



**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

FILED
2-24-14
04:59 PM

Application of Suburban Water Systems (U339W) for Authority to Increase Rates Charged for Water Service by \$8,932,501 or 13.37% in 2015, by \$3,210,905 or 4.32% in 2016, and by \$2,722,809 or 3.51% in 2017.

A1402004

A.14-

SUBURBAN WATER SYSTEMS

EXHIBITS A - F

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Suburban Water Systems

February 24, 2014

EXHIBIT A

EXHIBIT A
SERVED BUT NOT FILED
SEE NOTICE OF
AVAILABILITY ATTACHED
TO APPLICATION

EXHIBIT B

EXHIBIT B:

Applicant's latest available year end fiscal year income statement.

Calendar Year 2012

Name of Utility: SUBURBAN WATER SYSTEMS Telephone: (626) 543-2500

INCOME STATEMENT		Annual Amount
23	Unmetered Water Revenue	<u>324,524</u>
24	Fire Protection Revenue	<u>930,807</u>
25	Irrigation Revenue	<u>0</u>
26	Metered Water Revenue	<u>67,254,169</u>
27	Total Operating Revenue	<u>68,509,500</u>
28	<u>Operating Expenses</u>	<u>42,744,077</u>
29	Depreciation Expense (Composite Rate: 3.44%)	<u>5,809,082</u>
30	Amortization and Property Losses	<u>28,424</u>
31	Property Taxes	<u>1,488,350</u>
32	Taxes Other Than Income Taxes	<u>622,286</u>
33	Total Operating Revenue Deduction Before Taxes	<u>50,692,218</u>
34	California Corp. Franchise Tax	<u>1,309,093</u>
35	Federal Corporate Income Tax	<u>4,720,206</u>
36	Total Operating Revenue Deduction After Taxes	<u>56,721,517</u>
37	Net Operating Income (Loss) - California Water Operations	<u>11,787,983</u>
38	Other Operating and Nonoperating. Income and Exp. - Net (Exclude Interest Expense)	<u>478,550</u>
39	Income Available for Fixed Charges	<u>11,309,433</u>
40	Interest Expense	<u>2,227,640</u>
41	Net Income (Loss) Before Dividends	<u>9,081,793</u>
42	Preferred Stock Dividends	<u>168,792</u>
43	Net Income (Loss) Available for Common Stock	<u>8,913,001</u>

EXHIBIT B:

Applicant's latest available year end fiscal year balance sheet.
Calendar Year 2012

Assets and Other Debits

Line No.	Acct.	Title of Account (a)	Schedule No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		I. UTILITY PLANT			
2	100	Utility plant	A-1	212,904,147	198,691,023
3	107	Utility plant adjustments		-	-
4		Total utility plant		212,904,147	198,691,023
5	250	Reserve for depreciation of utility plant	A-3	(71,573,941)	(68,738,827)
6	251	Reserve for amortization of limited term utility investments	A-3	(388,875)	(358,888)
7	252	Reserve for amortization of utility plant acquisition adjustment	A-3	22,390	20,827
8		Total utility plant reserves		(71,940,426)	(67,076,888)
9		Total utility plant less reserves		140,963,721	129,614,135
10					
11		II. INVESTMENT AND FUND ACCOUNTS			
12	110	Other physical property	A-2	116,145	116,145
13	253	Reserve for depreciation and amortization of other property	A-3	(25,225)	(25,225)
14		Other physical property less reserve		90,920	90,920
15	111	Investments in associated companies	A-4	-	-
16	112	Other investments	A-5	-	-
17	113	Sinking funds	A-6	-	-
18	114	Miscellaneous special funds	A-7	-	-
19		Total investments and fund accounts		90,920	90,920
20					
21		III. CURRENT AND ACCRUED ASSETS			
22	120	Cash		86,836	-
23	121	Special deposits	A-8	-	-
24	122	Working funds		900	900
25	123	Temporary cash investments		-	-
26	124	Notes receivable	A-9	-	-
27	125	Accounts receivable		6,927,584	5,813,077
28	126	Receivables from associated companies	A-10	-	-
29	131	Materials and supplies		356,862	293,282
30	132	Prepayments	A-11	111,549	178,921
31	133	Other current and accrued assets		5,710,627	3,504,827
32		Total current and accrued assets		13,194,357	9,789,007
33					
34		IV. DEFERRED DEBITS			
35	140	Unamortized debt discount and expense	A-13	721,794	783,932
36	141	Extraordinary property losses	A-14	-	-
37	142	Preliminary survey and investigation charges		-	-
38	143	Clearing accounts		-	-
39	145	Other work in progress		36,276	51,432
40	146	Other deferred debits	A-15	11,182,965	9,896,255
41		Total deferred debits		11,941,035	10,731,619
42		Total assets and other debits		166,190,033	150,225,681
43					

EXHIBIT B:

Applicant's latest available year end fiscal year balance sheet.
Calendar Year 2012

