3. Technology Functionality
 - i. Ease of installation
 - ii. System accuracy (accuracy of the simulated leak location vs. location of actual leak)
 - iii. Automatic detection of a simulated leak: verify that simulated leaks can be automatically located and reported on the interface as a Point of Interest the next day
 4. Under Interface Functionality
 - i. Overall software user experience
 - ii. Web portal ease of use
 5. Vendor Evaluation
 - i. Responsiveness
- b. Targets will be established, and measurements will be taken and evaluated against the targets. The targets will reflect industry best practices. All pilot results will be captured in a pilot scoring evaluation sheet.
- c. GSWC will leverage its competitive bidding process to request from the vendors target thresholds to be achieved for the leak tracking, system communication, and system accuracy KPIs. Additionally, GSWC will consider interviewing utilities currently using this technology to gather the KPI targets used during their pilots.

END OF RESPONSE

Attachment 2-6: General Office Vehicle Replacement Projects

Att. Table 2-5: 2024 General Office Vehicle Replacement Projects – Base Project

Costs¹¹⁰

¹¹⁰ GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.”

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed
312410-01	Replace Vehicle Number 508104	\$ 35,371	\$ 38,684
312410-02	Replace Vehicle Number 508103	\$ -	\$ 38,684
312410-03	Replace Vehicle Number 500475	\$ -	\$ 83,132
322410-01	Replace Vehicle Number 505344	\$ -	\$ 37,374
322410-02	Replace Vehicle Number 68924	\$ 35,371	\$ 38,684
322410-03	Replace Vehicle Number 67976	\$ 41,252	\$ 45,114
382410-01	Replace Vehicle Number 503608	\$ 35,371	\$ 38,684
382410-02	Replace Vehicle Number 504650	\$ 35,371	\$ 38,684
382410-03	Replace Vehicle Number 501873	\$ -	\$ 37,374
382410-04	Replace Vehicle Number 500626	\$ 35,371	\$ 38,684
722410-01	Replace Vehicle Number 507079	\$ 41,252	\$ 45,114

**Att. Table 2-6: 2024 General Office Vehicle Replacement Projects – Total Project
Costs¹¹¹**

¹¹¹ GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.” Cal Advocates calculates the total project costs in the RO model after applying all of Cal Advocates’ plant adjustments in the RO model.

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed
312410-01	Replace Vehicle Number 508104	\$ 42,500	\$ 52,700
312410-02	Replace Vehicle Number 508103	\$ -	\$ 52,700
312410-03	Replace Vehicle Number 500475	\$ -	\$ 113,200
322410-01	Replace Vehicle Number 505344	\$ -	\$ 50,900
322410-02	Replace Vehicle Number 68924	\$ 42,500	\$ 52,700
322410-03	Replace Vehicle Number 67976	\$ 49,500	\$ 61,400
382410-01	Replace Vehicle Number 503608	\$ 42,500	\$ 52,700
382410-02	Replace Vehicle Number 504650	\$ 42,500	\$ 52,700
382410-03	Replace Vehicle Number 501873	\$ -	\$ 50,900
382410-04	Replace Vehicle Number 500626	\$ 42,500	\$ 52,700
722410-01	Replace Vehicle Number 507079	\$ 49,500	\$ 61,400

Att. Table 2-7: 2025 General Office Vehicle Replacement Projects – Base Project

Costs¹¹²

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed
312510-01	Replace Vehicle Number 507756	\$ -	\$ 38,684
312510-02	Replace Vehicle Number 508102	\$ -	\$ 41,985
312510-03	Replace Vehicle Number 2190	\$ -	\$ 37,374
322510-01	Replace Vehicle Number 506880	\$ -	\$ 38,684
322510-02	Replace Vehicle Number 506879	\$ -	\$ 38,684
322510-03	Replace Vehicle Number 504336	\$ -	\$ 38,684
382510-01	Replace Vehicle Number 505069	\$ -	\$ 45,114
242510-01	Replace Vehicle Number 503277	\$ -	\$ 37,374
242510-02	Replace Vehicle Number 506054	\$ -	\$ 45,114

¹¹² GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.”

**Att. Table 2-8: 2025 General Office Vehicle Replacement Projects – Total Project
Costs¹¹³**

¹¹³ GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.” Cal Advocates calculates the total project costs in the RO model after applying all of Cal Advocates’ plant adjustments in the RO model.

