



COUNCIL AGENDA: 9/12/17  
ITEM: 7.2

## Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Toni J. Taber, CMC  
City Clerk

**SUBJECT: SEE BELOW**

**DATE:** August 31, 2017

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**SUBJECT: ACTIONS RELATED TO SAN JOSÉ WATER COMPANY.**

**RECOMMENDATION:** As recommended by the Rules and Open Government Committee on August 23, 2017, direct the City Manager to do the following and return to Council before the San José Water Company Public Participation Hearing in September:

- (a) Research and present to Council a summary of the City of San José's payments to San José Water Company for water service for the last 6 years (2012-2016). The City Manager should present as a part of this summary:
  - (1) The total number of San José residents who receive water services from San José Water Company.
  - (2) The amount the City of San José pays for water service from San José Water Company monthly and annually.
  - (3) The total increase in cost for water services from San José Water Company.
  - (4) The total amount paid in drought surcharges.
  - (5) A list of all rate changes from San José Water Company with the associated purpose for the rate change.
  - (6) An estimate of the total refund the City of San José may receive as proposed in San José Water Company's advice letter #510 to the PUC.
  - (7) An estimate of the total refund the City of San José would receive due to the meter credit proposed in advice letter #510 as calculated from when the City of San José account was first started.
- (b) Evaluate based on the information above, the scale and scope of the situation, and whether the City of San José should take a more active role in representing the interests of the San José residents concerning San José Water Company rate increases. If appropriate, the City Manager should consider if there are ways for the City to become more engaged in the CPUC protest and response, formal complaint process, or any investigations that would allow us to represent the interests of San José residents and ensure their concerns are heard.
- (c) Any other pertinent or beneficial information for the public.



# Memorandum

TO: RULES COMMITTEE

FROM: Councilmember Rocha

SUBJECT: SAN JOSE WATER COMPANY

DATE: August 17, 2017

Approved

*Don Rocha*

Date

*8/17/17*

## RECOMMENDATION

Direct the City Manager to do the following and return to Council before the San Jose Water Company Public Participation Hearing in September:

- 1) Research and present to Council a summary of the City of San Jose's payments to San Jose Water Company for water service for the last 6 years (2012-2016). The City Manager should present as a part of this summary:
  - a. The total number of San Jose residents who receive water services from San Jose Water Company.
  - b. The amount the City of San Jose pays for water service from San Jose Water Company monthly and annually.
  - c. The total increase in cost for water services from San Jose Water Company.
  - d. The total amount paid in drought surcharges.
  - e. A list of all rate changes from San Jose Water Company with the associated purpose for the rate change.
  - f. An estimate of the total refund the City of San Jose may receive as proposed in San Jose Water Company's advice letter #510 to the PUC.
  - g. An estimate the of the total refund the City of San Jose would receive due to the meter credit proposed in advice letter #510 as calculated from when the City of San Jose account was first started.
- 2) Evaluate based on the information above, the scale and scope of the situation, and whether the City of San Jose should take a more active role in representing the interests of the San Jose residents concerning San Jose Water Company rate increases. If appropriate, the City Manager should consider if there are ways for the City to become more engaged in the CPUC protest and response, formal complaint process, or any investigations that would allow us to represent the interests of San Jose residents and ensure their concerns are heard.
- 3) Any other pertinent or beneficial information for the public.

## COMMENTS

San Jose Water Company provides water services to the majority of our City's residents. Over the past several months, a group of our residents and others have actively investigated and advocated on the behalf of San Jose Water Company rate payers who have been detrimentally affected by increased water costs during the drought.

The City of San Jose is one of the largest customers of San Jose Water Company and has experienced the same drought surcharges and billing practices which our residents have filed response letters and protests on. Given that I do not know much about this issue, I would like to learn more about the recent rate changes with San Jose Water Company and the explanation of why these rate changes are occurring. Considering the City's current fiscal position and outlook, it would be useful to know the total impact these rate increases and the drought has had on the City's water bills.