Liabilities and Other Credits

Line No.	Acct.	Title of Account (a)	Schedule No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		I. CORPORATE CAPITAL AND SURPLUS			
2	200	Common capital stock	A-18	745,380	745,380
3	201	Preferred capital stock	A-18	3,982,267	3,982,267
4	202	Stock liability for conversion		-	-
5	203	Premiums and assessments on capital stock	A-19	126,550	126,550
6	150	Discount on capital stock	A-16	-	-
7	151	Capital stock expense	A-17	-	-
8	270	Capital surplus	A-20	4,881,844	4,881,844
9	271	Earned surplus	A-21	62,331,375	58,034,841
10		Total corporate capital and surplus		72,067,416	67,770,882
11					
12		II. PROPRIETARY CAPITAL			
13	204	Proprietary capital (individual or partnership)	A-22	-	-
14	205	Undistributed profits of proprietorship or partnership	A-23	-	-
15		Total proprietary capital		-	-
16					
17		III. LONG-TERM DEBT			
18	210	Bonds	A-24	33,000,000	33,000,000
19	211	Receivers' certificates		-	-
20	212	Advances from associated companies	A-25	-	-
21	213	Miscellaneous long-term debt	A-26	-	-
22		Total long-term debt		33,000,000	33,000,000
23					
24		IV. CURRENT AND ACCRUED LIABILITIES			
25	220	Notes payable	A-28	-	-
26	221	Notes receivable discounted		-	-
27	222	Accounts payable		1,089,201	974,825
28	223	Payables to associated companies	A-29	12,382,394	6,332,642
29	224	Dividends declared		-	-
30	225	Matured long-term debt		-	-
31	226	Matured interest		-	-
32	227	Customers' deposits		427,163	467,892
33	228	Taxes accrued	A-31	91,983	(12,871)
34	229	Interest accrued		573,746	584,241
35	230	Other current and accrued liabilities	A-30	4,385,042	2,055,540
36		Total current and accrued liabilities		18,929,528	10,402,069
37					
38		V. DEFERRED CREDITS			
39	240	Unamortized premium on debt	A-13	-	-
40	241	Advances for construction	A-32	7,332,885	7,288,323
41	242	Other deferred credits	A-33	(8,992,287)	(13,491,974)
42		Total deferred credits		340,578	(6,203,651)
43					
44		VI. RESERVES			
45	254	Reserve for uncollectible accounts	A-34	\$ 166,086.51	90,536
46	255	Insurance reserve	A-34	-	-
47	256	Injuries and damages reserve	A-34	-	-
48	257	Employees' provident reserve	A-34	-	-
49	258	Other reserves	A-34	26,137,975	28,894,039
50		Total reserves		26,304,062	28,984,575
51					
52		VII. CONTRIBUTIONS IN AID OF CONSTRUCTION			
53	265	Contributions in aid of construction	A-35	15,548,449	16,271,805
54		Total liabilities and other credits		166,190,033	150,225,681

EXHIBIT C

**NOTIFICATION OF APPLICATION FILING FOR
SUBURBAN WATER SYSTEMS GENERAL RATE CASE
(APPLICATION NO. 14-02-XXX)**

On February 24, 2014, Suburban Water Systems (Suburban) filed a rate increase application (A.14-02-XXX) with the California Public Utilities Commission (CPUC). The application filing by Suburban seeks authority to increase its rates over a three-year period by \$8,932,501 (or 13.37%) in 2015, by \$3,210,905 (or 4.32%) in 2016, and by \$2,722,809 (or 3.51%) in 2017.

About the Application

The CPUC requires Suburban to submit a general rate case on a three-year cycle. This rate application covers the period for 2015, 2016 and 2017. The CPUC will render a final decision and the amount of the increase approved by the CPUC could vary from the original request by Suburban. Suburban is requesting the increase take effect January 1, 2015. Additional increases would then take effect January 1, 2016 and January 1, 2017. **The tables below assume the CPUC approves the full amount of the increase requested by Suburban.**

Summary

If the increases in rates are approved by the CPUC as proposed, the impact on the average monthly residential customer's bill using 20 ccf per month for a 3/4 inch meter will be as follows:

	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>San Jose Hills Service Area 1</u>			
Current Amount	\$64.87	\$75.15	\$78.43
Amount Increase	10.28	3.28	2.76
New Bill	\$75.15	\$78.43	\$81.19
Percent Increase	15.8%	4.4%	3.5%
<u>Whittier/La Mirada Service Area 2</u>			
Current Amount	\$64.36	\$71.77	\$75.01
Amount Increase	7.41	3.24	2.63
New Bill	\$71.77	\$75.01	\$77.64
Percent Increase	11.5%	4.5%	3.5%

The proposed revenue increase is outlined in the chart below and provides proposed rate increases spread across the customer classes that Suburban serves. Note: Forecasted lower sales in most customer classes.

	Proposed Increases (Dollars in Thousands)							
	Present Revenue		2015 Increase		2016 Increase		2017 Increase	
	\$	%	\$	%	\$	%	\$	%
Residential	\$48,358.5		\$6,263.8	12.95	\$2,244.4	4.20	\$1,953.6	3.51
Business	11,254.5		1,575.2	14.00	575.2	4.56	463.0	3.51
Industrial	1,609.0		284.2	17.66	94.1	4.94	70.2	3.51
Public Authorities	3,450.0		481.1	13.95	186.0	4.67	146.2	3.51
Other Water Utilities for Resale	35.8		3.5	9.80	1.6	4.00	1.4	3.51
Construction Water Service	14.3		1.6	11.30	0.5	3.83	0.5	3.51
Private Fire Protection Service	1,060.2		141.6	13.36	51.3	4.26	44.1	3.51
Fire Hydrant Service on Private Property	112.4		15.0	13.36	5.4	4.26	4.7	3.51
Recycled Water	<u>925.2</u>		<u>166.3</u>	<u>17.98</u>	<u>52.4</u>	<u>4.80</u>	<u>40.2</u>	<u>3.51</u>
TOTAL	\$66,819.9		\$8,932.5	13.37%	\$3,211.0	4.32%	\$2,723.7	3.51%

Under the proposed rates the monthly charge for private fire service would increase from \$18.06 to \$20.47 per inch diameter service on January 1, 2015, to \$21.35 on January 1, 2016, and to \$22.09 on January 1, 2017. The monthly charge for fire hydrant service would increase from \$23.90 to \$27.09 for each 6-inch standard fire hydrant on January 1, 2015, to \$28.25 on January 1, 2016, and to \$29.24 on January 1, 2017.

Primary Drivers of Rate Increase

The proposed rate increase is critical to sustain and improve the integrity of Suburban's water supply system and offset increases in operational and maintenance costs. These rates will help fund water treatment, storage, and distribution facilities to meet expected demands for service, and assure continued compliance with all applicable safe drinking water quality standards.

