

APPENDIX A

ADOPTED SUMMARIES OF EARNINGS, TEST YEAR 2006/2007

CALIFORNIA WATER SERVICE COMPANY
 ANTELOPE VALLEY DISTRICT
 SUMMARY OF EARNINGS
 (DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2006-7</u>	AT AUTHORIZED RATE OF RETURN <u>2006-7</u>
OPERATING REVENUES	\$1,184.8	\$1,570.5
OPERATING EXPENSES		
PURCHASED WATER	165.0	165.0
REPLENISHMENT ASSESSMENT	0.0	0.0
GROUNDWATER EXTRACTION CHARGE	0.0	0.0
PURCHASED POWER	115.4	115.4
PURCHASED CHEMICALS	4.0	4.0
PAYROLL -- DISTRICT	184.8	184.8
OTHER OPERATION AND MAINTENANCE	241.5	242.4
OTHER ADMIN AND GEN. EXP.	18.9	18.9
TOTAL O. & M., A. & G., & MISC. EXP.	729.5	730.4
TAXES OTHER THAN INCOME		
AD VALOREM TAXES	28.4	28.4
LOCAL FRANCHISE TAXES & BUS. LICENSE	1.6	2.1
PAYROLL TAXES	17.3	17.3
TOTAL GENERAL TAXES	47.3	47.8
DEPRECIATION	160.4	160.4
G.O. PRORATED EXPENSES:		
PAYROLL AND BENEFITS	133.0	133.0
AD VALOREM TAXES	1.5	1.5
PAYROLL TAXES	4.4	4.4
ACQUISITION ADJUSTMENT	-92.0	-92.0
OTHER PRORATED EXPENSES	47.9	47.9
TOTAL G.O. PRORATED EXPENSES	94.8	94.8
SUB -- TOTAL -- OPERATING EXPENSES	1,032.0	1,033.4
TOTAL INCOME TAXES:	45.4	211.3
TOTAL OPERATING EXPENSES	1,077.4	1,244.7
NET OPERATING REVENUE	107.4	325.8
DEPRECIATED RATE BASE	3,824.0	3,824.0
RATE OF RETURN	2.81%	8.52%

CALIFORNIA WATER SERVICE COMPANY
BEAR GULCH DISTRICT
SUMMARY OF EARNINGS
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2006-7</u>	AT AUTHORIZED RATE OF RETURN <u>2006-7</u>
OPERATING REVENUES	\$19,416.7	\$19,822.2
OPERATING EXPENSES		
PURCHASED WATER	6,212.0	6,212.0
REPLENISHMENT ASSESSMENT	0.0	0.0
GROUNDWATER EXTRACTION CHARGE	0.0	0.0
PURCHASED POWER	747.8	747.8
PURCHASED CHEMICALS	28.2	28.2
PAYROLL -- DISTRICT	1,752.7	1,752.7
OTHER OPERATION AND MAINTENANCE	1,434.4	1,434.7
OTHER ADMIN AND GEN. EXP.	268.4	268.4
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TOTAL O. & M., A. & G., & MISC. EXP.	10,443.5	10,443.8
TAXES OTHER THAN INCOME		
AD VALOREM TAXES	393.7	393.7
LOCAL FRANCHISE TAXES & BUS. LICENSE	163.7	167.0
PAYROLL TAXES	156.8	156.8
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TOTAL GENERAL TAXES	714.2	717.5
DEPRECIATION	1,457.8	1,457.8
G.O. PRORATED EXPENSES:		
PAYROLL AND BENEFITS	1,757.6	1,757.6
AD VALOREM TAXES	19.2	19.2
PAYROLL TAXES	58.3	58.3
OTHER PRORATED EXPENSES	634.3	634.3
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TOTAL G.O. PRORATED EXPENSES	2,469.4	2,469.4
SUB -- TOTAL -- OPERATING EXPENSES	15,084.9	15,088.5
TOTAL INCOME TAXES:	1,244.5	1,419.7
TOTAL OPERATING EXPENSES	16,329.4	16,508.2
NET OPERATING REVENUE	3,087.3	3,314.0
DEPRECIATED RATE BASE	38,897.4	38,897.4
RATE OF RETURN	7.94%	8.52%

CALIFORNIA WATER SERVICE COMPANY
DOMINGUEZ-SOUTH BAY DISTRICT
SUMMARY OF EARNINGS
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2006-7</u>	AT AUTHORIZED RATE OF RETURN <u>2006-7</u>
OPERATING REVENUES	\$32,216.4	\$33,238.8
OPERATING EXPENSES		
PURCHASED WATER	17,600.7	17,600.7
REPLENISHMENT ASSESSMENT	0.0	0.0
GROUNDWATER EXTRACTION CHARGE	1,033.6	1,033.6
PURCHASED POWER	641.1	641.1
PURCHASED CHEMICALS	160.9	160.9
PAYROLL -- DISTRICT	2,200.6	2,200.6
UNCOLLECTIBLES	29.2	30.1
OTHER OPERATION AND MAINTENANCE	1,512.2	1,512.2
OTHER ADMIN AND GEN. EXP.	173.6	173.6
	23,351.8	23,352.7
TOTAL O. & M., A. & G., & MISC. EXP.	23,351.8	23,352.7
TAXES OTHER THAN INCOME		
AD VALOREM TAXES	652.9	652.9
LOCAL FRANCHISE TAXES	0.0	0.0
BUSINESS LICENSE FEES	2.7	2.7
PAYROLL TAXES	167.0	167.0
	822.6	822.6
TOTAL GENERAL TAXES	822.6	822.6
DEPRECIATION	2,128.5	2,128.5
G.O. PRORATED EXPENSES:		
PAYROLL AND BENEFITS	2,801.9	2,801.9
AD VALOREM TAXES	30.6	30.6
PAYROLL TAXES	93.0	93.0
MERGER SAVINGS	-3,840.5	-3,840.5
OTHER PRORATED EXPENSES	1,011.3	1,011.3
	96.3	96.3
TOTAL G.O. PRORATED EXPENSES	96.3	96.3
SUB -- TOTAL -- OPERATING EXPENSES	26,399.3	26,400.2
TOTAL INCOME TAXES:	1,852.8	2,293.5
TOTAL OPERATING EXPENSES	28,252.1	28,693.7
NET OPERATING REVENUE	3,964.3	4,545.1
DEPRECIATED RATE BASE	53,346.8	53,346.8
RATE OF RETURN	7.43%	8.52%

CALIFORNIA WATER SERVICE COMPANY
HERMOSA-REDONDO DISTRICT
SUMMARY OF EARNINGS
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2006-7</u>	AT AUTHORIZED RATE OF RETURN <u>2006-7</u>
OPERATING REVENUES	\$17,796.5	\$18,052.3
OPERATING EXPENSES		
PURCHASED WATER	7,195.3	7,195.3
GROUNDWATER EXTRACTION CHARGE	0.0	0.0
REPLENISHMENT ASSESSMENT	349.3	349.3
PURCHASED POWER	327.7	327.7
PURCHASED CHEMICALS	63.9	63.9
PAYROLL -- DISTRICT	1,690.4	1,690.4
OTHER OPERATION AND MAINTENANCE	738.8	739.0
OTHER ADMIN AND GEN. EXP.	111.1	111.1
TOTAL O. & M., A. & G., & MISC. EXP.	10,476.5	10,476.7
TAXES OTHER THAN INCOME		
AD VALOREM TAXES	245.6	245.6
LOCAL FRANCHISE TAXES & BUS. LICENSE	26.6	26.7
PAYROLL TAXES	128.9	128.9
TOTAL GENERAL TAXES	401.0	401.1
DEPRECIATION	1,208.3	1,208.3
G.O. PRORATED EXPENSES:		
PAYROLL AND BENEFITS	1,735.0	1,735.0
AD VALOREM TAXES	19.0	19.0
PAYROLL TAXES	57.6	57.6
OTHER PRORATED EXPENSES	626.2	626.2
TOTAL G.O. PRORATED EXPENSES	2,437.8	2,437.8
SUB -- TOTAL -- OPERATING EXPENSES	14,523.5	14,523.8
TOTAL INCOME TAXES:	965.1	1,076.4
TOTAL OPERATING EXPENSES	15,488.6	15,600.2
NET OPERATING REVENUE	2,307.8	2,452.1
DEPRECIATED RATE BASE	28,780.7	28,780.7
RATE OF RETURN	8.02%	8.52%

CALIFORNIA WATER SERVICE COMPANY
KERN RIVER VALLEY DISTRICT
SUMMARY OF EARNINGS
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2006-7</u>	AT AUTHORIZED RATE OF RETURN <u>2006-7</u>
OPERATING REVENUES	\$2,600.4	\$3,405.0
OPERATING EXPENSES		
PURCHASED WATER	99.0	99.0
REPLENISHMENT ASSESSMENT	0.0	0.0
GROUNDWATER EXTRACTION CHARGE	0.0	0.0
PURCHASED POWER	238.6	238.6
PURCHASED CHEMICALS	23.0	23.0
PAYROLL -- DISTRICT	518.1	518.1
OTHER OPERATION AND MAINTENANCE	465.4	472.6
OTHER ADMIN AND GEN. EXP.	15.9	15.9
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TOTAL O. & M., A. & G., & MISC. EXP.	1,360.0	1,367.2
TAXES OTHER THAN INCOME		
AD VALOREM TAXES	103.4	103.4
LOCAL FRANCHISE TAXES & BUS. LICENSE	23.2	30.8
PAYROLL TAXES	48.2	48.2
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TOTAL GENERAL TAXES	174.7	182.3
DEPRECIATION	383.4	383.4
G.O. PRORATED EXPENSES:		
PAYROLL AND BENEFITS	372.9	372.9
AD VALOREM TAXES	4.1	4.1
PAYROLL TAXES	12.4	12.4
ACQUISITION ADJUSTMENT	-133.9	-133.9
OTHER PRORATED EXPENSES	134.5	134.5
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TOTAL G.O. PRORATED EXPENSES	390.0	390.0
SUB -- TOTAL -- OPERATING EXPENSES	2,308.1	2,322.9
TOTAL INCOME TAXES:	86.0	426.2
TOTAL OPERATING EXPENSES	2,394.1	2,749.1
NET OPERATING REVENUE	206.3	655.9
DEPRECIATED RATE BASE	7,698.5	7,698.5
RATE OF RETURN	2.68%	8.52%

CALIFORNIA WATER SERVICE COMPANY
MARYSVILLE DISTRICT
SUMMARY OF EARNINGS
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2006-7</u>	AT AUTHORIZED RATE OF RETURN <u>2006-7</u>
OPERATING REVENUES	\$2,027.1	\$2,128.2
OPERATING EXPENSES		
PURCHASED WATER	0.0	0.0
REPLENISHMENT ASSESSMENT	0.0	0.0
GROUNDWATER EXTRACTION CHARGE	0.0	0.0
PURCHASED POWER	167.8	167.8
PURCHASED CHEMICALS	16.2	16.2
PAYROLL -- DISTRICT	379.7	379.7
OTHER OPERATION AND MAINTENANCE	195.6	195.9
OTHER ADMIN AND GEN. EXP.	38.4	38.4
TOTAL O. & M., A. & G., & MISC. EXP.	797.8	798.1
TAXES OTHER THAN INCOME		
AD VALOREM TAXES	38.7	38.7
LOCAL FRANCHISE TAXES & BUS. LICENSE	0.6	0.6
PAYROLL TAXES	35.2	35.2
TOTAL GENERAL TAXES	74.5	74.5
DEPRECIATION	285.8	285.8
G.O. PRORATED EXPENSES:		
PAYROLL AND BENEFITS	269.2	269.2
AD VALOREM TAXES	2.9	2.9
PAYROLL TAXES	8.9	8.9
OTHER PRORATED EXPENSES	97.2	97.2
TOTAL G.O. PRORATED EXPENSES	378.2	378.2
SUB -- TOTAL -- OPERATING EXPENSES	1,536.2	1,536.5
TOTAL INCOME TAXES:	149.5	193.1
TOTAL OPERATING EXPENSES	1,685.7	1,729.6
NET OPERATING REVENUE	341.4	398.6
DEPRECIATED RATE BASE	4,678.6	4,678.6
RATE OF RETURN	7.30%	8.52%

CALIFORNIA WATER SERVICE COMPANY
PALOS VERDES DISTRICT
SUMMARY OF EARNINGS
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2006-7</u>	AT AUTHORIZED RATE OF RETURN <u>2006-7</u>
OPERATING REVENUES	\$25,228.4	\$26,084.0
OPERATING EXPENSES		
PURCHASED WATER	12,446.4	12,446.4
REPLENISHMENT ASSESSMENT	0.0	0.0
GROUNDWATER EXTRACTION CHARGE	0.0	0.0
PURCHASED POWER	2,740.6	2,740.6
PURCHASED CHEMICALS	0.0	0.0
PAYROLL -- DISTRICT	1,751.0	1,751.0
UNCOLLECTIBLES	10.3	10.6
OTHER OPERATION AND MAINTENANCE	1,142.3	1,142.3
OTHER ADMIN AND GEN. EXP.	48.7	48.7
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TOTAL O. & M., A. & G., & MISC. EXP.	18,139.2	18,139.5
TAXES OTHER THAN INCOME		
AD VALOREM TAXES	244.5	244.5
LOCAL FRANCHISE TAXES 1.03630%	261.5	270.6
BUSINESS LICENSE FEES 0.00992%	2.5	2.5
PAYROLL TAXES	145.9	145.9
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TOTAL GENERAL TAXES	654.3	663.4
DEPRECIATION	1,199.0	1,199.0
G.O. PRORATED EXPENSES:		
PAYROLL AND BENEFITS	2,056.0	2,056.0
AD VALOREM TAXES	22.5	22.5
PAYROLL TAXES	68.2	68.2
OTHER PRORATED EXPENSES	742.1	742.1
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TOTAL G.O. PRORATED EXPENSES	2,888.8	2,888.8
SUB -- TOTAL -- OPERATING EXPENSES	22,881.3	22,890.7
TOTAL INCOME TAXES:	694.2	1,058.8
TOTAL OPERATING EXPENSES	23,575.5	23,949.5
NET OPERATING REVENUE	1,652.9	2,134.5
DEPRECIATED RATE BASE	25,052.8	25,052.8
RATE OF RETURN	6.60%	8.52%

CALIFORNIA WATER SERVICE COMPANY
 REDWOOD VALLEY DISTRICT
 COAST SPRINGS TARIFF AREA
 SUMMARY OF EARNINGS
 (DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2006-7</u>	AT AUTHORIZED RATE OF RETURN <u>2006-7</u>
OPERATING REVENUES	\$82.6	\$207.0
OPERATING EXPENSES		
PURCHASED WATER	0.0	0.0
REPLENISHMENT ASSESSMENT	0.0	0.0
GROUNDWATER EXTRACTION CHARGE	0.0	0.0
PURCHASED POWER	6.6	6.6
PURCHASED CHEMICALS	0.7	0.7
PAYROLL -- DISTRICT	14.9	14.9
OTHER OPERATION AND MAINTENANCE	61.1	61.3
OTHER ADMIN AND GEN. EXP.	2.0	2.0
TOTAL O. & M., A. & G., & MISC. EXP.	85.3	85.5
TAXES OTHER THAN INCOME		
AD VALOREM TAXES	1.9	1.9
LOCAL FRANCHISE TAXES & BUS. LICENSE	0.0	0.0
PAYROLL TAXES	1.5	1.5
TOTAL GENERAL TAXES	3.5	3.5
DEPRECIATION	22.0	22.0
G.O. PRORATED EXPENSES:		
PAYROLL AND BENEFITS	22.8	22.8
AD VALOREM TAXES	0.2	0.2
PAYROLL TAXES	0.7	0.7
OTHER PRORATED EXPENSES	8.2	8.2
TOTAL G.O. PRORATED EXPENSES	31.9	31.9
SUB -- TOTAL -- OPERATING EXPENSES	142.6	142.8
TOTAL INCOME TAXES:	-32.4	21.2
TOTAL OPERATING EXPENSES	110.2	164.0
NET OPERATING REVENUE	-27.6	43.0
DEPRECIATED RATE BASE	505.6	505.6
RATE OF RETURN	-5.46%	8.51%

Note: Rate of return lower than authorized due to rounding.

CALIFORNIA WATER SERVICE COMPANY
 REDWOOD VALLEY DISTRICT
 LUCERNE TARIFF AREA
 SUMMARY OF EARNINGS
 (DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2006-7</u>	AT AUTHORIZED RATE OF RETURN <u>2006-7</u>
OPERATING REVENUES	\$551.5	\$1,218.6
OPERATING EXPENSES		
PURCHASED WATER	22.9	22.9
REPLENISHMENT ASSESSMENT	0.0	0.0
GROUNDWATER EXTRACTION CHARGE	0.0	0.0
PURCHASED POWER	54.9	54.9
PURCHASED CHEMICALS	17.8	17.8
PAYROLL -- DISTRICT	237.3	237.3
OTHER OPERATION AND MAINTENANCE	155.9	158.4
OTHER ADMIN AND GEN. EXP.	31.5	31.5
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TOTAL O. & M., A. & G., & MISC. EXP.	520.3	522.8
TAXES OTHER THAN INCOME		
AD VALOREM TAXES	15.6	15.6
LOCAL FRANCHISE TAXES & BUS. LICENSE	0.0	0.0
PAYROLL TAXES	22.3	22.3
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TOTAL GENERAL TAXES	37.9	37.9
DEPRECIATION	73.5	73.5
G.O. PRORATED EXPENSES:		
PAYROLL AND BENEFITS	120.0	120.0
AD VALOREM TAXES	1.3	1.3
PAYROLL TAXES	4.0	4.0
OTHER PRORATED EXPENSES	43.3	43.3
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TOTAL G.O. PRORATED EXPENSES	168.6	168.6
SUB -- TOTAL -- OPERATING EXPENSES	800.3	802.8
TOTAL INCOME TAXES:	-144.5	141.8
TOTAL OPERATING EXPENSES	655.8	944.6
NET OPERATING REVENUE	-104.3	274.0
DEPRECIATED RATE BASE	3,216.4	3,216.4
RATE OF RETURN	-3.24%	8.52%

CALIFORNIA WATER SERVICE COMPANY
 REDWOOD VALLEY DISTRICT
 REDWOOD UNIFIED TARIFF AREA
 (NOEL HEIGHTS, RANCHO DEL PARADISO, ARMSTRONG, AND HAWKINS)
 SUMMARY OF EARNINGS
 (DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2006-7</u>	AT AUTHORIZED RATE OF RETURN <u>2006-7</u>
OPERATING REVENUES	\$319.1	\$576.8
OPERATING EXPENSES		
PURCHASED WATER	11.9	11.9
REPLENISHMENT ASSESSMENT	0.0	0.0
GROUNDWATER EXTRACTION CHARGE	0.0	0.0
PURCHASED POWER	14.2	14.2
PURCHASED CHEMICALS	0.8	0.8
PAYROLL -- DISTRICT	142.0	142.0
OTHER OPERATION AND MAINTENANCE	69.1	69.9
OTHER ADMIN AND GEN. EXP.	<u>19.3</u>	<u>19.3</u>
TOTAL O. & M., A. & G., & MISC. EXP.	257.3	258.1
TAXES OTHER THAN INCOME		
AD VALOREM TAXES	6.0	6.0
LOCAL FRANCHISE TAXES & BUS. LICENSE	0.0	0.0
PAYROLL TAXES	<u>13.5</u>	<u>13.5</u>
TOTAL GENERAL TAXES	19.5	19.5
DEPRECIATION	57.9	57.9
G.O. PRORATED EXPENSES:		
PAYROLL AND BENEFITS	48.6	48.6
AD VALOREM TAXES	0.5	0.5
PAYROLL TAXES	1.6	1.6
OTHER PRORATED EXPENSES	<u>17.6</u>	<u>17.6</u>
TOTAL G.O. PRORATED EXPENSES	68.3	68.3
SUB -- TOTAL -- OPERATING EXPENSES	403.0	403.8
TOTAL INCOME TAXES:	-51.0	59.7
TOTAL OPERATING EXPENSES	352.0	463.5
NET OPERATING REVENUE	-32.9	113.3
DEPRECIATED RATE BASE	1,329.6	1,329.6
RATE OF RETURN	-2.47%	8.52%

APPENDIX B

ADOPTED RATE BASE, TEST YEAR 2006/2007 AND 2007/2008

CALIFORNIA WATER SERVICE CO.
ANTELOPE VALLEY DISTRICT

ADOPTED RATE BASE AND RATE BASE RELATED COMPONENTS
(DOLLARS IN THOUSANDS)

	<u>2006-2007</u>	<u>2007-2008</u>
<u>RATE BASE</u>		
WTD. AVG. PLANT IN SERVICE	\$6,512.8	\$6,960.9
MATERIALS AND SUPPLIES	1.0	1.0
WORKING CASH - LEAD - LAG	1.6	1.4
WORKING CASH - W / H EMPLOYEES	(0.3)	(0.3)
WTD. AVG. DEPRECIATION RESERVE	(1,894.5)	(2,165.8)
ADVANCES FOR CONSTRUCTION	(261.6)	(261.6)
CONTRIBUTIONS	(331.4)	(331.4)
AMORTIZATION OF INTANG.	0.0	0.0
DEFERRED TAXES	(289.4)	(307.4)
UNAMORT. I.T.C.	(14.1)	(13.6)
PRORATED G.O. RATE BASE	97.4	100.3
TAXES ON ADVANCES	0.0	0.0
TAXES ON C.I.A.C.	2.5	2.7
WTG. AVG. RATE BASE	3,824.0	3,986.2
<u>RATE BASE-RELATED COMPONENTS</u>		
DEPRECIATION EXPENSE	160.4	192.1
AD VALOREM TAXES	28.4	33.1
NET OPERATING REVENUE	325.8	341.2
INCOME TAXES	211.3	208.4

CALIFORNIA WATER SERVICE CO.
BEAR GULCH DISTRICT

ADOPTED RATE BASE AND RATE BASE RELATED COMPONENTS
(DOLLARS IN THOUSANDS)

	<u>2006-2007</u>	<u>2007-2008</u>
<u>RATE BASE</u>		
WTD. AVG. PLANT IN SERVICE	\$71,870.8	\$73,665.2
MATERIALS AND SUPPLIES	187.1	187.1
WORKING CASH - LEAD - LAG	108.4	107.4
WORKING CASH - W / H EMPLOYEES	(4.5)	(4.5)
WTD. AVG. DEPRECIATION RESERVE	(21,859.7)	(23,491.3)
ADVANCES FOR CONSTRUCTION	(1,673.0)	(1,600.1)
CONTRIBUTIONS	(4,584.3)	(4,583.4)
AMORTIZATION OF INTANG.	(16.9)	(22.4)
DEFERRED TAXES	(6,604.3)	(6,846.9)
UNAMORT. I.T.C.	(162.3)	(155.2)
PRORATED G.O. RATE BASE	1,288.7	1,325.6
TAXES ON ADVANCES	115.8	74.0
TAXES ON C.I.A.C.	231.6	224.5
 WTG. AVG. RATE BASE	 \$38,897.4	 \$38,880.0
<u>RATE BASE-RELATED COMPONENTS</u>		
DEPRECIATION EXPENSE	1,457.8	1,556.3
AD VALOREM TAXES	393.7	427.0
NET OPERATING REVENUE	3,314.0	3,328.1
INCOME TAXES	1,419.7	1,409.5

CALIFORNIA WATER SERVICE CO.
DOMINGUEZ-SOUTH BAY DISTRICT

ADOPTED RATE BASE AND RATE BASE RELATED COMPONENTS
(DOLLARS IN THOUSANDS)

	<u>2006-2007</u>	<u>2007-2008</u>
RATE BASE		
WTD. AVG. PLANT IN SERVICE	\$103,197.5	\$104,987.6
MATERIALS AND SUPPLIES	70.6	70.6
WORKING CASH - LEAD - LAG	(966.2)	(953.2)
WORKING CASH - W / H EMPLOYEES	(7.1)	(7.1)
WTD. AVG. DEPRECIATION RESERVE	(33,822.8)	(36,051.2)
ADVANCES FOR CONSTRUCTION	(3,165.8)	(3,052.3)
CONTRIBUTIONS	(10,318.1)	(10,167.3)
AMORTIZATION OF INTANG.	(1.8)	(1.8)
DEFERRED TAXES	(3,593.9)	(3,587.0)
UNAMORT. I.T.C.	(195.0)	(188.8)
PRORATED G.O. RATE BASE	2,054.4	2,113.1
TAXES ON ADVANCES	3.3	3.6
TAXES ON C.I.A.C.	91.8	92.3
WTG. AVG. RATE BASE	\$53,346.9	\$53,258.5
 <u>RATE BASE-RELATED COMPONENTS</u>		
DEPRECIATION EXPENSE	2,128.5	2,168.7
AD VALOREM TAXES	652.9	649.0
NET OPERATING REVENUE	4,545.1	4,560.0
INCOME TAXES	2,293.5	2,263.6

CALIFORNIA WATER SERVICE CO.
HERMOSA-REDONDO DISTRICT

ADOPTED RATE BASE AND RATE BASE RELATED COMPONENTS
(DOLLARS IN THOUSANDS)

	<u>2006-2007</u>	<u>2007-2008</u>
<u>RATE BASE</u>		
WTD. AVG. PLANT IN SERVICE	\$52,510.0	\$53,964.7
MATERIALS AND SUPPLIES	43.8	43.8
WORKING CASH - LEAD - LAG	(152.6)	(138.0)
WORKING CASH - W / H EMPLOYEES	(4.4)	(4.4)
WTD. AVG. DEPRECIATION RESERVE	(18,725.5)	(19,794.1)
ADVANCES FOR CONSTRUCTION	(445.8)	(445.8)
CONTRIBUTIONS	(1,989.0)	(1,965.4)
AMORTIZATION OF INTANG.	(76.9)	(87.0)
DEFERRED TAXES	(3,691.9)	(3,820.5)
UNAMORT. I.T.C.	(118.5)	(113.3)
PRORATED G.O. RATE BASE	1,272.1	1,308.4
TAXES ON ADVANCES	25.8	18.1
TAXES ON C.I.A.C.	133.7	121.7
 WTG. AVG. RATE BASE	 \$28,780.8	 \$29,088.2
<u>RATE BASE-RELATED COMPONENTS</u>		
DEPRECIATION EXPENSE	1,208.3	1,284.7
AD VALOREM TAXES	245.6	253.6
NET OPERATING REVENUE	2,452.1	2,489.9
INCOME TAXES	1,076.4	1,071.2

CALIFORNIA WATER SERVICE CO.
KERN RIVER VALLEY DISTRICT

ADOPTED RATE BASE AND RATE BASE RELATED COMPONENTS
(DOLLARS IN THOUSANDS)

