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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application Of CALIFORNIA-AMERICAN WATER COMPANY (U-210-W), CALIFORNIA WATER SERVICE COMPANY (U-60-W), GOLDEN STATE WATER COMPANY (U-133-W), PARK WATER COMPANY (U-314-W) AND APPLE VALLEY RANCHOS WATER COMPANY (U-346-W) to Modify D.08-02-036, D.08-06-002, D.08-08-030, D.08-09-026, D.08-11-023, D.09-05-005, D.09-07-021, and D.10-06-038 regarding the Amortization of WRAM-Related Accounts.	Application 10-09-017 (Filed September 20, 2010)

PREHEARING CONFERENCE STATEMENT

OF CALIFORNIA AMERICAN WATER COMPANY (U-210-W)

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California American Water Company

Dated: January 12, 2011

TABLE OF CONTENTS

INTRODUCTION..... 1

QUESTIONS AND RESPONSES..... 1

Question 1..... 1

Response to Question 1.....1

Question 2..... 1

Response to Question 2.....2

Question 3..... 2

Response to Question 3.....2

Question 4..... 2

Response to Question 4.....2

Question 5..... 2

Response to Question 5..... 2-3

Question 6..... 3

Response to Question 6..... 3

Question 7..... 3

Response to Question 7..... 3

CONCLUSION.....4

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PREHEARING CONFERENCE STATEMENT
OF CALIFORNIA AMERICAN WATER COMPANY (U-210-W)

I. INTRODUCTION

In response to Administrative Law Judge's request for additional information at the December 3, 2010 Prehearing Conference, California American Water Company (California American Water)(U-210-W) respectfully submits this Prehearing Conference Statement.

II. QUESTIONS AND RESPONSES

California American Water submits the following in response to questions raised by ALJ Walwyn during the Pre-hearing Conference held on December 3, 2010.

Question 1:

Provide an analysis of PU Code section 454(a) as to whether it requires customer notice of this proceeding.

Response to Question 1:

Submitted joint response through separate filing on December 10, 2010.

Question 2:

Data on the impact of the request in a required format – the required format was passed out in hard copy.

Response to Question 2:

See Attachment 1

Question 3:

The date that California American Water is required to submit/provide its Financial Statements for 2010.

Response to Question 3:

April 30, 2011

Question 4:

What would be the "re-statement" amounts using FIFO?

Response to Question 4:

California American Water's outside auditors will inform it of what actions are necessary based on the facts at the time we finalize our books. Those facts will include the progress of this proceeding, the balances of the 2008, 2009 and 2010 WRAMs and MCBA's, the percent of forecasted surcharges collected to date and whether the amounts in question are large enough to make a material difference on the financial statements of the Corporation. Since it is unclear as to whether any restatement would be required or not, the amount of any restatement can't be determined.

Question 5:

A statement on customer impact and Low-income customer impact.

Response to Question 5:

See columns labeled Z and AA for the Larkfield District, columns AS and AT for the Los Angeles County District, columns Z and AA for the Monterey County District, columns Z and AA for the San Diego County District and columns Z and AA for the Ventura County District for average customer bill impact and low income customer bill impact.

Conservation rates and bill impact on low income customers were thoroughly reviewed and consider by California American Water and DRA in the joint settlements for GRC applications A.07-01-036, et. al. (San Diego and Ventura County Districts), A.08-01-023 et. al. (Monterey County District) and A.09-01-012 (Larkfield and Los Angeles County Districts) which were subsequently approved by the Commission in D.08-11-023 (San

Diego and Ventura County Districts), D.09-07-021 (Monterey County District) and D.10-07-007 (Larkfield and Los Angeles County Districts). California American Water is in the middle of a GRC process for all of its districts wherein Low Income programs can be addressed if necessary.

Though California American Water is willing to make any adjustments to its Low Income Assistance program the Commission deems appropriate, California American Water believes a GRC or OIR is the appropriate vehicle to address this issue.

Question 6:

What other options were considered to resolve the problem with the FASB rules and the timing of recovery.

Response to Question 6:

If utilities were authorized to follow the amortization periods outlined in Standard Practice U-27 and request recovery whenever the balance in the WRAMs exceeded 2% this would allow for a shorter recovery period and would be in compliance with current ETIF 92-7. However this would be contrary to the settlements authorized between California American Water and DRA in D.08-11-023, D.09-07-021 and D.10-07-007 and would involve filing for multiple surcharges a year which would require additional work Commission Staff and would prove confusing to the customer.

Another option is to allow treatment of WRAM & MCBA as adopted for the Energy Companies whereby the Companies file an advice letter in September or October requesting amortization of their balancing accounts, based on estimated balances at of the end of the year, over a 12 month period starting January 1, of the following year. Again this would be contrary to the settlements authorized between California American Water and DRA in D.08-11-023, D.09-07-021 and D.10-07-007.

