

APPENDIX A

APPENDIX A
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San Gabriel Valley Water Company
Los Angeles County Division

SUMMARY OF EARNINGS
(Dollars in Thousands)

Test Year 2011-2012

	<u>Present Rates</u>	<u>Proposed Rates</u>
Operating Revenues	\$57,264.5	\$63,682.7
Operating Expenses		
Purchased Water & Assessments	\$14,056.0	\$14,056.0
Purchased Power	\$3,740.5	\$3,740.5
Chemicals	\$3,121.5	\$3,121.5
Payroll	\$5,082.7	\$5,082.7
Materials & Supplies	\$834.3	\$834.3
Transportation	\$705.4	\$705.4
Pensions & Benefits	\$2,301.4	\$2,301.4
Uncollectibles @ 0.1530%	\$78.8	\$88.6
Franchise Fees @ 0.9991%	\$514.6	\$578.7
Outside Services	\$1,946.5	\$1,946.5
Injuries & Damages	\$559.1	\$559.1
Regulatory Commission Expense	\$162.1	\$162.1
Utilities & Rents	\$1,270.5	\$1,270.5
Miscellaneous Expense	\$1,018.1	\$1,018.1
Enhanced Conservation Programs	\$382.6	\$382.6
Administrative Expense Transferred	(\$460.8)	(\$460.8)
Subtotal	<u>\$35,313.2</u>	<u>\$35,387.2</u>
Bank Charges	\$53.6	\$53.6
Allocated Common	\$4,022.1	\$4,022.1
Total Operating Expense	<u>\$39,388.9</u>	<u>\$39,462.8</u>
Depreciation	\$4,427.5	\$4,427.5
Ad Valorem Taxes	\$1,526.2	\$1,526.2
Payroll Taxes	\$455.6	\$455.6
Total Expense before Income Taxes	<u>\$45,798.2</u>	<u>\$45,872.2</u>
Net Revenue Before Income Taxes	\$11,466.3	\$17,810.5
State Income Tax	\$508.6	\$1,069.4
Federal Income Tax	\$2,559.7	\$4,780.2
Total Expenses	<u>\$48,866.5</u>	<u>\$51,721.8</u>
Net Operating Revenues	\$8,398.0	\$11,960.9
Rate Base	\$129,308.4	\$129,308.4
Rate of Return	6.49%	9.25%

(continued)

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RATE BASE
(Dollars in Thousands)

	<u>Test Year</u> <u>2011-2012</u>	<u>Test Year</u> <u>2012-2013</u>
<u>Utility Plant</u>		
Plant BOY	\$251,614.3	\$261,612.2
CWIP BOY	\$4,576.7	\$4,576.7
Utility Additions	\$9,720.3	\$9,691.3
Advances	\$221.2	\$221.2
Contributions	\$912.5	\$1,120.0
Total Additions	<u>\$10,854.0</u>	<u>\$11,032.5</u>
Retirements	\$768.3	\$768.3
Transfers & Adjustments	\$87.8	\$87.8
Plant EOY	<u>\$261,612.2</u>	<u>\$271,788.6</u>
CWIP EOY	\$4,576.7	\$4,576.7
Weighted Average Plant Additions	<u>\$4,999.0</u>	<u>\$5,088.2</u>
Weighted Average Plant	<u>\$261,190.0</u>	<u>\$271,277.1</u>
<u>Depreciation Reserve</u>		
Reserve BOY	\$66,749.1	\$72,630.8
Ratemaking Adjustments	<u>(\$83.9)</u>	<u>(\$86.3)</u>
Adjusted Reserve BOY	\$66,665.2	\$72,544.5
Clearing Account	\$280.0	\$287.5
Contributions	\$2,025.0	\$2,046.1
Depreciation Expense	\$4,427.5	\$4,634.7
Total Accrual	<u>\$6,732.5</u>	<u>\$6,968.3</u>
Net Retirements	\$850.9	\$850.9
Reserve EOY	<u>\$72,630.8</u>	<u>\$78,748.3</u>
Ratemaking Adjustments	<u>(\$86.3)</u>	<u>(\$88.7)</u>
Adjusted Reserve EOY	\$72,544.5	\$78,659.6
Weighted Average Depreciation Reserve	\$69,604.9	\$75,602.0
<u>Rate Base</u>		
Utility Plant	\$261,190.0	\$271,277.1
Materials and Supplies	\$940.5	\$1,005.0
Operational Cash Requirement	\$30.0	\$30.0
Working Cash-Lead Lag	\$2,546.8	\$2,618.9
Depreciation Reserve	(\$69,604.9)	(\$75,602.0)
Advances for Construction	(\$3,140.9)	(\$3,139.7)
Contributions in Aid of Construction	(\$52,085.6)	(\$51,066.3)
Accumulated Deferred Income Taxes	(\$16,989.6)	(\$17,554.0)
Deferred Investment Tax Credit	(\$193.6)	(\$181.9)
Tax on Advances and Contributions	\$520.9	\$510.3
Division Rate Base	<u>\$123,213.6</u>	<u>\$127,897.5</u>
Net Common Plant Allocation	\$6,094.8	\$6,236.4
Average Rate Base	<u>\$129,308.4</u>	<u>\$134,133.9</u>