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed
312510-01	Replace Vehicle Number 507756	\$ -	\$ 55,800
312510-02	Replace Vehicle Number 508102	\$ -	\$ 60,600
312510-03	Replace Vehicle Number 2190	\$ -	\$ 53,900
322510-01	Replace Vehicle Number 506880	\$ -	\$ 55,800
322510-02	Replace Vehicle Number 506879	\$ -	\$ 55,800
322510-03	Replace Vehicle Number 504336	\$ -	\$ 55,800
382510-01	Replace Vehicle Number 505069	\$ -	\$ 65,100
242510-01	Replace Vehicle Number 503277	\$ -	\$ 53,900
242510-02	Replace Vehicle Number 506054	\$ -	\$ 65,100

Att. Table 2-9: 2026 General Office Vehicle Replacement Projects – Base Project

Costs¹¹⁴

¹¹⁴ GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.”

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed
872610-01	Replace Pool Vehicle #502447	\$ 25,790	\$ 25,790
312610-01	Replace Vehicle Number 505970	\$ -	\$ 45,114
312610-02	Replace Vehicle Number 507690	\$ -	\$ 38,684
312610-03	Replace Vehicle Number 67477	\$ -	\$ 45,114
312610-04	Replace Vehicle Number 500054	\$ -	\$ 38,684
322610-01	Replace Vehicle Number 507954	\$ -	\$ 41,985
322610-02	Replace Vehicle Number 505778	\$ -	\$ 45,114
322610-03	Replace Vehicle Number 507042	\$ -	\$ 37,374
382610-01	Replace Vehicle Number 500597	\$ -	\$ 37,374
242610-01	Replace Vehicle Number 503388	\$ -	\$ 37,374
242610-02	Replace Vehicle Number 503403	\$ -	\$ 37,374
722610-01	Replace Vehicle Number 507861	\$ -	\$ 45,114

Att. Table 2-10: 2026 General Office Vehicle Replacement Projects – Total Project

Costs¹¹⁵

¹¹⁵ GSWC RO Model file “SEC-51_RB_FDR Capital Budget,” tab: “GO Project List.” Cal Advocates calculates the total project costs in the RO model after applying all of Cal Advocates’ plant adjustments in the RO model.

Project #	Project Description	Cal Advocates Recommendation	GSWC Proposed
872610-01	Replace Pool Vehicle #502447	\$ 27,300	\$ 36,000
312610-01	Replace Vehicle Number 505970	\$ -	\$ 69,000
312610-02	Replace Vehicle Number 507690	\$ -	\$ 59,200
312610-03	Replace Vehicle Number 67477	\$ -	\$ 69,000
312610-04	Replace Vehicle Number 500054	\$ -	\$ 59,200
322610-01	Replace Vehicle Number 507954	\$ -	\$64,200
322610-02	Replace Vehicle Number 505778	\$ -	\$69,000
322610-03	Replace Vehicle Number 507042	\$ -	\$57,200
382610-01	Replace Vehicle Number 500597	\$ -	\$57,200
242610-01	Replace Vehicle Number 503388	\$ -	\$57,200
242610-02	Replace Vehicle Number 503403	\$ -	\$57,200
722610-01	Replace Vehicle Number 507861	\$ -	\$ 69,000

Att. Table 2-11: 2022 Chevy Colorado LT Base Cost¹¹⁶

Description	Unit Price	QTY	Cost	
			GSWC	Cal Advocates
Vehicle Price	\$ 34,790	1	\$ 34,790	\$ 34,790
Sales Tax	\$ 3,313.13	1	\$ 3,313.13	\$ -
Total Fees	\$ 580.75	1	\$ 580.75	\$ 580.75
Total Base Cost			\$ 38,683.88	\$ 35,370.75

Att. Table 2-12: 2022 Ford Edge SEL AWD 2.0L Base Cost¹¹⁷

Description	Unit Price	QTY	Cost	
			GSWC	Cal Advocates
Vehicle Price	\$ 40,570	1	\$ 40,570	\$ 40,570
Sales Tax	\$ 3,862.23	1	\$ 3,862	\$ -
Documentation	\$ 85	1	\$ 85	\$ 85
Tire Fee	\$ 8.75	1	\$ 8.75	\$ 8.75
License Fee	\$ 588	1	\$ 588	\$ 588
Total Base Cost			\$ 45,113.98	\$ 41,251.75