Obtaining a Copy of the Application

A copy of the General Rate Case Application and related exhibits may be viewed at Suburban's offices:

San Jose Hills Service Area 2235 E. Garvey Avenue North, Suite A West Covina, CA 91791 (626) 543-2640 Phone	Whittier/La Mirada Service Area 15088 Rosecrans Avenue La Mirada, CA 90638 (562) 944-8219 Phone	Main Office 1325 N. Grand Ave. Ste. 100 Covina, CA 91724-3603 (626) 543-2500 Phone
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If you have questions regarding this application, you may call Suburban's Communications Department at (626) 543-2531.

Copies of the application are also available to review at the CPUC's Central Files Office between the hours of 8:00 a.m. to noon daily in San Francisco, at 505 Van Ness Avenue, San Francisco, California 94102.

CPUC PROCESS

This Application will be assigned to an Administrative Law Judge (ALJ) who will determine how to receive evidence and other related documents, necessary for the CPUC to establish a record upon which to base its decision. Evidentiary Hearings (EHs) may be held where parties of record will present their testimony and may be subject to cross-examination by other parties. These EHs are open to the public, but only those who are parties of record can participate. After considering all proposals and all evidence presented during the formal hearing process, the assigned ALJ will issue a proposed decision determining whether to adopt all or part of Suburban's request, modify it, or deny it. The CPUC Commissioners may sponsor an alternate decision and the issue will be decided at a scheduled Commission Voting Meeting.

STAY INFORMED

The CPUC offers a free Subscription Service which is available on the CPUC website at www.cpuc.ca.gov which allows you to follow this proceeding. If you would like to learn how you can participate in the proceeding, or if you have informal comments or questions about the CPUC process, you may contact the CPUC's Public Advisor's Office (PAO) at the address noted below.

Email: public.advisor@cpuc.ca.gov

Write: CPUC Public Advisor's Office
505 Van Ness Avenue
San Francisco, CA 94102

Phone: 866-849-8390

Please reference **Suburban Water's General Rate Case Application No. 14-02-XXX** in any such communications with the PAO. These comments will become part of the public correspondence file for this proceeding and public record. Public comments are circulated to the assigned ALJ, the Commissioners, and appropriate CPUC staff for review.

D

EXHIBIT D

SUBURBAN WATER SYSTEMS

2014 GENERAL RATE CASE

FINAL APPLICATION SERVICE LIST

ALL VIA FEDERAL EXPRESS

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Commission
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STATE SERVICE LIST

VIA U.S. MAIL¹

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Dr. Ron Chapman, Director
California Department of Public
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¹ Served with copy of Application plus exhibits only.

SUBURBAN WATER SYSTEMS

2014 GENERAL RATE CASE

FINAL APPLICATION SERVICE LIST

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SUBURBAN WATER SYSTEMS

2014 GENERAL RATE CASE

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SUBURBAN WATER SYSTEMS

2014 GENERAL RATE CASE

FINAL APPLICATION SERVICE LIST

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311107140.1

EXHIBIT E

EXHIBIT E

Comparison Exhibit Explaining Differences
Between The Proposed Application and Application

DOCUMENT	REFERENCE	SHEET TITLE/ ITEM NUMBER	DIFFERENCE / EXPLANATION	IMPACT ON 2015 REVENUE REQUIREMENT
Workpapers Volume 1	Page 57	Worksheet 5-2A, line 23	Removal of \$55,724.44 Cornerstone consulting expense inadvertently included in 2012 account Computer & IT Services Fee	(\$31,528)
Workpapers Volume 1	Page 57	Worksheet 5-2A, line 30	2013 amount is adjusted by \$25,001.12 which is based on 2012 amount escalated for Executive Conference	(\$13,813)
Workpapers Volume 1	Page 57	Worksheet 5-2C, line 40	Removal of \$29,349.98 Texas State Franchise Tax expense inadvertently included in 2012 account Franchise Taxes	(\$16,614)
Workpapers Volume 1	Page 59	Worksheet 5-2C, line 23	Correct total percentage in cell O3538 from 400.2% to 400% by correcting the formula from "SUM(O3515:O3535)" to "ROUND(SUM(O3515:O3535),2)"	\$738
Workpapers Volume 1	Page 69	Table 6-1, line 1	To reflect 2013 CWIP that were still in CWIP at the beginning 2014	\$0
Workpapers Volume 1	Page 72	Table 6-1C, lines 14-23	To reflect the CWIP amounts which were closed to plant in service in 2013 and 2014	\$660,206
Workpapers Volume 1	Page 105, 106	Tables 9-4 and 9-5	To correct the annual declining State Tax Depreciation amounts (Table 9-4 line 21)	(\$1,314)
Exhibits A-F 2014 Proposed Application	Page 2-1	Exhibit A	To correct historical background narrative	\$0
Exhibits A-F 2014 Proposed Application	n/a	Exhibit C	To correct the dollar amounts based on Application filed on February 10, 2014.	n/a
Exhibits A-F 2014 Proposed Application	n/a	Exhibit F	To accommodate all the changes in the 2015 revenue requirement	n/a

DOCUMENT	REFERENCE	SHEET TITLE/ ITEM NUMBER	DIFFERENCE / EXPLANATION	IMPACT ON 2015 REVENUE REQUIREMENT
Direct Testimony of Christian Aldinger	n/a	n/a	To include the depreciation study data	\$0
Direct Testimony of Darleen Phares	Page 2 - 3	n/a	To correct acronym and to update data as of December 31, 2013	\$0
Direct Testimony of Wendy Illingworth	n/a	n/a	To include the missing attachment	\$0
Direct Testimony of Walter J. Bench	various pages	various pages	to accommodate all the changes in the 2015 revenue requirement as stated in the first 3 items above.	n/a
Minimum Data Requirement	Page 3	II.A.6.	None (Suburban does not have General Office)	\$0
Minimum Data Requirement	Page 7	II.B.11.	None (the MDR per D.07-05-062 "Opinion Adopting Revised Rate Case Plan for Class A Water Utilities" did not state "employee's expenses payroll per thousand customers")	\$0
Minimum Data Requirement	Page 9	II.C.8.	Correct deficiency regarding average customer usage for residential and business based on 10 year data (see file "suburban10yr.wf1")	\$0
Minimum Data Requirement	Page 9	II.D.	Correct deficiency by providing additional information for tabs 13, 30, 32, 45, 54 in workpapers Volume 3	\$0
Minimum Data Requirement	Page 12	II.E.3.	Correct deficiency by providing updated Attachment No. 3 for 2013 water loss audit	\$0
Minimum Data Requirement	Page 12	II.E.4.	None (no cost benefit analysis was provided because Suburban's unaccounted water loss was less than 7%)	\$0