	<u>2006-2007</u>	<u>2007-2008</u>
<u>RATE BASE</u>		
WTD. AVG. PLANT IN SERVICE	\$12,600.0	\$13,489.1
MATERIALS AND SUPPLIES	1.4	1.4
WORKING CASH - LEAD - LAG	24.5	25.7
WORKING CASH - W / H EMPLOYEES	(0.9)	(0.9)
WTD. AVG. DEPRECIATION RESERVE	(3,992.3)	(4,510.9)
ADVANCES FOR CONSTRUCTION	(22.4)	(21.4)
CONTRIBUTIONS	(466.6)	(464.8)
AMORTIZATION OF INTANG.	(0.8)	(0.8)
DEFERRED TAXES	(687.5)	(715.5)
UNAMORT. I.T.C.	(31.1)	(30.1)
PRORATED G.O. RATE BASE	273.4	281.3
TAXES ON ADVANCES	0.0	0.0
TAXES ON C.I.A.C.	0.9	1.0
 WTG. AVG. RATE BASE	 \$7,698.6	 \$8,054.1
<u>RATE BASE-RELATED COMPONENTS</u>		
DEPRECIATION EXPENSE	383.4	403.1
AD VALOREM TAXES	103.4	106.5
NET OPERATING REVENUE	655.9	689.5
INCOME TAXES	426.2	420.7

CALIFORNIA WATER SERVICE CO.
MARYSVILLE DISTRICT

ADOPTED RATE BASE AND RATE BASE RELATED COMPONENTS
(DOLLARS IN THOUSANDS)

	<u>2006-2007</u>	<u>2007-2008</u>
RATE BASE		
WTD. AVG. PLANT IN SERVICE	\$8,811.6	\$9,004.7
MATERIALS AND SUPPLIES	37.5	37.5
WORKING CASH - LEAD - LAG	(72.6)	(73.2)
WORKING CASH - W / H EMPLOYEES	(0.7)	(0.7)
WTD. AVG. DEPRECIATION RESERVE	(2,924.3)	(3,221.9)
ADVANCES FOR CONSTRUCTION	(261.7)	(261.7)
CONTRIBUTIONS	(495.2)	(477.3)
AMORTIZATION OF INTANG.	(16.7)	(16.7)
DEFERRED TAXES	(660.3)	(658.2)
UNAMORT. I.T.C.	(23.6)	(22.6)
PRORATED G.O. RATE BASE	197.3	202.9
TAXES ON ADVANCES	26.3	25.3
TAXES ON C.I.A.C.	60.9	55.7
WTG. AVG. RATE BASE	\$4,678.5	\$4,593.8
 <u>RATE BASE-RELATED COMPONENTS</u>		
DEPRECIATION EXPENSE	285.8	296.3
AD VALOREM TAXES	38.7	42.4
NET OPERATING REVENUE	398.6	393.2
INCOME TAXES	193.1	183.6

CALIFORNIA WATER SERVICE CO.
PALOS VERDES DISTRICT

ADOPTED RATE BASE AND RATE BASE RELATED COMPONENTS
(DOLLARS IN THOUSANDS)

	<u>2006-2007</u>	<u>2007-2008</u>
RATE BASE		
WTD. AVG. PLANT IN SERVICE	\$57,374.3	\$58,377.8
MATERIALS AND SUPPLIES	210.3	210.3
WORKING CASH - LEAD - LAG	(493.8)	(471.1)
WORKING CASH - W / H EMPLOYEES	(5.2)	(5.2)
WTD. AVG. DEPRECIATION RESERVE	(25,468.2)	(26,513.7)
ADVANCES FOR CONSTRUCTION	(2,342.8)	(2,524.9)
CONTRIBUTIONS	(1,519.2)	(1,527.1)
AMORTIZATION OF INTANG.	(1.2)	(1.2)
DEFERRED TAXES	(4,197.8)	(4,311.6)
UNAMORT. I.T.C.	(209.8)	(200.8)
PRORATED G.O. RATE BASE	1,507.5	1,550.7
TAXES ON ADVANCES	151.1	134.8
TAXES ON C.I.A.C.	47.7	41.5
WTG. AVG. RATE BASE	\$25,052.9	\$24,759.5
 <u>RATE BASE-RELATED COMPONENTS</u>		
DEPRECIATION EXPENSE	1,199.0	1,225.5
AD VALOREM TAXES	244.5	248.8
NET OPERATING REVENUE	2,134.5	2,119.4
INCOME TAXES	1,058.8	989.2

CALIFORNIA WATER SERVICE CO.
 REDWOOD VALLEY DISTRICT
 COAST SPRINGS TARIFF AREA
 ADOPTED RATE BASE AND RATE BASE RELATED COMPONENTS
 (DOLLARS IN THOUSANDS)

	<u>2006-2007</u>	<u>2007-2008</u>
RATE BASE		
WTD. AVG. PLANT IN SERVICE	\$670.3	\$706.4
MATERIALS AND SUPPLIES	0.0	0.0
WORKING CASH - LEAD - LAG	13.4	13.4
WORKING CASH - W / H EMPLOYEES	(0.1)	(0.1)
WTD. AVG. DEPRECIATION RESERVE	(163.0)	(186.4)
ADVANCES FOR CONSTRUCTION	0.0	0.0
CONTRIBUTIONS	0.1	0.1
AMORTIZATION OF INTANG.	(0.4)	(0.8)
DEFERRED TAXES	(31.4)	(36.5)
UNAMORT. I.T.C.	0.0	0.0
PRORATED G.O. RATE BASE	16.7	17.2
TAXES ON ADVANCES	0.0	0.0
TAXES ON C.I.A.C.	0.0	0.0
WTG. AVG. RATE BASE	\$505.6	\$513.3
 <u>RATE BASE-RELATED COMPONENTS</u>		
DEPRECIATION EXPENSE	22.0	23.8
AD VALOREM TAXES	1.9	3.0
NET OPERATING REVENUE	43.0	43.9
INCOME TAXES	21.2	16.8

CALIFORNIA WATER SERVICE CO.
 REDWOOD VALLEY DISTRICT
 LUCERNE TARIFF AREA
 ADOPTED RATE BASE AND RATE BASE RELATED COMPONENTS
 (DOLLARS IN THOUSANDS)

	<u>2006-2007</u>	<u>2007-2008</u>
RATE BASE		
WTD. AVG. PLANT IN SERVICE	\$4,190.5	\$4,471.1
MATERIALS AND SUPPLIES	0.0	0.0
WORKING CASH - LEAD - LAG	65.9	67.0
WORKING CASH - W / H EMPLOYEES	(0.3)	(0.3)
WTD. AVG. DEPRECIATION RESERVE	(835.6)	(926.0)
ADVANCES FOR CONSTRUCTION	0.0	0.0
CONTRIBUTIONS	(5.8)	(6.2)
AMORTIZATION OF INTANG.	(1.4)	(2.5)
DEFERRED TAXES	(285.0)	(298.0)
UNAMORT. I.T.C.	0.0	0.0
PRORATED G.O. RATE BASE	88.0	90.5
TAXES ON ADVANCES	0.0	0.0
TAXES ON C.I.A.C.	0.0	0.0
WTG. AVG. RATE BASE	\$3,216.3	\$3,395.6
 <u>RATE BASE-RELATED COMPONENTS</u>		
DEPRECIATION EXPENSE	73.5	81.5
AD VALOREM TAXES	15.6	17.2
NET OPERATING REVENUE	274.0	290.7
INCOME TAXES	141.8	124.0

CALIFORNIA WATER SERVICE CO.
 REDWOOD VALLEY DISTRICT
 REDWOOD UNIFIED TARIFF AREA
 ADOPTED RATE BASE AND RATE BASE RELATED COMPONENTS
 (DOLLARS IN THOUSANDS)

	<u>2006-2007</u>	<u>2007-2008</u>
<u>RATE BASE</u>		
WTD. AVG. PLANT IN SERVICE	\$1,737.4	\$1,814.6
MATERIALS AND SUPPLIES	0.0	0.0
WORKING CASH - LEAD - LAG	40.3	40.8
WORKING CASH - W / H EMPLOYEES	(0.1)	(0.1)
WTD. AVG. DEPRECIATION RESERVE	(267.3)	(342.4)
ADVANCES FOR CONSTRUCTION	0.0	0.0
CONTRIBUTIONS	(11.5)	(12.7)
AMORTIZATION OF INTANG.	(0.4)	(0.6)
DEFERRED TAXES	(204.5)	(216.3)
UNAMORT. I.T.C.	0.0	0.0
PRORATED G.O. RATE BASE	35.7	36.7
TAXES ON ADVANCES	0.0	0.0
TAXES ON C.I.A.C.	0.0	0.0
 WTG. AVG. RATE BASE	 \$1,329.6	 \$1,320.0
<u>RATE BASE-RELATED COMPONENTS</u>		
DEPRECIATION EXPENSE	57.9	66.3
AD VALOREM TAXES	6.0	8.0
NET OPERATING REVENUE	113.3	113.0
INCOME TAXES	59.7	51.6

APPENDIX C

AUTHORIZED RATES, TEST YEAR 2006/2007

Schedule No. AV-R-1

Antelope Valley Tariff Area

(Leona Valley, Lake Hughes, & Fremont Valley Service Areas)

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

A portion of the community of Leona Valley and vicinity, Los Angeles County; Lake Hughes and vicinity, Los Angeles County; and Fremont Valley and vicinity, Kern County.

RATES

Quantity Rates:

All water delivered, per 100 cu. ft. \$ 2.3773 (I)

Service Charge:

	<u>Per Meter</u>	
	<u>Per Month</u>	
For 5/8 x 3/4-inch meter	\$ 25.00	(I)
For 3/4-inch meter	37.50	
For 1-inch meter	62.50	
For 1-1/2-inch meter	125.00	
For 2-inch meter	200.00	
For 3-inch meter	375.00	
For 4-inch meter	625.00	
For 6-inch meter	1,250.00	
For 8-inch meter	2,000.00	
For 10-inch meter	2,875.00	
For 12-inch meter	4,125.00	
For 14-inch meter	5,625.00	(I)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

SPECIAL CONDITIONS

1. Qualifying low-income customers are eligible for credits as shown on Schedule RSF. (N)
2. Customers in the Fremont Valley service area (ZIP Code 93501) are eligible for credits as shown on Schedule RSF. (N)
(N)
3. All bills are subject to the surcharge shown on Schedule RSF except bills to customers enrolled in the low-income RSF program. (N)
(N)
4. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

Schedule No. AV-U-1

Antelope Valley Tariff Area
(Lancaster Service Area)

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

A portion of the community of Lancaster and vicinity, Los Angeles County.

RATES

Quantity Rates:

All water delivered, per 100 cu. ft.	\$ 1.4408	(I)
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Service Charge:

	<u>Per Meter</u> <u>Per Month</u>	
For 5/8 x 3/4-inch meter	\$ 25.00	(I)
For 3/4-inch meter	37.50	
For 1-inch meter	62.50	
For 1-1/2-inch meter	125.00	
For 2-inch meter	200.00	
For 3-inch meter	375.00	
For 4-inch meter	625.00	
For 6-inch meter	1,250.00	
For 8-inch meter	2,000.00	
For 10-inch meter	2,875.00	
For 12-inch meter	4,125.00	
For 14-inch meter	5,625.00	(I)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

SPECIAL CONDITIONS

1. Qualifying low-income customers are eligible for credits as shown on Schedule RSF. (N)
2. All bills are subject to the surcharge shown on Schedule RSF except bills to customers enrolled in the low-income RSF program. (N)
(N)
3. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

Schedule No. AV-LH-2R

Antelope Valley Tariff Area
(Lake Hughes Service Area)

LIMITED RESIDENTIAL FLAT RATE SERVICE

APPLICABILITY

Applicable to limited flat rate residential water service.

TERRITORY

A portion of the community of Lake Hughes and vicinity, Los Angeles County.

RATES

	Per Service Connection <u>Per Month</u>	
For a single residential unit including premises	\$ 34.24	(I)

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
2. This service is limited to customers being provided service as of November 22, 1999.
3. If the company so elects, a meter may be installed and service provided under Schedule No. AV-R-1, General Metered Service.
4. Qualifying low-income customers are eligible for credits as shown on Schedule RSF. (N)
5. All bills are subject to the surcharge shown on Schedule RSF except bills to customers enrolled in the low-income RSF program. (N)
(N)

Schedule No. AV-4

Antelope Valley Tariff Area
(All Antelope Valley Service Areas)

SERVICE TO PRIVATELY OWNED FIRE PROTECTION SYSTEMS

APPLICABILITY

Applicable to all water service furnished for privately owned fire protection systems.

TERRITORY

All communities served by the Antelope Valley District. (T)

RATES

	<u>Per Month</u>	
For each inch of diameter of service connection	\$ 6.50	(I)

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedules No. UF.
2. The customer will pay, without refund, the entire cost of the private fire service facilities.
3. The private fire service facilities shall be installed by the utility or under the utility's direction and shall be the sole property of the applicant but subject to the control of the utility, with the right to alter, repair, replace and the right to remove upon discontinuance of service.
4. The minimum diameter for the private fire service connection will be four inches. The maximum diameter shall not be larger than the diameter of the water main to which the private fire service facilities are connected.
5. If a water main of adequate size is not available adjacent to the premises to be served, then a new main from the nearest existing main of adequate size will be installed by the utility at the cost of the customer. Such cost shall not be subject to refund.
6. The private fire service facilities will include a detector check valve or other similar device acceptable to the utility which will indicate the use of water. The facilities may be located within the customer's premises or within public rights of way adjacent thereto. Where located within the premises, the utility and its duly authorized agents shall have the right of ingress to and egress from the premises for all purposes related to said facilities. In the event the installation is solely for a private fire hydrant facility, the requirement for a detector check valve or other similar device may be waived.
7. No structure shall be built over the private fire service facilities and the customer shall maintain and safeguard the area occupied by the private fire service facilities from traffic and other hazardous conditions. The customer will be responsible for any damage to the private fire service facilities whether resulting from the use or operation of appliances and facilities on customer's premises or otherwise.
8. Subject to the approval of the utility, any change in the location or construction of the private fire service facilities as may be requested by public authority or the customer will be made by the utility following payment to the utility of the entire cost of such change.
9. The customer's installation must be such as to separate effectively the private fire service facilities from that of the customer's regular domestic water service. Any unauthorized use of water from the private fire service facilities will be charged for at the applicable tariff rates and may be grounds for the utility's discontinuing private fire service without liability to the utility.
10. There shall be no cross connection between the systems supplied by water through the utility's private fire service facilities and any other source of supply without the specific approval of the utility. The specific approval, if given, will at least require at the customer's expense a special double check valve installation or other backflow prevention device acceptable to the utility. Any cross connection may be grounds for immediately discontinuing private fire service without liability to the utility.
11. The utility will supply only such water at such pressure as may be available from time to time as a result of its normal operation of the system. The customer shall indemnify the utility and save it harmless against any and all claims arising against the utility for any loss or damage resulting from service under this schedule. Section 774 of the Public Utilities Commission Code limits the liability of the utility resulting from a claim regarding adequacy of pressure or supply for fire protection service.
12. The customer shall be responsible for the periodic testing of any backflow prevention devices as required by public authority or the utility. Any repair or replacement of such devices or of any other facilities installed to provide private fire service shall be done at the customer's expense. Any refusal to comply with the above requirements may be grounds for the utility's discontinuing private fire service without liability to the utility.

Schedule No. BG-1

Bear Gulch Tariff Area

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The communities of Atherton, Menlo Park, Portola Valley, Woodside, and vicinity, San Mateo County.

RATES

Quantity Rates:

Per 100 cu. ft.	\$ 2.4826	(I)
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Service Charge:

	<u>Per Meter</u>	
	<u>Per Month</u>	
For 5/8 x 3/4-inch meter	\$ 12.95	(I)
For 3/4-inch meter	19.43	
For 1-inch meter	25.17	
For 1-1/2-inch meter	37.18	
For 2-inch meter	56.30	
For 3-inch meter	121.09	
For 4-inch meter	212.44	
For 6-inch meter	366.46	
For 8-inch meter	1,036.00	
For 10-inch meter	1,489.25	
For 12-inch meter	2,136.75	
For 14-inch meter	2,913.75	(I)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rate.

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
2. All bills are subject to the surcharge shown on Schedule RSF. (N)

Bear Gulch Tariff Area

SERVICE TO PRIVATELY OWNED FIRE PROTECTION SYSTEMS

APPLICABILITY

Applicable to all water service furnished for privately owned fire protection systems.

TERRITORY

The communities of Atherton, Menlo Park, Portola Valley, Woodside, and vicinity, San Mateo County.

RATES

		<u>Per Month</u>	
For	1-1/2-inch connection	9.75	(I)
For	2-inch connection	13.00	
For	3-inch connection	19.50	
For	4-inch connection	26.00	
For	6-inch connection	39.00	
For	8-inch connection	52.00	
For	10-inch connection	65.00	
For	12-inch connection	78.00	
For	14-inch connection	91.00	(I)

SPECIAL CONDITIONS

1. The facilities for service to a privately owned fire protection system will be installed by the Utility at the cost of the applicant. Such cost shall not be subject to refund.
2. If a distribution main of adequate size to serve a private fire protection system in addition to all other normal service does not exist in the street or alley adjacent to the premises to be served, then a service main from the nearest existing main of adequate capacity will be installed by the Utility at the cost of the applicant. Such cost shall not be subject to refund
3. Service hereunder is for private fire protection systems to which no connections for other than fire protection purposes are allowed and which are regularly inspected by the underwriters having jurisdiction, are installed according to specifications of the Utility, and are maintained to the satisfaction of the Utility. The Utility may require the installation of a detector check valve with meter for protection against theft, leakage, or waste of water.
4. For water delivered for other than service to privately owned fire protection systems, charges will be made therefore under Schedule No. BG-1, General Metered Service.
5. The Utility will supply only such water at such pressure as may be available from time to time as a result of normal operation of Utility's system.
6. All bills are subject to the reimbursement fee set forth on Schedule Nos. UF. (T)

Schedule No. DOM-1

Dominguez Tariff Area

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Portions of Carson, Los Angeles, Long Beach, Torrance, and vicinity, Los Angeles County.

RATES

Quantity Rates:

All water delivered per 100 cu. ft.	\$ 1.5632	(I)
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Service Charge:

	Per Meter	
	<u>Per Month</u>	
For 5/8 x 3/4-inch meter	\$ 7.15	(I)
For 3/4-inch meter	10.73	
For 1-inch meter	17.88	
For 1-1/2-inch meter	35.75	
For 2-inch meter	57.20	
For 3-inch meter	107.25	
For 4-inch meter	178.75	
For 6-inch meter	357.50	
For 8-inch meter	572.00	
For 10-inch meter	822.25	
For 12-inch meter	1,179.75	
For 14-inch meter	1,608.75	
For 16-inch meter	2,037.75	
For 18-inch meter	2,466.75	(I)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the quantity rates.

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

2. All bills are subject to the surcharge shown on Schedule RSF. (N)

Schedule No. DOM-RC-1

Dominguez Tariff Area

METERED RECYCLED WATER SERVICE

APPLICABILITY

Applicable to all metered recycled water service.

TERRITORY

Portions of Carson, Los Angeles, Long Beach, Torrance, and vicinity, Los Angeles County.

RATES

Quantity Rates:

Title 22 Water	First 21,780 Ccf (per 100 cu. ft.)	\$ 0.8916	(I)
	Next 65,340 Ccf (per 100 cu. ft.)	0.7963	
	Over 87,120 Ccf (per 100 cu. ft.)	0.7011	
R.O. Water	All water delivered per 100 cu. ft.	\$ 1.4778	
Nitrified Water	All water delivered per 100 cu. ft.	\$ 0.8440	(I)

Service Charge Applicable to all Title 22, R.O. and Nitrified Water

Per Meter Per Month

For 5/8 x 3/4-inch meter	\$ 7.15	(I)
For 3/4-inch meter	10.73	
For 1-inch meter	17.88	
For 1-1/2-inch meter	35.75	
For 2-inch meter	57.20	
For 3-inch meter	107.25	
For 4-inch meter	178.75	
For 6-inch meter	357.50	
For 8-inch meter	572.00	
For 10-inch meter	822.25	
For 12-inch meter	1,179.75	
For 14-inch meter	1,608.75	
For 16-inch meter	2,037.75	
For 18-inch meter	2,466.75	(I)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the quantity rates.

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
2. Recycled water service refers to non-potable water that has been processed and treated by one of the following methods:
 - a. Title 22 Water refers to wastewater that has undergone tertiary treatment that meets recycled water use standards as established in Title 22 of the California Code of Regulations, Division 4 Environmental Health, Chapter 3 Reclamation Criteria, Articles 1 through 10.
 - b. R.O. Water refers to Title 22 Water that has further undergone reverse osmosis treatment to remove salts and dissolved solids.
 - c. Nitrified Water refers to Title 22 Water that has further undergone a biological treatment and processing for removal of ammonia.
3. A Recycled Water Memorandum Account has been established to track under/over collections associated with the purchase and sale of recycled water. This account will include all charges from West Basin Municipal Water District not included in the current recycled rate, as well as the lower cost of water derived from charges and billings under West Basin's declining block structure and the Company's declining block structure. West Basin Municipal Water District credits not credited directly to a customer will be credited to this account and will offset future rate increases for recycled water customers. This account will be reconciled at least annually on or about the date when West Basin Municipal Water District changes its rates.
4. All bills are subject to the surcharge shown on Schedule RSF. (N)

Schedule No. HR-1

Hermosa-Redondo Tariff Area

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Hermosa Beach, Redondo Beach, Torrance, and vicinity, Los Angeles County.

RATES

Quantity Rates:

Per 100 cu. ft.	\$ 2.172	(I)
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Service Charge:

	Per Meter	
	<u>Per Month</u>	
For 5/8 x 3/4-inch meter	\$ 7.35	(R)
For 3/4-inch meter	11.03	(R)
For 1-inch meter	17.60	(I)
For 1-1/2-inch meter	36.75	(R)
For 2-inch meter	58.80	
For 3-inch meter	110.25	
For 4-inch meter	183.75	(R)
For 6-inch meter	367.50	(I)
For 8-inch meter	556.85	(I)
For 10-inch meter	845.25	(R)
For 12-inch meter	1,212.75	
For 14-inch meter	1,653.75	(R)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rate.

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fees set forth on Schedule No. UF.

2. All bills are subject to the surcharge shown on Schedule RSF. (N)

Schedule No. HR-6

Hermosa-Redondo Tariff Area

RECLAIMED METERED SERVICE

APPLICABILITY

Applicable to all metered reclaimed water service.

TERRITORY

Hermosa Beach, Redondo Beach, Torrance, and vicinity, Los Angeles County.

RATES

Quantity Rates:		
Per 100 cu. ft.	\$ 1.8679 *	(I)
Service Charge:		
	<u>Per Meter</u>	
	<u>Per Month</u>	
For 5/8 x 3/4-inch meter	\$ 7.35	(R)
For 3/4-inch meter	11.03	(R)
For 1-inch meter	17.60	(I)
For 1-1/2-inch meter	36.75	(R)
For 2-inch meter	58.80	
For 3-inch meter	110.25	
For 4-inch meter	183.75	(R)
For 6-inch meter	367.50	(I)
For 8-inch meter	556.85	(I)
For 10-inch meter	845.25	(R)
For 12-inch meter	1,212.75	
For 14-inch meter	1,653.75	(R)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rate.

SPECIAL CONDITIONS

1. Reclaimed water will be supplied only as available from West Basin Municipal Water District.
2. As a condition of service under this schedule, all customers are required to comply with the Company's Rule 16, **Section D**, Reclaimed Water Service.
3. All bills are subject to the reimbursement fees set forth on Schedule No. UF.
4. All bills are subject to the surcharge shown on Schedule RSF. (N)

*Reclaimed water customers that have signed a contract with the West Basin Municipal Water District (West Basin) for repayment of the conversion costs from potable to reclaimed water service will be charged the potable quantity rates while the contract is in effect. The Company will pay West Basin a percentage of the quantity rate revenues collected from reclaimed water customers billed at potable water rates. The percentage refunded represents the difference between the current West Basin wholesale potable water rate and the wholesale reclaimed water rate.

Schedule No. KRV-AR-1

Kern River Valley Tariff Area
(Arden Water Service Area)

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Wofford Heights and vicinity, located approximately two miles south of Kernville in Kern County.

RATES

Quantity Rates:		SDWBA Surcharge	
All water delivered, per 100 cu. ft.	\$ 3.5631	\$ 0.12	(I)
Service Charge:	<u>Per Meter</u>	<u>SDWBA Monthly</u>	
	<u>Per Month</u>	<u>Surcharge</u>	
For 5/8 x 3/4-inch meter	\$ 24.00	\$ 0.75	(I)
For 3/4-inch meter	36.00	0.80	
For 1-inch meter	56.23	1.10	
For 1-1/2-inch meter	94.53	1.55	
For 2-inch meter	192.00	2.00	
For 3-inch meter	328.78	3.75	
For 4-inch meter	600.00	5.10	(I)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

SPECIAL CONDITIONS

1. The SDWBA (Safe Drinking Water Bond Act) surcharge is in addition to the water bill. This surcharge must be identified on each bill. This surcharge is specifically for the repayment of the California SDWBA loan as authorized by Decision 90267.
2. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
3. All bills are subject to the surcharge shown on Schedule RSF except bills to customers enrolled in the low-income RSF program (N)
4. Qualifying low-income customers are eligible for credits as shown on Schedule RSF. (N)

Schedule No. KRV-BD-1

Kern River Valley Tariff Area
(Bodfish Service Area)

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The unincorporated area known as Bodfish and vicinity and a non-contiguous area known as Canyon Heights, Kern County.

RATES

Quantity Rates:

All water delivered, per 100 cu. ft. \$ 3.5631 (I)

Service Charge:	<u>Per Meter</u> <u>Per Month</u>	<u>SDWBA Monthly</u> <u>Surcharge</u>	
For 5/8 x 3/4-inch meter	\$ 24.00	\$ 2.58	(I)
For 3/4-inch meter	36.00	3.88	
For 1-inch meter	56.23	6.45	
For 1-1/2-inch meter	94.53	12.88	
For 2-inch meter	192.00	20.60	
For 3-inch meter	328.78	20.60	
For 4-inch meter	600.00	20.60	(I)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

SPECIAL CONDITIONS

1. The SDWBA (Safe Drinking Water Bond Act) surcharge is in addition to the water bill. This surcharge must be identified on each bill. This surcharge is specifically for the repayment of the California SDWBA loan as authorized by Decisions 93727 and 82-01-058.
2. In the event that a customer terminates service under this schedule and reinstates service at the same location within 12 months, there will be a reconnection charge equal to the minimum charge which would have been billed had the customer not terminated service.
3. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
4. All bills are subject to the surcharge shown on Schedule RSF except bills to customers enrolled in the low-income RSF program (N)
5. Qualifying low-income customers are eligible for credits as shown on Schedule RSF. (N)

Schedule No. KRV-KD-1

Kern River Valley Tariff Area
(Kernville Service Area)

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The community of Kernville and vicinity, Kern County.