Question 7:

Proposals for interim treatment (interim measure to keep things from getting worse while our application is being considered).

Response to Question 7:
California American Water requests that the Commission issue an interim order allowing applicants to file an Advice Letter requesting an interim surcharge to recover the projected 2008 and 2009 shortfalls by the end of 2011 in compliance with ETIF 92-7. The sooner this surcharge is implemented, the smaller the impact will be on customers.

III. CONCLUSION

An interim decision addressing the 2008 and 2009 balances would be beneficial to both California American Water and its customers.

Respectfully Submitted,

/s/ DAVID P. STEPHENSON

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Director Rates and Regulation
California American Water Company

Dated: January 12, 2011

CERTIFICATE OF SERVICE

I hereby certify that on this date I served the foregoing **PREHEARING CONFERENCE STATEMENT OF CALIFORNIA AMERICAN WATER COMPANY (U-210-W)** by electronic mail or U.S. Mail delivery on the Service List for **A.10-09-017** below:

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By U.S. Mail Delivery:

Christine M. Walwyn
California Public Utilities Commission
Division of Administrative Law Judges
505 Van Ness Avenue
San Francisco, CA 94102-3214

Executed this **12th day of January 2011**, at San Diego, California.

/s/ JEFFREY DANA

Jeffrey Dana

Attachment 1

California-American Water Company
Response to ALJ Question 2: Monterey District
A.10-09-017