DOCUMENT	REFERENCE	SHEET TITLE/ ITEM NUMBER	DIFFERENCE / EXPLANATION	IMPACT ON 2015 REVENUE REQUIREMENT
Minimum Data Requirement	Page 13	II.E.11.	Correct deficiency by providing an Updated Attachment No. 6 (list number of feet of and size of mains replaced for last five years recorded data 2008 - 2012)	\$0
Minimum Data Requirement	Page 14	II.E.17.	Correct deficiency by providing an Attachment No. 9 (confirmation of compliance with EPA Vulnerability Assessment and Office of Emergency Services Response Plan).	\$0
Minimum Data Requirement	Section G	II.G.2.	Correct deficiency by providing an Attachment No. 10 (Summary of treatment techniques that Suburban currently performs).	\$0
Minimum Data Requirement; Workpaper Volume 1	Page 21	L.	Correct deficiency by: (1) incorporate linkage of lead-lag study in the GRC 2014.xls file (2) provide linkage to the revenue lag day calculation in tab lead-lag in file GRC 2014.xls (3) provide reference in workpaper vol. 1 Table 4-1 for cells M14:P14, and M21:P21 in line 28 (4) Suburban does not have General Office	\$85,884
Deficiency letter dated Jan. 8, 2014	M.1 a-f	n/a	Excel file "Table 5-2 LINKED GRC FINAL.xls" is the revised file "Table 5-2 Linked 11-27-2013 GRC" which remedied the requested items. The adjustments will be explained separately. Please see addendum testimony of Walter J. Bench for supporting testimony for all of the account categories.	\$0
Deficiency letter dated Jan. 8, 2014	M.2. a-f	n/a	Excel file "4-Factor Allocation GRC FINAL.xls" is the revised file "4-Factor Allocation GRC.xls" which remedied the requested items. (a) the linkage for Suburban data could be found in file GRC 2014.xlsx. (b) the information is being provided on 2/24/14 pursuant to agreement with ORA. (c) Suburban provided the details of the operating expenses and depreciation and amortization in this revised file. (d) the information is being provided on 2/24/14 pursuant to agreement with ORA. (e) & (f) ORA and Suburban agreed that the reclass amount is immaterial, therefore no supporting documentation will be provided.	\$0

DOCUMENT	REFERENCE	SHEET TITLE/ ITEM NUMBER	DIFFERENCE / EXPLANATION	IMPACT ON 2015 REVENUE REQUIREMENT
Deficiency letter dated Jan. 8, 2014	M.3. a-b	n/a	(a) Please see "UG Expenses Basis.xlsx" for backup calculation on Regular Payroll, Payroll Taxes & Building Utilities; Health Insurance, please see Walter J. Bench testimony; for Rent (cell M3573) please see excel file "Lease Buildings GRC.xls", all other expenses is based on annualized recorded amount as of August 2013. (b) cells G3557:G3587 represent recorded amounts as of August 31, 2013, therefore there are no linkages.	\$0
Application	Special Request No. F	WRAM Balancing Account Amortization	To update balance as of December 31, 2013, and to include related approved advice letter	\$0
Application	Special Request No. G	LIRA Memorandum Account Amortization	To update balance as of December 31, 2013, and to include related approved advice letters	\$0.
Application	Special Request No. I	Rule No. 7 - Deposits	To correct section B (unchanged from current tariff sheet), and to revise section D	\$0
Application	Add Special Request No. L	n/a	Military Family Relief Program Memorandum Account Amortization	\$0

EXHIBIT F

Suburban Water Systems
 1325 N. Grand Ave., Ste. 100
 Covina, CA 91724-4044

Canceling _____

Cal. P.U.C. Sheet No. _____

Cal. P.U.C. Sheet No. _____

Schedule SJ-1

SAN JOSE HILLS SERVICE AREA

RESIDENTIAL METERED SERVICE

APPLICABILITY

Applicable to all residential metered water service.

TERRITORY

Portions of Covina, West Covina, Walnut, La Puente, Glendora, Hacienda Heights and adjacent unincorporated areas in Los Angeles County.

RATES

Quantity Rates, for all water, per 100 cu. ft.:

Tariff Area No. 1	Block 1	\$ 2.769	(I)
	Block 2	3.109	
Tariff Area No. 2	Block 1	\$ 2.883	
	Block 2	3.176	
Tariff Area No. 3	Block 1	\$ 3.006	
	Block 2	3.436	(I)

	<u>Service Charge</u>	<u>Block 1 Usage</u>	
	<u>Per Meter</u>	<u>Up To (per 100 cu.ft.)</u>	
	<u>Per Month</u>	<u>Per Month</u>	
For 5/8 x 3/4-inch meter	\$ 12.44	20	(I)
For 3/4-inch meter	18.66	20	
For 1-inch meter	31.10	28	
For 1-1/2-inch meter	62.20	70	
For 2-inch meter	99.52	233	
For 3-inch meter	186.60	321	(I)

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

(Continued)

(To be inserted by utility)

Issued by

(To be inserted by Cal. P.U.C.)

Advise Letter No. _____

Robert L. Kelly
 Name

Date Filed _____

Decision No. _____

Vice President
 Title

Effective _____

Resolution No. _____

Suburban Water Systems
1325 N. Grand Ave., Ste. 100
Covina, CA 91724-4044

Revised Cal. P.U.C. Sheet No. _____
Canceling Revised Cal. P.U.C. Sheet No. _____

Schedule SJ-2

SAN JOSE HILLS SERVICE AREA

NON RESIDENTIAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Portions of Covina, West Covina, Walnut, La Puente, Glendora, Hacienda Heights and adjacent unincorporated areas in Los Angeles County.