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Los Angeles County Division

INCOME TAX CALCULATION
(Dollars in Thousands)

<u>Test Year 2011-2012</u>	
Operating Revenues	\$63,682.7
Purchased Water & Assessments	\$14,056.0
Purchased Power	\$3,740.5
Chemicals	\$3,121.5
Payroll	\$5,082.7
Materials & Supplies	\$834.3
Transportation	\$705.4
Pensions & Benefits	\$2,301.4
Uncollectibles @ 0.1530%	\$88.6
Franchise Fees @ 0.9991%	\$578.7
Outside Services	\$1,946.5
Injuries & Damages	\$559.1
Regulatory Commission Expense	\$162.1
Utilities & Rents	\$1,270.5
Miscellaneous Expense	\$1,018.1
Enhanced Conservation Programs	\$382.6
Administrative Expense Transferred	(\$460.8)
Bank Charges	\$53.6
Allocated Common	\$4,022.1
Ad Valorem Taxes	\$1,526.2
Payroll Taxes	\$455.6
Subtotal	<u>\$41,444.7</u>
Interest Expense	<u>\$3,465.1</u>
Total Deductions	<u>\$44,909.8</u>
 <u>State Tax Calculation</u>	
Taxable Income Before Deductions	\$18,772.9
Less: Depreciation-State	<u>\$6,701.4</u>
State Taxable Income	<u>\$12,071.5</u>
 State Corporate Franchise	
Tax at 8.84%	\$1,067.1
Amortization of CIAC Tax	<u>\$2.3</u>
Total State Income Tax Expense	<u>\$1,069.4</u>
 <u>Federal Tax Calculation</u>	
Taxable Income Before Deductions	\$18,772.9
Less: Depreciation-Federal (book)	\$4,427.5
Less: American Jobs Creation Act deduction	\$75.6
Less: State Corporate Franchise Tax	<u>\$635.8</u>
Federal Taxable Income	<u>\$13,634.0</u>
 Federal Tax at 35%	
Amortization of CIAC Tax	\$8.3
Total Federal Income Tax Expense	<u>\$4,780.2</u>
Total Income Taxes	<u>\$5,849.6</u>

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APPENDIX C

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San Gabriel Valley Water Company
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Comparison of Bills

Comparison of typical bills for residential metered customers of various usage levels and average level at present and authorized rates

Schedule LA-1C
Conservation Rates

<u>Monthly Usage (Ccf)</u>	<u>Present Rates</u>	<u>Test Year 2011-2012</u>		<u>Test Year 2011-2012</u>	
		<u>Authorized Rates</u>	<u>Percent Increase</u>	<u>Forecasted Rates</u>	<u>Percent Increase</u>
0	\$19.90	\$21.06	5.8%	\$21.74	3.2%
10	\$39.42	\$44.81	13.7%	\$46.16	3.0%
15	\$49.77	\$57.40	15.3%	\$59.10	3.0%
23 (avg.)	\$67.73	\$79.25	17.0%	\$81.56	2.9%
50	\$128.35	\$153.00	19.2%	\$157.37	2.9%
100	\$240.60	\$289.57	20.4%	\$297.76	2.8%