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y
CAW Ratemaking Areas	2009 WRAM/ MCBA[1]	2010 WRAM/MCBA Surcharge (Current)	Existing 2010 Quantity Rate (without Surcharge)	Existing 2010 Quantity Rate (with Surcharge under existing methodology)	Est. 2010 WRAM/MCBA[1]	% of Adopted RR	# of Months Amortized	2010 WRAM/MCBA Surcharge under Existing Authorized	2011 WRAM/MCBA Surcharge under Existing Authorized (2009+2010 WRAM)	Projected 2011 Quantity Rate (excluding Surcharge)*	$ Change in Quantity Rate (without Surcharge)	% Change in Quantity Rate (without Surcharge)	Existing 2011 Quantity Rate (with Surcharge under existing methodology)	$ Change in Quantity Rate (with Surcharge)	% Change in Quantity Rate (with Surcharge)	Est. 2009 Residual as of Dec. 31, 2011	Proposed WRAM/MCBA Surcharge from Residual of 2009 WRAM/MCBA Balance	Proposed 2010 WRAM/ MCBA Surcharge	Proposed 2011 WRAM/MCBA Surcharge (2009 + 2010 WRAM + 2009 Residual)	2011 Quantity Rate (with Surcharge under proposed methodology)	$ Change in Quantity Rate (over 2010 rate with Surcharge)	% Change in Quantity Rate (over 2010 rate with Surcharge)	2011 $ Change in Quantity Rate with surcharge (Propose - Authorized)	% Change in Quantity Rate (over 2011 with surcharge under current methodology)
				D+C					C+J		K-D	L÷D	K+J	N-E	O÷E				C+R+S	K+T	U-E	V÷E	U-N	X÷N
MONTEREY MAIN					(11,774,187)	27.10%	36-Month									$ -		Amort over 18-Mo						
Residential Tier 1:			$2.798	$ 2.798				$ -	$ -	$2.882	$0.084	3.0%	$ 2.882	$ 0.084	3.0%		$ -	$ -	$ -	$2.882	$0.084	3.00%	$0.000	0.00%
Residential Tier 2:			$3.716	$ 3.716				$ 0.047	$ 0.047	$3.827	$0.111	3.0%	$ 3.875	$ 0.159	4.3%		$ -	$ 0.940	$ 0.940	$4.767	$1.051	28.29%	$0.892	23.03%
Residential Tier 3:			$7.432	$ 7.432				$ 0.095	$ 0.095	$7.655	$0.223	3.0%	$ 7.750	$ 0.318	4.3%		$ -	$ 1.879	$ 1.879	$9.534	$2.102	28.29%	$1.785	23.03%
Residential Tier 4:			$14.864	$ 14.864				$ 0.189	$ 0.189	$15.310	$0.446	3.0%	$ 15.499	$ 0.635	4.3%		$ -	$ 3.759	$ 3.759	$19.069	$4.205	28.29%	$3.569	23.03%
Residential Tier 5:			$26.012	$ 26.012				$ 0.331	$ 0.331	$26.792	$0.780	3.0%	$ 27.124	$ 1.112	4.3%		$ -	$ 6.578	$ 6.578	$33.370	$7.358	28.29%	$6.247	23.03%
HIDDEN HILLS																								
Residential Tier 1:			$2.798	$ 2.798				$ -	$ -	$2.882	$0.084	3.0%	$ 2.882	$ 0.084	3.0%		$ -	$ -	$ -	$2.882	$0.084	3.00%	$0.000	0.00%
Residential Tier 2:			$3.716	$ 3.716				$ 0.047	$ 0.047	$3.827	$0.111	3.0%	$ 3.875	$ 0.159	4.3%		$ -	$ 0.940	$ 0.940	$4.767	$1.051	28.29%	$0.892	23.03%
Residential Tier 3:			$7.432	$ 7.432				$ 0.095	$ 0.095	$7.655	$0.223	3.0%	$ 7.750	$ 0.318	4.3%		$ -	$ 1.879	$ 1.879	$9.534	$2.102	28.29%	$1.785	23.03%
Residential Tier 4:			$9.290	$ 9.290				$ 0.118	$ 0.118	$9.569	$0.279	3.0%	$ 9.687	$ 0.397	4.3%		$ -	$ 2.349	$ 2.349	$11.918	$2.628	28.29%	$2.231	23.03%
Residential Tier 5:			$14.864	$ 14.864				$ 0.189	$ 0.189	$15.310	$0.446	3.0%	$ 15.499	$ 0.635	4.3%		$ -	$ 3.759	$ 3.759	$19.069	$4.205	28.29%	$3.569	23.03%
BISHOP																								
Residential Tier 1:			$1.852	$ 1.852				$ -	$ -	$1.908	$0.056	3.0%	$ 1.908	$ 0.056	3.0%		$ -	$ -	$ -	$1.908	$0.056	3.00%	$0.000	0.00%
Residential Tier 2:			$2.787	$ 2.787				$ 0.036	$ 0.036	$2.871	$0.084	3.0%	$ 2.906	$ 0.119	4.3%		$ -	$ 0.705	$ 0.705	$3.575	$0.788	28.29%	$0.669	23.03%
Residential Tier 3:			$3.716	$ 3.716				$ 0.047	$ 0.047	$3.827	$0.111	3.0%	$ 3.875	$ 0.159	4.3%		$ -	$ 0.940	$ 0.940	$4.767	$1.051	28.29%	$0.892	23.03%
Residential Tier 4:			$4.645	$ 4.645				$ 0.059	$ 0.059	$4.784	$0.139	3.0%	$ 4.844	$ 0.199	4.3%		$ -	$ 1.175	$ 1.175	$5.959	$1.314	28.29%	$1.115	23.03%
Residential Tier 5:			$5.574	$ 5.574				$ 0.071	$ 0.071	$5.741	$0.167	3.0%	$ 5.812	$ 0.238	4.3%		$ -	$ 1.410	$ 1.410	$7.151	$1.577	28.29%	$1.339	23.03%
MAIN, RR, BISH																								
Non-Residential Tier 1:			$3.716	$ 3.716				$ 0.047	$ 0.047	$3.827	$0.111	3.0%	$ 3.875	$ 0.159	4.3%		$ -	$ 0.940	$ 0.940	$4.767	$1.051	28.29%	$0.892	23.03%
Non-Residential Tier 2:			$11.148	$ 11.148				$ 0.142	$ 0.142	$11.482	$0.334	3.0%	$ 11.624	$ 0.476	4.3%		$ -	$ 2.819	$ 2.819	$14.302	$3.154	28.29%	$2.677	23.03%
Non-Residential Tier 3:			$26.012	$ 26.012				$ 0.331	$ 0.331	$26.792	$0.780	3.0%	$ 27.124	$ 1.112	4.3%		$ -	$ 6.578	$ 6.578	$33.370	$7.358	28.29%	$6.247	23.03%
Dedicated Irrigation Tier 1			$7.432	$ 7.432				$ 0.095	$ 0.095	$7.655	$0.223	3.0%	$ 7.750	$ 0.318	4.3%		$ -	$ 1.879	$ 1.879	$9.534	$2.102	28.29%	$1.785	23.03%
Dedicated Irrigation Tier 2			$26.012	$ 26.012				$ 0.331	$ 0.331	$26.792	$0.780	3.0%	$ 27.124	$ 1.112	4.3%		$ -	$ 6.578	$ 6.578	$33.370	$7.358	28.29%	$6.247	23.03%

(1) Monterey WRAM/MCBA did not begin until February 2010 as part of the rate design authorized in D. 09-07-021.

California-American Water Company
Response to ALJ Question 2: Larkfield District
A.10-09-017