RATES

Per Meter
Per Month

Quantity Rates:

For all water, per 100 cu. ft.:

Tariff Area No. 1	\$ 2.852	(I)
Tariff Area No. 2	2.949	
Tariff Area No. 3	3.057	(I)

Service Charge:

For 5/8 x 3/4-inch meter	\$ 12.44	(I)
For 3/4-inch meter	18.66	
For 1-inch meter	31.10	
For 1-1/2-inch meter	62.20	
For 2-inch meter	99.52	
For 3-inch meter	186.60	
For 4-inch meter	311.00	
For 6-inch meter	622.00	
For 8-inch meter	995.20	
For 10-inch meter	1,430.61	(I)

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

(Continued)

(To be inserted by utility)

Issued by

(To be inserted by Cal. P.U.C.)

Advise Letter No. _____ **Robert L. Kelly** _____ Date Filed _____
Name

Decision No. _____ **Vice President** _____ Effective _____
Title

Resolution No. _____

Suburban Water Systems
 1325 N. Grand Ave., Ste. 100
 Covina, CA 91724-4044

Revised

Cal. P.U.C. Sheet No. _____

Canceling Revised

Cal. P.U.C. Sheet No. _____

Schedule SJ-3

SAN JOSE HILLS SERVICE AREA

RECYCLED WATER METERED SERVICE

APPLICABILITY

Applicable to all recycled water metered service.

TERRITORY

Portions of Covina, West Covina, Walnut, La Puente, Glendora, Hacienda Heights and adjacent unincorporated areas in Los Angeles County.

RATES

Quantity Rates:

For all water, per 100 cu. ft.:

Tariff Area No. 1	\$ 2.424	(I)
Tariff Area No. 2	2.507	
Tariff Area No. 3	2.598	(I)

Service Charge:

	<u>Per Meter</u>	
	<u>Per Month</u>	
For 5/8 x 3/4-inch meter	\$ 12.44	(I)
For 3/4-inch meter	18.66	
For 1-inch meter	31.10	
For 1-1/2-inch meter	62.20	
For 2-inch meter	99.52	
For 3-inch meter	186.60	
For 4-inch meter	311.00	
For 6-inch meter	622.00	
For 8-inch meter	995.20	
For 10-inch meter	1,430.61	(I)

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

(Continued)

(To be inserted by utility)

Issued by

(To be inserted by Cal. P.U.C.)

Advise Letter No. _____ Robert L. Kelly _____ Date Filed _____
Name

Decision No. _____ Vice President _____ Effective _____
Title

Resolution No. _____

Suburban Water Systems
 1325 N. Grand Ave., Ste. 100
 Covina, CA 91724-4044

Revised Cal. P.U.C. Sheet No. _____
 Canceling Revised Cal. P.U.C. Sheet No. _____

Schedule WLM-1
WHITTIER/LA MIRADA SERVICE AREA
RESIDENTIAL METERED SERVICE

APPLICABILITY

Applicable to all residential metered water service.

TERRITORY

Portions of Whittier, La Mirada, and adjacent unincorporated areas in Los Angeles County, and Buena Park, La Habra, and adjacent unincorporated areas in Orange County.

RATES

Quantity Rates, for all water, per 100 cu. ft.:

Tariff Area No. 1	Block 1	\$ 2.449	(I)
	Block 2	2.764	
Tariff Area No. 2	Block 1	\$ 2.603	
	Block 2	2.870	
Tariff Area No. 3	Block 1	\$ 2.815	
	Block 2	3.051	(I)

	<u>Service Charge</u>	<u>Block 1 Usage</u>	
	<u>Per Meter</u>	<u>Up To (per 100 cu.ft.)</u>	
	<u>Per Month</u>	<u>Per Month</u>	
For 5/8 x 3/4-inch meter	\$ 12.44	20	(I)
For 3/4-inch meter	18.66	20	
For 1-inch meter	31.10	28	
For 1-1/2-inch meter	62.20	70	
For 2-inch meter	99.52	233	
For 3-inch meter	186.60	321	(I)

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

(Continued)

(To be inserted by utility)

Issued by

(To be inserted by Cal. P.U.C.)

Advise Letter No. _____

Robert L. Kelly
Name

Date Filed _____

Decision No. _____

Vice President
Title

Effective _____

Resolution No. _____

Suburban Water Systems
 1325 N. Grand Ave., Ste. 100
 Covina, CA 91724-4044

Revised Cal. P.U.C. Sheet No. _____

Canceling Revised Cal. P.U.C. Sheet No. _____

Schedule WLM-2

WHITTIER/LA MIRADA SERVICE AREA

NON RESIDENTIAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Portions of Whittier, La Mirada, and adjacent unincorporated areas in Los Angeles County, and Buena Park, La Habra, and adjacent unincorporated areas in Orange County.

RATES

Per Meter
Per Month

Quantity Rates:

For all water, per 100 cu. ft.:

Tariff Area No. 1	\$ 2.511	(I)
Tariff Area No. 2	2.656	I
Tariff Area No. 3	2.905	(I)

Service Charge:

For 5/8 x 3/4-inch meter	\$ 12.44	(I)
For 3/4-inch meter	18.66	I
For 1-inch meter	31.10	I
For 1-1/2-inch meter	62.20	I
For 2-inch meter	99.52	I
For 3-inch meter	186.60	I
For 4-inch meter	311.00	I
For 6-inch meter	622.00	I
For 8-inch meter	995.20	I
For 10-inch meter	1,430.61	(I)

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

(Continued)

(To be inserted by utility)

Issued by

(To be inserted by Cal. P.U.C.)