Schedule LA-1
General Rates

<u>Monthly Usage (Ccf)</u>	<u>Present Rates</u>	<u>Test Year 2011-2012</u>		<u>Test Year 2011-2012</u>	
		<u>Authorized Rates</u>	<u>Percent Increase</u>	<u>Forecasted Rates</u>	<u>Percent Increase</u>
0	\$19.90	\$21.06	5.8%	\$21.74	3.2%
10	\$42.35	\$46.41	9.6%	\$47.80	3.0%
15	\$53.58	\$59.09	10.3%	\$60.83	3.0%
23 (avg.)	\$71.54	\$79.37	11.0%	\$81.68	2.9%
50	\$132.16	\$147.83	11.9%	\$152.06	2.9%
100	\$244.41	\$274.60	12.4%	\$282.37	2.8%

(end of Appendix C)

APPENDIX D

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Los Angeles County Division

ADOPTED RATES

	Test Year 2011-2012	Estimated Increases		
		EY 2012-2013	EY 2013-2014	
Schedule LA-1				
<u>Quantity Rates</u>				
Per 100 cu. Ft. (Ccf)	\$2.5354	\$2.6083	\$2.6787	
Schedule LA-1C				
<u>Quantity Rates</u>				
Per 100 cu. Ft. (Ccf)				
Tier 1 (1 - 13 Ccf/mo.)	\$2.3751	\$0.0665	\$0.0678	
Tier 2 (over 13 Ccf/mo.)	\$2.7314	\$0.0764	\$0.0780	
Schedule LA-6				
<u>Quantity Rates</u>				
Per 100 cu. Ft. (Ccf)	\$2.1551	\$2.2154	\$2.2769	
Schedules LA-1, LA-1C, and LA-6				
Per service per month				
For	5/8 x 3/4-in.	\$21.06	\$0.68	\$0.68
	3/4-in.	\$31.59	\$1.02	\$1.02
	1-in.	\$52.65	\$1.70	\$1.70
	1.5-in.	\$105.30	\$3.40	\$3.40
	2-in.	\$168.50	\$5.40	\$5.50
	3-in.	\$315.90	\$10.20	\$10.20
	4-in.	\$526.50	\$17.00	\$17.00
	6-in.	\$1,050.00	\$40.00	\$30.00
	8-in.	\$1,680.00	\$60.00	\$50.00
	10-in.	\$2,420.00	\$80.00	\$80.00
	12-in.	\$3,470.00	\$120.00	\$110.00
	14-in.	\$4,630.00	\$150.00	\$150.00
	2-2-in.	\$337.00	\$11.00	\$11.00
	3-2-in.	\$508.00	\$18.00	\$18.00
	4-2-in.	\$674.00	\$22.00	\$22.00
	2-3-in.	\$632.00	\$20.00	\$21.00
	3-3-in.	\$948.00	\$30.00	\$31.00
	2-4-in.	\$1,053.00	\$34.00	\$34.00
	3-4 in.	\$1,580.00	\$50.00	\$50.00
	1-8, 1-2-in.	\$1,850.00	\$80.00	\$59.00
Schedule LA-CARW				
Discount per service per month				
For	5/8 x 3/4-in.	\$10.53	\$0.34	\$0.34
	3/4-in.	\$15.80	\$0.51	\$0.51
	1-in.	\$26.33	\$0.85	\$0.85
Schedule LA-4				
Per service per month for each inch of diameter of service connection				
		\$13.92	\$0.26	\$0.25
Schedule LA-9C				
sidewalk (per 100 sq. ft.)	\$0.912	\$0.030	\$0.029	
street curb (per 100 lineal ft.)	\$1.789	\$0.059	\$0.057	
trench setting (per lineal foot)	\$0.068	\$0.002	\$0.002	
roadway construction (per 3,000 sq. ft.)	\$11.25	\$0.37	\$0.36	
fill compaction (per cubic yard)	\$0.108	\$0.004	\$0.003	
tank truck(per 100 gallons)	\$0.285	\$0.009	\$0.009	
minimum charge	\$47.76	\$1.58	\$1.53	
Schedule LA-SCL				
For each lot during construction	\$16.55	\$0.55	\$0.53	

(end of Appendix D)