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y
CAW Ratemaking A	2009 WRAM/MCBA	2010 WRAM/MCBA Surcharge (Current)	Existing 2010 Quantity Rate (without Surcharge)	Existing 2010 Quantity Rate (with Surcharge under existing methodology)	Est. 2010 WRAM/MCBA	% of Adopted RR	# of Months Amortized	2010 WRAM/MCBA Surcharge under Existing Authorized	2011 WRAM/MCBA Surcharge under Existing Authorized (2009+2010 WRAM)[1]	Projected 2011 Quantity Rate (excluding Surcharge)*	$ Change in Quantity Rate (without Surcharge)	% Change in Quantity Rate (without Surcharge)	Existing 2011 Quantity Rate (with Surcharge under existing methodology)	$ Change in Quantity Rate (with Surcharge)	% Change in Quantity Rate (with Surcharge)	Est. 2009 Residual as of Dec. 31, 2011	Proposed WRAM/MCBA Surcharge from Residual of 2009 WRAM/MCBA Balance	Proposed 2010 WRAM/MCBA Surcharge	Proposed 2011 WRAM/MCBA Surcharge (2009 + 2010 WRAM + 2009 Residual)	2011 Quantity Rate (with Surcharge under proposed methodology)	$ Change in Quantity Rate (over 2010 rate with Surcharge)	% Change in Quantity Rate (over 2010 rate with Surcharge)	2011 $ Change in Quantity Rate with surcharge (Propose - Authorized)	% Change in Quantity Rate (over 2011 with surcharge under current methodology)
				D+C					C+J		K-D	L÷D	K+J	N-E	O÷E				C+R+S	K+T	U-E	V÷E	U-N	X÷N
LARKFIELD	$ (435,533)				$ (536,116)	17.41%	36-Month									$ (284,040)		Amort over 18-Mo						
Residential Tier 1:		$ 0.256	$4.295	$ 4.551				$ 0.315	$ 0.571	$4.295	$0.000	0.0%	$ 4.865	$ 0.315	6.9%		$ 0.334	$ 0.630	$ 1.220	$5.514	$0.964	21.18%	$0.649	13.33%
Residential Tier 2:		$ 0.295	$4.958	$ 5.254				$ 0.364	$ 0.659	$4.958	$0.000	0.0%	$ 5.617	$ 0.364	6.9%		$ 0.385	$ 0.727	$ 1.408	$6.366	$1.113	21.18%	$0.749	13.33%
Residential Tier 3:		$ 0.321	$5.388	$ 5.709				$ 0.395	$ 0.716	$5.388	$0.000	0.0%	$ 6.104	$ 0.395	6.9%		$ 0.419	$ 0.790	$ 1.530	$6.917	$1.209	21.18%	$0.814	13.33%
Commercial		$ 0.283	$4.853	$ 5.135				$ 0.348	$ 0.631	$4.853	$0.000	0.0%	$ 5.483	$ 0.348	6.8%		$ 0.369	$ 0.696	$ 1.347	$6.200	$1.065	20.73%	$0.717	13.07%
Public Authority		$ 0.283	$4.383	$ 4.665				$ 0.348	$ 0.631	$4.383	$0.000	0.0%	$ 5.013	$ 0.348	7.5%		$ 0.369	$ 0.696	$ 1.347	$5.730	$1.065	22.82%	$0.717	14.30%
Industrial		$ 0.283	$4.853	$ 5.135				$ 0.348	$ 0.631	$4.853	$0.000	0.0%	$ 5.483	$ 0.348	6.8%		$ 0.369	$ 0.696	$ 1.347	$6.200	$1.065	20.73%	$0.717	13.07%

California-American Water Company
Response to ALJ Question 2: Los Angeles District
A.10-09-017