Advise Letter No. _____

Robert L. Kelly
Name

Date Filed _____

Decision No. _____

Vice President
Title

Effective _____

Resolution No. _____

Suburban Water Systems
1325 N. Grand Ave., Ste. 100
Covina, CA 91724-4044

Revised Cal. P.U.C. Sheet No. _____

Canceling Revised Cal. P.U.C. Sheet No. _____

Schedule No. 4

PRIVATE FIRE PROTECTION SERVICE

APPLICABILITY

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

TERRITORY

Throughout all tariff areas.

RATES

Quantity Rates:

For each inch of diameter of service connection \$20.47 (I)

SPECIAL CONDITIONS

1. The facilities for service to a privately owned fire protection system shall be installed by the Utility or under the Utility's direction. Cost for the entire installation, shall be paid for by the applicant. Such payment shall not be subject to refund.
2. The expense of maintaining the private fire protection facilities on the applicant's premises (including the vault, meter and backflow device) shall be paid for by the applicant.
3. All facilities paid for by the applicant shall be the sole property of the applicant. The Utility and its duly authorized agents shall have the right to ingress to, and egress from the premises for all purposes relating to said facilities.
4. The minimum diameter for the service pipe to fire protection service shall be four inches, and the maximum diameter shall be not more than the diameter of the main to which the service is connected.
5. If a distribution main of adequate size to service 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 main extension from the nearest existing main of adequate capacity shall be installed by the Utility. The cost of such main extension attributable to the fire protection requirement shall be paid to the Utility as a contribution in aid of construction.

(Continued)

(To be inserted by utility)

Issued by

(To be inserted by Cal. P.U.C.)

Advise Letter No. _____

Robert L. Kelly
Name

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Vice President
Title

Effective _____

Resolution No. _____

Suburban Water Systems
1325 N. Grand Ave., Ste. 100
Covina, CA 91724-3603

Revised Cal. P.U.C. Sheet No. _____
Canceling Revised Cal. P.U.C. Sheet No. _____

Schedule No. 4A

FIRE HYDRANT SERVICE ON PRIVATE PROPERTY

APPLICABILITY

Applicable to all fire hydrant service rendered from fire hydrants connected to Company owned mains on private property.

TERRITORY

Throughout all tariff areas.

RATES

For each 6-inch standard fire hydrant, per month \$27.09 (I)

SPECIAL CONDITIONS

1. The fire hydrant will be installed by the Utility or under the Utility's direction at the cost of the applicant. The cost will not be subject to refund.
2. The fire hydrant shall be used for fire fighting purposes and fire drills only. Water use for fire drills will be limited to 15 minutes per week.
3. The replacement, enlargement, or relocation of any hydrant made at the request of the customer shall be paid for by the customer.
4. All facilities paid for by the applicant shall be the sole property of the applicant. The Utility and its duly authorized agents shall have the right to ingress to, and egress from the premises for all purposes relating to said facilities.

(Continued)

(To be inserted by utility)

Issued by

(To be inserted by Cal. P.U.C.)

Advise Letter No. _____

Robert L. Kelly
Name

Date Filed _____

Decision No. _____

Vice President
Title

Effective _____

Resolution No. _____

Schedule SJ-1

(Continued)

SAN JOSE HILLS SERVICE AREA
RESIDENTIAL METERED SERVICE

SPECIAL CONDITIONS

1. The boundaries of the Tariff Areas in which the above rates apply are delineated on the Service Area Map for the San Jose Hills Service Area as filed in these tariff schedules.
2. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
3. A surcharge of \$0.043 per 100 cubic feet is to be applied to the monthly bills of all metered customers, excluding those customers receiving a Low Income Ratepayer Assistance (LIRA) credit, in order to support the LIRA program, commencing January 1, 2015. (I)
4. Low Income Ratepayer Assistance (LIRA) Memorandum Account
 - a. The Company shall maintain a Low Income Ratepayer Assistance (LIRA) Memorandum Account to record the differences between LIRA discounts, program costs, and the revenues generated by the LIRA surcharge.
 - b. The Company will record the LIRA discounts (credits) for service as provided under Schedule No. LIC-1.
 - c. The Company will record the LIRA surcharge for service as provided under Special Conditions in Schedule SJ-1.
 - d. The Company will record the incremental costs for the LIRA program administration, which have not been reflected in authorized rates.
 - e. The Company shall maintain the LIRA memorandum account by making entries at the end of each month as follows:
 - i. A debit entry shall be made to the LIRA memorandum account at the end of each month to record the LIRA discounts and program costs.
 - ii. A credit entry shall be made to the LIRA memorandum account at the end of each month to record the revenues from the LIRA surcharges.
 - iii. Interest shall accrue to the LIRA memorandum account on a monthly basis by applying a rate equal to one-twelfth of the 3-month Commercial Paper Rate, as reported in the Federal Reserve Statistical Release, to the average of the beginning-of month and the end-of-month balances.

The LIRA memorandum account shall go into effect on the effective date of Advice Letter 254-W.
5. As authorized by the California Public Utilities Commission (C.P.U.C.), all bills are subject to a one time surcharge of \$0.399 per 100 cubic feet, beginning with the effective date as determined by the C.P.U.C. pursuant to D.xx-xx-xxx. This surcharge will recover the under collected balance in the Water Revenue Adjustment Mechanism (WRAM) as of December 31, 2013. (N)
6. As authorized by the California Public Utilities Commission (C.P.U.C.), all bills are subject to a one time surcharge of \$0.217 per 100 cubic feet, beginning with the effective date as determined by the C.P.U.C. pursuant to D.xx-xx-xxx. This surcharge will recover the under collected balance in the Low Income Ratepayer Assistance (LIRA) Program as of December 31, 2013. (N)

(To be inserted by utility)

Issued by

(To be inserted by Cal. P.U.C.)