RATES

Quantity Rates:

All water delivered, per 100 cu. ft. \$ 3.5631 (I)

Service Charge:	<u>Per Meter Per Month</u>	<u>SDWBA Monthly Surcharge</u>	
For 5/8 x 3/4-inch meter	\$ 24.00	\$ 3.90	(I)
For 3/4-inch meter	36.00	5.85	
For 1-inch meter	56.23	9.75	
For 1-1/2-inch meter	94.53	19.50	
For 2-inch meter	192.00	31.20	
For 3-inch meter	328.78	58.50	
For 4-inch meter	600.00	97.50	(I)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

SPECIAL CONDITIONS

1. The SDWBA (Safe Drinking Water Bond Act) surcharge is in addition to the water bill. This surcharge must be identified on each bill. This surcharge is specifically for the repayment of the California SDWBA loan as authorized by Decision 85-04-021.
2. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
3. All bills are subject to the surcharge shown on Schedule RSF except bills to customers enrolled in the low-income RSF program (N)
4. Qualifying low-income customers are eligible for credits as shown on Schedule RSF. (N)

Schedule No. KRV-LK-1

Kern River Valley Tariff Area
(Lakeland Service Area)

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The area known as Lakeland, Tracts No. 2412, 3035, 3036, 3108 and vicinity, located northeast of the community of Lake Isabella, Kern County.

RATES

Quantity Rates:

All water delivered, per 100 cu. ft. \$ 3.5631 (I)

Service Charge:	<u>Per Meter Per Month</u>	<u>SDWBA Monthly Surcharge</u>	
For 5/8 x 3/4-inch meter	\$ 24.00	\$ 9.85	(I)
For 3/4-inch meter	36.00	14.75	
For 1-inch meter	56.23	24.75	
For 1-1/2-inch meter	94.53	49.25	
For 2-inch meter	192.00	79.00	
For 3-inch meter	328.78	148.00	
For 4-inch meter	600.00	246.00	(I)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

SPECIAL CONDITIONS

1. The SDWBA (Safe Drinking Water Bond Act) surcharge is in addition to the water bill. This surcharge must be identified on each bill. This surcharge is specifically for the repayment of the California SDWBA loan as authorized by Decision 94-09-024.
2. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
3. All bills are subject to the surcharge shown on Schedule RSF except bills to customers enrolled in the low-income RSF program (N)
4. Qualifying low-income customers are eligible for credits as shown on Schedule RSF. (N)

Schedule No. KRV-SQ-1

Kern River Valley Tariff Area
(Squirrel Mountain Service Area)

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Squirrel Mountain and vicinity, located in the unincorporated area south of Mountain Mesa on State Highway 178, five miles east of Lake Isabella in Kern County.

RATES

Quantity Rates:

All water delivered, per 100 cu. ft. \$ 3.5631 (I)

Service Charge:	<u>Per Meter</u> <u>Per Month</u>	<u>SDWBA Monthly</u> <u>Surcharge</u>	
For 5/8 x 3/4-inch meter	\$ 24.00	\$ 9.32	(I)
For 3/4-inch meter	36.00	14.00	
For 1-inch meter	56.23	23.25	
For 1-1/2-inch meter	94.53	45.50	
For 2-inch meter	192.00	75.00	
For 3-inch meter	328.78	140.00	
For 4-inch meter	600.00	235.00	(I)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

SPECIAL CONDITIONS

1. The SDWBA (Safe Drinking Water Bond Act) surcharge is in addition to the water bill. This surcharge must be identified on each bill. This surcharge is specifically for the repayment of the California SDWBA loan as authorized by Decision No. 94-07-023.
2. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
3. All bills are subject to the surcharge shown on Schedule RSF except bills to customers enrolled in the low-income RSF program (N)
4. Qualifying low-income customers are eligible for credits as shown on Schedule RSF. (N)

Schedule No. KRV-AO-1 (T)

Kern River Valley Tariff Area
 (Mountain Shadows, Onyx, South Lake, Split Mountain Service Area) (T)

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service without a specific SDWBA surcharge. (T)

TERRITORY

The unincorporated area known as Mountain Shadows, Subdivision of Wofford Heights, approximately 4 miles southwest of the community of Kernville, Kern County. Onyx and vicinity, located approximately five miles northwest of Weldon, Kern County. Southlake and vicinity, located immediately south of State Highway 178, approximately four miles west of Weldon, Kern County. Tracts No. 3141, 3491 and along Evans Road between those tracts, located near Wofford Heights, Kern County.

RATES

Quantity Rates:

All water delivered, per 100 cu. ft. \$ 3.5631 (I)

Service Charge: Per Meter
Per Month

For 5/8 x 3/4-inch meter	\$ 24.00	(I)
For 3/4-inch meter	36.00	
For 1-inch meter	56.23	
For 1-1/2-inch meter	94.53	
For 2-inch meter	192.00	
For 3-inch meter	328.78	
For 4-inch meter	600.00	(I)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
2. All bills are subject to the surcharge shown on Schedule RSF except bills to customers enrolled in the low-income RSF program (N)
3. Qualifying low-income customers are eligible for credits as shown on Schedule RSF. (N)

Schedule No. KRV-4

Kern River Valley Tariff Area

(All Service Areas)

SERVICE TO PRIVATELY OWNED FIRE PROTECTION SYSTEMS

APPLICABILITY

Applicable to all water service furnished for privately owned fire protection systems.

TERRITORY

All communities served by Kern River Valley District. (T)

RATES

	<u>Per Month</u>	
For each inch of diameter of service connection	\$ 6.50	(I)

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedules No. UF.
2. The customer will pay, without refund, the entire cost of the private fire service facilities.
3. The private fire service facilities shall be installed by the utility or under the utility's direction and shall be the sole property of the applicant but subject to the control of the utility, with the right to alter, repair, replace and the right to remove upon discontinuance of service.
4. The minimum diameter for the private fire service connection will be four inches. The maximum diameter shall not be larger than the diameter of the water main to which the private fire service facilities are connected.
5. If a water main of adequate size is not available adjacent to the premises to be served, then a new main from the nearest existing main of adequate size will be installed by the utility at the cost of the customer. Such cost shall not be subject to refund.
6. The private fire service facilities will include a detector check valve or other similar device acceptable to the utility which will indicate the use of water. The facilities may be located within the customer's premises or within public rights of way adjacent thereto. Where located within the premises, the utility and its duly authorized agents shall have the right of ingress to and egress from the premises for all purposes related to said facilities. In the event the installation is solely for a private fire hydrant facility, the requirement for a detector check valve or other similar device may be waived.
7. No structure shall be built over the private fire service facilities and the customer shall maintain and safeguard the area occupied by the private fire service facilities from traffic and other hazardous conditions. The customer will be responsible for any damage to the private fire service facilities whether resulting from the use or operation of appliances and facilities on customer's premises or otherwise.
8. Subject to the approval of the utility, any change in the location or construction of the private fire service facilities as may be requested by public authority or the customer will be made by the utility following payment to the utility of the entire cost of such change.
9. The customer's installation must be such as to separate effectively the private fire service facilities from that of the customer's regular domestic water service. Any unauthorized use of water from the private fire service facilities will be charged for at the applicable tariff rates and may be grounds for the utility's discontinuing private fire service without liability to the utility.
10. There shall be no cross connection between the systems supplied by water through the utility's private fire service facilities and any other source of supply without the specific approval of the utility. The specific approval, if given, will at least require at the customer's expense a special double check valve installation or other backflow prevention device acceptable to the utility. Any cross connection may be grounds for immediately discontinuing private fire service without liability to the utility.
11. The utility will supply only such water at such pressure as may be available from time to time as a result of its normal operation of the system. The customer shall indemnify the utility and save it harmless against any and all claims arising against the utility for any loss or damage resulting from service under this schedule. Section 774 of the Public Utilities Commission Code limits the liability of the utility resulting from a claim regarding adequacy of pressure or supply for fire protection service.
12. The customer shall be responsible for the periodic testing of any backflow prevention devices as required by public authority or the utility. Any repair or replacement of such devices or of any other facilities installed to provide private fire service shall be done at the customer's expense. Any refusal to comply with the above requirements may be grounds for the utility's discontinuing private fire service without liability to the utility.

Schedule No. MR-1

Marysville Tariff Area

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Marysville and vicinity, Yuba County.

RATES

Quantity Rates:

Per 100 cu. ft.	\$ 0.8274	(I)
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Service Charge:

	Per Meter	
	<u>Per Month</u>	
For 5/8 x 3/4-inch meter	\$ 10.30	(I)
For 3/4-inch meter	15.45	
For 1-inch meter	25.75	(I)
For 1-1/2-inch meter	51.50	(R)
For 2-inch meter	82.40	(R)
For 3-inch meter	154.50	(I)
For 4-inch meter	252.92	
For 6-inch meter	373.63	
For 8-inch meter	824.00	
For 10-inch meter	1,184.50	
For 12-inch meter	1,699.50	
For 14-inch meter	2,317.50	(I)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rate.

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

2. All bills are subject to the surcharge shown on Schedule RSF. (N)

Schedule No. MR-2R

Marysville Tariff Area

RESIDENTIAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate residential water service.

TERRITORY

Marysville and vicinity, Yuba County.

RATES

For a single-family residential unit, including premises having the following areas:	Per Service Connection per Month	
6,000 sq. ft., or less	\$ 33.07	(I)
6,001 to 10,000 sq. ft.	39.90	
10,001 to 16,000 sq. ft.	49.19	
16,001 to 25,000 sq. ft.	62.47	
For each additional single-family residential unit on the same premises and served from the same service connection	23.62	(I)

SPECIAL CONDITIONS

1. The above flat rates apply to service connections not larger than one inch in diameter.
2. All service not covered by the above classifications shall be furnished only on a metered basis.
3. For service covered by the above classifications, if the utility or the customer so elects, a meter shall be installed and service provided under Schedule No. MR-1, General Metered Service.
4. This Schedule is closed to all new connections as of Jan 20, 1992, the effective date of Tariff Sheet No. 4336-W.
5. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
6. All bills are subject to the surcharge shown on Schedule RSF. (N)

Marysville Tariff Area

SERVICE TO PRIVATELY OWNED FIRE PROTECTION SYSTEMS

APPLICABILITY

Applicable to all water service furnished for privately owned fire protection systems.

TERRITORY

Marysville and vicinity, Yuba County.

RATES

		<u>Per Month</u>	
For each	1-1/2-inch connection	\$ 9.75	(I)
For each	2-inch connection	13.00	
For each	3-inch connection	19.50	
For each	4-inch connection	26.00	
For each	6-inch connection	39.00	
For each	8-inch connection	52.00	
For each	10-inch connection	65.00	
For each	12-inch connection	78.00	
For each	14-inch connection	91.00	(I)

SPECIAL CONDITIONS

1. The facilities for service to a privately owned fire protection system will be installed by the Utility at the cost of the applicant. Such cost shall not be subject to refund.
2. If a distribution main of adequate size to serve a private fire protection system in addition to all other normal service does not exist in the street or alley adjacent to the premises to be served, then a service main from the nearest existing main of adequate capacity will be installed by the Utility at the cost of the applicant. Such cost shall not be subject to refund
3. Service hereunder is for private fire protection systems to which no connections for other than fire protection purposes are allowed and which are regularly inspected by the underwriters having jurisdiction, are installed according to specifications of the utility, and are maintained to the satisfaction of the Utility. The Utility may require the installation of a detector check valve with meter for protection against theft, leakage, or waste of water.
4. For water delivered for other than service to privately owned fire protection systems, charges will be made therefor under Schedule No. MR-1, General Metered Service.
5. The Utility will supply only such water at such pressure as may be available from time to time as a result of normal operation of Uility's system.
6. All bills are subject to the reimbursement fee set forth on Schedule No. UF. (T)

Schedule No. PV-1

Palos Verdes Tariff Area

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Palos Verdes Estates, Rolling Hills, Rolling Hills Estates. Lomita, Rancho Palos Verdes and vicinity, Los Angeles County.

RATES

Quantity Rates:

Per 100 cu. ft.	\$ 2.2924	(I)
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Service Charge:

	<u>Per Meter</u> <u>Per Month</u>	
For 5/8 x 3/4-inch meter	\$ 10.50	(I)
For 3/4-inch meter	15.75	
For 1-inch meter	24.02	
For 1-1/2-inch meter	41.87	
For 2-inch meter	53.22	
For 3-inch meter	99.82	
For 4-inch meter	163.28	
For 6-inch meter	301.12	
For 8-inch meter	471.78	
For 10-inch meter	797.58	
For 12-inch meter	1,732.50	
For 14-inch meter	2,632.50	(I)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rate.

SPECIAL CONDITIONS

1. Due to an under-collection in the balancing account, a surcharge of \$0.0889 per 100 cu. ft. of water used is to be applied to the quantity rates for 24 months from September 28, 2004, the effective date of Advice Letter No. 1624-A.
2. Due to an over-collection in the balancing account, a surcredit of \$0.063 per 100 cu. ft. of water used is to be applied to the quantity rates for 12 months from December 5, 2005, the effective date of Advice Letter No. 1720-B. (T)
(T)
3. All bills are subject to the reimbursement fees set forth on Schedule No. UF.
4. All bills are subject to the surcharge shown on Schedule RSF. (N)

Schedule No. PV-6

Palos Verdes Tariff Area

RECLAIMED METERED SERVICE

APPLICABILITY

Applicable to all metered reclaimed water service.

TERRITORY

Palos Verdes Estates, Rolling Hills, Rolling Hills Estates. Lomita, Rancho Palos Verdes and vicinity, Los Angeles County.

RATES

Quantity Rates:

Per 100 cu. ft.	\$ 1.7698 *	(I)
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Service Charge:

	<u>Per Meter</u>	
	<u>Per Month</u>	
For 5/8 x 3/4-inch meter	\$ 10.50	(I)
For 3/4-inch meter	15.75	
For 1-inch meter	24.02	
For 1-1/2-inch meter	41.87	
For 2-inch meter	53.22	
For 3-inch meter	99.82	
For 4-inch meter	163.28	
For 6-inch meter	301.12	
For 8-inch meter	471.78	
For 10-inch meter	797.58	
For 12-inch meter	1,732.50	
For 14-inch meter	2,632.50	(I)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rate.

SPECIAL CONDITIONS

1. Recycled water will be supplied only as available from West Basin Municipal Water District.
2. As a condition of service under this schedule, all customers are required to comply with the Company's Rule 16, **Section D**, Reclaimed Water Service.
3. All bills are subject to the reimbursement fees set forth on Schedule Nos. UF and DHS-1.
4. All bills are subject to the surcharge shown on Schedule RSF. (N)

*Reclaimed water customers that have signed a contract with the West Basin Municipal Water District (West Basin) for repayment of the conversion costs from potable to reclaimed water service will be charged the potable quantity rates while the contract is in effect. The Company will pay West Basin a percentage of the quantity rate revenues collected from reclaimed water customers billed at potable water rates. The percentage refunded represents the difference between the current West Basin wholesale potable water rate and the wholesale reclaimed water rate.

Palos Verdes Tariff Area

SERVICE TO PRIVATELY OWNED FIRE PROTECTION SYSTEMS

APPLICABILITY

Applicable to all water service furnished for privately owned fire protection systems.

TERRITORY

Palos Verdes Estates, Rolling Hills, Rolling Hills Estates, Lomita, Rancho Palos Verdes, and vicinity, Los Angeles County.

RATES

		<u>Per Month</u>	
For each	1-1/2-inch connection	\$ 9.75	(I)
For each	2-inch connection	13.00	
For each	3-inch connection	19.50	
For each	4-inch connection	26.00	
For each	6-inch connection	39.00	
For each	8-inch connection	52.00	
For each	10-inch connection	65.00	(I)

SPECIAL CONDITIONS

1. The facilities for service to a privately owned fire protection system will be installed by the Utility at the cost of the applicant. Such cost shall not be subject to refund.
2. If a distribution main of adequate size to serve a private fire protection system in addition to all other normal service does not exist in the street or alley adjacent to the premises to be served, then a service main from the nearest existing main of adequate capacity will be installed by the Utility at the cost of the applicant. Such cost shall not be subject to refund
3. Service hereunder is for private fire protection systems to which no connections for other than fire protection purposes are allowed and which are regularly inspected by the underwriters having jurisdiction, are installed according to specifications of the utility, and are maintained to the satisfaction of the Utility. The Utility may require the installation of a detector check valve with meter for protection against theft, leakage, or waste of water.
4. For water delivered for other than service to privately owned fire protection systems, charges will be made therefor under Schedule No. PV-1, General Metered Service.
5. The Utility will supply only such water at such pressure as may be available from time to time as a result of normal operation of Uility's system.
6. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

Schedule No. RV-CS-1
Redwood Valley Tariff Area
 (Coast Springs Division)
GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service where furnished on an annual basis.

TERRITORY

Dillon Beach and vicinity, located approximately 4 miles west of Tomales, Marin County.

RATES

Quantity Rates:			
Per 100 cu. ft.		\$ 14.0238	(I)
		Per Meter	
Service Charge:		<u>Per Month</u>	
For 5/8 x 3/4-inch meter		\$ 28.00	(I)
For 3/4-inch meter		42.00	
For 1-inch meter		70.00	
For 1-1/2-inch meter		140.00	
For 2-inch meter		224.00	
For 3-inch meter		420.00	
For 4-inch meter		700.00	(I)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rate.

SPECIAL CONDITIONS

1. The established billing cycle is every other month (bi-monthly).
2. Applicants requesting water service that would cause the Coast Springs water system to exceed 250 service connections, or such higher number of connections as DHS may subsequently allow under Coast Springs water system's domestic water supply permit, will be placed on a waiting list. Once additional service connections become available, applicants on the waiting list will be notified in the order they were received. Any previously accepted application for water service in the Coast Springs water system will be revoked if proof of a valid building permit is not provided within 18 months of acceptance of the application for water service or March 17, 2003, whichever is later. Applicants who have had their approval revoked in this manner will be placed at the end of the waiting list. This Special Condition shall expire on August 31, 2006 absent further order of the Commission. (T)
3. Any service to a residential customer not exceeding two units who requires a 1-inch meter only because of fire flow requirements to a fire sprinkler system will be billed at the above 5/8 x 3/4-inch meter service charge plus a \$2.50 surcharge.
4. All bills are subject to the reimbursement fee set forth on Schedules No. UF and DHS-1.
5. Two residential water connections are reserved for the property formerly owned by Cynthia Christopher and Geronima Belen and subsequently sold to the Saint Anthony's Monastery. Those two reserved connections are exempt from the requirement to provide a building permit within 18 months or be dropped from the approved service connections list.
6. All bills are subject to credits as shown on Schedule RSF. (N)
7. Qualifying low-income customers are eligible for credits as shown on Schedule RSF. (N)
8. All bills are subject to the surcharge shown on Schedule RSF except bills to customers enrolled in the low-income RSF program. (N)
(N)

Schedule No. RV-LC-1

Redwood Valley Tariff Area
(Lucerne Division)

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The community of Lucerne in Lake County.

RATES

Quantity Rates:

Per 100 cu. ft.	\$ 5.1628	(I)
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Service Charge:

	Per Meter Per Month	SDWBA Monthly Meter Surcharge	
For 5/8 x 3/4-inch meter	\$ 30.90	\$ 4.60	(I)
For 3/4-inch meter	46.35	6.90	
For 1-inch meter	77.25	11.50	
For 1 1/2-inch meter	154.50	23.00	
For 2-inch meter	247.20	36.80	
For 3-inch meter	463.50	69.00	
For 4-inch meter	772.50		
For 6-inch meter	1,545.00		(I)

SDWBA SERVICE FEE FOR NEW SERVICE

For 5/8 x 3/4-inch meter	\$ 1,000.00	maximum
For 3/4-inch meter	1,000.00	maximum
For 1-inch meter	2,500.00	maximum
For 1 1/2-inch meter	5,000.00	maximum
For 2-inch meter	8,000.00	maximum
For 3-inch meter	15,000.00	maximum
For mobile home park space	500.00	maximum

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rate.

SPECIAL CONDITIONS

1. The SDWBA (Safe Drinking Water Bond Act) monthly surcharge for mobile home parks is \$1.85 per space for all meters. The surcharge is in addition to the regular monthly metered water bill. The total monthly surcharge must be identified on each bill. This surcharge is specifically for the repayment of the California SDWBA loan authorized by Decision No. 92711. It shall apply only to service rendered on or after December 1, 1981.
2. A late charge will be imposed per Schedule No. RV-6.
3. In accordance with Section 2714 of the California Public Utilities Code, if a tenant in a rental unit leaves owing the company, service to subsequent tenants in that unit will, at the company's option, be furnished on the account of the landlord or property owner.
4. The amount of the Service Fee for New Service shall be equal to the accumulated total of the monthly surcharge, which would have been applicable to such service from the effective date of surcharge implementation until date of new service. The accumulated service fee shall not exceed maximum charges listed in the table above and shall only apply to previously unserved lots.
5. All bills are subject to the reimbursement fee set forth on Schedules No. UF and DHS-1.
6. All bills are subject to credits as shown on Schedule RSF. (N)
7. Qualifying low-income customers are eligible for credits as shown on Schedule RSF. (N)
8. All bills are subject to the surcharge shown on Schedule RSF except bills to customers enrolled in the low-income RSF program. (N)

Schedule No. RV-LC-4

Redwood Valley Tariff Area
(Lucerne Service Area)

PRIVATE FIRE PROTECTION SERVICE

APPLICABILITY

Applicable to all water service furnished for privately owned fire protection systems.

TERRITORY

Lucerne and vicinity, Lake County.

RATES

		<u>Per Month</u>	
For	4-inch connection	26.00	(I)
For	6-inch connection	39.00	
For	8-inch connection	52.00	
For	10-inch connection	65.00	(I)

SPECIAL CONDITIONS

1. Service hereunder is for private fire protection systems to which no connections for other than fire protection purposes are allowed and which are regularly inspected by the underwriters having jurisdiction, are installed according to specifications of the Utility, and are maintained to the satisfaction of the Utility. The Utility may require the installation of a detector check valve with meter for protection against theft, leakage, or waste of water.
2. The Utility will supply only such water at such pressure as may be available from time to time as a result of normal operation of Utility's system.
3. All bills are subject to the reimbursement fee set forth on Schedule Nos. UF. (T)

Schedule No. RV-RP-1

Redwood Valley Tariff Area
(Rancho Del Paradiso Division)

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service where furnished on an annual basis.

TERRITORY

The unincorporated area known as Rancho Del Paradiso Subdivision near Duncan Mills, Sonoma County.

RATES

Quantity Rates:				
	Per 100 cu. ft.	\$ 6.5784		(I)
			SDBWA	
			Yearly Meter	
			Surcharge	
Service Charge:		Per Meter		
		<u>Per Month</u>		
	For 5/8 x 3/4-inch meter	\$ 43.75	\$ 62.00	(I)
	For 3/4-inch meter	65.63	94.00	
	For 1-inch meter	109.38	156.00	
	For 1-1/2-inch meter	218.75	156.00	
	For 2-inch meter	350.00	156.00	
	For 3-inch meter	656.25	156.00	
	For 4-inch meter	1,093.75	156.00	(I)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rate.

SPECIAL CONDITIONS

1. The annual service charge applies to service during the twelve-month period commencing July 1, and is due in advance. If a permanent resident of the area has been a customer of the utility for at least twelve months, he may elect at the beginning of each year to pay prorated service charges in advance at intervals of less than one year in accordance with the utility's established billing cycle.
2. The opening bill for metered service, except from conversion from flat rate service, shall be the established annual service charge for the service. Where initial service is established after the first day of any year, the portion of such annual charge applicable to the current year shall be determined by multiplying the annual charge by one three-hundred-sixty-fifth (1/365) of the number of days remaining in the year. The balance of the payment of the initial annual charge shall be credited against the charges for the succeeding annual period. If service is not continued for at least one year after the period of initial service, no refund of the initial annual charges shall be due the customer.
3. The established billing cycle is every other month (bi-monthly). The billing cycle may be at longer intervals during the winter season.
4. The SDWBA (Safe Drinking Water Bond Act) surcharge is in addition to the water bill. This surcharge shall be identified on each bill. The surcharge is specifically for the repayment of the California SDWBA loan authorized by Decision No. 84-09-045.
5. All bills are subject to the reimbursement fee set forth on Schedules No. UF and DHS-1.
6. A late charge will be imposed per Schedule No. RV-6.
7. In accordance with Section 2714 of the California Public Utilities Code, if a tenant in a rental unit leaves owing the company, service to subsequent tenants in that unit will, at the company's option, be furnished on the account of the landlord or property owner.
8. All bills are subject to credits as shown on Schedule RSF. (N)
9. Qualifying low-income customers are eligible for credits as shown on Schedule RSF. (N)
10. All bills are subject to the surcharge shown on Schedule RSF except bills to customers enrolled in the low-income RSF program. (N)

Schedule No. RV-HW-1

Redwood Valley Tariff Area
(Hawkins Division)

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Broadmoor Acres Subdivision and vicinity near the intersection of Stony Point Road and Yuba Drive, Santa Rosa, Sonoma County.

RATES

Quantity Rates:			
Per 100 cu. ft.		\$ 6.5784	(I)
Service Charge:		<u>Per Meter</u>	
		<u>Per Month</u>	
For 5/8 x 3/4-inch meter		\$ 43.75	(I)
For 3/4-inch meter		65.63	
For 1-inch meter		109.38	
For 1-1/2-inch meter		218.75	
For 2-inch meter		350.00	
For 3-inch meter		656.25	
For 4-inch meter		1,093.75	(I)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rate.

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedules No. UF. (T)
2. A late charge will be imposed per Schedule No. RV-6.
3. In accordance with Section 2714 of the California Public Utilities Code, if a tenant in a rental unit leaves owing the company, service to subsequent tenants in that unit will, at the company's option, be furnished on the account of the landlord or property owner.
4. All bills are subject to credits as shown on Schedule RSF. (N)
5. Qualifying low-income customers are eligible for credits as shown on Schedule RSF. (N)
6. All bills are subject to the surcharge shown on Schedule RSF except bills to customers enrolled in the low-income RSF program. (N)

Schedule No. RV-NH-1

Redwood Valley Tariff Area
(Noel Heights Division)

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service where furnished on an annual basis.

TERRITORY

The unincorporated area known as Noel Heights Subdivision, located on the east side of State Highway 116, approximately 2.5 miles southeasterly of the Guerneville City limits, Sonoma County.

RATES

Quantity Rates:				
	Per 100 cu. ft.	\$ 6.5784		(I)
			SDBWA	
			Yearly Meter	
Service Charge:		<u>Per Meter</u>	<u>Surcharge</u>	
		<u>Per Month</u>		
	For 5/8 x 3/4-inch meter	\$ 43.75	\$ 38.00	(I)
	For 3/4-inch meter	65.63	57.00	
	For 1-inch meter	109.38	96.00	
	For 1-1/2-inch meter	218.75	191.00	
	For 2-inch meter	350.00	306.00	
	For 3-inch meter	656.25	306.00	
	For 4-inch meter	1,093.75	306.00	(I)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rate.