Att. Table 2-13: 2022 Ford Escape SWE FWD Base Costs¹¹⁸

Description	Unit Price	QTY	Cost	
			GSWC	Cal Advocates
Vehicle Price	\$ 33,580	1	\$ 33,580	\$ 33,580
Document Prep Fee	\$ 111	1	\$ 111	\$ 111
License	\$ 474	1	\$ 474	\$ 474
Tire/Battery/VTR Fee	\$ 8.75	1	\$ 8.75	\$ 8.75
Sales Tax	\$ 3,200.65	1	\$ 3,200.65	\$ -
Total Base Cost			\$ 37,374.40	\$ 34,173.75

Att. Table 2-14: 2022 Ford Edge SEL 2.0 EcoBoost Base Cost for Via Verde¹¹⁹

¹¹⁶ GSWC GO Capital Workpapers – COPS Vol 1 of 2, p. 141.

¹¹⁷ GSWC GO Capital Workpapers – COPS Vol 1 of 2, p. 161.

¹¹⁸ GSWC GO Capital Workpapers – COPS Vol 1 of 2, p. 194.

¹¹⁹ GSWC GO Capital Workpapers – COPS Vol 2 of 2, p. 599.

Description	Unit Price	QTY	Cost	
			GSWC	Cal Advocates
Vehicle Price	\$ 40,570	2	\$ 81,140	\$ 81,140
Sales Tax	\$ 3,862.23	2	\$ 7,724.46	\$ -
Documentation Fee	\$ 85	2	\$ 170	\$ 170
Tire Fee	\$ 8.75	2	\$ 17.50	\$ 17.50
DMV License Fee	\$ 588	2	\$ 1,176	\$ 1,176
Total Base Cost			\$ 90,227.96	\$ 82,503.50

Attachment 2-7: New Business Portal Projects Cost Estimates

Att. Table 2-15: New Business Portal Software Upgrades Base Project Cost ¹²⁰

Description	Unit	Quantity	Unit Cost	Base Cost	
				GSWC	Cal Advocates
Misc Power Apps Software	EA	1	\$ 5,000	\$ 5,000	\$ 5,000
Installation and Integration	EA	1	\$ 4,000	\$ 4,000	\$ 4,000
Contingency	LS	1	\$ 1,000	\$ 1,000	\$ -
Overhead	LS	1	\$ 1,000	\$ 1,000	\$ -
Total Base Cost				\$ 11,000	\$ 9,000

Att. Table 2-16: New Business Portal Enhancement Base Project Cost ¹²¹

Description	Unit	Quantity	Unit Cost	Base Cost	
				GSWC	
Update User Input Screens to NB Portal	EA	1	\$ 15,000	\$ 15,000	
Enhance NB Customer Payment Options	EA	1	\$ 15,000	\$ 15,000	
Incorporate Misc. Improvements Based on User Experience	EA	1	\$ 10,000	\$ 10,000	
Contingency	LS	1	\$ 5,000	\$ 5,000	
Overhead	LS	1	\$ 5,000	\$ 5,000	
Total Base Cost				\$ 50,000	

¹²⁰ GSWC GO Capital Workpapers – COPS Vol 1 of 2, p. 284.

¹²¹ GSWC GO Capital Workpapers – COPS Vol 1 of 2, p. 285.

**Attachment 2-8: GSWC Response to Public
Advocates Office Data Request JMI-014
(New Business Portal - GO)**



January 12, 2024

To: Justin Menda, Public Advocates Office
CALIFORNIA PUBLIC UTILITIES COMMISSION
505 Van Ness Avenue
San Francisco, CA 94102

Subject: Data Request JMI-014 (A.23-08-010) New Business Portal
Due Date: January 19, 2024

Dear Justin Menda,

In response to the above referenced data request number, we are pleased to submit the following responses:

Question 1:

Regarding the web-based New Business Portal, it states on pages 83:14-15 of the Prepared Testimony of Martin Jeung and Patrick Kubiak that the project is in the final phase of implementation and will be completed in 2023.2

- a. Is the New Business Portal currently in service? If so, when was the New Business Portal placed into service?
- b. Has GSWC received any feedback from new customers who have used the New Business Portal? If so, please provide all feedback provided by the new customers who have used the New Business Portal.

Response 1:

- a. The New Business Portal development is complete and is now being incorporated into the Customer Self-Service Agent Portal maintained by GSWC's Customer Service Center (CSC) prior to being placed into service.
- b. N/A

END OF RESPONSE