Advise Letter No. _____ Robert L. Kelly _____ Date Filed _____
Name

Decision No. _____ Vice President _____ Effective _____
Title

Resolution No. _____

Schedule SJ-2
(Continued)

SAN JOSE HILLS SERVICE AREA
NON RESIDENTIAL METERED SERVICE

SPECIAL CONDITIONS

1. The boundaries of the Tariff Areas in which the above rates apply are delineated on the Service Area Map for the San Jose Hills Service Area as filed in these tariff schedules.
2. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
3. A surcharge of \$0.043 per 100 cubic feet is to be applied to the monthly bills of all metered customers, excluding those customers receiving a Low Income Ratepayer Assistance (LIRA) credit, in order to support the LIRA program, commencing January 1, 2015. (I)
4. Low Income Ratepayer Assistance (LIRA) Memorandum Account
 - f. The Company shall maintain a Low Income Ratepayer Assistance (LIRA) Memorandum Account to record the differences between LIRA discounts, program costs, and the revenues generated by the LIRA surcharge.
 - g. The Company will record the LIRA discounts (credits) for service as provided under Schedule No. LIC-1.
 - h. The Company will record the LIRA surcharge for service as provided under Special Conditions in Schedules SJ-2.
 - i. The Company will record the incremental costs for the LIRA program administration, which have not been reflected in authorized rates.
 - j. The Company shall maintain the LIRA memorandum account by making entries at the end of each month as follows:
 - i. A debit entry shall be made to the LIRA memorandum account at the end of each month to record the LIRA discounts and program costs.
 - ii. A credit entry shall be made to the LIRA memorandum account at the end of each month to record the revenues from the LIRA surcharges.
 - iii. Interest shall accrue to the LIRA memorandum account on a monthly basis by applying a rate equal to one-twelfth of the 3-month Commercial Paper Rate, as reported in the Federal Reserve Statistical Release, to the average of the beginning-of month and the end-of-month balances.

The LIRA memorandum account shall go into effect on the effective date of Advice Letter 254-W.
5. As authorized by the California Public Utilities Commission (C.P.U.C.), all bills are subject to a one time surcharge of \$0.217 per 100 cubic feet, beginning with the effective date as determined by the C.P.U.C. pursuant to D.xx-xx-xxx. This surcharge will recover the under collected balance in the Low Income Ratepayer Assistance (LIRA) Program as of December 31, 2013. (N)
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|
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(N)
(D)

(To be inserted by utility)

Issued by

(To be inserted by Cal. P.U.C.)

Advise Letter No. _____

Robert L. Kelly
Name

Date Filed _____

Decision No. _____

Vice President
Title

Effective _____

Resolution No. _____

Suburban Water Systems
1325 N. Grand Ave., Ste. 100
Covina, CA 91724-4044

Revised Cal. P.U.C. Sheet No. _____
Canceling Revised Cal. P.U.C. Sheet No. _____

Schedule SJ-3
(Continued)

SAN JOSE HILLS SERVICE AREA
RECYCLED WATER METERED SERVICE

SPECIAL CONDITIONS

1. The quantity rate is set at 85% of the quantity rate of Schedule No. SJ-2.
2. The customer is responsible for compliance with all local, state, federal rules, and regulations that apply to the use of recycled water on the customer's premises.
3. The utility will supply only such recycled water at such pressure as may be available from time to time from the recycled water system. The customer shall indemnify the utility and save it harmless against any and all claims arising out of service under this schedule and shall further agree to make no claims against any and all claims arising out of service under this schedule and shall further agree to make no claims against the utility for any loss or damage resulting from service under this schedule.
4. As a condition of service under this schedule, all customers are required to comply with the Company's Rule 16, Section D, Recycled Water Metered Service.
5. The boundaries of the Tariff Areas in which the above rates apply are delineated on the Service Area Map for the San Jose Hills Service Area as filed in these tariff schedules.
6. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
7. A surcharge of \$0.043 per 100 cubic feet is to be applied to the monthly bills of all metered customers, excluding those customers receiving a Low Income Ratepayer Assistance (LIRA) credit, in order to support the LIRA program, commencing January 1, 2015. (I)

(Continued)

(To be inserted by utility)

Issued by

(To be inserted by Cal. P.U.C.)

Advise Letter No. _____ Robert L. Kelly _____ Date Filed _____
Name
Decision No. _____ Vice President _____ Effective _____
Title
Resolution No. _____

Schedule SJ-3
(Continued)

SAN JOSE HILLS SERVICE AREA
RECYCLED WATER METERED SERVICE

SPECIAL CONDITIONS

8. Low Income Ratepayer Assistance (LIRA) Memorandum Account
- k. The Company shall maintain a Low Income Ratepayer Assistance (LIRA) Memorandum Account to record the differences between LIRA discounts, program costs, and the revenues generated by the LIRA surcharge.
 - l. The Company will record the LIRA discounts (credits) for service as provided under Schedule No. LIC-1.
 - m. The Company will record the LIRA surcharge for service as provided under Special Conditions in Schedules SJ-3.
 - n. The Company will record the incremental costs for the LIRA program administration, which have not been reflected in authorized rates.
 - o. The Company shall maintain the LIRA memorandum account by making entries at the end of each month as follows:
 - i. A debit entry shall be made to the LIRA memorandum account at the end of each month to record the LIRA discounts and program costs.
 - ii. A credit entry shall be made to the LIRA memorandum account at the end of each month to record the revenues from the LIRA surcharges.
 - iii. Interest shall accrue to the LIRA memorandum account on a monthly basis by applying a rate equal to one-twelfth of the 3-month Commercial Paper Rate, as reported in the Federal Reserve Statistical Release, to the average of the beginning-of month and the end-of-month balances.

The LIRA memorandum account shall go into effect on the effective date of Advice Letter 254-W.

9. As authorized by the California Public Utilities Commission (C.P.U.C.), all bills are subject to a one time surcharge of \$0.217 per 100 cubic feet, beginning with the effective date as determined by the C.P.U.C. pursuant to D.xx-xx-xxx. This surcharge will recover the under collected balance in the Low Income Ratepayer Assistance (LIRA) Program as of December 31, 2013.