SPECIAL CONDITIONS

1. The annual service charge applies to service during the twelve-month period commencing July 1, and is due in advance. If a permanent resident of the area has been a customer of the utility for at least twelve months, he may elect at the beginning of each year to pay prorated service charges in advance at intervals of less than one year in accordance with the utility's established billing cycle.
2. The opening bill for metered service, except from conversion from flat rate service, shall be the established annual service charge for the service. Where initial service is established after the first day of any year, the portion of such annual charge applicable to the current year shall be determined by multiplying the annual charge by one three-hundred-sixty-fifth (1/365) of the number of days remaining in the year. The balance of the payment of the initial annual charge shall be credited against the charges for the succeeding annual period. If service is not continued for at least one year after the period of initial service, no refund of the initial annual charges shall be due the customer.
3. The established billing cycle is every other month (bi-monthly). The billing cycle may be at longer intervals during the winter season.
4. The SDWBA (Safe Drinking Water Bond Act) surcharge is in addition to the water bill. This surcharge shall be identified on each bill. The surcharge is specifically for the repayment of the California SDWBA loan authorized by Decision No. 82-09-063.
5. All bills are subject to the reimbursement fee set forth on Schedules No. UF and DHS-1.
6. A late charge will be imposed per Schedule No. RV-6.
7. In accordance with Section 2714 of the California Public Utilities Code, if a tenant in a rental unit leaves owing the company, service to subsequent tenants in that unit will, at the company's option, be furnished on the account of the landlord or property owner.
8. All bills are subject to credits as shown on Schedule RSF. (N)
9. Qualifying low-income customers are eligible for credits as shown on Schedule RSF. (N)
10. All bills are subject to the surcharge shown on Schedule RSF except bills to customers enrolled in the low-income RSF program. (N)

Schedule No. RV-AR-1
Redwood Valley Tariff Area
 (Armstrong Division)

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service where furnished on an annual basis.

TERRITORY

The unincorporated community of Armstrong Woods Valley, Lone Mountain subdivision and vicinity, located approximately 1.5 miles north of the City limits of Guerneville, Sonoma County.

RATES

Quantity Rates:				
	Per 100 cu. ft.	\$ 6.5784		(I)
Service Charge:			SDBWA	
		Per Meter	Yearly Meter	
		<u>Per Month</u>	<u>Surcharge</u>	
	For 5/8 x 3/4-inch meter	\$ 43.75	\$ 61.00	(I)
	For 3/4-inch meter	65.63	91.00	
	For 1-inch meter	109.38	151.00	
	For 1-1/2-inch meter	218.75	303.00	
	For 2-inch meter	350.00	484.00	
	For 3-inch meter	656.25	908.00	
	For 4-inch meter	1,093.75	908.00	(I)

The Service Charge is a readiness-to-serve charge which is applicable to all metered service and to which is added the charge for water used computed at the Quantity Rate.

SPECIAL CONDITIONS

1. The annual service charge applies to service during the twelve-month period commencing July 1, and is due in advance. If a permanent resident of the area has been a customer of the utility for at least twelve months, he may elect at the beginning of each year to pay prorated service charges in advance at intervals of less than one year in accordance with the utility's established billing cycle.
2. The opening bill for metered service, except from conversion from flat rate service, shall be the established annual service charge for the service. Where initial service is established after the first day of any year, the portion of such annual charge applicable to the current year shall be determined by multiplying the annual charge by one three-hundred-sixty-fifth (1/365) of the number of days remaining in the year. The balance of the payment of the initial annual charge shall be credited against the charges for the succeeding annual period. If service is not continued for at least one year after the period of initial service, no refund of the initial annual charges shall be due the customer.
3. The established billing cycle is every other month (bi-monthly). The billing cycle may be at longer intervals during the winter season.
4. The SDWBA (Safe Drinking Water Bond Act) surcharge is in addition to the water bill. This surcharge shall be identified on each bill. The surcharge is specifically for the repayment of the California SDWBA loan authorized by Decision No. 88-01-037.
5. In accordance with Section 2714 of the California Public Utilities Code, if a tenant in a rental unit leaves owing the company, service to subsequent tenants in that unit will, at the company's option, be furnished on the account of the landlord or property owner.
6. A late charge will be imposed per Schedule No. RV-6.
7. All bills are subject to the reimbursement fee set forth on Schedules No. UF. (T)
8. All bills are subject to credits as shown on Schedule RSF. (N)
9. Qualifying low-income customers are eligible for credits as shown on Schedule RSF. (N)
10. All bills are subject to the surcharge shown on Schedule RSF except bills to customers enrolled in the low-income RSF program. (N)

Schedule No. RSF

All Tariff Areas

RATE SUPPORT FUND

APPLICABILITY

Applicable to all water service except that provided for private fire protection service.

TERRITORY

All territories served.

QUANTITY RATE SURCHARGE

All water sold, Per 100 cu. ft. \$ 0.009

APPLICABILITY

Applicable to all metered customers except those participating in the RSF low-income support program shown below.

FLAT RATE SURCHARGE

Per Service Per Month:

Bakersfield District	\$0.36
Chico District	\$0.22
Marysville District	\$0.22
Oroville District	\$0.24
Selma District	\$0.35
Visalia District	\$0.22
Willows District	\$0.29

APPLICABILITY

Applicable to all residential flat rate customers except those participating in the RSF low-income support program shown below.

RATE SUPPORT FUND GENERAL SUPPORT SURCREDIT

Credit Per Service Per Month:

Antelope Valley District, Fremont Valley Service Area	\$ 8.50
Kern River Valley District	\$20.00
Redwood Valley District, Lucerne Tariff Area	\$17.00

Credit per 100 cu. ft.:

Redwood Valley District, Coast Springs Tariff Area	\$6.05
Redwood Valley District, Redwood Unified Tariff Area	\$1.76

RATE SUPPORT FUND LOW-INCOME SUPPORT SURCREDIT

Credit Per Service Per Month: \$10.00

APPLICABILITY

Applicable to all customers in the Antelope Valley, Kern River Valley, and Redwood Valley Districts who demonstrate they are CARE-eligible by presenting proof of enrollment in CARE, or by showing they meet eligibility requirements.

SPECIAL CONDITIONS

1. All surcharges and credits under this tariff shall be separately identified on customer bills.
2. In no instance should the total amount of the combined (general rate assistance plus low-income) subsidy received by a customer in any month exceed that customer's water bill for service received in that month.

APPENDIX D
BILL COMPARISONS

California Water Service Company
Antelope Valley District Bill Comparison *

Lancaster Rate Area

2006-2007 Rates

Usage Ccf		Present Rates	Adopted Rates	Increase Amount	Percent Increase
0		\$ 20.09	\$ 25.00	\$ 4.91	24.44%
10		\$ 30.47	\$ 39.41	\$ 8.94	29.34%
20		\$ 40.86	\$ 53.82	\$ 12.96	31.72%
30		\$ 51.24	\$ 68.22	\$ 16.98	33.14%
40	Avg	\$ 61.62	\$ 82.63	\$ 21.01	34.10%
50		\$ 72.01	\$ 97.04	\$ 25.03	34.76%

Lake Hughes, Leona Valley, and Fremont Valley

2006-2007 Rates

Usage Ccf		Present Rates	Adopted Rates	Increase Amount	Percent Increase
0		\$ 20.09	\$ 25.00	\$ 4.91	24.44%
10		\$ 37.52	\$ 48.77	\$ 11.25	29.98%
20		\$ 54.94	\$ 72.55	\$ 17.61	32.05%
27	Avg	\$ 67.14	\$ 89.19	\$ 22.05	32.84%
30		\$ 72.37	\$ 96.32	\$ 23.95	33.09%
50		\$ 107.22	\$ 143.87	\$ 36.65	34.18%

Fremont Valley Shown including General RSF Credit

2006-2007 Rates

Usage Ccf		Present Rates	Adopted Rates	Increase Amount	Percent Increase
0		\$ 20.09	\$ 16.50	\$ -3.59	-17.87%
10		\$ 37.52	\$ 40.27	\$ 2.75	7.33%
20		\$ 54.94	\$ 64.05	\$ 9.11	16.58%
27	Avg	\$ 67.14	\$ 80.69	\$ 13.55	20.18%
30		\$ 72.37	\$ 87.82	\$ 15.45	21.35%
50		\$ 107.22	\$ 135.37	\$ 28.15	26.25%

* Metered comparison based on 5/8 x 3/4 inch service

Note: Rates do not include CPUC fees or other surcharges that may appear on customers bills.

California Water Service Company
Bear Gulch District Bill Comparison *

2006-2007 Rates					
Usage Ccf		Present Rates	Adopted Rates	Increase Amount	Percent Increase
0		\$ 12.55	\$ 12.95	\$ 0.40	3.19%
10		\$ 37.06	\$ 37.78	\$ 0.72	1.94%
20		\$ 61.57	\$ 62.60	\$ 1.03	1.67%
30		\$ 86.08	\$ 87.43	\$ 1.35	1.57%
28	Avg	\$ 81.18	\$ 82.46	\$ 1.28	1.58%
50		\$ 135.11	\$ 137.08	\$ 1.97	1.46%

* Metered comparison based on 5/8 x 3/4 inch service

Note: Rates do not include CPUC fees or other surcharges that may appear on customers bills.

California Water Service Company
Dominguez-South Bay District Bill Comparison *

2006-2007 Rates					
Usage Ccf		Present Rates	Adopted Rates	Increase Amount	Percent Increase
0		\$ 6.85	\$ 7.15	\$ 0.30	4.38%
5		\$ 14.44	\$ 14.97	\$ 0.53	3.67%
10		\$ 22.02	\$ 22.78	\$ 0.76	3.45%
15		\$ 29.61	\$ 30.60	\$ 0.99	3.34%
16	Avg	\$ 31.13	\$ 32.16	\$ 1.03	3.31%
20		\$ 37.20	\$ 38.41	\$ 1.21	3.25%

* Metered comparison based on 5/8 x 3/4 inch service

Note: Rates do not include CPUC fees or other surcharges that may appear on customers bills.

California Water Service Company
Hermosa-Redondo District Bill Comparison *

2006-2007 Rates					
Usage Ccf		Present Rates	Adopted Rates	Increase Amount	Percent Increase
0		\$ 7.80	\$ 7.35	\$ -0.45	-5.77%
5		\$ 18.34	\$ 18.21	\$ -0.13	-0.71%
10		\$ 28.88	\$ 29.07	\$ 0.19	0.66%
13	Avg	\$ 35.20	\$ 35.59	\$ 0.39	1.11%
15		\$ 39.42	\$ 39.93	\$ 0.51	1.29%
20		\$ 49.96	\$ 50.79	\$ 0.83	1.66%

* Metered comparison based on 5/8 x 3/4 inch service

Note: Rates do not include CPUC fees or other surcharges that may appear on customers bills.

California Water Service Company
Kern River Valley District Bill Comparison *

2006-2007 Rates					
Usage Ccf		Present Rates	Adopted Rates	Increase Amount	Percent Increase
0		\$ 19.17	\$ 24.00	\$ 4.83	25.20%
5		\$ 32.47	\$ 41.82	\$ 9.35	28.80%
10		\$ 45.76	\$ 59.63	\$ 13.87	30.31%
11	Avg	\$ 48.42	\$ 63.19	\$ 14.77	30.50%
15		\$ 59.06	\$ 77.45	\$ 18.39	31.14%
20		\$ 72.35	\$ 95.26	\$ 22.91	31.67%

* Metered comparison based on 5/8 x 3/4 inch service

Note: Rates do not include CPUC fees or other surcharges that may appear on customers bills.

California Water Service Company
Marysville District Bill Comparison *

2006-2007 Rates					
Usage Ccf		Present Rates	Adopted Rates	Increase Amount	Percent Increase
0		\$ 9.90	\$ 10.30	\$ 0.40	4.04%
5		\$ 13.76	\$ 14.44	\$ 0.68	4.94%
10		\$ 17.62	\$ 18.57	\$ 0.95	5.39%
15		\$ 21.47	\$ 22.71	\$ 1.24	5.78%
17	Avg	\$ 23.02	\$ 24.37	\$ 1.35	5.86%
20		\$ 25.33	\$ 26.85	\$ 1.52	6.00%
<hr/>					
Flat Rates					
6,000 sq. ft. or less		\$ 22.50	\$ 23.62	\$ 1.12	4.98%

* Metered comparison based on 5/8 x 3/4 inch service

Note: Rates do not include CPUC fees or other surcharges that may appear on customers bills.

California Water Service Company
Palos Verdes District Bill Comparison *

2006-2007 Rates					
Usage Ccf		Present Rates	Adopted Rates	Increase Amount	Percent Increase
0		\$ 9.65	\$ 10.50	\$ 0.85	8.81%
10		\$ 32.09	\$ 33.42	\$ 1.33	4.14%
15		\$ 43.31	\$ 44.89	\$ 1.58	3.65%
20		\$ 54.52	\$ 56.35	\$ 1.83	3.36%
28	Avg	\$ 72.47	\$ 74.69	\$ 2.22	3.06%
40		\$ 99.40	\$ 102.20	\$ 2.80	2.82%

* Metered comparison based on 5/8 x 3/4 inch service

Note: Rates do not include CPUC fees or other surcharges that may appear on customers bills.

California Water Service Company
Redwood Valley District, Coast Springs Rate Area Bill Comparison *

2006-2007 Rates					
Usage Ccf		Present Rates	Adopted Rates	Increase Amount	Percent Increase
0		\$ 13.32	\$ 28.00	\$ 14.68	110.21%
1		\$ 18.09	\$ 42.02	\$ 23.93	132.28%
2	Avg	\$ 22.86	\$ 56.05	\$ 33.19	145.19%
5		\$ 37.17	\$ 98.12	\$ 60.95	163.98%
8		\$ 51.48	\$ 140.19	\$ 88.71	172.32%
15		\$ 84.88	\$ 238.36	\$ 153.48	180.82%

* Metered comparison based on 5/8 x 3/4 inch service

Note: Rates do not include CPUC fees or other surcharges that may appear on customers bills.

Rates Shown below including Rate Support Fund Credit

2006-2007 Rates					
Usage Ccf		Present Rates	Adopted Rates	Increase Amount	Percent Increase
0		\$ 13.32	\$ 28.00	\$ 14.68	110.21%
1		\$ 18.09	\$ 35.97	\$ 17.88	98.84%
2	Avg	\$ 22.86	\$ 43.95	\$ 21.09	92.26%
5		\$ 37.17	\$ 67.87	\$ 30.70	82.59%
8		\$ 51.48	\$ 91.79	\$ 40.31	78.30%
15		\$ 84.88	\$ 147.61	\$ 62.73	73.90%

California Water Service Company
Lucerne Service Area

2006-2007 Rates					
Usage Ccf		Present Rates	Adopted Rates	Increase Amount	Percent Increase
0		\$ 14.64	\$ 30.90	\$ 16.26	111.07%
5		\$ 25.87	\$ 56.71	\$ 30.84	119.21%
7	Avg	\$ 30.36	\$ 67.04	\$ 36.68	120.82%
10		\$ 37.10	\$ 82.53	\$ 45.43	122.45%
15		\$ 48.33	\$ 108.34	\$ 60.01	124.17%
20		\$ 59.55	\$ 134.16	\$ 74.61	125.29%

* Metered comparison based on 5/8 x 3/4 inch service

Note: Rates do not include CPUC fees or other surcharges that may appear on customers bills.

Rates Shown Below Including Rate Support Fund Credit

2006-2007 Rates					
Usage Ccf		Present Rates	Adopted Rates	Increase Amount	Percent Increase
0		\$ 14.64	\$ 13.90	\$ -0.74	-5.05%
5		\$ 25.87	\$ 39.71	\$ 13.84	53.50%
7	Avg	\$ 30.36	\$ 50.04	\$ 19.68	64.82%
10		\$ 37.10	\$ 65.53	\$ 28.43	76.63%
15		\$ 48.33	\$ 91.34	\$ 43.01	88.99%
20		\$ 59.55	\$ 117.16	\$ 57.61	96.74%

California Water Service Company
Redwood Valley District, Redwood Unified Rate Area Comparison *

2006-2007 Rates					
Usage Ccf		Present Rates	Adopted Rates	Increase Amount	Percent Increase
0		\$ 24.02	\$ 43.75	\$ 19.73	82.14%
5		\$ 42.47	\$ 76.64	\$ 34.17	80.46%
8	Avg	\$ 53.54	\$ 96.38	\$ 42.84	80.01%
10		\$ 60.92	\$ 109.53	\$ 48.61	79.79%
15		\$ 79.36	\$ 142.43	\$ 63.07	79.47%
20		\$ 97.81	\$ 175.32	\$ 77.51	79.25%

* Metered comparison based on 5/8 x 3/4 inch service

Note: Rates do not include CPUC fees or other surcharges that may appear on customers bills.

Rates Shown Below Including Rate Support Fund Credit

2006-2007 Rates					
Usage Ccf		Present Rates	Adopted Rates	Increase Amount	Percent Increase
0		\$ 24.02	\$ 43.75	\$ 19.73	82.14%
5		\$ 42.47	\$ 67.84	\$ 25.37	59.74%
8	Avg	\$ 53.54	\$ 82.30	\$ 28.76	53.72%
10		\$ 60.92	\$ 91.93	\$ 31.01	50.90%
15		\$ 79.36	\$ 116.03	\$ 36.67	46.21%
20		\$ 97.81	\$ 140.12	\$ 42.31	43.26%

APPENDIX E

ADOPTED QUANTITIES AND CALCULATIONS

California Water Service Company
Antelope Valley District

Adopted Quantities

Number of Services by meter size:	2006-2007	
	5/8 x 3/4	1,099
	3/4	46
	1	199
	1 1/2	8
	2	7
	3	1
	4	-
	6	-
	8	-
	10	-
	TOTAL	1,359

Metered Sales, KCcf	
Potable	560.4

Number of Services and Use:

	<u>Avg Services</u>	<u>Use, KCcf</u>	<u>Avg Use, Ccf/Sv/Mo</u>
	2006-2007	2006-2007	2006-2007
Residential	1,291	520.4	33.6
Business	43	23.9	46.4
Multi-family	8	2.0	20.8
Industrial	-	-	-
Public Authority	12	13.4	93.0
Other	2	0.8	32.9
Sub-Total	<u>1,356</u>	<u>560.4</u>	
Commercial Flat	1	-	
Private Fire Prot.	7		
Public Fire Prot.	-		
TOTAL	<u>1,364</u>	<u>560.4</u>	
Losses, 8.00%		48.7	
Total Production		<u>609.2</u>	

CALIFORNIA WATER SERVICE COMPANY
ANTELOPE VALLEY DISTRICT

ADOPTED QUANTITIES

2006-7
(DOLLARS IN THOUSANDS)

PURCHASED POWER

Average Cost Per kWh (SCE Rates Effective 8/5/04)	\$0.0975
Kilowatt-hours per KCcf	1943.1
Production, KCcf	609.1
 Total Power Cost	 \$115.4

PURCHASED WATER

Antelope Valley East Kern Water District

Purchased Quantity (AF)	750
Cost per AF	\$220.00
 Total Purchased Water Cost	 \$165.0

Net-to-Gross Multiplier

UNCOLLECTABLES RATE	0.21436%
FRANCHISE TAX RATE	0.13360%
BUSINESS LICENSE FEE RATE	0.00000%
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.78684

CALIFORNIA WATER SERVICE CO.
ANTELOPE VALLEY DISTRICT

INCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

2006-2007

OPERATING REVENUE (PRESENT RATES)	1,184.8
EXPENSES	
PURCHASED WATER	165.0
PURCHASED POWER	115.4
PUMP TAXES	0.0
CHEMICALS	4.0
PAYROLL	184.8
OTHER O & M	239.0
OTHER A & G	18.9
G.O. PRORATIONS	94.8
PAYROLL TAXES	17.3
AD VALOREM TAXES	28.4
UNCOLLECTIBLES	2.5
FRANCHISE TAX & BUS LIC. FEES	1.6
TRANSPORTATION DEPRECIATION ADJUSTMENT	(49.8)
INTEREST EXPENSE	113.1
TOTAL DEDUCTIONS	935.0
STATE INCOME TAX	
STATE TAX DEPRECIATION	192.9
NET STATE TAXABLE INCOME	57.0
STATE CORP. FRANCHISE TAX @ 8.84%	5.0
FEDERAL INCOME TAX	
FEDERAL TAX DEPRECIATION	126.8
STATE INCOME TAX	7.5
LESS PREFERRED STOCK DIVIDEND	0.3
NET FEDERAL TAXABLE INCOME	115.3
FEDERAL INCOME TAX @ 35.00%	40.4
INVESTMENT TAX CREDIT	0.0
TOTAL FEDERAL INCOME TAX	40.4
TOTAL INCOME TAXES	45.4

CALIFORNIA WATER SERVICE CO.
ANTELOPE VALLEY DISTRICT

INCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

2006-2007

OPERATING REVENUE (PROPOSED RATES)	1,570.5
EXPENSES	
PURCHASED WATER	165.0
PURCHASED POWER	115.4
PUMP TAXES	0.0
CHEMICALS	4.0
PAYROLL	184.8
OTHER O & M	239.0
OTHER A & G	18.9
G.O. PRORATIONS	94.8
PAYROLL TAXES	17.3
AD VALOREM TAXES	28.4
UNCOLLECTIBLES	3.4
FRANCHISE TAX & BUS LIC. FEES	2.1
TRANSPORTATION DEPRECIATION ADJUSTMENT	(49.8)
INTEREST EXPENSE	113.1
TOTAL DEDUCTIONS	936.4
STATE INCOME TAX	
STATE TAX DEPRECIATION	192.9
NET STATE TAXABLE INCOME	441.2
STATE CORP. FRANCHISE TAX @ 8.84%	39.0
FEDERAL INCOME TAX	
FEDERAL TAX DEPRECIATION	126.8
STATE INCOME TAX	14.9
LESS PREFERRED STOCK DIVIDEND	0.3
NET FEDERAL TAXABLE INCOME	492.2
FEDERAL INCOME TAX @ 35.00%	172.3
INVESTMENT TAX CREDIT	0.0
TOTAL FEDERAL INCOME TAX	172.3
TOTAL INCOME TAXES	211.3

California Water Service Company
Bear Gulch District

Adopted Quantities

Number of Services by meter size:	2006-2007	
	5/8 x 3/4	11,161
	3/4	9
	1	4,644
	1 1/2	1,271
	2	609
	3	42
	4	16
	6	9
	8	-
	10	-
	TOTAL	17,760

Metered Sales, KCcf	
Potable	6,203.3

Number of Services and Use:

	Avg Services	Use, KCcf	Avg Use, Ccf/Sv/Mo
	2006-2007	2006-2007	2006-2007
Residential	16,277	5,340.7	27.3
Business	1,291	624.2	40.3
Multi-family	64	111.6	145.3
Industrial	1	2.9	-
Public Authority	95	120.1	105.3
Other	30	3.9	11.0
Sub-Total	<u>17,758</u>	<u>6,203.3</u>	
Residential Flat	-	-	
Private Fire Prot.	267		
Public Fire Prot.	15		
TOTAL	<u>18,040</u>	<u>6,203.3</u>	
Losses	2.58%	164.5	
Total Production		<u>6,367.8</u>	

CALIFORNIA WATER SERVICE COMPANY
BEAR GULCH DISTRICT

ADOPTED QUANTITIES

2006-7
(DOLLARS IN THOUSANDS)

PURCHASED POWER

a) PRODUCTION - KCCF	6,367.8
b) KILOWATT HOURS per KCCF	842.8
c) KILOWATT HOURS (computed)	5,366,510.4
d) COST PER KWH (PG&E Rates Eff. 1/1/06)	\$0.1394

TOTAL PURCHASED POWER \$747.8

PURCHASED WATER

SUPPLIER - SAN FRANCISCO WATER DEPT.	
PURCHASED WATER PRODUCTION - KCCF	5908.7
UNIT COST OF S.F.W.D. RATES - CCF (Rates Eff. 7/1/05)	\$1.02
S.F.W.D. FIXED ANNUAL SERVICE CHARGES	185.1
QUANTITY CHARGES	\$6,026.9

TOTAL PURCHASED WATER **\$6,212.0**

UNCOLLECTABLES RATE	0.06613%
FRANCHISE TAX RATE	0.74300%
BUSINESS LICENSE FEE RATE	0.09991%
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.79695

CALIFORNIA WATER SERVICE CO.
BEAR GULCH DISTRICT

INCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

2006-2007

OPERATING REVENUE (PRESENT RATES)	19,416.7
EXPENSES	
PURCHASED WATER	6,212.0
PURCHASED POWER	747.8
PUMP TAXES	0.0
CHEMICALS	28.2
PAYROLL	1,752.7
OTHER O & M	1,421.6
OTHER A & G	268.4
G.O. PRORATIONS	2,469.4
PAYROLL TAXES	163.7
AD VALOREM TAXES	393.7
UNCOLLECTIBLES	12.8
FRANCHISE TAX & BUS LIC. FEES	156.8
TRANSPORTATION DEPRECIATION ADJUSTMENT	(65.8)
INTEREST EXPENSE	1,205.1
TOTAL DEDUCTIONS	14,766.3
STATE INCOME TAX	
STATE TAX DEPRECIATION	2,357.9
NET STATE TAXABLE INCOME	2,292.6
STATE CORP. FRANCHISE TAX @ 8.84%	202.7
FEDERAL INCOME TAX	
FEDERAL TAX DEPRECIATION	1,428.7
STATE INCOME TAX	241.1
LESS PREFERRED STOCK DIVIDEND	4.2
NET FEDERAL TAXABLE INCOME	2,976.5
FEDERAL INCOME TAX @ 35.00%	1,041.8
INVESTMENT TAX CREDIT	0.0
TOTAL FEDERAL INCOME TAX	1,041.8
TOTAL INCOME TAXES	1,244.5

CALIFORNIA WATER SERVICE CO.
BEAR GULCH DISTRICT

INCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

2006-2007

OPERATING REVENUE (PROPOSED RATES)	19,822.2
EXPENSES	
PURCHASED WATER	6,212.0
PURCHASED POWER	747.8
PUMP TAXES	0.0
CHEMICALS	28.2
PAYROLL	1,752.7
OTHER O & M	1,421.6
OTHER A & G	268.4
G.O. PRORATIONS	2,469.4
PAYROLL TAXES	156.8
AD VALOREM TAXES	393.7
UNCOLLECTIBLES	13.1
FRANCHISE TAX & BUS LIC. FEES	167.0
TRANSPORTATION DEPRECIATION ADJUSTMENT	(65.8)
INTEREST EXPENSE	1,205.1
TOTAL DEDUCTIONS	14,769.9
STATE INCOME TAX	
STATE TAX DEPRECIATION	2,357.9
NET STATE TAXABLE INCOME	2,694.4
STATE CORP. FRANCHISE TAX @ 8.84%	238.2
FEDERAL INCOME TAX	
FEDERAL TAX DEPRECIATION	1,428.7
STATE INCOME TAX	243.7
LESS PREFERRED STOCK DIVIDEND	4.2
NET FEDERAL TAXABLE INCOME	3,375.8
FEDERAL INCOME TAX @ 35.00%	1,181.5
INVESTMENT TAX CREDIT	0.0
TOTAL FEDERAL INCOME TAX	1,181.5
TOTAL INCOME TAXES	1,419.7

California Water Service Company
Dominguez-South Bay District

Adopted Quantities

Number of Services by meter size:	2006-2007	
	5/8 x 3/4	28,849
	3/4	-
	1	1,228
	1 1/2	815
	2	1,446
	3	242
	4	58
	6	32
	8	26
	10	36
	TOTAL	32,731

Metered Sales, KCcf	
Potable	16,093.3
Recycled	1,421.8

Number of Services and Use:

	Avg Services	Use, KCcf	Avg Use, Ccf/Sv/Mo
	2006-2007	2006-2007	2006-2007
Residential	28,291	5,414.8	16.0
Business	2,998	4,295.7	119.4
Multi-family	930	1,497.5	134.3
Industrial	171	3,895.1	1,903.8
Public Authority	271	913.2	281.3
Other	58	77.0	111.6
Recycled	13	1,421.8	9,478.7
Sub-Total	32,729	17,515.1	
Residential Flat			
Private Fire Prot.	1,077		
Public Fire Prot.	-		
TOTAL	33,806	17,515.1	
Losses, 2.53%		454.8	
Total Production		17,969.9	

CALIFORNIA WATER SERVICE COMPANY
DOMINGUEZ-SOUTH BAY DISTRICT

ADOPTED QUANTITIES

2006-7
(DOLLARS IN THOUSANDS)

PURCHASED WATER

PURCHASED WATER - ACRE FEET	33,626.5
QUANTITY SPLITS BY CATEGORY	
WEST BASIN - TIER 1 - ACRE FEET - 20156.0 maximum	20,156.0
WEST BASIN - TIER 2 - ACRE FEET	7,896.1
CITY OF TORRANCE - ACRE FEET	1,000.0
DESALTER - ACRE FEET	1,500.0
RECYCLED WATER - REVERSE OSMOSIS - ACRE FEET	2,468.0
RECYCLED WATER - NITRIFIED -ACRE FEET	522.0
RECYCLED WATER - TITLE 22	84.4
RATES BY CATEGORY	
WEST BASIN - TIER 1 per acre foot	\$535.00
WEST BASIN - TIER 2 per acre foot	\$616.00
CITY OF TORRANCE - per acre foot	\$468.27
DESALTER - per acre foot	\$409.00
RECYCLED WATER - REVERSE OSMOSIS - per acre foot	\$549.00
RECYCLED WATER - NITRIFIED - per acre foot	\$283.00
RECYCLED WATER - TITLE 22	\$303.00
QUANTITY CHARGES \$ in Thousands	
WEST BASIN - TIER 1	10,783.5
WEST BASIN - TIER 2	4,864.0
CITY OF TORRANCE -	468.3
DESALTER -	613.5
RECYCLED WATER - REVERSE OSMOSIS -	1,354.9
RECYCLED WATER - NITRIFIED -	147.7
RECYCLED WATER - TITLE 22	25.6
CAPACITY CHARGES (\$27265 per month)	327.2
CITY OF TORRANCE METER CHARGES	2.2
WEST BASIN METER CHARGES (\$11,200 per month)	38.4
Purchased Water Offset for leasing unpumped rights	
West Basin	
Lease Rate	75.0
Unpumped rights -- West Basin	6,100.5
Credit to Purchased Water from Leasing	-457.5
Central Basin	
Lease Rate	175.0
Unpumped rights -- West Basin	3,240.0
Credit to Purchased Water from Leasing	-567.0
Purchased Water Offset from leasing unpumped rights	-1,024.5
TOTAL PURCHASED WATER -- \$THOUS	17,600.7

CALIFORNIA WATER SERVICE COMPANY
DOMINGUEZ-SOUTH BAY DISTRICT

ADOPTED QUANTITIES

2006-7
(DOLLARS IN THOUSANDS)

GROUNDWATER CHARGES

WELL PRODUCTION:

COMPANY WELLS -ACRE FEET CENTRAL BASIN	3310
COMPANY WELLS -ACRE FEET WEST BASIN	4317

UNIT COST PER ACRE FOOT FOR CENTRAL BASIN	\$128.25
UNIT COST PER ACRE FOOT FOR WEST BASIN	\$128.25

GROUND WATER CHARGES - CENTRAL BASIN	424.5
GROUND WATER CHARGES - WEST BASIN	553.7

WEST BASIN WATERMASTER SERVICE	40.9
CENTRAL BASIN WATERMASTER SERVICE	14.5

TOTAL GROUND WATER CHARGES - \$ in THOUS.	1033.6
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PURCHASED POWER

BOOSTER POWER

a)TOTAL PRODUCTION - KCCF	17,969.9
b) KILOWATT HOURS per KCCF	133.3
c) KILOWATT HOURS	2,395,439
d) COST PER KWH (SCE RATES EFF 8/1/04)	\$0.0773

WELL POWER

a)TOTAL PRODUCTION - KCCF	3,322.3
b) KILOWATT HOURS per KCCF	1607.0
c) KILOWATT HOURS	5,338,970
d) COST PER KWH (SCE RATES EFF 8/1/04)	\$0.0854

TOTAL POWER REQUIREMENTS

a)TOTAL PRODUCTION - KCCF	17,969.9
b) KILOWATT HOURS per KCCF	430.4
c) KILOWATT HOURS	7,734,409.0
d) COST PER KWH (SCE RATES EFF 8/1/04)	\$0.0829

TOTAL POWER CHARGES - \$ in THOUS.	641.1
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Net-to-Gross Multiplier

UNCOLLECTABLES RATE	0.09058%
FRANCHISE TAX RATE	0.00000%
BUSINESS LICENSE FEE RATE	0.00000%
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.78224

CALIFORNIA WATER SERVICE CO.
DOMINGUEZ-SOUTH BAY DISTRICT

INCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	<u>2006-2007</u>
OPERATING REVENUE (PRESENT RATES)	32,216.4
EXPENSES	
PURCHASED WATER	17,600.7
PURCHASED POWER	641.1
PUMP TAXES	1,033.6
CHEMICALS	160.9
PAYROLL	2,200.6
OTHER O & M	1,512.2
OTHER A & G	173.6
G.O. PRORATIONS	96.3
PAYROLL TAXES	167.0
AD VALOREM TAXES	652.9
UNCOLLECTIBLES	29.2
FRANCHISE TAX & BUS LIC. FEES	2.7
TRANSPORTATION DEPRECIATION ADJUSTMENT	(118.0)
INTEREST EXPENSE	1,735.0
TOTAL DEDUCTIONS	25,887.8
STATE INCOME TAX	
STATE TAX DEPRECIATION	2,107.2
NET STATE TAXABLE INCOME	4,221.4
STATE CORP. FRANCHISE TAX @ 8.84%	373.2
FEDERAL INCOME TAX	
FEDERAL TAX DEPRECIATION	1,715.2
STATE INCOME TAX	378.8
LESS PREFERRED STOCK DIVIDEND	7.2
NET FEDERAL TAXABLE INCOME	4,227.5
FEDERAL INCOME TAX @ 35.00%	1,479.6
INVESTMENT TAX CREDIT	0.0
TOTAL FEDERAL INCOME TAX	1,479.6
TOTAL INCOME TAXES	1,852.8

CALIFORNIA WATER SERVICE CO.
DOMINGUEZ-SOUTH BAY DISTRICT

INCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

2006-2007

OPERATING REVENUE (PROPOSED RATES)	33,238.8
EXPENSES	
PURCHASED WATER	17,600.7
PURCHASED POWER	641.1
PUMP TAXES	1,033.6
CHEMICALS	160.9
PAYROLL	2,200.6
OTHER O & M	1,512.2
OTHER A & G	173.6
G.O. PRORATIONS	96.3
PAYROLL TAXES	167.0
AD VALOREM TAXES	652.9
UNCOLLECTIBLES	30.1
FRANCHISE TAX & BUS LIC. FEES	2.7
TRANSPORTATION DEPRECIATION ADJUSTMENT	(118.0)
INTEREST EXPENSE	1,735.0
TOTAL DEDUCTIONS	25,888.7
STATE INCOME TAX	
STATE TAX DEPRECIATION	2,107.2
NET STATE TAXABLE INCOME	5,242.9
STATE CORP. FRANCHISE TAX @ 8.84%	463.5
FEDERAL INCOME TAX	
FEDERAL TAX DEPRECIATION	1,715.2
STATE INCOME TAX	399.3
LESS PREFERRED STOCK DIVIDEND	7.2
NET FEDERAL TAXABLE INCOME	5,228.5
FEDERAL INCOME TAX @ 35.00%	1,830.0
INVESTMENT TAX CREDIT	0.0
TOTAL FEDERAL INCOME TAX	1,830.0
TOTAL INCOME TAXES	2,293.5

California Water Service Company
Hermosa-Redondo District

Adopted Quantities

Number of Services by meter size:	2006-2007	
	5/8 x 3/4	15,908
	3/4	-
	1	7,684
	1 1/2	1,311
	2	897
	3	101
	4	33
	6	11
	8	4
	10	-
	TOTAL	25,948

Metered Sales, KCcf	
Potable	6,113.5
Recycled	53.2

Number of Services and Use:

	Avg Services	Use, KCcf	Avg Use, Ccf/Sv/Mo
	2006-2007	2006-2007	2006-2007
Residential	21,862.9	3,484.9	13.3
Business	2,192.9	969.3	36.8
Multi-family	1,465.9	1,195.7	68.0
Industrial	42.9	218.6	424.5
Public Authority	353.0	240.2	56.7
Other	13.9	4.9	29.3
Recycled	19.0	53.2	233.1
Sub-Total	25,951	6,166.7	
Residential Flat			
Private Fire Prot.	287		
Public Fire Prot.	16		
TOTAL	26,254	6,166.7	
Losses, 2.53%		498.9	
Total Production		6,665.6	

CALIFORNIA WATER SERVICE COMPANY
HERMOSA-REDONDO DISTRICT

ADOPTED QUANTITIES

2006-7
(DOLLARS IN THOUSANDS)

PURCHASED POWER

WELLS

a) PRODUCTION - KCCF	1,132.0
b) KILOWATT HOURS per KCCF	1,101.0
c) KILOWATT HOURS	1,246,332.0
d) COST PER KWH (SCE Rates Eff. 8/1/04)	\$0.0920
e) PURCHASED POWER - \$THOUSANDS	114.7

BOOSTERS

a) PRODUCTION - KCCF	6,665.6
b) KILOWATT HOURS per KCCF	282.5
c) KILOWATT HOURS	1,882,794.9
d) COST PER KWH (SCE Rates Eff. 8/1/04)	\$0.1131
e) PURCHASED POWER - \$THOUSANDS	213.0

TOTAL

a) PRODUCTION - KCCF	6,665.6
b) KILOWATT HOURS per KCCF	469.4
c) KILOWATT HOURS	3,129,126.9
d) COST PER KWH (SCE Rates Eff. 8/1/04)	\$0.1047
e) PURCHASED POWER - \$THOUSANDS	327.7

PURCHASED WATERWEST BASIN MUNICIPAL WATER DISTRICT

PURCHASES - KCCF	5,533.6
- ACRE FEET (KCCF x 2.2957)	12,703.5

NON-INTERUPTIBLE CAL YR - ACRE FEET	12,579.5
RECLAIMED WATER CAL YR - ACRE FEET	124.0

NON-INTERUPIBLE RATE/A.F.	\$545.00
RECAIMED WATER RATE / A.F.	\$312.00

NON-INTERUPTIBLE QUANTITY CHARGES	6,855,837.0
RECLAIMED WATER QUANTITY CHARGES	38,688.0
TOTAL QUANTITY CHARGES	6,894,525.0

ADD STANDBY METER CHARGES 1-4" & 2-2" (P.V.)	2,424.6
ADD WEST BASIN METER CHARGES	163,740.0

ADD TRANSFER OF WATER RIGHTS FROM P.V. to H.R. 999 ACRE FEET @ \$134.66	134,525.3
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TOTAL PURCHASED WATER -- \$THOUS 7,195.2

TOTAL WEIGHTED AVERAGE COST per ACRE FOOT 566.4

CALIFORNIA WATER SERVICE COMPANY
HERMOSA-REDONDO DISTRICT

ADOPTED QUANTITIES

GROUNDWATER CHARGES

WELL PRODUCTION:

COMPANY WELLS -KCCF	1,132.0
COMPANY WELLS -A.F. (KCCFx2.2957)	2,598.7
UNIT COST PER ACRE FOOT	\$128.25
GROUND WATER CHARGES	333,287.4
ANNUAL WATERMASTER SERVICE	16,004.0
TOTAL GROUND WATER CHARGES - \$ in THOUS.	349.3

NET TO GROSS MULTIPLIER

UNCOLLECTABLES RATE	0.09763%
FRANCHISE TAX RATE	0.02780%
BUSINESS LICENSE FEE RATE	0.00000%
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.78286

CALIFORNIA WATER SERVICE CO.
HERMOSA-REDONDO DISTRICT

INCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

2006-2007

OPERATING REVENUE (PRESENT RATES)	17,796.5
EXPENSES	
PURCHASED WATER	7,195.3
PURCHASED POWER	327.7
PUMP TAXES	349.3
CHEMICALS	63.9
PAYROLL	1,690.4
OTHER O & M	721.4
OTHER A & G	111.1
G.O. PRORATIONS	2,437.8
PAYROLL TAXES	26.6
AD VALOREM TAXES	245.6
UNCOLLECTIBLES	17.4
FRANCHISE TAX & BUS LIC. FEES	128.9
TRANSPORTATION DEPRECIATION ADJUSTMENT	(77.1)
INTEREST EXPENSE	900.3
TOTAL DEDUCTIONS	14,138.6
STATE INCOME TAX	
STATE TAX DEPRECIATION	1,644.6
NET STATE TAXABLE INCOME	2,013.3
STATE CORP. FRANCHISE TAX @ 8.84%	178.0
FEDERAL INCOME TAX	
FEDERAL TAX DEPRECIATION	1,203.5
STATE INCOME TAX	202.1
LESS PREFERRED STOCK DIVIDEND	3.4
NET FEDERAL TAXABLE INCOME	2,248.9
FEDERAL INCOME TAX @ 35.00%	787.1
INVESTMENT TAX CREDIT	0.0
TOTAL FEDERAL INCOME TAX	787.1
TOTAL INCOME TAXES	965.1

CALIFORNIA WATER SERVICE CO.
HERMOSA-REDONDO DISTRICT

INCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

2006-2007

OPERATING REVENUE (PROPOSED RATES)	18,052.3
EXPENSES	
PURCHASED WATER	7,195.3
PURCHASED POWER	327.7
PUMP TAXES	349.3
CHEMICALS	63.9
PAYROLL	1,690.4
OTHER O & M	721.4
OTHER A & G	111.1
G.O. PRORATIONS	2,437.8
PAYROLL TAXES	128.9
AD VALOREM TAXES	245.6
UNCOLLECTIBLES	17.6
FRANCHISE TAX & BUS LIC. FEES	26.7
TRANSPORTATION DEPRECIATION ADJUSTMENT	(77.1)
INTEREST EXPENSE	900.3
TOTAL DEDUCTIONS	14,138.9
STATE INCOME TAX	
STATE TAX DEPRECIATION	1,644.6
NET STATE TAXABLE INCOME	2,268.8
STATE CORP. FRANCHISE TAX @ 8.84%	200.6
FEDERAL INCOME TAX	
FEDERAL TAX DEPRECIATION	1,203.5
STATE INCOME TAX	204.2
LESS PREFERRED STOCK DIVIDEND	3.4
NET FEDERAL TAXABLE INCOME	2,502.3
FEDERAL INCOME TAX @ 35.00%	875.8
INVESTMENT TAX CREDIT	0.0
TOTAL FEDERAL INCOME TAX	875.8
TOTAL INCOME TAXES	1,076.4

California Water Service Company
Kern River Valley District

Adopted Quantities

Number of Services by meter size:	2006-2007	
	5/8 x 3/4	4,235
	3/4	25
	1	26
	1 1/2	12
	2	7
	3	2
	4	2
	6	-
	8	-
	10	-
	TOTAL	4,309

Metered Sales, KCcf	
Potable	590.2

Number of Services and Use:

	Avg Services	Use, KCcf	Avg Use, Ccf/Sv/Mo
	2006-2007	2006-2007	2006-2007
Residential	4,169	537.4	10.7
Business	114	33.2	24.4
Multi-family	8	7.5	78.6
Industrial	-	-	-
Public Authority	17	11.7	57.2
Other	-	0.1	
Irrigation	1	0.2	17.3
Sub-Total	4,309	590.2	
Residential Flat	-	-	
Private Fire Prot.	3		
Public Fire Prot.	-		
TOTAL	4,312	590.2	
Losses	11.92%	79.9	
Total Production		670.1	

APPENDIX C
CALIFORNIA WATER SERVICE COMPANY
KERN RIVER VALLEY DISTRICT

ADOPTED QUANTITIES

	<u>2006-7</u>
	(DOLLARS IN THOUSANDS)
PURCHASED POWER	
a) PRODUCTION - KCCF	670.1
b) KILOWATT HOURS per KCCF	3,165.9
c) KILOWATT HOURS	2,121,411.9
d) COST PER KWH (SCE Rates Eff. 8/1/04)	\$0.1125
e) PURCHASED POWER (Thousands)	238.6
PURCHASED WATER	
CITY OF BAKERSFIELD	
PURCHASED WATER - ACRE FEET	700
UNIT COST PER ACRE FOOT	67.4
QUANTITY CHARGES (THOUSANDS)	47.2
KISSACK RANCH	
PURCHASED WATER - ACRE FEET	170
PURCHASED WATER - CCF (A.F. X 435.6)	74052.0
UNIT COST PER CCF	\$0.70
QUANTITY CHARGES (THOUSANDS)	\$51.84
TOTAL PURCHASED WATER	\$99.00
NET TO GROSS MULTIPLIER	
UNCOLLECTABLES RATE	0.89253%
FRANCHISE TAX RATE	0.89253%
BUSINESS LICENSE FEE RATE	0.00000%
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.81284

CALIFORNIA WATER SERVICE CO.
KERN RIVER VALLEY DISTRICT

INCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

2006-2007

OPERATING REVENUE (PRESENT RATES)	2,600.4
EXPENSES	
PURCHASED WATER	99.0
PURCHASED POWER	238.6
PUMP TAXES	0.0
CHEMICALS	23.0
PAYROLL	518.1
OTHER O & M	442.2
OTHER A & G	15.9
G.O. PRORATIONS	390.0
PAYROLL TAXES	23.2
AD VALOREM TAXES	103.4
UNCOLLECTIBLES	23.2
FRANCHISE TAX & BUS LIC. FEES	48.2
TRANSPORTATION DEPRECIATION ADJUSTMENT	(59.9)
INTEREST EXPENSE	236.6
TOTAL DEDUCTIONS	2,101.5
STATE INCOME TAX	
STATE TAX DEPRECIATION	370.1
NET STATE TAXABLE INCOME	128.8
STATE CORP. FRANCHISE TAX @ 8.84%	11.4
FEDERAL INCOME TAX	
FEDERAL TAX DEPRECIATION	265.3
STATE INCOME TAX	19.8
LESS PREFERRED STOCK DIVIDEND	0.8
NET FEDERAL TAXABLE INCOME	213.1
FEDERAL INCOME TAX @ 35.00%	74.6
INVESTMENT TAX CREDIT	0.0
TOTAL FEDERAL INCOME TAX	74.6
TOTAL INCOME TAXES	86.0

CALIFORNIA WATER SERVICE CO.
KERN RIVER VALLEY DISTRICT

INCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

2006-2007

OPERATING REVENUE (PROPOSED RATES)	3,405.0
EXPENSES	
PURCHASED WATER	99.0
PURCHASED POWER	238.6
PUMP TAXES	0.0
CHEMICALS	23.0
PAYROLL	518.1
OTHER O & M	442.2
OTHER A & G	15.9
G.O. PRORATIONS	390.0
PAYROLL TAXES	48.2
AD VALOREM TAXES	103.4
UNCOLLECTIBLES	30.4
FRANCHISE TAX & BUS LIC. FEES	30.8
TRANSPORTATION DEPRECIATION ADJUSTMENT	(59.9)
INTEREST EXPENSE	236.6
TOTAL DEDUCTIONS	2,116.3
STATE INCOME TAX	
STATE TAX DEPRECIATION	370.1
NET STATE TAXABLE INCOME	918.6
STATE CORP. FRANCHISE TAX @ 8.84%	81.2
FEDERAL INCOME TAX	
FEDERAL TAX DEPRECIATION	265.3
STATE INCOME TAX	37.0
LESS PREFERRED STOCK DIVIDEND	0.8
NET FEDERAL TAXABLE INCOME	985.6
FEDERAL INCOME TAX @ 35.00%	345.0
INVESTMENT TAX CREDIT	0.0
TOTAL FEDERAL INCOME TAX	345.0
TOTAL INCOME TAXES	426.2

California Water Service Company
Marysville District

Adopted Quantities

Number of Services by meter size:	2006-2007	
	5/8 x 3/4	770
	3/4	-
	1	219
	1 1/2	66
	2	116
	3	17
	4	7
	6	1
	8	-
	3	-
	4	-
	TOTAL	1,196

Metered Sales, KCcf	
Potable	633.4

Number of Services and Use:

	Avg Services	Use, KCcf	Avg Use, Ccf/Sv/Mo
	2006-2007	2006-2007	2006-2007
Residential	461	93.0	16.8
Business	526	236.4	37.5
Multi-family	126	163.0	107.8
Industrial	4	19.8	-
Public Authority	74	121.0	137.1
Other	2	0.2	10.4
Sub-Total	<u>1,193</u>	<u>633.4</u>	
Residential Flat	2,586	696.8	
Private Fire Prot.	50		
Public Fire Prot.	4		
TOTAL	<u>3,833</u>	<u>1,330.2</u>	
Losses, 8.00%		115.7	
Total Production		<u>1,445.8</u>	

CALIFORNIA WATER SERVICE COMPANY
MARYSVILLE DISTRICTADOPTED QUANTITIES2006-7
(DOLLARS IN THOUSANDS)

PURCHASED POWER

Average Cost Per kWh (PG&E Rates Eff. 1/1/06)	\$0.1468
Kilowatt-hours per KCcf	790.7
Production, KCcf	1445.8
Total Power Cost	\$167,812

Net-to-Gross Multiplier

UNCOLLECTABLES RATE	0.28763%
FRANCHISE TAX RATE	0.00000%
BUSINESS LICENSE FEE RATE	0.03000%
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.78630

CALIFORNIA WATER SERVICE CO.
MARYSVILLE DISTRICT

INCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

2006-2007

OPERATING REVENUE (PRESENT RATES)	2,027.1
EXPENSES	
PURCHASED WATER	0.0
PURCHASED POWER	167.8
PUMP TAXES	0.0
CHEMICALS	16.2
PAYROLL	379.7
OTHER O & M	189.8
OTHER A & G	38.4
G.O. PRORATIONS	378.2
PAYROLL TAXES	35.2
AD VALOREM TAXES	38.7
UNCOLLECTIBLES	5.8
FRANCHISE TAX & BUS LIC. FEES	0.6
TRANSPORTATION DEPRECIATION ADJUSTMENT	(17.3)
INTEREST EXPENSE	148.0
TOTAL DEDUCTIONS	1,381.2
STATE INCOME TAX	
STATE TAX DEPRECIATION	298.5
NET STATE TAXABLE INCOME	347.4
STATE CORP. FRANCHISE TAX @ 8.84%	30.7
FEDERAL INCOME TAX	
FEDERAL TAX DEPRECIATION	270.2
STATE INCOME TAX	35.7
LESS PREFERRED STOCK DIVIDEND	0.5
NET FEDERAL TAXABLE INCOME	339.5
FEDERAL INCOME TAX @ 35.00%	118.8
INVESTMENT TAX CREDIT	0.0
TOTAL FEDERAL INCOME TAX	118.8
TOTAL INCOME TAXES	149.5

CALIFORNIA WATER SERVICE CO.
MARYSVILLE DISTRICT

INCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

2006-2007

OPERATING REVENUE (PROPOSED RATES)	2,128.2
EXPENSES	
PURCHASED WATER	0.0
PURCHASED POWER	167.8
PUMP TAXES	0.0
CHEMICALS	16.2
PAYROLL	379.7
OTHER O & M	189.8
OTHER A & G	38.4
G.O. PRORATIONS	378.2
PAYROLL TAXES	35.2
AD VALOREM TAXES	38.7
UNCOLLECTIBLES	6.1
FRANCHISE TAX & BUS LIC. FEES	0.6
TRANSPORTATION DEPRECIATION ADJUSTMENT	(17.3)
INTEREST EXPENSE	148.0
TOTAL DEDUCTIONS	1,381.5
STATE INCOME TAX	
STATE TAX DEPRECIATION	298.5
NET STATE TAXABLE INCOME	448.2
STATE CORP. FRANCHISE TAX @ 8.84%	39.6
FEDERAL INCOME TAX	
FEDERAL TAX DEPRECIATION	270.2
STATE INCOME TAX	37.6
LESS PREFERRED STOCK DIVIDEND	0.5
NET FEDERAL TAXABLE INCOME	438.4
FEDERAL INCOME TAX @ 35.00%	153.5
INVESTMENT TAX CREDIT	0.0
TOTAL FEDERAL INCOME TAX	153.5
TOTAL INCOME TAXES	193.1

California Water Service Company
Palos Verdes District

Adopted Quantities

Number of Services by meter size:	2006-2007	
	5/8 x 3/4	18,219
	3/4	-
	1	3,837
	1 1/2	1,111
	2	644
	3	55
	4	18
	6	14
	8	5
	10	-
	TOTAL	23,904

Metered Sales, KCcf	
Potable	9,360.1
Recycled	-

Number of Services and Use:

	<u>Avg Services</u>	<u>Use, KCcf</u>	<u>Avg Use, Ccf/Sv/Mo</u>
	2006-2007	2006-2007	2006-2007
Residential	23,016	7,728.6	28.0
Business	500	851.2	141.9
Multi-family	142	296.8	174.3
Industrial	10	9.2	76.8
Public Authority	212	423.7	166.6
Other	24	50.6	175.7
Recycled	-	-	
Sub-Total	<u>23,904</u>	<u>9,360.1</u>	
Residential Flat			
Private Fire Prot.	135		
Public Fire Prot.	6		
TOTAL	<u>24,045</u>	<u>9,360.1</u>	
Losses, 2.53%		621.7	
Total Production		<u>9,981.9</u>	

CALIFORNIA WATER SERVICE COMPANY
PALOS VERDES DISTRICT

ADOPTED QUANTITIES

2006-7

(DOLLARS IN THOUSANDS, EXCEPT UNIT CHARGES)

PURCHASED WATER

WEST BASIN MUNICIPAL WATER DISTRICT	
PURCHASES - KCCF	9,981.8
- ACRE FEET (KCCF x 2.2957)	22,915.3
WEST BASIN TIER 1	22,915.3
TIER 1 RATE per A.F.	\$535.00
TIER 1 QUANTITY CHARGES	\$12,259.7
TOTAL QUANTITY CHARGES	\$12,259.7
ADD WEST BASIN METER CHARGES	\$27.6
ADD WEST BASIN CAPACITY CHARGES	\$293.6
LESS TRANSFER OF WATER RIGHTS FROM P.V. to H.R. 999 ACRE FEET @ \$134.66	\$134.5
TOTAL PURCHASED WATER -- \$THOUS	\$12,446.3
TOTAL WEIGHTED AVERAGE COST per ACRE FOOT	\$543.1

PURCHASED POWER

TOTAL POWER REQUIREMENTS	
a)TOTAL PRODUCTION - KCCF	9,981.9
b) KILOWATT HOURS per KCCF	2801.2
c) KILOWATT HOURS	27,960,822.7
d) COST PER KWH (SCE RATES EFF 8/1/04)	\$0.0980
TOTAL PURCHASED POWER -- \$THOUS	\$2,740.6