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V
			Winter			Summer					Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter
CAW Ratemaking Areas	2009 WRAM/MCBA	2010 WRAM/MCBA Surcharge (Current)	Existing 2010 Quantity Rate (without Surcharge)	Existing 2010 Quantity Rate (with Surcharge under existing methodology)	2010 WRAM/MCBA Surcharge (Current)	Existing 2010 Quantity Rate (without Surcharge)	Existing 2010 Quantity Rate (with Surcharge under existing methodology)	Est. 2010 WRAM/MCBA	% of Adopted RR	# of Months Amortized	2010 WRAM/MCBA Surcharge under Existing Authorized	2010 WRAM/MCBA Surcharge under Existing Authorized	2011 WRAM/MCBA Surcharge under Existing Authorized (2009+2010 WRAM)[1]	2011 WRAM/MCBA Surcharge under Existing Authorized (2009+2010 WRAM)[1]	Projected 2011 Quantity Rate (excluding Surcharge)*	Projected 2011 Quantity Rate (excluding Surcharge)*	$ Change in Quantity Rate (without Surcharge)	$ Change in Quantity Rate (without Surcharge)	% Change in Quantity Rate (without Surcharge)	% Change in Quantity Rate (without Surcharge)	Existing 2011 Quantity Rate (with Surcharge under existing methodology)
				D+C									C+J				K-D		L÷D		K+J
LOS ANGELES - Baldwin Hills	$ 402,662							$ (240,186)	-4.37%	12-Month											
Residential Tier 1:		$ (0.240)	$2.574	$ 2.334	$ (0.240)	$ 2.574	$ 2.334				$ 0.143	$ 0.143	$ (0.097)	$ (0.097)	$2.574	$2.574	$0.000	$0.000	0.0%	0.0%	$ 2.477
Residential Tier 2:		$ (0.252)	$2.702	$ 2.450	$ (0.264)	$ 2.831	$ 2.567				$ 0.150	$ 0.157	$ (0.102)	$ (0.106)	$2.702	$2.831	$0.000	$0.000	0.0%	0.0%	$ 2.601
Residential Tier 3:		$ (0.264)	$2.831	$ 2.567	$ (0.288)	$ 3.088	$ 2.801				$ 0.157	$ 0.172	$ (0.106)	$ (0.116)	$2.831	$3.088	$0.000	$0.000	0.0%	0.0%	$ 2.725
Commercial		$ (0.240)	$2.592	$ 2.353	$ (0.264)	$ 2.852	$ 2.588				$ 0.143	$ 0.157	$ (0.097)	$ (0.106)	$2.592	$2.852	$0.000	$0.000	0.0%	0.0%	$ 2.496
Public Authority		$ (0.236)	$2.282	$ 2.046	$ (0.259)	$ 2.510	$ 2.251				$ 0.141	$ 0.155	$ (0.095)	$ (0.105)	$2.282	$2.510	$0.000	$0.000	0.0%	0.0%	$ 2.187
Industrial		$ (0.241)	$2.133	$ 1.893	$ (0.265)	$ 2.347	$ 2.082				$ 0.144	$ 0.158	$ (0.097)	$ (0.107)	$2.133	$2.347	$0.000	$0.000	0.0%	0.0%	$ 2.036
LOS ANGELES - Duarte	$ (1,315,315)							$ (1,011,594)	-14.42%	36-Month											
Residential Tier 1:		$ 0.159	$1.993	$ 2.152	$ 0.159	$ 1.993	$ 2.152				$ 0.183	$ 0.183	$ 0.342	$ 0.342	$1.993	$1.993	$0.000	$0.000	0.0%	0.0%	$ 2.335
Residential Tier 2:		$ 0.167	$2.093	$ 2.259	$ 0.175	$ 2.192	$ 2.367				$ 0.192	$ 0.201	$ 0.359	$ 0.376	$2.093	$2.192	$0.000	$0.000	0.0%	0.0%	$ 2.451
Residential Tier 3:		$ 0.175	$2.192	$ 2.367	$ 0.190	$ 2.392	$ 2.582				$ 0.201	$ 0.220	$ 0.376	$ 0.410	$2.192	$2.392	$0.000	$0.000	0.0%	0.0%	$ 2.568
Commercial		$ 0.159	$1.918	$ 2.077	$ 0.175	$ 2.110	$ 2.285				$ 0.202	$ 0.202	$ 0.361	$ 0.376	$1.918	$2.110	$0.000	$0.000	0.0%	0.0%	$ 2.279
Public Authority		$ 0.156	$1.965	$ 2.121	$ 0.172	$ 2.161	$ 2.333				$ 0.180	$ 0.199	$ 0.337	$ 0.371	$1.965	$2.161	$0.000	$0.000	0.0%	0.0%	$ 2.302
Industrial		$ 0.159	$1.916	$ 2.075	$ 0.175	$ 2.108	$ 2.283				$ 0.184	$ 0.202	$ 0.343	$ 0.377	$1.916	$2.108	$0.000	$0.000	0.0%	0.0%	$ 2.259
LOS ANGELES - San Marino	$ (1,360,172)							$ (1,206,497)	-8.46%	24-Month											
Residential Tier 1:		$ 0.077	$2.002	$ 2.079	$ 0.077	$ 2.002	$ 2.079				$ 0.068	$ 0.068	$ 0.145	$ 0.145	$2.002	$2.002	$0.000	$0.000	0.0%	0.0%	$ 2.147
Residential Tier 2:		$ 0.081	$2.103	$ 2.183	$ 0.085	$ 2.203	$ 2.287				$ 0.072	$ 0.075	$ 0.152	$ 0.159	$2.103	$2.203	$0.000	$0.000	0.0%	0.0%	$ 2.255
Residential Tier 3:		$ 0.085	$2.203	$ 2.287	$ 0.092	$ 2.403	$ 2.495				$ 0.075	$ 0.082	$ 0.159	$ 0.174	$2.203	$2.403	$0.000	$0.000	0.0%	0.0%	$ 2.362
Commercial		$ 0.078	$1.872	$ 1.950	$ 0.086	$ 2.059	$ 2.144				$ 0.069	$ 0.076	$ 0.147	$ 0.161	$1.872	$2.059	$0.000	$0.000	0.0%	0.0%	$ 2.019
Public Authority		$ 0.076	$1.792	$ 1.869	$ 0.084	$ 1.971	$ 2.055				$ 0.068	$ 0.074	$ 0.144	$ 0.158	$1.792	$1.971	$0.000	$0.000	0.0%	0.0%	$ 1.936
Industrial		$ 0.078	$1.880	$ 1.958	$ 0.086	$ 2.068	$ 2.153				$ 0.069	$ 0.076	$ 0.147	$ 0.162	$1.880	$2.068	$0.000	$0.000	0.0%	0.0%	$ 2.027

Notes:
(1) Baldwin Hills current 2010 surcredit to refund 2009 over-collection is projected to be recovered in the middle of 2011.