Net-to-Gross Multiplier

UNCOLLECTABLES RATE	0.04074%
FRANCHISE TAX RATE	1.03630%
BUSINESS LICENSE FEE RATE	0.00992%
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.80019

CALIFORNIA WATER SERVICE CO.
PALOS VERDES DISTRICT

INCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

2006-2007

OPERATING REVENUE (PRESENT RATES)	25,228.4
EXPENSES	
PURCHASED WATER	12,446.4
PURCHASED POWER	2,740.6
PUMP TAXES	0.0
CHEMICALS	0.0
PAYROLL	1,751.0
OTHER O & M	1,142.3
OTHER A & G	48.7
G.O. PRORATIONS	2,888.8
PAYROLL TAXES	145.9
AD VALOREM TAXES	244.5
UNCOLLECTIBLES	10.3
FRANCHISE TAX & BUS LIC. FEES	264.0
TRANSPORTATION DEPRECIATION ADJUSTMENT	(78.0)
INTEREST EXPENSE	808.0
TOTAL DEDUCTIONS	22,412.2
STATE INCOME TAX	
STATE TAX DEPRECIATION	1,434.9
NET STATE TAXABLE INCOME	1,381.4
STATE CORP. FRANCHISE TAX @ 8.84%	122.1
FEDERAL INCOME TAX	
FEDERAL TAX DEPRECIATION	1,041.9
STATE INCOME TAX	136.6
LESS PREFERRED STOCK DIVIDEND	3.2
NET FEDERAL TAXABLE INCOME	1,634.5
FEDERAL INCOME TAX @ 35.00%	572.1
INVESTMENT TAX CREDIT	0.0
TOTAL FEDERAL INCOME TAX	572.1
TOTAL INCOME TAXES	694.2

CALIFORNIA WATER SERVICE CO.
PALOS VERDES DISTRICT

INCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

2006-2007

OPERATING REVENUE (PROPOSED RATES)	26,084.0
EXPENSES	
PURCHASED WATER	12,446.4
PURCHASED POWER	2,740.6
PUMP TAXES	0.0
CHEMICALS	0.0
PAYROLL	1,751.0
OTHER O & M	1,142.3
OTHER A & G	48.7
G.O. PRORATIONS	2,888.8
PAYROLL TAXES	145.9
AD VALOREM TAXES	244.5
UNCOLLECTIBLES	10.6
FRANCHISE TAX & BUS LIC. FEES	273.1
TRANSPORTATION DEPRECIATION ADJUSTMENT	(78.0)
INTEREST EXPENSE	808.0
TOTAL DEDUCTIONS	22,421.6
STATE INCOME TAX	
STATE TAX DEPRECIATION	1,434.9
NET STATE TAXABLE INCOME	2,227.5
STATE CORP. FRANCHISE TAX @ 8.84%	196.9
FEDERAL INCOME TAX	
FEDERAL TAX DEPRECIATION	1,041.9
STATE INCOME TAX	154.7
LESS PREFERRED STOCK DIVIDEND	3.2
NET FEDERAL TAXABLE INCOME	2,462.6
FEDERAL INCOME TAX @ 35.00%	861.9
INVESTMENT TAX CREDIT	0.0
TOTAL FEDERAL INCOME TAX	861.9
TOTAL INCOME TAXES	1,058.8

California Water Service Company
Coast Springs Rate Area, Redwood Valley District

Adopted Quantities

Number of Services by meter size:	2006-2007	
	5/8 x 3/4	240
	3/4	-
	1	5
	1 1/2	1
	2	2
	3	1
	4	-
	6	-
	8	-
	10	-
	TOTAL	249

Metered Sales, KCcf	
Potable	8.4

Number of Services and Use:

	<u>Avg Services</u>	<u>Use, KCcf</u>	<u>Avg Use, Ccf/Sv/Mo</u>
	2006-2007	2006-2007	2006-2007
Residential	241	7.6	2.6
Business	6	0.8	11.6
Multi-family	-	-	-
Industrial	-	-	-
Public Authority	2	-	-
Other	-	-	-
Sub-Total	<u>249</u>	<u>8.4</u>	
Residential Flat	-	-	
Private Fire Prot.	-		
Public Fire Prot.	-		
TOTAL	<u>249</u>	<u>8.4</u>	
Losses	22.76%	2.5	
Total Production		<u>10.9</u>	

California Water Service Company
Lucerne Service Area

Number of Services by meter size:	2006-2007	
	5/8 x 3/4	1,277
	3/4	-
	1	9
	1 1/2	2
	2	2
	3	1
	4	-
	6	-
	8	-
	10	-
	TOTAL	1,291

Metered Sales, KCcf	
Potable	139.0

Number of Services and Use:	Avg Services	Use, KCcf	Avg Use, Ccf/Sv/Mo
	2006-2007	2006-2007	2006-2007
Residential	1,212	101.7	7.0
Business	52	14.1	22.7
Multi-family	15	21.1	
Industrial	-	-	-
Public Authority	13	2.1	14.0
Other	-	-	
Sub-Total	<u>1,292</u>	<u>139.0</u>	
Residential Flat	-	-	
Private Fire Prot.	4		
Public Fire Prot.	-		
TOTAL	<u>1,296</u>	<u>139.0</u>	
Losses	33.06%	68.6	
Total Production		<u>207.7</u>	

California Water Service Company
 Redwood Unified Rate Area, Redwood Valley District

Adopted Quantities

Number of Services by meter size:	2006-2007	
	5/8 x 3/4	444
	3/4	2
	1	1
	1 1/2	-
	2	-
	3	1
	4	-
	6	-
	8	-
	10	-
	TOTAL	448

Metered Sales, KCcf	
Potable	50.8

Number of Services and Use:

	<u>Avg Services</u>	<u>Use, KCcf</u>	<u>Avg Use, Ccf/Sv/Mo</u>
	2006-2007	2006-2007	2006-2007
Residential	431	44.3	8.6
Business	11	3.4	27.3
Multi-family	3	2.7	
Industrial	-	-	-
Public Authority	3	0.7	19.4
Other	-	-	
Sub-Total	<u>448</u>	<u>51.1</u>	
Residential Flat	-	-	
Private Fire Prot.	-		
Public Fire Prot.	-		
TOTAL	<u>448</u>	<u>51.1</u>	
Losses	20.43%	13.1	
Total Production		<u>64.2</u>	

CALIFORNIA WATER SERVICE COMPANY
 REDWOOD VALLEY DISTRICT
 COAST SPRINGS TARIFF AREA
ADOPTED QUANTITIES

	<u>2006-7</u> (DOLLARS IN THOUSANDS)
PURCHASED POWER	
a) PRODUCTION - KCCF (TABLE 4-D)	10.9
b) KILOWATT HOURS per KCCF	3,486.3
c) KILOWATT HOURS (computed)	38,000.6
d) COST PER KWH (PG&E Rates Eff. 1/1/06)	\$0.1731
TOTAL PURCHASED POWER	\$6.6
UNCOLLECTABLES RATE	0.19505%
FRANCHISE TAX RATE	0.00000%
BUSINESS LICENSE FEE RATE	0.00000%
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.78411

CALIFORNIA WATER SERVICE COMPANY
 REDWOOD VALLEY DISTRICT
 LUCERNE TARIFF AREA
ADOPTED QUANTITIES

2006-7
 (DOLLARS IN THOUSANDS)

PURCHASED POWER

a) PRODUCTION - KCCF	207.7
b) KILOWATT HOURS per KCCF	1,691.9
c) KILOWATT HOURS	351,324.4
d) COST PER KWH (PG&E Rates Eff. 1/1/06)	\$0.1562
TOTAL PURCHASED POWER	\$54.9

PURCHASED WATER

YOLO COUNTY FLOOD CONT. & WATER CONS. DIST. PURCHASES - KCCF	207.6
- ACRE FEET (KCCF x 2.2957)	476.6
UNIT COST per ACRE FOOT	\$48.00
QUANTITY CHARGES	\$22,877
TOTAL PURCHASED WATER	\$22.9

UNCOLLECTABLES RATE	0.37673%
FRANCHISE TAX RATE	0.00000%
BUSINESS LICENSE FEE RATE	0.00000%
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.78736

CALIFORNIA WATER SERVICE COMPANY
 REDWOOD VALLEY DISTRICT
 REDWOOD UNIFIED TARIFF AREA
ADOPTED QUANTITIES

2006-7
 (DOLLARS IN THOUSANDS)

PURCHASED POWER

a) PRODUCTION - KCCF	63.9
b) KILOWATT HOURS per KCCF	1,674.0
c) KILOWATT HOURS	90,109.0
d) COST PER KWH (PG&E Rates Eff. 1/1/06)	\$0.1581
e) PURCHASED POWER - \$THOUSANDS	14.2

PURCHASED WATER

SWEETWATER SPRINGS WATER DISTRICT

Total water usage	8362.8
Meter service charges	1548
Multiple user charges	1800
Bond repayment	198
TOTAL	11908.8

TOTAL PURCHASED WATER - \$ in THOUSANDS 11.9

UNCOLLECTABLES RATE	0.33800%
FRANCHISE TAX RATE	0.00000%
BUSINESS LICENSE FEE RATE	0.00000%
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.78667

CALIFORNIA WATER SERVICE CO.
 REDWOOD VALLEY DISTRICT
 COAST SPRINGS TARIFF AREA
 INCOME TAX CALCULATION
 (DOLLARS IN THOUSANDS)

2006-2007

OPERATING REVENUE (PRESENT RATES)	82.6
EXPENSES	
PURCHASED WATER	0.0
PURCHASED POWER	6.6
PUMP TAXES	0.0
CHEMICALS	0.7
PAYROLL	14.9
OTHER O & M	60.9
OTHER A & G	2.0
G.O. PRORATIONS	31.9
PAYROLL TAXES	0.0
AD VALOREM TAXES	1.9
UNCOLLECTIBLES	0.2
FRANCHISE TAX & BUS LIC. FEES	1.5
TRANSPORTATION DEPRECIATION ADJUSTMENT	(0.1)
INTEREST EXPENSE	15.1
TOTAL DEDUCTIONS	135.6
STATE INCOME TAX	
STATE TAX DEPRECIATION	39.4
NET STATE TAXABLE INCOME	(92.4)
STATE CORP. FRANCHISE TAX @ 8.84%	(8.2)
FEDERAL INCOME TAX	
FEDERAL TAX DEPRECIATION	23.2
STATE INCOME TAX	(7.3)
LESS PREFERRED STOCK DIVIDEND	0.1
NET FEDERAL TAXABLE INCOME	(69.0)
FEDERAL INCOME TAX @ 35.00%	(24.2)
INVESTMENT TAX CREDIT	0.0
TOTAL FEDERAL INCOME TAX	(24.2)
TOTAL INCOME TAXES	(32.4)

CALIFORNIA WATER SERVICE CO.
 REDWOOD VALLEY DISTRICT
 COAST SPRINGS TARIFF AREA
 INCOME TAX CALCULATION
 (DOLLARS IN THOUSANDS)

2006-2007

OPERATING REVENUE (PROPOSED RATES)	207.0
EXPENSES	
PURCHASED WATER	0.0
PURCHASED POWER	6.6
PUMP TAXES	0.0
CHEMICALS	0.7
PAYROLL	14.9
OTHER O & M	60.9
OTHER A & G	2.0
G.O. PRORATIONS	31.9
PAYROLL TAXES	1.5
AD VALOREM TAXES	1.9
UNCOLLECTIBLES	0.4
FRANCHISE TAX & BUS LIC. FEES	0.0
TRANSPORTATION DEPRECIATION ADJUSTMENT	(0.1)
INTEREST EXPENSE	15.1
TOTAL DEDUCTIONS	135.8
STATE INCOME TAX	
STATE TAX DEPRECIATION	39.4
NET STATE TAXABLE INCOME	31.8
STATE CORP. FRANCHISE TAX @ 8.84%	2.8
FEDERAL INCOME TAX	
FEDERAL TAX DEPRECIATION	23.2
STATE INCOME TAX	(4.6)
LESS PREFERRED STOCK DIVIDEND	0.1
NET FEDERAL TAXABLE INCOME	52.5
FEDERAL INCOME TAX @ 35.00%	18.4
INVESTMENT TAX CREDIT	0.0
TOTAL FEDERAL INCOME TAX	18.4
TOTAL INCOME TAXES	21.2

CALIFORNIA WATER SERVICE CO.
 REDWOOD VALLEY DISTRICT
 LUCERNE TARIFF AREA
 INCOME TAX CALCULATION
 (DOLLARS IN THOUSANDS)

2006-2007

OPERATING REVENUE (PRESENT RATES)	551.5
EXPENSES	
PURCHASED WATER	22.9
PURCHASED POWER	54.9
PUMP TAXES	0.0
CHEMICALS	17.8
PAYROLL	237.3
OTHER O & M	153.8
OTHER A & G	31.5
G.O. PRORATIONS	168.6
PAYROLL TAXES	0.0
AD VALOREM TAXES	15.6
UNCOLLECTIBLES	2.1
FRANCHISE TAX & BUS LIC. FEES	22.3
TRANSPORTATION DEPRECIATION ADJUSTMENT	(10.7)
INTEREST EXPENSE	97.5
TOTAL DEDUCTIONS	813.6
STATE INCOME TAX	
STATE TAX DEPRECIATION	147.3
NET STATE TAXABLE INCOME	(409.4)
STATE CORP. FRANCHISE TAX @ 8.84%	(36.2)
FEDERAL INCOME TAX	
FEDERAL TAX DEPRECIATION	79.2
STATE INCOME TAX	(32.1)
LESS PREFERRED STOCK DIVIDEND	0.3
NET FEDERAL TAXABLE INCOME	(309.5)
FEDERAL INCOME TAX @ 35.00%	(108.3)
INVESTMENT TAX CREDIT	0.0
TOTAL FEDERAL INCOME TAX	(108.3)
TOTAL INCOME TAXES	(144.5)

CALIFORNIA WATER SERVICE CO.
 REDWOOD VALLEY DISTRICT
 LUCERNE TARIFF AREA
 INCOME TAX CALCULATION
 (DOLLARS IN THOUSANDS)

2006-2007

OPERATING REVENUE (PROPOSED RATES)	1,218.6
EXPENSES	
PURCHASED WATER	22.9
PURCHASED POWER	54.9
PUMP TAXES	0.0
CHEMICALS	17.8
PAYROLL	237.3
OTHER O & M	153.8
OTHER A & G	31.5
G.O. PRORATIONS	168.6
PAYROLL TAXES	22.3
AD VALOREM TAXES	15.6
UNCOLLECTIBLES	4.6
FRANCHISE TAX & BUS LIC. FEES	0.0
TRANSPORTATION DEPRECIATION ADJUSTMENT	(10.7)
INTEREST EXPENSE	97.5
TOTAL DEDUCTIONS	816.1
STATE INCOME TAX	
STATE TAX DEPRECIATION	147.3
NET STATE TAXABLE INCOME	255.2
STATE CORP. FRANCHISE TAX @ 8.84%	22.6
FEDERAL INCOME TAX	
FEDERAL TAX DEPRECIATION	79.2
STATE INCOME TAX	(17.7)
LESS PREFERRED STOCK DIVIDEND	0.3
NET FEDERAL TAXABLE INCOME	340.7
FEDERAL INCOME TAX @ 35.00%	119.2
INVESTMENT TAX CREDIT	0.0
TOTAL FEDERAL INCOME TAX	119.2
TOTAL INCOME TAXES	141.8

CALIFORNIA WATER SERVICE CO.
 REDWOOD VALLEY DISTRICT
 REDWOOD UNIFIED TARIFF AREA
 INCOME TAX CALCULATION
 (DOLLARS IN THOUSANDS)

2006-2007

OPERATING REVENUE (PRESENT RATES)	319.1
EXPENSES	
PURCHASED WATER	11.9
PURCHASED POWER	14.2
PUMP TAXES	0.0
CHEMICALS	0.8
PAYROLL	142.0
OTHER O & M	68.0
OTHER A & G	19.3
G.O. PRORATIONS	68.3
PAYROLL TAXES	0.0
AD VALOREM TAXES	6.0
UNCOLLECTIBLES	1.1
FRANCHISE TAX & BUS LIC. FEES	13.5
TRANSPORTATION DEPRECIATION ADJUSTMENT	(9.3)
INTEREST EXPENSE	39.3
TOTAL DEDUCTIONS	375.0
STATE INCOME TAX	
STATE TAX DEPRECIATION	107.1
NET STATE TAXABLE INCOME	(163.1)
STATE CORP. FRANCHISE TAX @ 8.84%	(14.4)
FEDERAL INCOME TAX	
FEDERAL TAX DEPRECIATION	59.3
STATE INCOME TAX	(10.7)
LESS PREFERRED STOCK DIVIDEND	0.1
NET FEDERAL TAXABLE INCOME	(104.7)
FEDERAL INCOME TAX @ 35.00%	(36.6)
INVESTMENT TAX CREDIT	0.0
TOTAL FEDERAL INCOME TAX	(36.6)
TOTAL INCOME TAXES	(51.0)

CALIFORNIA WATER SERVICE CO.
 REDWOOD VALLEY DISTRICT
 REDWOOD UNIFIED TARIFF AREA
 INCOME TAX CALCULATION
 (DOLLARS IN THOUSANDS)

2006-2007

OPERATING REVENUE (PROPOSED RATES)	576.8
EXPENSES	
PURCHASED WATER	11.9
PURCHASED POWER	14.2
PUMP TAXES	0.0
CHEMICALS	0.8
PAYROLL	142.0
OTHER O & M	68.0
OTHER A & G	19.3
G.O. PRORATIONS	68.3
PAYROLL TAXES	13.5
AD VALOREM TAXES	6.0
UNCOLLECTIBLES	1.9
FRANCHISE TAX & BUS LIC. FEES	0.0
TRANSPORTATION DEPRECIATION ADJUSTMENT	(9.3)
INTEREST EXPENSE	39.3
TOTAL DEDUCTIONS	375.8
STATE INCOME TAX	
STATE TAX DEPRECIATION	107.1
NET STATE TAXABLE INCOME	93.9
STATE CORP. FRANCHISE TAX @ 8.84%	8.3
FEDERAL INCOME TAX	
FEDERAL TAX DEPRECIATION	59.3
STATE INCOME TAX	(5.3)
LESS PREFERRED STOCK DIVIDEND	0.1
NET FEDERAL TAXABLE INCOME	146.9
FEDERAL INCOME TAX @ 35.00%	51.4
INVESTMENT TAX CREDIT	0.0
TOTAL FEDERAL INCOME TAX	51.4
TOTAL INCOME TAXES	59.7

**California Water Service Company
2005 Rate Case Weather Adjustment Factors**

Instructions:

For forecasts with monthly values, multiply the monthly change from normal by the monthly coefficient

For forecasts with annual values, multiply the annual change from normal by the annual coefficient

Monthly normal data is sales-lagged one half-month

If a monthly coefficient is missing in a series, the value is zero

Antelope Valley - Lancaster**30-Year Normal Values,
rainfall over 4" adjusted****Equation coefficients**

	<u>Temperature</u>	<u>Rainfall</u>	<u>Residential (Cu. Ft.)</u>	<u>Business (Cu. Ft.)</u>	<u>Multifamily (Cu. Ft.)</u>
JAN	44.0	0.3	TEMP1 72.17	TEMP 160.75	None
FEB	46.1	0.5	TEMP2 67.67		
MAR	50.1	0.4	TEMP3 69.70		
APR	55.4	0.1	TEMP4 83.80		
MAY	62.5	0.0	TEMP5 97.84		
JUN	71.0	0.0	TEMP6 102.59		
JUL	78.1	0.0	TEMP7 105.43		
AUG	80.4	0.0	TEMP8 100.49		
SEP	76.5	0.0	TEMP9 95.66		
OCT	67.9	0.0	TEMP10 88.62		
NOV	56.5	0.0	TEMP11 75.04		
DEC	47.0	0.1	TEMP12 75.00		
Annual	61.3	1.5	RAIN -545.69	RAIN -880.68	

Antelope Valley - Remainder**30-Year Normal Values,
rainfall over 4" adjusted****Equation coefficients**

	<u>Temperature</u>	<u>Rainfall</u>	<u>Residential (Cu. Ft.)</u>	<u>Business (Cu. Ft.)</u>	<u>Multifamily (Cu. Ft.)</u>
JAN	44.0	0.3	TEMP 87.60	TEMP 56.93	
FEB	46.1	0.5			
MAR	50.1	0.4			
APR	55.4	0.1			
MAY	62.5	0.0			TEMP5 11.61
JUN	71.0	0.0			TEMP6 17.60
JUL	78.1	0.0			TEMP7 24.29
AUG	80.4	0.0			TEMP8 19.01
SEP	76.5	0.0			TEMP9 25.24
OCT	67.9	0.0			TEMP10 9.08
NOV	56.5	0.0			TEMP11 11.17
DEC	47.0	0.1			
Annual	61.3	1.5	RAIN -78.23	RAIN 0.00	RAIN 0.00

Bear Gulch

**30-Year Normal Values,
rainfall over 4" adjusted**

	<u>Temperature</u>	<u>Rainfall</u>
JAN	48.5	2.8
FEB	49.9	2.7
MAR	52.7	2.2
APR	55.6	1.4
MAY	59.2	0.9
JUN	63.3	0.4
JUL	65.9	0.1
AUG	66.9	0.0
SEP	66.3	0.0
OCT	63.7	0.3
NOV	57.5	1.2
DEC	51.0	2.3
Annual	58.4	14.3

Equation coefficients

<u>Residential (Cu. Ft.)</u>		<u>Business (Cu. Ft.)</u>		<u>Multifamily (Cu. Ft.)</u>	
TEMP1	35.14	TEMP1	40.94		
TEMP2	32.13	TEMP2	38.47		
TEMP3	32.58	TEMP3	39.31		
TEMP4	40.49	TEMP4	44.03	TEMP4	15.00
TEMP5	50.49	TEMP5	50.55	TEMP5	40.03
TEMP6	61.78	TEMP6	57.10	TEMP6	61.96
TEMP7	68.87	TEMP7	59.23	TEMP7	86.44
TEMP8	71.09	TEMP8	58.35	TEMP8	74.77
TEMP9	67.76	TEMP9	56.50	TEMP9	76.05
TEMP10	63.50	TEMP10	52.47	TEMP10	58.84
TEMP11	52.00	TEMP11	46.09	TEMP11	23.70
TEMP12	38.78	TEMP12	42.67		
RAIN	0.00	RAIN	0.00	RAIN	0.00

Dominguez

**30-Year Normal Values,
rainfall over 4" adjusted**

	<u>Temperature</u>	<u>Rainfall</u>
JAN	56.7	1.9
FEB	57.1	2.4
MAR	58.0	2.4
APR	59.8	1.5
MAY	62.3	0.5
JUN	65.1	0.2
JUL	68.1	0.1
AUG	70.2	0.1
SEP	70.4	0.2
OCT	68.1	0.4
NOV	63.5	0.8
DEC	58.7	1.4
Annual	63.2	11.8

Equation coefficients

<u>Residential (Cu. Ft.)</u>		<u>Business (Cu. Ft.)</u>		<u>Multifamily (Cu. Ft.)</u>	
TEMP1	33.95	TEMP	295.13	TEMP1	219.29
TEMP2	31.13			TEMP2	196.50
TEMP3	29.39			TEMP3	182.22
TEMP4	31.40			TEMP4	188.97
TEMP5	33.32			TEMP5	197.09
TEMP6	34.35			TEMP6	200.42
TEMP7	36.12			TEMP7	205.47
TEMP8	34.29			TEMP8	189.10
TEMP9	33.68			TEMP9	192.67
TEMP10	31.38			TEMP10	184.81
TEMP11	31.25			TEMP11	193.42
TEMP12	31.72			TEMP12	194.97
RAIN	-12.10	RAIN	-294.67	RAIN	-129.95

Hermosa Redondo

**30-Year Normal Values,
rainfall over 4" adjusted**

	<u>Temperature</u>	<u>Rainfall</u>
JAN	56.7	1.9
FEB	57.1	2.4
MAR	58.0	2.4
APR	59.8	1.5
MAY	62.3	0.5
JUN	65.1	0.2
JUL	68.1	0.1
AUG	70.2	0.1
SEP	70.4	0.2
OCT	68.1	0.4
NOV	63.5	0.8
DEC	58.7	1.4
Annual	63.2	11.8

Equation coefficients

<u>Residential (Cu. Ft.)</u>		<u>Business (Cu. Ft.)</u>		<u>Multifamily (Cu. Ft.)</u>	
TEMP1	16.19	TEMP1	29.18	TEMP1	6.07
TEMP2	14.81	TEMP2	28.87	TEMP2	3.16
TEMP3	14.25	TEMP3	27.72		
TEMP4	15.64	TEMP4	27.71		
TEMP5	17.54	TEMP5	30.51	TEMP5	5.10
TEMP6	18.88	TEMP6	32.98	TEMP6	10.97
TEMP7	19.90	TEMP7	34.78	TEMP7	13.53
TEMP8	18.85	TEMP8	34.36	TEMP8	11.97
TEMP9	18.58	TEMP9	33.90	TEMP9	13.68
TEMP10	17.43	TEMP10	31.51	TEMP10	10.54
TEMP11	15.87	TEMP11	29.32	TEMP11	5.59
TEMP12	16.08	TEMP12	30.89	TEMP12	7.22
RAIN	-18.99	RAIN	-25.61	RAIN	-43.04

Kern River

**30-Year Normal Values,
rainfall over 4" adjusted**

	<u>Temperature</u>	<u>Rainfall</u>
JAN	46.7	2.0
FEB	48.0	2.3
MAR	51.0	2.2
APR	55.5	1.3
MAY	62.1	0.5
JUN	70.3	0.2
JUL	77.6	0.1
AUG	80.3	0.2
SEP	77.0	0.3
OCT	69.3	0.4
NOV	58.5	0.8
DEC	49.6	1.5
Annual	62.2	11.8

Equation coefficients

<u>Residential (Cu. Ft.)</u>		<u>Business (Cu. Ft.)</u>		<u>Multifamily (Cu. Ft.)</u>	
TEMP1	16.96	TEMP1	71.18	TEMP1	304.83
TEMP2	19.21	TEMP2	63.71	TEMP2	298.45
TEMP3	13.85	TEMP3	62.35	TEMP3	272.66
TEMP4	21.08	TEMP4	64.08	TEMP4	267.42
TEMP5	17.59	TEMP5	63.20	TEMP5	247.22
TEMP6	26.60	TEMP6	71.34	TEMP6	265.41
TEMP7	21.46	TEMP7	68.10	TEMP7	267.01
TEMP8	26.74	TEMP8	66.69	TEMP8	252.90
TEMP9	21.60	TEMP9	74.48	TEMP9	280.47
TEMP10	24.88	TEMP10	70.15	TEMP10	255.82
TEMP11	18.92	TEMP11	68.83	TEMP11	262.32
TEMP12	21.20	TEMP12	68.75	TEMP12	299.36
RAIN	-15.39	RAIN	0.00	RAIN	-25.16

Marysville

**30-Year Normal Values,
rainfall over 4" adjusted**

	<u>Temperature</u>	<u>Rainfall</u>
JAN	47.3	2.7
FEB	49.6	2.7
MAR	54.3	2.5
APR	58.9	1.9
MAY	65.1	1.1
JUN	72.0	0.5
JUL	77.2	0.1
AUG	78.6	0.0
SEP	75.8	0.2
OCT	69.6	0.7
NOV	60.0	1.8
DEC	50.9	2.5
Annual	63.3	16.7