California-American Water Company
Response to ALJ Question 2: Los Angeles District
A.10-09-017

W	X	Y	Z	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL	AM	AN	AO	AP	AQ	AR
Summer	Winter	Summer	Winter	Summer		Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer
Existing 2011 Quantity Rate (with Surcharge under existing methodology)	$ Change in Quantity Rate (with Surcharge)	$ Change in Quantity Rate (with Surcharge)	% Change in Quantity Rate (with Surcharge)	% Change in Quantity Rate (with Surcharge)	Est. 2009 Residual as of Dec. 31, 2011	Proposed WRAM/MCBA Surcharge from Residual of 2009 WRAM/MCBA Balance	Proposed WRAM/MCBA Surcharge from Residual of 2009 WRAM/MCBA Balance	Proposed 2010 WRAM/MCBA Surcharge	Proposed 2010 WRAM/MCBA Surcharge	Proposed 2011 WRAM/MCBA Surcharge (2009 + 2010 WRAM + 2009 Residual)	Proposed 2011 WRAM/MCBA Surcharge (2009 + 2010 WRAM + 2009 Residual)	2011 Quantity Rate (with Surcharge under proposed methodology)	2011 Quantity Rate (with Surcharge under proposed methodology)	$ Change in Quantity Rate (over 2010 rate with Surcharge)	$ Change in Quantity Rate (over 2010 rate with Surcharge)	% Change in Quantity Rate (over 2010 rate with Surcharge)	% Change in Quantity Rate (over 2010 rate with Surcharge)	2011 $ Change in Quantity Rate with surcharge (Propose - Authorized)	2011 $ Change in Quantity Rate with surcharge (Propose - Authorized)	% Change in Quantity Rate (over 2011 with surcharge under current methodology)	% Change in Quantity Rate (over 2011 with surcharge under current methodology)
	N-E		O÷E							C+R+S		K+T		U-E		V÷E		U-N		X÷N	
					$ -			Amort over 12-Mo													
$ 2.477	$ 0.143	$ 0.143	6.1%	6.1%				$ 0.143	$ 0.143	$ (0.097)	$ (0.097)	$2.477	$2.477	$0.143	$0.143	6.13%	6.13%	$0.000	$0.000	0.00%	0.00%
$ 2.725	$ 0.150	$ 0.157	6.1%	6.1%				$ 0.150	$ 0.157	$ (0.102)	$ (0.106)	$2.601	$2.725	$0.150	$0.157	6.13%	6.13%	$0.000	$0.000	0.00%	0.00%
$ 2.972	$ 0.157	$ 0.172	6.1%	6.1%				$ 0.157	$ 0.172	$ (0.106)	$ (0.116)	$2.725	$2.972	$0.157	$0.172	6.13%	6.13%	$0.000	$0.000	0.00%	0.00%
$ 2.745	$ 0.143	$ 0.157	6.1%	6.1%				$ 0.143	$ 0.157	$ (0.097)	$ (0.106)	$2.496	$2.745	$0.143	$0.157	6.08%	6.08%	$0.000	$0.000	0.00%	0.00%
$ 2.405	$ 0.141	$ 0.155	6.9%	6.9%				$ 0.141	$ 0.155	$ (0.095)	$ (0.105)	$2.187	$2.405	$0.141	$0.155	6.87%	6.87%	$0.000	$0.000	0.00%	0.00%
$ 2.240	$ 0.144	$ 0.158	7.6%	7.6%				$ 0.144	$ 0.158	$ (0.097)	$ (0.107)	$2.036	$2.240	$0.144	$0.158	7.59%	7.59%	$0.000	$0.000	0.00%	0.00%
					$ (781,229)	Amort over 18-mo		Amort. Over 18 Mo													
$ 2.335	$ 0.183	$ 0.183	8.5%	8.5%		$ 0.188	$ 0.188	$ 0.244	$ 0.244	$ 0.591	$ 0.591	$2.584	$2.584	$0.432	$0.432	20.09%	20.09%	$0.249	$0.249	10.68%	10.68%
$ 2.568	$ 0.192	$ 0.201	8.5%	8.5%		$ 0.198	$ 0.207	$ 0.256	$ 0.268	$ 0.620	$ 0.650	$2.713	$2.842	$0.454	$0.476	20.09%	20.09%	$0.262	$0.274	10.68%	10.68%
$ 2.801	$ 0.201	$ 0.220	8.5%	8.5%		$ 0.207	$ 0.226	$ 0.268	$ 0.293	$ 0.650	$ 0.709	$2.842	$3.101	$0.476	$0.519	20.09%	20.09%	$0.274	$0.299	10.68%	10.68%
$ 2.486	$ 0.202	$ 0.202	9.7%	8.8%		$ 0.189	$ 0.208	$ 0.244	$ 0.269	$ 0.592	$ 0.651	$2.510	$2.761	$0.433	$0.476	20.85%	20.85%	$0.231	$0.275	10.16%	11.05%
$ 2.532	$ 0.180	$ 0.199	8.5%	8.5%		$ 0.186	$ 0.204	$ 0.241	$ 0.265	$ 0.583	$ 0.641	$2.548	$2.803	$0.426	$0.469	20.11%	20.11%	$0.246	$0.271	10.69%	10.69%
$ 2.485	$ 0.184	$ 0.202	8.8%	8.8%		$ 0.189	$ 0.208	$ 0.245	$ 0.269	$ 0.593	$ 0.652	$2.509	$2.760	$0.434	$0.477	20.90%	20.90%	$0.250	$0.275	11.08%	11.08%
					$ (846,349)	Amort over 18-mo		Amort. Over 18 Mo													
$ 2.147	$ 0.068	$ 0.068	3.3%	3.3%		$ 0.096	$ 0.096	$ 0.136	$ 0.136	$ 0.309	$ 0.309	$2.311	$2.311	$0.232	$0.232	11.16%	11.16%	$0.164	$0.164	7.63%	7.63%
$ 2.362	$ 0.072	$ 0.075	3.3%	3.3%		$ 0.100	$ 0.105	$ 0.143	$ 0.150	$ 0.324	$ 0.340	$2.427	$2.542	$0.244	$0.255	11.15%	11.15%	$0.172	$0.180	7.63%	7.63%
$ 2.577	$ 0.075	$ 0.082	3.3%	3.3%		$ 0.105	$ 0.115	$ 0.150	$ 0.164	$ 0.340	$ 0.371	$2.542	$2.773	$0.255	$0.278	11.15%	11.15%	$0.180	$0.197	7.63%	7.63%
$ 2.220	$ 0.069	$ 0.076	3.5%	3.5%		$ 0.097	$ 0.106	$ 0.138	$ 0.152	$ 0.313	$ 0.344	$2.184	$2.403	$0.235	$0.258	12.04%	12.04%	$0.166	$0.182	8.21%	8.21%
$ 2.130	$ 0.068	$ 0.074	3.6%	3.6%		$ 0.095	$ 0.104	$ 0.135	$ 0.149	$ 0.307	$ 0.337	$2.099	$2.309	$0.230	$0.253	12.33%	12.33%	$0.163	$0.179	8.40%	8.40%
$ 2.229	$ 0.069	$ 0.076	3.5%	3.5%		$ 0.097	$ 0.107	$ 0.138	$ 0.152	$ 0.313	$ 0.344	$2.193	$2.412	$0.235	$0.259	12.01%	12.01%	$0.166	$0.183	8.19%	8.19%

California-American Water Company
Response to ALJ Question 2: Coronado District
A.10-09-017

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y
CAW Ratemaking Areas	2009 WRAM/MCBA	2010 WRAM/MCBA Surcharge (Current)	Existing 2010 Quantity Rate (without Surcharge)	Existing 2010 Quantity Rate (with Surcharge under existing methodology)	Est. 2010 WRAM/MCBA[1]	% of Adopted RR	# of Months Amortized	2010 WRAM/MCBA Surcharge under Existing Authorized	2011 WRAM/MCBA Surcharge under Existing Authorized (2009+2010 WRAM)	Projected 2011 Quantity Rate (excluding Surcharge)*	$ Change in Quantity Rate (without Surcharge)	% Change in Quantity Rate (without Surcharge)	Existing 2011 Quantity Rate (with Surcharge under existing methodology)	$ Change in Quantity Rate (with Surcharge)	% Change in Quantity Rate (with Surcharge)	Est. 2009 Residual as of Dec. 31, 2011	Proposed WRAM/MCBA Surcharge from Residual of 2009 WRAM/MCBA Balance	Proposed 2010 WRAM/MCBA Surcharge	Proposed 2011 WRAM/MCBA Surcharge (2009 + 2010 WRAM + 2009 Residual)	2011 Quantity Rate (with Surcharge under proposed methodology)	$ Change in Quantity Rate (over 2010 rate with Surcharge)	% Change in Quantity Rate (over 2010 rate with Surcharge)	2011 $ Change in Quantity Rate with surcharge (Propose - Authorized)	% Change in Quantity Rate (over 2011 with surcharge under current methodology)
				D+C					C+J		K-D	L÷D	K+J	N-E	O÷E				C+R+S	K+T	U-E	V÷E	U-N	X÷N
CORONADO	$ (191,752)				(1,572,265)	7.82%	24-Month									$ (95,876)		Amort over 18-Mo						
Residential Tier 1:			$2.654	$ 2.654				$ 0.128	$ 0.128	$2.654	$0.000	0.0%	$ 2.782	$ 0.128	4.8%		$ 0.010	$ 0.171	$ 0.182	$2.836	$0.182	6.85%	$0.053	1.91%
Residential Tier 2:			$3.052	$ 3.052				$ 0.148	$ 0.148	$3.052	$0.000	0.0%	$ 3.200	$ 0.148	4.8%		$ 0.012	$ 0.197	$ 0.209	$3.261	$0.209	6.85%	$0.061	1.91%
Residential Tier 3:			$3.317	$ 3.317				$ 0.161	$ 0.161	$3.317	$0.000	0.0%	$ 3.478	$ 0.161	4.8%		$ 0.013	$ 0.214	$ 0.227	$3.544	$0.227	6.85%	$0.067	1.91%
Commercial			$2.582	$ 2.582				$ 0.135	$ 0.135	$2.582	$0.000	0.0%	$ 2.717	$ 0.135	5.2%		$ 0.011	$ 0.180	$ 0.191	$2.773	$0.191	7.42%	$0.056	2.07%
Public Authority			$2.529	$ 2.529				$ 0.181	$ 0.181	$2.529	$0.000	0.0%	$ 2.710	$ 0.181	7.2%		$ 0.011	$ 0.180	$ 0.191	$2.721	$0.191	7.57%	$0.011	0.39%