Equation coefficients

<u>Residential (Cu. Ft.)</u>		<u>Business (Cu. Ft.)</u>		<u>Multifamily (Cu. Ft.)</u>	
TEMP1	27.66			TEMP1	202.82
TEMP2	26.15			TEMP2	193.86
TEMP3	24.61			TEMP3	181.32
TEMP4	25.01	TEMP4	3.20	TEMP4	178.47
TEMP5	27.37	TEMP5	9.89	TEMP5	184.52
TEMP6	32.97	TEMP6	21.18	TEMP6	199.13
TEMP7	37.75	TEMP7	29.96	TEMP7	211.81
TEMP8	36.56	TEMP8	30.51	TEMP8	204.81
TEMP9	36.35	TEMP9	30.39	TEMP9	212.66
TEMP10	32.26	TEMP10	24.96	TEMP10	204.35
TEMP11	27.32	TEMP11	14.11	TEMP11	187.13
TEMP12	26.17	TEMP12	3.76	TEMP12	191.95
RAIN	-23.97	RAIN	-6.21	RAIN	-118.39

Palos Verdes

**30-Year Normal Values,
rainfall over 4" adjusted**

	<u>Temperature</u>	<u>Rainfall</u>
JAN	56.7	1.9
FEB	57.1	2.4
MAR	58.0	2.4
APR	59.8	1.5
MAY	62.3	0.5
JUN	65.1	0.2
JUL	68.1	0.1
AUG	70.1	0.1
SEP	70.3	0.2
OCT	68.1	0.4
NOV	63.5	0.8
DEC	58.7	1.4
Annual	63.1	11.8

Equation coefficients

<u>Residential (Cu. Ft.)</u>		<u>Business (Cu. Ft.)</u>		<u>Multifamily (Cu. Ft.)</u>	
TEMP1	64.83			No model	
TEMP2	60.49				
TEMP3	59.06				
TEMP4	63.86	TEMP4	36.57		
TEMP5	70.01	TEMP5	99.00		
TEMP6	71.11	TEMP6	129.50		
TEMP7	73.80	TEMP7	155.51		
TEMP8	72.47	TEMP8	161.17		
TEMP9	72.20	TEMP9	144.88		
TEMP10	68.67	TEMP10	117.73		
TEMP11	64.66	TEMP11	37.69		
TEMP12	64.30				
RAIN	-58.48	RAIN	-413.58		

APPENDIX F
AUTHORIZED ADVICE LETTERS

Table of Advice Letter Projects

District	Project Number	Project Description	Location	Advice Letter Cap
Antelope Valley	Project 14467	Chloramination facilities	Leona Valley	\$108,000
Antelope Valley	Project 14468	Chloramination facilities	Lancaster	\$108,000
Bear Gulch	Projects 4288, 12920, 12922, and 13154	Studies and improvements related to environmental compliance of the surface supply	Bear Gulch	\$1,045,000
Bear Gulch	Projects 11106 and 11107	Design and construction of a replacement for the Woodside Reservoir	Bear Gulch	\$1,620,000
Dominguez	Projects 7810, 7783, 7784, and 10393	New well	Dominguez	\$1,020,000
Dominguez	Project 12039	wellhead treatment	Dominguez	\$400,200
Dominguez	Project 12047	wellhead treatment	Dominguez	\$232,300
Dominguez	Project 12801	wellhead treatment	Dominguez	\$738,800
Dominguez	Projects 13540, 13541, 13542, and 13543	New well	Dominguez	\$1,094,000
Hermosa	Project 12886	Major main replacement in Pacific Coast Highway	Hermosa	\$1,607,500
Kern River Valley	Projects 12299, 12300, 12301	Arsenic compliance and water supply reliability	Kern River Valley	\$5,510,000
Marysville	Project 13316	Purchase property for new customer service center	Marysville	\$243,000
Marysville	Project 13318	Tank replacement	Marysville	\$1,294,000
Marysville	Project 13327	New well	Marysville	\$1,080,000
Redwood Valley	Project 12508	300,000 gallon tank	Lucerne	\$350,000

APPENDIX G
RATE SUPPORT FUND SETTLEMENT

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

California Water Service Company (U 60-W), for Authority to Increase Rates Charged for Water Service in the Antelope Valley District by \$437,218 or 36.94% in Fiscal Year 2006-2007; by \$145,000 or 8.94% in Fiscal Year 2007-2008; and by \$145,000 or 8.21% in Fiscal Year 2008-2009.

Application 05-08-006
(Filed August 8, 2005)

And Related Matters.

Application 05-08-007
Application 05-08-008
Application 05-08-009
Application 05-08-010
Application 05-08-011
Application 05-08-012
Application 05-08-013
(Filed August 8, 2005)

RATE BASE EQUALIZATION ACCOUNT (RBEA)
SETTLEMENT

GENERAL

The Parties to this Settlement before the California Public Utilities Commission (Commission or CPUC) are California Water Service Company (CWS), the Division of Ratepayer Advocates (DRA), Lucerne Community Water Organization, Intervener Jack Miller from Armstrong in the Redwood Valley Unified District, Interveners Jeffrey Young and Marcos Pareas from the Redwood Valley Coast Springs District and the Leona Valley Cherry Growers Association -- collectively, Parties. The Parties, desiring to avoid the expense and inconvenience attendant to the litigation before the Commission, have agreed on this Settlement, which they now submit for adoption.

In consideration of the mutual obligations, covenants and conditions contained herein, the Parties agree to the terms of this Agreement. Nothing in this Agreement shall be deemed to constitute an admission or an acceptance by any Party of any fact, principle, or position contained herein and this Agreement is subject to the limitations described in Section 13 with respect to the express limitation on precedent. The Parties, by signing this Agreement, acknowledge that they pledge support for Commission approval and subsequent implementation of all the provisions of the Agreement.

SETTLEMENT TERMS

This agreement was reached taking into account Parties original positions, the affordability of the rates (district income levels, usage levels, rate base per customer, availability of public loan funds, and average bills in each district) and public comment at the Public Participation Hearings and in letters to the CPUC and DRA. In addition,

Parties weighed the impact of any extraordinary water quality problems in reaching this settlement.

Parties agreed on the need to provide some form of rate assistance for Antelope Valley, Kern River Valley, and Redwood Valley but did not agree on the RBEA as proposed by CWS. Parties instead propose use of a different subsidy mechanism, which they name the **Rate Support Fund (RSF)**. While CWS and DRA analyzed the impact of the very high rate base per customer in their respective reports, it was just one of the factors used in selecting which districts should be eligible for a benefit. Actual numerical recommendations for rate assistance are based on a per customer benefit and not tied to rate base.

1. Rate Support Fund (RSF).

The parties agree that the RSF will be used to support two types of benefits: (1) a general rate assistance benefit to all customers in eligible districts; and, (2) a targeted benefit to qualifying low income customers in all three of the RBEA proposed districts -- Antelope Valley, Kern River Valley and Redwood Valley (Lucerne, Coast Springs, and Unified).

2. Eligible districts.

Parties agree that Kern River, Redwood Valley-Lucerne, Redwood Valley-Coast Springs, and Redwood Valley-Unified are all eligible for a general district-wide or division-wide rate assistance benefit from the RSF.¹ In addition, Parties agree that the customers in the very impoverished and low water usage area of Fremont Valley in Antelope Valley are also eligible for a general rate assistance benefit, but agree that Antelope Valley as a district should only be eligible for the more targeted low income benefit described below. This agreement was reached taking into account Parties original positions, the affordability of the rates -- district income levels, usage levels, rate base per customer, availability of public loan funds, and average bills in each district. In addition, Parties weighed the impact of any extraordinary water quality problems in the proposed districts.

In addition, Parties agree that qualifying low income customers in Antelope Valley, Kern River Valley, and Redwood Valley (Lucerne, Coast Springs, and Unified) are all eligible to participate in a special low income rate assistance program designed to provide additional targeted rate relief to those most in need of assistance.

¹ Redwood Valley has three divisions -- Lucerne, Coast Springs and Unified.

3. Amount of total support subsidy.

Parties agree to the following RSF subsidy amounts for rate assistance:

District	General Rate Assistance	Low Income Rate Assistance	Total
Kern River	\$1,034,006	\$108,000	\$1,142,006
Lucerne	264,447	41,160	305,607
RV – Coast Springs	50,795	1,200	51,995
RV – Unified	89,965	8,880	98,845
Antelope Valley	0	12,600	12,600
AV - Fremont Valley 93501	12,546	4,080	16,626
Total	\$1,451,760	\$175,920	\$1,627,680

These amounts assume that CWS gets a \$4 million zero interest State Revolving Fund (SRF) loan for Lucerne. The net reduction in revenue requirement provided by this loan to Lucerne customers is approximately \$23/month.² Lucerne customers will not see this \$23/customer reduction on their bills, because it is a net reduction over what bills would have been without the SRF loan. Parties recognize that Lucerne customers will be receiving this \$23 net benefit once the loan is finalized, which when combined with the RSF rate assistance benefit described herein of \$17/customer, results in combined rate support of approximately \$40/customer per month from CWS ratepayers and the SRF loan program.

The benefit for the Fremont Valley area of Antelope Valley is targeted to a unique situation. In general, Antelope Valley is of average income with average residential water usage of 33.5 Ccfs/month. When usage is normalized and compared across districts at 10 Ccfs per month, proposed Antelope Valley bills are comparable or less than existing bills in Kern River Valley and Redwood Valley. However, the Fremont Valley sub-area is different. Over 50% of the households are at or below 200% of federal poverty guidelines, and average usage is 7 Ccfs per month. Parties agreed to provide general rate support to all households in this specific area.

See attached tables for a summary of CWS and DRA original positions and for settlement amounts as a proportion of revenue requirement. These amounts represent a compromise on the part of both CWS and DRA, as well as the other interveners.

4. Customer benefits and type of support.

a. General Support – Customer benefits.

Parties agree that the above RSF subsidies are designed to provide the following amounts in monthly rate support per customer:

Kern River Valley **\$20/month/customer**

² A \$4 million reduction in rate base equates to an approximate \$36/month reduction per customer. The SRF loan payment, per customer, is estimated to be \$13/month. Therefore, the net reduction, \$36 - \$13, equals a net savings of \$23/customer.

- RV - Lucerne **\$17/month/customer**
- RV – Coast Springs **\$17/month/customer equivalent**
 Parties agree that rate support in this division should be applied to the quantity rates to better target the benefit to year round permanent residents rather than vacation home customers. This equates to **\$6.05/Ccf.**
- RV – Unified **\$17/month/customer equivalent**
 Parties agree that rate support in this division should also be applied to the quantity rates to better meet the needs of the community. This equates to **\$1.76/Ccf.**
- AV – Fremont Valley **\$8.50/customer/month**
 Service area
 (93501 zip code)

b. Additional targeted support for qualifying low income customers in Antelope Valley, Kern River Valley and Redwood Valley.

Parties also recommend that a portion of the RSF support be specifically targeted to qualifying low income customers in all three of the proposed RBEA districts – Antelope Valley, Kern River and Redwood Valley (Lucerne, Coast Springs, and Unified). Parties agree that eligible low income households should receive an additional \$10/month in low income rate assistance. Any customer who is enrolled in either the PG&E or SCE low income program, California Alternate Rates for Energy or CARE, and who presents proof of that enrollment by submitting a copy of his or her electric bill, will automatically qualify for this special low income assistance. If the customer does not have electric service, he or she must meet the CPUC CARE program income limits to qualify. The following table shows the income limits in effect through May 2006.

Household Size	LIEE Income Limit
1 to 2	\$27,700
3	\$32,500
4	\$39,200
5	\$45,900
6	\$52,600
Each additional	\$6,700

These limits are updated annually and posted on the CPUC website under “Consumer Information” and are currently based on 200% of federal poverty guidelines. CWS agrees to inform customers of this additional rate assistance twice a year via a bill insert and notices approved by the CPUC Public Advisor and DRA, and notifying Community Based Organizations (CBOs) within the districts in writing so they can also publicize the program.

Parties acknowledge that CWS has an application pending (A.05-10-035) for a company-wide low income rate assistance (LIRA) program that would apply to all CWS districts. Parties agree that low income customers in Antelope Valley, Kern River Valley and Redwood Valley should receive the higher of any low income assistance authorized in that proceeding or the low income assistance adopted in the instant proceeding, but not

both. Parties expect that in A.05-10-035 the low income assistance and corresponding surcharges authorized in this proceeding will be combined into the company-wide low income rate assistance fund and surcharge mechanism that is adopted in A.05-10-035.

c. Line item on customer bills.

Parties agree that any and all customer support will be an explicit line item on the customer bill. The direct benefit going to qualifying districts will be listed as the "Rate Support Fund Assistance" and the additional special low income assistance will be listed as "Low Income Rate Assistance".

5. Surcharge.

Parties agree to fund the RSF via a volumetric surcharge on every unit of water sold by CWS in all 24 districts, instead of a per customer surcharge. Parties estimate the volumetric surcharge to be approximately \$0.0090, or less than one penny, per Ccf of water. The surcharge for un-metered customers on a flat rate should be a per customer charge based on the average residential consumption in those districts. As shown in Attachment B, it ranges from \$0.22 to \$0.36 per customer depending on the district. Parties agree that customers enrolled in any CWS low income program should be exempt from paying this surcharge. Also, CWS has agreed to show the surcharges on customer bills.

6. Effective dates.

The Parties agree that the general RSF support and the targeted LIRA support should be implemented coincident with the effective date of the rate increases in the Redwood Valley and Antelope Valley districts. Additionally, the RSF support for the Kern River Valley district should be implemented at the same time that the rate increase associated with the infrastructure improvements to comply with the new arsenic standard become effective. DRA has recommended that the rate increase for the arsenic related facilities be implemented by advice letter after the facilities are in service. CWS does not oppose DRA's advice letter recommendation.

7. Duration.

Support approved in this GRC is for the duration of this GRC cycle. Requests for future RSF rate assistance may be made by CWS in future general rate cases. CWS also agrees to provide a summary report on RSF benefits provided and surcharges collected in the next GRC for these districts.

8. Accounting Treatment.

RSF subsidies and surcharges will be booked in a single balancing account with the subsidies recorded for each district. No later than March 31st of each year CWS agrees to notify the Commission's Water Division in writing of the status of the balancing account for the prior calendar year. Additionally, CWS agrees to file an advice letter to adjust the surcharge if the balancing account is over- or under-collected by 10% or more of total annual revenues for the districts receiving support. Balances will accrue interest at the 90 day commercial paper rate.

CWS has agreed that the rates shown on customer bills for districts receiving RSF assistance will reflect the tariff rates with the RSF and LIRA benefits separately identified as offsets to the tariff rates.

9. CAPS procedure.

Parties discussed but declined to recommend the use of the CAPS procedure for phasing in rate increases for any districts in this GRC.

10. Incorporation of Complete Agreement

This Agreement is to be treated as a complete package and not as a collection of separate agreements on discrete issues. To accommodate the interests related to diverse issues, the Parties acknowledge that changes, concessions, or compromises by a Party or Parties in one section of this Agreement resulted in changes, concessions, or compromises by the Parties in other sections. Consequently, the Parties agree to oppose any modification of this Agreement not agreed to by all Parties.

11. Signature Date And Term Of Agreement

This Agreement shall become binding on the signature date.

12. Regulatory Approval

The Parties shall use their best efforts to obtain Commission approval of the Agreement. The Parties shall jointly request that the Commission: (1) approve the Agreement without change; and (2) find the Agreement to be reasonable, consistent with law and in the public interest.

13. Compromise Of Disputed Claims

This Agreement represents a compromise of disputed claims between the Parties. The Parties have reached this Agreement after taking into account the possibility that each Party may or may not prevail on any given issue. The Parties assert that this Agreement is reasonable, consistent with law and in the public interest.

14. Non Precedent

Consistent with Rule 51.8 of the Commission's Rules of Practice and Procedure, this Agreement is not precedential in any other proceeding before this Commission, except as expressly provided in this Agreement.

15. Previous Communications

The Agreement contains the entire agreement and understanding between the Parties as to the subject matter of this Agreement, and supersedes all prior agreements, commitments, representation, and discussions between the Parties. In the event there is any conflict between the terms and scope of the Agreement and the terms and scope of the accompanying joint motion, the Agreement shall govern.

16. Non Waiver

None of the provisions of this Agreement shall be considered waived by any Party unless such waiver is given in writing. The failure of a Party to insist in any one or more instances upon strict performance of any of the provisions of this Agreement or to take advantage of any of their rights hereunder shall not be construed as a waiver of any such provisions or the relinquishment of any such rights for the future, but the same shall continue and remain in full force and effect.

17. Effect Of Subject Headings

Subject headings in this Agreement are inserted for convenience only, and shall not be construed as interpretations of the text.

18. Governing Law

This Agreement shall be interpreted, governed and construed under the laws of the State of California, including Commission decisions, orders and rulings, as if executed and to be performed wholly within the State of California.

19. Number Of Originals

This Agreement is executed in counterparts, each of which shall be deemed an original. The undersigned represent that they are authorized to sign on behalf of the Party represented.

Attachment A

Comparison of CWS vs. DRA RBEA Original Positions with Settlement			
	CWS	DRA	Settlement
Type of Support	Direct subsidy support to eligible districts	Direct subsidy support to eligible districts	General rate support to all customers in eligible districts, and additional targeted support to qualifying low income customers.
Eligible Districts for Direct Subsidy Support	Antelope Valley, Kern River Valley and Redwood Valley (Lucerne, Coast Springs, and Unified).	Kern River Valley and Redwood Valley (Lucerne only).	Kern River Valley, Redwood Valley (Lucerne, Coast Springs, and Unified) and AV - Fremont Valley (93501 zip) only.
Eligible Districts for Targeted Low Income Support	NA	NA	Antelope Valley, Kern River Valley and Redwood Valley (Lucerne, Coast Springs, and Unified).
Data used for comparison purposes	CWS Results recalculated using 8.5% ROR.	DRA Results recalculated using 8.5% ROR.	NA
SRF Loan for Lucerne	CWS calculations assumed no loan.	DRA presented two scenarios, with and without SRF loan.	Assumes receipt of \$4 million interest free SRF loan for Lucerne.
Rate base subsidy threshold per customer			<i>Weighed in settlement negotiations but not used as a threshold.</i>
2006-07	\$1,136	\$2,272	
2007-08	\$1,136	\$2,272	
Total rate base subsidized			<i>Weighed in settlement negotiations but not used as a threshold.</i>
2006-07	\$15,945,620	\$5,040,520	
2007-08	\$17,302,725	\$5,783,798	
Total Revenue Requirement Subsidy			
2006-07	\$2,455,626	\$776,240	\$1,627,680
2007-08	\$2,664,620	\$890,705	\$1,627,680
Benefit per customer	Varies by district. See Bill Analysis Tables.	Varies by district. See Bill Analysis Tables.	
Surcharge type	Per customer	Per Ccf water sold	Per Ccf water sold
Per Customer surcharge			Not Applicable, but values provided for comparison purposes.
2006-07	\$0.47	\$0.15	\$0.31
2007-08	\$0.51	\$0.17	\$0.31
Per Ccf water surcharge			
2006-07	\$0.014	\$0.004	\$0.009
2007-08	\$0.015	\$0.005	\$0.009
Subsidizing ratepayers	All CWS ratepayers including those in districts to be subsidized.	Former Dominguez ratepayers. Shareholders should pay CWS portion. Customers enrolled in any CWS low-income water program should be excluded from paying the surcharge.	All CWS ratepayers including those in districts to be subsidized, but excluding customers enrolled in any CWS low-income water program
<i>Shareholders portion of per customer surcharge</i>	0	90.2%. (CWS customers from non-Dominguez districts.)	Not Applicable.
<i>Shareholders portion of per Ccf surcharge</i>	0	86.6% (86.6% of water sold is to CWS customers from non-Dominguez districts.)	0

Attachment B

Proposed Settlement on CWS RBEA Proposal

DRA and CWS proposed subsidies recalculated using a standard ROR of 8.5% to eliminate this variable from results. Use of this ROR was for comparison purposes only, and does not imply endorsement of this value by either DRA or CWS.

Part I: Eligible District RSF General Subsidy

District	Monthly Customer Subsidy*				Settlement Subsidy as % of Rev. Requirement		
	DRA	CWS	Settlement	Settlement	% Current	% DRA	% CWS
Kern River	\$666,465	\$1,420,275	\$1,034,006	\$27,47	39.4%	31.4%	22.7%
Lucerne	\$109,769	\$336,497	\$264,447	\$21.64	44.9%	21.6%	13.3%
RV - Coast Springs*	\$0	\$137,600	\$50,795	\$46.05	61.6%	24.8%	15.2%
RV - Unified*	\$0	\$181,257	\$89,965	\$17.00 *	28.1%	16.8%	11.8%
Antelope Valley	\$0	\$380,148	\$0	\$23.36	0.0%	0.0%	0.0%
AV - Fremont Valley 93501	--	--	\$12,546	--	NA	NA	NA
Total	\$776,234	\$2,455,777	\$1,451,760	--			
Surcharge per Ccf	\$0.0040	\$0.014	\$0.0080	--			
Lucerne - SRF Loan	\$344,724.00	\$344,724.00	\$344,724.00	\$23.00	58.5%	28.2%	17.4%

* Parties agree that the subsidy for Coast Springs and Unified be applied to the quantity rates instead of being a per customer credit. This results in a credit per Ccf of:

RV - Coast Springs* \$6.05
RV - Unified* \$1.76

* This analysis assumes that CWS gets a \$4 million interest free SRF loan for Lucerne. The net benefit per customer for this loan is \$23/month. (A \$4 million reduction in ratebase results in approximately \$36/month reduction/customer/month, and a loan payment of \$13/customer/month, for a net reduction of \$23/customer/month on average.) CWS states loan looks certain. If for some reason it doesn't come through, parties agree to reconsider subsidy to Lucerne agreed to here in recognition of that.

Part II: Settlement Special Low Income Discount

District	\$ Discount/Customer	Estimated Customer Participation at 50% of Eligible	Special Low Income Subsidy	Settlement Subsidy as % of Rev. Requirement		
				% Current	% DRA	% CWS
Kern River	\$10.00	900	\$108,000.00	4.12%	3.28%	2.37%
Lucerne	\$10.00	343	\$41,160.00	6.99%	3.37%	2.07%
RV - Coast Springs	\$10.00	10	\$1,200.00	1.46%	0.59%	0.36%
RV - Unified	\$10.00	74	\$8,880.00	2.78%	1.66%	1.17%
Antelope Valley	\$10.00	105	\$12,600.00	1.39%	1.11%	1.02%
AV - Fremont Valley 93501	\$10.00	34	\$4,080.00	NA*	NA*	NA*
Total		1466	\$175,920			
Surcharge per Ccf			\$0.0010			

* Low Income support for Antelope Valley and AV - Fremont combined for purposes of evaluating percentage of revenue requirement.

Total RSF Subsidy for High Rate Base per Customer Districts

District	General Rate Assistance		Low Income Rate Assistance	Total	SRF Loan Benefit	Total
	Assistance	Assistance				
Kern River	\$1,034,006	\$108,000	\$1,142,006			
Lucerne	264,447	41,160	305,607			
RV - Coast Springs	50,795	1,200	51,995			
RV - Unified	89,965	8,880	98,845			
Antelope Valley	0	12,600	12,600			
AV - Fremont Valley 93501	12,546	4,080	16,626			
Total	\$1,451,760	\$175,920	\$1,627,680			
Surcharge per Ccf	\$0.0080	\$0.0010	\$0.0090			

midpoint DRA - CWS
\$1,616,005.56

Flat Rate Customers only -- Monthly per customer surcharge based on average usage*

Districts with Flat Rate Customers	Average Usage	Flat Rate Surcharge
Bakersfield	40.5	\$0.36
Chico	24	\$0.22
Marysville	24.5	\$0.22
Oroville	26.5	\$0.24
Selma	38.9	\$0.35
Visalia	24.5	\$0.22
Willows	31.8	\$0.29

Surcharge per Ccf
\$0.01

*average usage x surcharge per Ccf = flat rate monthly customer surcharge

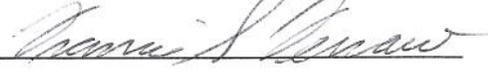
Division of Ratepayer Advocates

By 

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Date: 2/24/06

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By 

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By _____

Jeffery Young
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Date: _____

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Date: _____

Lucerne Community Water Organization

By _____

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**Leona Valley Cherry Growers
Association**

By _____

Jack Chacanaca
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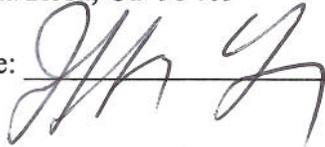
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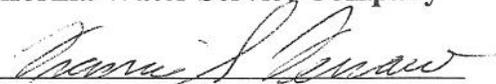
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APPENDIX H
STIPULATION ON REMAINING ISSUES

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF
CALIFORNIA

In the Matter of Application of California Water Service Company (U 60 W), a corporation, for an order authorizing it to increase rates charged for water service in the Antelope Valley District by \$437,218 or 36.94% in fiscal 2006-2007, by \$145,000 or 8.94% in fiscal 2007-2008, and by \$145,000 or 8.21% in fiscal 2008-2009.

Application 05-08-006

And Related Matters

Application 05-08-007
Application 05-08-008
Application 05-08-009
Application 05-08-010
Application 05-08-011
Application 05-08-012
Application 05-08-013

(Filed August 8, 2005)

STIPULATIONS OF CALIFORNIA WATER SERVICE COMPANY (U-60—W) AND THE DIVISION OF RATEPAYER ADVOCATES

1.0 GENERAL

1.01 The Parties to this Stipulation before the California Public Utilities Commission (“Commission”) are California Water Service Company (“Cal Water”) and the Division of Ratepayer Advocates (“DRA”) -- collectively, “the Parties.” In six of the districts at issue in this proceeding, these are the only interested parties. However, in the Redwood Valley District and the Antelope Valley District, there are other parties, collectively “the Intervenors” who have not explicitly joined in this stipulation. The Parties, desiring to

avoid the expense and inconvenience attendant to the litigation before the Commission have agreed on this Stipulation which they now submit for adoption.

1.02 Because this Stipulation represents a compromise by them, the Parties have entered into the Stipulation on the basis that its approval by the Commission not be construed as an admission or concession by any Party regarding any fact or matter or law in dispute in this proceeding. Furthermore, the Parties intend that the approval of this Stipulation by the Commission not be construed as a precedent or statement of policy of any kind except as it relates to the current and future proceedings addressed in the Stipulation.

2.0 STIPULATION TERMS

2.1 Sales and Services

2.11 DRA agrees to Cal Water original sales forecasts except in the Redwood Unified Service Area and the Coast Springs Service Area, where Cal Water agrees to DRA's proposed sales forecasts. The forecasts, except in Redwood Valley, reflect the estimating methodology in the Commission's Rate Case Plan. Redwood Valley was not estimated using this methodology due to the lack of appropriate long-term weather and sales data.

2.12 Parties agree not to correct the data error in Kern River Valley identified in Cal Water's rebuttal. The difference is minor and both parties relied on the incorrect data.