(1) Includes 2009 carryover of $191,752.

California-American Water Company
Response to ALJ Question 2: Ventura District
A.10-09-017

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y
CAW Ratemaking Areas	2009 WRAM/MCBA	2010 WRAM/MCBA Surcharge (Current)	Existing 2010 Quantity Rate (without Surcharge)	Existing 2010 Quantity Rate (with Surcharge under existing methodology)	Est. 2010 WRAM/MCBA[1]	% of Adopted RR	# of Months Amortized	2010 WRAM/MCBA Surcharge under Existing Authorized	2011 WRAM/MCBA Surcharge under Existing Authorized (2009+2010 WRAM)	Projected 2011 Quantity Rate (excluding Surcharge)*	$ Change in Quantity Rate (without Surcharge)	% Change in Quantity Rate (without Surcharge)	Existing 2011 Quantity Rate (with Surcharge under existing methodology)	$ Change in Quantity Rate (with Surcharge)	% Change in Quantity Rate (with Surcharge)	Est. 2009 Residual as of Dec. 31, 2011	Proposed WRAM/MCBA Surcharge from Residual of 2009 WRAM/MCBA Balance	Proposed 2010 WRAM/MCBA Surcharge	Proposed 2011 WRAM/MCBA Surcharge (2009 + 2010 WRAM + 2009 Residual)	2011 Quantity Rate (with Surcharge under proposed methodology)	$ Change in Quantity Rate (over 2010 rate with Surcharge)	% Change in Quantity Rate (over 2010 rate with Surcharge)	2011 $ Change in Quantity Rate with surcharge (Propose - Authorized)	% Change in Quantity Rate (over 2011 with surcharge under current methodology)
				D+C					C+J		K-D	L÷D	K+J	N-E	O÷E				C+R+S	K+T	U-E	V÷E	U-N	X÷N
VENTURA	$ 555,395				(717,131)	2.69%	12-Month									$ -		Amort over 12-Mo						
Residential Tier 1:			$2.371	$ 2.371				$ 0.094	$ 0.094	$2.371	$0.000	0.0%	$ 2.465	$ 0.094	4.0%		$ -	$ 0.094	$ 0.094	$2.465	$0.094	3.98%	$0.000	0.00%
Residential Tier 2:			$2.726	$ 2.726				$ 0.108	$ 0.108	$2.726	$0.000	0.0%	$ 2.835	$ 0.108	4.0%		$ -	$ 0.108	$ 0.108	$2.835	$0.108	3.98%	$0.000	0.00%
Residential Tier 3:			$2.963	$ 2.963				$ 0.118	$ 0.118	$2.963	$0.000	0.0%	$ 3.081	$ 0.118	4.0%		$ -	$ 0.118	$ 0.118	$3.081	$0.118	3.98%	$0.000	0.00%
Commercial			$2.587	$ 2.587				$ 0.091	$ 0.091	$2.587	$0.000	0.0%	$ 2.678	$ 0.091	3.5%		$ -	$ 0.091	$ 0.091	$2.678	$0.091	3.54%	$0.000	0.00%
Public Authority			$2.550	$ 2.550				$ 0.091	$ 0.091	$2.550	$0.000	0.0%	$ 2.641	$ 0.091	3.6%		$ -	$ 0.091	$ 0.091	$2.641	$0.091	3.59%	$0.000	0.00%
Industrial			$2.510	$ 2.510				$ 0.091	$ 0.091	$2.510	$0.000	0.0%	$ 2.601	$ 0.091	3.6%		$ -	$ 0.091	$ 0.091	$2.601	$0.091	3.65%	$0.000	0.00%

(1) Includes 2009 carryover of $191,752.