2.13 Parties agree to DRA's estimates of customers, except that parties agree to residential customer growth in Marysville of 14 customers per year. Cal Water had initially estimated 13 customers per year and DRA had estimated 16 customers per year.

2.2 Expenses

2.2.1 Labor

- Parties agree to use the latest union contract increase of 3.5% labor inflation for 2006 and 2007 labor. Parties agree to incorporate the enumerated union contract revisions to complement in Antelope Valley and Kern River Valley. These revisions reflect classification changes for certain employees in these districts.
- Cal Water agrees to DRA's employee complement recommendation for Antelope Valley.
- DRA and Cal Water agree that the Redwood Valley District employee complement should be increased by one water supply operator. The test year salary of \$39,000 for the added employee is allocated 50% to Lucerne and 50% to the unified rate area. Because of the additional staffing, the Parties agree to DRA's estimated Lucerne contract maintenance expense less \$10,000 to reflect expected savings.
- DRA and Cal Water agree that 15 temporary employees in the Rancho Dominguez Operations Center should be reflected as permanent positions. These positions were classified as temporary until all Cal Water/Dominguez merger related issues were finalized. Furthermore, the parties agree that \$74,300 in additional direct labor costs should be included for four positions that do not have permanent equivalent positions. DRA and Cal Water agree that this increased cost should be allocated to Dominguez-South Bay, Palos Verdes, and Hermosa-Redondo using the four-factor method included in Cal Water's workpapers.
- Cal Water agrees to DRA's recommendation of two additional employees in the Bear Gulch District.

2.2.2 Postage Expense

- Cal Water agrees to DRA's recommended postage expense.

2.2.3 Transportation Expense

- Cal Water and DRA agree that there is merit in both parties' positions on transportation expense. Therefore, they agree to use the average of the recommended transportation expenses shown in Cal Water's application and DRA's report.

2.2.4 Water Production Expenses

- In the Dominguez-South Bay District, DRA and Cal Water agree to reflect DRA's recommended treatment of proposed water production facilities in determining the base amount of groundwater production and purchased water. Cal Water and DRA have agreed that five water supply facilities projects should be included in rate base after completion via advice letter filings. In addition to the capital requirements, those advice letters should each reflect adjusted water production expenses (purchased water, purchased power, groundwater replenishment fees, pump taxes, and chemicals) to reflect the change in production mix afforded by the new facilities. DRA and Cal Water agree that at current rates, marginal (tier 2) purchased water costs approximately \$616 per acre-foot, while pumped groundwater costs approximately \$209 per acre foot. In addition, DRA and Cal Water agree that unused groundwater pumping rights are assumed to be leased, crediting ratepayers \$75 per acre foot within the West Basin Municipal Utilities District and \$175 per acre foot within the Central Basin Municipal Utilities District. Thus there is substantial benefit to ratepayers in lower production costs (approximately \$332 per acre-foot in West Basin and \$232 per acre-foot in Central Basin) when these facilities become used and useful.
- Parties agree to use power calculations for Marysville, Redwood Valley, and Bear Gulch based on the PG&E rates effective January 1, 2006.

2.2.5 Source of Supply Expense

- In the Dominguez-South Bay District, DRA and Cal Water agree to estimate source of supply expense by adding \$20,000 to DRA's recommendation. Cal Water had estimated \$70,800 based on a two-year average of expenses in the category. These expenses increased significantly when the State discontinued its payment of a portion of local watermaster fees. DRA had used a five-year average in developing an estimate of \$43,800. Cal Water and DRA now agree that the impact of this change in watermaster fees is \$20,000 per year above DRA's estimate.

2.2.6 Conservation Expenses

- DRA and Cal Water agree to conservation expenses in all districts as follows:
(Three-year total of expense, as DRA recommended a phase-in, \$ in thousands)

<u>District</u>	<u>Cal Water</u>	<u>DRA</u>	<u>Settlement</u>
Antelope Valley.	\$87.9	\$48.6	\$72.0
Bear Gulch	\$462.3	\$462.3	\$462.3
Dominguez	\$490.2	\$0	\$319.3
Hermosa-Redondo	\$440.1	\$259.5	\$286.7
Kern River Valley	\$136.2	\$84.8	\$84.8
Marysville	\$149.1	\$61.7	\$92.5
Palos Verdes	\$352.5	\$0	\$229.6
Redwood	\$116.7	\$69.8	\$69.8

Cal Water and DRA now agree that conservation programs should be funded through rates equally in the test and attrition years. Cal Water and DRA agree that Cal Water should report annually to the Commission's Water Division on the status of its conservation program expenditures. Furthermore, they agree that Cal Water should track conservation expenses and the conservation budget in a one-way balancing-type account. In its next General Rate Case filing for each district, Cal Water would propose to refund to customers any under-expenditures recorded

in the account. No recovery would be authorized for expenditures above the approved 3-year conservation budget.

2.2.7 Contracted Maintenance Expense

- Cal Water and DRA agree to include in the Bear Gulch contracted maintenance expense a provision for amortizing field yard painting of \$63,400 over a ten year period. Cal Water had initially requested amortization of this expense over a three-year period while DRA had recommended a fifteen year amortization in its report. The parties now agree that ten years is a reasonable life for the field yard painting.
- As noted above, Cal Water and DRA agree to contracted maintenance expenses in Lucerne reflecting a \$10,000 reduction from DRA's recommendation.

2.2.8 Other Operation and Maintenance Expenses

- Cal Water agrees to DRA's estimates of expenses in all other areas of operation and maintenance not enumerated above.

2.2.9 Rent – Rancho Dominguez

- DRA and Cal Water agree to continue the provisions of their settlement from D.04-04-041 relating to rent for the Dominguez-South Bay, Hermosa-Redondo, and Palos Verdes Districts. In summary, this settlement proposes to continue to include in rates the pre-merger costs of customer service and operations facilities for the three districts and to exclude current rental costs for these districts. This treatment is consistent with the presentation and evaluation of synergies elsewhere in this proceeding.
- As a result, Cal Water agrees to DRA's exclusion of current rent from expense. DRA and Cal Water agree to add \$603,595 to plant in service in Dominguez-South Bay to reflect the old Dominguez operations center. The depreciation reserve should also be adjusted to reflect four years of depreciation at \$20,000

(3.33% rate). Depreciation expense for the test years should also reflect the additional depreciation expense of \$20,000 per year and ad valorem taxes should reflect additional expense of \$5,700 per year. DRA and Cal Water agree to add \$350,000 in beginning of year 2005 plant to Hermosa-Redondo to reflect the retired operations center, additional depreciation in the test years of \$11,660 (3.33% rate), and additional ad valorem taxes of \$2,700. DRA and Cal Water agree that the Palos Verdes operations center continues to be used and useful so no adjustment is necessary to reflect retired facilities.

2.2.10 Other Administrative and General Expenses

- Cal Water agrees to DRA's estimates of expenses in all other areas of administrative and general expense not enumerated above, except that where DRA accepted Cal Water's estimating method for an expense category, DRA agrees to reflect the inflation factors used in its report (September 2005).

2.3 Rate Base

- **Weighting:** Cal Water and DRA agree to use the 100%/0% weighting system when calculating fiscal year rate base. This means, for example, that the weighted average plant additions for the 2006-7 fiscal year would include 2006 plant additions at 100% weighting and the 2007 plant additions at 0%. Parties agree that this method is simpler to implement than the recorded fiscal weighting approach and yields similar results.
- **Working Cash:** Parties agree that the lead-lag calculation for working cash allowance should reflect DRA lag days for ad valorem taxes (221 days), Cal Water's zero lag days for depreciation expense, and the midpoint between DRA and Cal Water's lag days for other O&M expense (19.9 days). Cal Water agrees to include the working cash effect of payment lag of CPUC fees as recommended by DRA.

2.31 Antelope Valley District Plant in Service

- DRA and Cal Water agree to a budget of \$29,126 on project 13183 in Antelope Valley for a pump building based on the bid received plus overhead and supervision. DRA had recommended \$26,700 based on the bid received. Cal Water had initially estimated \$31,300.
- DRA and Cal Water agree to a budget of \$51,650 for project 13199 for services replacements in Leona Valley in 2007. DRA had recommended \$46,200 based on services replacement in another project. Cal Water had initially estimated \$57,100 in its application. DRA and Cal Water agree that because the project evaluated by DRA was in connection with a main replacement, it may not have included some costs necessary in an independent service replacement and that Cal Water's initial estimate assumed all the replacements were long-side services. Therefore, the parties agree that an average of their two initial positions is an appropriate budget.
- DRA and Cal Water agree to a budget of \$52,200 for project 13194 for services replacements in Lancaster in 2007. DRA had recommended \$46,200 based on services replacement in another project. Cal Water had initially estimated \$58,200 in its application. DRA and Cal Water agree that because the project evaluated by DRA was in connection with a main replacement, it may not have included some costs necessary in an independent service replacement and that Cal Water's initial estimate assumed all the replacements were long-side services. Therefore, the parties agree that an average of their two initial positions is an appropriate budget.
- DRA agrees to Cal Water's proposed budget of \$14,300 for Project 13190 in 2006 for hydrant replacements. DRA had recommended \$7,400.

- DRA agrees to Cal Water's proposed budget of \$34,000 for Project 7248 in 2005 for hydrant replacements because the job was completed. ORA had recommended \$20,400. Cal Water had initially proposed \$34,300.
- Cal Water agrees with DRA's recommendation to exclude project 11408 for a replacement truck in 2005. The truck is associated with Cal Water's request for an operations employee. Since Cal Water and DRA agree that this position should not be included in rates in this proceeding, this project is unnecessary.
- Cal Water and DRA agree on Cal Water's application estimate of \$83,200 in 2006 for project 7401 for an iron and manganese removal plant.
- DRA and Cal Water agree to DRA's recommendation for advice letter treatment of the following projects:
 - Project 14467 Chloramination facilities in Leona Valley in 2007. The parties agree that this project is to be coordinated closely with the water wholesaler's conversion to chloramines and that timing is uncertain. The advice letter should seek to recover no more than \$108,000 in capital costs.
 - Project 14468 Chloramination facilities in Lancaster in 2007. The parties agree that this project is to be coordinated closely with the water wholesaler's conversion to chloramines and that timing is uncertain. The advice letter should seek to recover no more than \$108,000 in capital costs.
- In all other respects except those enumerated above, Cal Water agrees to DRA's recommendations on 2005, 2006, and 2007 capital budgets.

2.32 Kern River Valley Plant

- Cal Water and DRA agree that recovery of the costs of projects 12299, 12300, and 12301 for arsenic compliance and water supply reliability should be through an advice letter once the projects are completed. These projects represent very significant investments in infrastructure for the district, and the advice letter process is proposed to ensure ratepayers pay for the actual costs of the improvements. These projects will be completed in mid-2006. DRA and Cal Water agree that to avoid multiple rate increases and to decrease workload for the Water Division, Cal Water should file a single advice letter to incorporate the costs of all three projects when they are in service. Because DRA observed that Cal Water's budgets for these projects have been recently refined and reduced, it proposed cutting Cal Water's construction contingency from 15% to 5% of the project cost. After settlement discussions, the parties agree that the advice letters should request no more than 95% of Cal Water's initial budget for these projects in capital costs. The agreed-upon budgets are as follows: project 12300 - \$1,995,000, project 12299 - \$2,185,000, and project 12301 - \$1,330,000. Therefore, the overall "cap" on the advice letter is \$5,510,000. (Cal Water should request no more than \$5,510,000 in capital costs in its advice letter filing.)
- Cal Water agrees with DRA's deferral of project 7069 for SCADA improvements from 2005 to 2006.
- Cal Water and DRA now agree to Cal Water's reduced, current estimate of \$80,000 for project 9359 in 2006 for tank replacement at station 6. Cal Water had initially estimated \$154,100 and DRA had recommended \$60,000.
- Cal Water and DRA now agree that project 13124 in 2007 for a Kernville main replacement should be budgeted at \$388,700 for mains and \$81,975 for service replacements. This agreement reflects the parties' view that there is significant merit in their respective positions. DRA's recommended budget for mains was

\$340,000 and services was \$45,000 and Cal Water's proposed budget for mains was \$437,400 and services was \$94,300.

2.33 Redwood Valley Plant

- Cal Water and DRA agree to adjust the beginning balance of plant to correct an earlier error in allocating a treatment facility. In Cal Water's Application, the Rancho del Paradiso treatment plant was allocated among all Redwood Valley systems. It should have been allocated only to the Unified Service Area. Furthermore, since the treatment plant is now retired, the plant should be removed from plant and depreciation reserve in accordance with generally accepted accounting principles. The effect on beginning of year 2005 plant that is incorporated into the DRA/Cal Water comparison tables is as follows:

Rate Area	CWS Original Filing	Stipulation
Coast Springs	\$220,300	\$174,700
Lucerne	\$3,402,600	\$3,162,700
Unified	\$1,029,700	\$1,119,400
Total	\$4,652,600	\$4,456,800

- Cal Water and DRA now agree that project 12508 for a 300,000 gallon tank in Lucerne in 2005 should be included in rates after it is in service by an advice letter filing. This advice letter should request no more than \$350,000 in capital costs for the project. DRA had recommended this project be included in rates for \$300,000 in the 2005 budget year. Cal Water had requested \$432,000. The parties observed that while DRA's comparison was generally reasonable, it may not have taken into account the remoteness of the Lucerne area and the difficulty Cal Water has had in the Redwood Valley obtaining qualified contractors. Therefore, the parties agreed to cap the advice letter at \$350,000 to allow for those conditions.
- Cal Water agrees to all DRA deferrals.

- Cal Water and DRA agree to budget \$75,000 for project 13538 for a treatment plant in Noel Heights. Cal Water had initially estimated \$150,000 for this project. DRA's report had recommended \$20,000 based on costs incurred through October 2005. The parties considered the additional expected charges on this project described in Cal Water's rebuttal in arriving at their budget estimate.
- Cal Water and DRA agree to budget \$280,000 for project 11696 for a tie-in between the Rancho del Paradiso system and Sweetwater Springs. Cal Water had initially budgeted \$280,000 for this project. DRA had recommended \$225,000 based on expenditures on the project through October. The parties considered the additional expected charges on this project described in Cal Water's rebuttal in arriving at their budget.
- Cal Water agrees to DRA's recommendation of \$70,000 for project 12497 for manganese removal in Hawkins.
- Cal Water agrees to DRA's estimate of \$40,500 for project 12499, a 2005 Coast Springs main replacement. Parties agree this project is planned for 2006 so it should be accounted for in the 2006 capital budget.
- Cal Water agrees to DRA's recommended budget of \$38,000 on project 12561 for a hydraulic model.
- Cal Water agrees to DRA's estimate of \$90,000 each for projects 13301 and 13304 for main replacements in Lucerne in 2006 and 2007.

2.34 Marysville plant

- Parties agree Cal Water should be authorized to file an advice letter in 2006 or 2007 capped at \$243,000 to include in rates the cost of new property for a new

customer center (Project 13316). Additionally, Cal Water agrees to prepare a detailed justification for the new operations center in its next GRC filing to address DRA's concerns that are expressed in its report. .

- Cal Water agrees to DRA's recommended budget of \$575,000 for project 10074 for a tank replacement. Cal Water had initially estimated \$648,000 for this project.
- Cal Water agrees to DRA's recommendation that Cal Water should be authorized to file an advice letter to include in rates the cost of project 13318 for a tank replacement. DRA agrees that Cal Water's advice letter should seek no more than \$1,294,000 in capital costs for the project. DRA had originally proposed a cap on project costs of \$1,229,000.
- Cal Water agrees to DRA's recommendation that Cal Water should be authorized to file an advice letter to include in rates the cost of project 13327 for a new well after it is in service. Cal Water agrees that the advice letter should seek to recover no more than \$1,080,000 in capital costs for the project.

2.35 Bear Gulch plant

- Cal Water and DRA agree to include in plant \$2,103,819 actually expended on completed project 9923 for a large main replacement on Woodside Road. Cal Water had initially estimated \$2,250,600, while DRA had recommended an advice letter.
- Cal Water and DRA now agree that Cal Water should be authorized to file an advice letter to include in rates the cost of projects 4288, 12920, 12922, and 13154 for studies and improvements related to environmental compliance of the surface supply. DRA had initially opposed these projects because the timing and design of the improvements was not finalized. However, after reviewing Cal

Water's rebuttal testimony, the parties agree that the projects are necessary and will benefit the ratepayers by allowing continued use of the local water supplies. Cal Water and DRA agree that the advice letter should seek to recover no more than \$1,045,000, the initial combined budget for these projects after they are completed.

- Cal Water and DRA agree to include in plant \$1,016,200 actually expended on completed project 5520 for an ultraviolet light disinfection project at the Bear Gulch surface water treatment plant. Cal Water had initially estimated \$1,016,200, while DRA had recommended \$653,984 based on costs incurred through October 2005.
- Cal Water and DRA agree to include in plant \$93,675 actually expended on completed project 10355 for improvements to the former Los Trancos County Water District, which is now part of the Bear Gulch District. Cal Water had initially estimated \$174,200, while DRA had recommended \$29,000 based on costs incurred through October 2005.
- Cal Water agrees to DRA's recommended disallowance of the cost for project 9958 for a field yard generator in 2007.
- Cal Water agrees to DRA's recommended disallowance of the aluminum remediation project in 2007.
- Cal Water and DRA agree to nonspecific budgets reflecting DRA's methodology but with corrections provided by DRA during settlement.
- Cal Water agrees to DRA's recommendation on meter replacements.
- Cal Water agrees with DRA's recommendation that Cal Water should be authorized to file an advice letter to include in rates the cost of projects 11106 and

11107 for design and construction of a replacement for the Woodside Reservoir. While the parties agreed on the need for the project, DRA was concerned about its exact cost and timing. Cal Water agrees with DRA's recommendation that the advice letter should seek to recover no more than \$1,620,000, the initial combined budget for these projects after they are completed.

2.36 Dominguez Plant

- Cal Water and DRA now agree that Cal Water should be authorized to file advice letters to include in rates the capital costs of five water supply projects as follows:

Projects 7810, 7783, 7784, and 10393 for a new well in 2006 capped at \$1,020,000;

Project 12039 for wellhead treatment at station 294-01 capped at \$400,200;

Project 12047 for wellhead treatment at station 219-01 capped at \$232,300;

Project 12801 for wellhead treatment at station 298-01 capped at \$738,800;

Projects 13540, 13541, 13542, and 13543 for a new well in 2007 capped at \$1,094,000.

Cal Water and DRA agree that these projects, once completed, will provide substantial ratepayer benefits in lower water production expenses. The parties therefore agree that Cal Water should reflect the change in production associated with each facility in the advice letter filing. Cal Water should calculate the change in revenue requirement associated with lower purchased water costs, lower leased water rights revenue, higher power costs, higher groundwater fees, and higher chemical costs using the adopted quantity rates for those cost items and include that change in the revenue requirement offset request.

- Cal Water and DRA now agree that Cal Water should be allowed a budget of \$700,000 for project 12930 for main replacements in 2007. Cal Water had initially requested \$886,600 for this project and DRA had recommended not

allowing the project because Cal Water had not demonstrated cost savings. The parties considered Cal Water's Application testimony on the need to routinely replace aging mains in arriving at the agreed-upon amount.

- Cal Water and DRA agree to nonspecific budgets reflecting DRA's methodology but with corrections provided by DRA during settlement.
- Cal Water agrees to DRA's recommendation on meter replacements.

2.37 Hermosa plant

- Cal Water and DRA now agree on treatment of two projects 11978 and 12886 for a major main replacement in Pacific Coast Highway. Cal Water had initially budgeted these projects for \$1,048,600 and \$1,607,500, respectively, in 2005. DRA had recommended advice letter treatment because of uncertainty over timing of these significant projects. Cal Water and DRA agree to include project 11978 in the 2006 budget for \$1,048,600 and recommend the Commission authorize Cal Water to file an advice letter to include project 12886 in rates after it is completed. The advice letter would be capped at \$1,607,500 in capital costs. The parties considered Cal Water's confirmed Cal Trans construction "window" for early 2006 for the first phase of this project, as well as Cal Water's progress in notifying customers of the pending construction activity, in arriving at their recommendation.
- Cal Water and DRA agree to nonspecific budgets reflecting DRA's methodology but with corrections provided by DRA during settlement.
- Cal Water agrees to DRA's recommendation on meter replacements.

2.38 Palos Verdes Plant

- Cal Water agrees to DRA's recommendation that it file a separate application to request the Palos Verdes transmission/storage project if that project is expected to be completed before the effective date of the next GRC.
- Cal Water and DRA agree to nonspecific budgets reflecting DRA's methodology but with corrections provided by ORA during settlement.
- Cal Water agrees to DRA's recommendation on meter replacements.
- Cal Water and DRA agree to DRA's corrected retirements presented to all parties during the settlement.

2.4 Other Policy Issues

2.41 Attrition

- Parties agree to use the weather adjusted full recorded earnings test for step and attrition filings as they have agreed to in the last four Cal Water GRC's. The Commission should adopt the following language contained in Ordering Paragraph 6 from Decision (D.) 05-07-022, shown below:

Subject to the modified recorded earnings test based on weather-adjusted recorded earnings for the last 12 months ending March 31 each year, as provided in the Settlement Agreement attached to this order, CWS is authorized to file in accordance with General Order 96-A, or its successor, and to make effective on not less than five days' notice, tariffs containing the Escalation Years 2006-2007 and 2007-2008 increases for CWS districts.

- Parties agree to provide temperature and rainfall coefficients to implement this method that would be included in the adopted quantities.
- Due to a limited data set of weather and consumption, the parties did not use the standard estimating model for the Redwood Valley district sales forecast, so for Redwood Valley, parties agree to use a full recorded earnings test for attrition increases without weather adjustments.
- Parties agree to calculate the attrition increases as called for in the rate case plan.

2.42 Other Issues

- Parties agree the Commission should allow Cal Water to recover amounts booked in the general office synergies memorandum account in the Bear Gulch, Hermosa-Redondo, and Marysville Districts from the effective date of D.04-04-041 until January 1, 2006. Cal Water shall request recovery of the remaining balances from January 1, 2006 through the effective date of rates in this proceeding in its next GRC.
- Parties agree to carry forward the provisions of the settlement relating to General Operations from D.05-07-022. In particular, the incremental positions advice letter process and the General Office expansion project advice letters, which would request rate increases for specific approved projects or positions, should also apply to the districts in this proceeding.
- As an additional settlement, Cal Water agrees to provide specific information upfront in subsequent rate case filings, identifying revenues and cost allocations for specific contracted activities. Cal Water will provide for each contract:
 - A copy of the contract
 - List of obligated tasks arising from the contract

- Corresponding list of Cal Water resources used in those tasks.
- Five year summary of earnings showing revenue, direct-billed expenses, and allocated expenses.
- For allocated expenses, a clear explanation of the basis of the allocation
- For each affected Cal Water resource, identify the allocation or charging method for service provided to non-tariffed services.

Antenna leases for each district may be described in aggregate. Further in the Addendum to the Settlement, Section 5.13 CWS agreed regarding: future presentation of unregulated activities. The parties clarify that paragraph 2.62 of the original settlement regarding how future rate cases should be presented applies to all future rate cases that Cal Water files with the Commission, and not just for the future rate cases for districts in that proceeding.

In this proceeding CWS did not provide this information up-front as per the settlement. As a condition of this settlement CWS and DRA again agree that the information will be provided up-front in all future rate applications when there are unregulated activities.

Cal Water further agrees that all general office and district allocations identified in relation to each contract will be audited in connection with the general office allocations audit to be conducted as part of the 2007 General Rate Case filing. This audit is a provision of the settlement between DRA (then ORA) and Cal Water in D.05-07-022, Settlement paragraphs 2.63 and 2.64.

- Cal Water stipulates to DRA's synergies calculations. Final synergies calculations and how they impact the summary of earnings are dependent on the adopted rate

of return. Cal Water and DRA have provided a summary of their joint position on synergies, which is attached to this stipulation.

- Parties agree Cal Water should be allowed to file an advice letter initiating a water production expense memorandum account if it loses 5% or more of its well production capacity in the Dominguez-South Bay District. As described above, the ratepayers derive significant benefit from the lower cost of groundwater production (\$232 to \$332 per acre-foot depending on the basin). However, consistent operation of these groundwater production facilities has been challenging. Many of the facilities are old and prone to failure. In addition, unique water quality concerns have removed some wells from service. The account would track changes in water production costs due to mix changes only. Production expense changes due to wholesaler price changes would continue to be tracked in the water supply balancing accounts. Cal Water may request recovery of 90% of any balance in this memorandum account in its next GRC. This process replaces Cal Water's proposed total water balancing account approach for Dominguez-South Bay.
- Cal Water agrees to withdraw its request for total water cost balancing accounts in Hermosa-Redondo and Bear Gulch.
- Cal Water and DRA agree that advice letters authorized in this GRC should not be applicable after July 1, 2009, the expected effective date of rates in the next filed GRC for these districts.
- Cal Water and DRA agree to provide a table of their recommended advice letters including project description, district, project number, cap on advice letter recovery, and any other information required to ensure that Water Division can conduct a timely ministerial review of the advice letter filing. The parties propose that this table be included as an attachment to the Commission's Decision in this proceeding.

- All parties agree on a Rate Support Fund. This all-party settlement has been filed separately.
- DRA and Cal Water agree on the issue of WRAM. This settlement will be filed separately.

3.0 EXECUTION OF THE AGREEMENT

3.1 The Parties agree, without further consideration, to execute and/or cause to be executed, any other documents and to take any other action as may be necessary, to effectively consummate this Stipulation Agreement. The Parties shall take no action in opposition to this Stipulation.

3.2 The Parties agree that no signatory to this Stipulation or any member of DRA assumes any personal liability as a result of their agreement. The Parties agree that no legal action may be brought by any Party in any state or federal court, or any other forum, against any individual signatory representing the interests of DRA, attorneys representing DRA, or the DRA itself related to this Stipulation. All rights and remedies of the Parties are limited to those available before the Commission.

3.3 This Stipulation Agreement may be executed in any number of counterparts and by different Parties in separate counterparts, with the same effect as if all the Parties had signed one and the same document. All such counterparts shall be deemed to be an original and shall together constitute one and the same Agreement.

3.4 The undersigned acknowledge that they have been duly authorized to execute this Agreement on behalf of their respective principals and that such execution is made within the course and scope of their respective agency and/or employment.

4.0 GOVERNING LAW

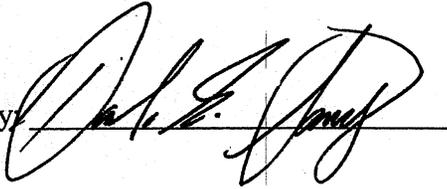
4.1 The Parties acknowledge that unless expressly and specifically stated otherwise herein, the California Public Utilities Code, Commission regulations, orders, rulings, and/or decisions shall govern the interpretation and enforcement of this Agreement.

5.0 VERIFICATION

5.1 The signatories to this Stipulation personally and independently verify that all elements of it are true, correct, complete, and internally consistent.

DIVISION OF RATEPAYER ADVOCATES

CALIFORNIA WATER SERVICE
COMPANY

By: 

By: 

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March 9, 2006