(D)
(N)
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(N)

(To be inserted by utility)

Issued by

(To be inserted by Cal. P.U.C.)

Advise Letter No. _____ Robert L. Kelly _____ Date Filed _____
Name
Decision No. _____ Vice President _____ Effective _____
Title
Resolution No. _____

Schedule WLM-1
(Continued)

WHITTIER/LA MIRADA SERVICE AREA
RESIDENTIAL METERED SERVICE

SPECIAL CONDITIONS

1. The boundaries of the Tariff Areas in which the above rates apply are delineated on the Service Area Map for the Whittier/La Mirada District as filed in these tariff schedules.
2. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
3. A surcharge of \$0.043 per 100 cubic feet is to be applied to the monthly bills of all metered customers, excluding those customers receiving a Low Income Ratepayer Assistance (LIRA) credit, in order to support the LIRA program, commencing January 1, 2015. (I)
4. Low Income Ratepayer Assistance (LIRA) Memorandum Account
 - p. The Company shall maintain a Low Income Ratepayer Assistance (LIRA) Memorandum Account to record the differences between LIRA discounts, program costs, and the revenues generated by the LIRA surcharge.
 - q. The Company will record the LIRA discounts (credits) for service as provided under Schedule No. LIC-1.
 - r. The Company will record the LIRA surcharge for service as provided under Special Conditions in Schedule WLM-1.
 - s. The Company will record the incremental costs for the LIRA program administration, which have not been reflected in authorized rates.
 - t. The Company shall maintain the LIRA memorandum account by making entries at the end of each month as follows:
 - i. A debit entry shall be made to the LIRA memorandum account at the end of each month to record the LIRA discounts and program costs.
 - ii. A credit entry shall be made to the LIRA memorandum account at the end of each month to record the revenues from the LIRA surcharges.
 - iii. Interest shall accrue to the LIRA memorandum account on a monthly basis by applying a rate equal to one-twelfth of the 3-month Commercial Paper Rate, as reported in the Federal Reserve Statistical Release, to the average of the beginning-of month and the end-of-month balances.

The LIRA memorandum account shall go into effect on the effective date of Advice Letter 254-W.
5. A Local Government Fee Surcharge is included as a separate line item on bills in the City of Whittier to collect franchise taxes. The amount collected is 4.0% of the gross amount of customers' bills beginning November 11, 2010 through November 10, 2011, 8.0% beginning November 11, 2011 through November 10, 2012, and 12.0% beginning November 11, 2012 through November 10, 2035.

(To be inserted by utility)

Issued by

(To be inserted by Cal. P.U.C.)

Advise Letter No. _____ Robert L. Kelly _____ Date Filed _____
Name
Decision No. _____ Vice President _____ Effective _____
Title
Resolution No. _____

Suburban Water Systems
1325 N. Grand Ave. , Ste. 100
Covina, CA 91724-4044

Revised Cal. P.U.C. Sheet No. _____

Canceling Revised Cal. P.U.C. Sheet No. _____

Schedule WLM-1
(Continued)

WHITTIER/LA MIRADA SERVICE AREA
RESIDENTIAL METERED SERVICE

SPECIAL CONDITIONS

6. As authorized by the California Public Utilities Commission (C.P.U.C.), all bills are subject to a one time surcharge of \$0.305 per 100 cubic feet, beginning with the effective date as determined by the C.P.U.C. pursuant to D.xx-xx-xxx. This surcharge will recover the under collected balance in the Water Revenue Adjustment Mechanism (WRAM) as of December 31, 2013. (N)
|
|
|
(N)
7. As authorized by the California Public Utilities Commission (C.P.U.C.), all bills are subject to a one time surcharge of \$0.217 per 100 cubic feet, beginning with the effective date as determined by the C.P.U.C. pursuant to D.xx-xx-xxx. This surcharge will recover the under collected balance in the Low Income Ratepayer Assistance (LIRA) Program as of December 31, 2013. (N)
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|
|
(N)

(To be inserted by utility)

Issued by

(To be inserted by Cal. P.U.C.)

Advise Letter No. _____

Robert L. Kelly

Date Filed _____

Name

Decision No. _____

Vice President

Effective _____

Title

Resolution No. _____

Schedule WLM-2
(Continued)

WHITTIER/LA MIRADA SERVICE AREA
NON RESIDENTIAL METERED SERVICE

SPECIAL CONDITIONS

1. The boundaries of the Tariff Areas in which the above rates apply are delineated on the Service Area Map for the Whittier/La Mirada District as filed in these tariff schedules.
2. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
3. A surcharge of \$0.043 per 100 cubic feet is to be applied to the monthly bills of all metered customers, excluding those customers receiving a Low Income Ratepayer Assistance (LIRA) credit, in order to support the LIRA program, commencing January 1, 2015. (I)
4. Low Income Ratepayer Assistance (LIRA) Memorandum Account
 - u. The Company shall maintain a Low Income Ratepayer Assistance (LIRA) Memorandum Account to record the differences between LIRA discounts, program costs, and the revenues generated by the LIRA surcharge.
 - v. The Company will record the LIRA discounts (credits) for service as provided under Schedule No. LIC-1.
 - w. The Company will record the LIRA surcharge for service as provided under Special Conditions in Schedules WLM-2.
 - x. The Company will record the incremental costs for the LIRA program administration, which have not been reflected in authorized rates.
 - y. The Company shall maintain the LIRA memorandum account by making entries at the end of each month as follows:
 - i. A debit entry shall be made to the LIRA memorandum account at the end of each month to record the LIRA discounts and program costs.
 - ii. A credit entry shall be made to the LIRA memorandum account at the end of each month to record the revenues from the LIRA surcharges.
 - iii. Interest shall accrue to the LIRA memorandum account on a monthly basis by applying a rate equal to one-twelfth of the 3-month Commercial Paper Rate, as reported in the Federal Reserve Statistical Release, to the average of the beginning-of month and the end-of-month balances.

The LIRA memorandum account shall go into effect on the effective date of Advice Letter 254-W.
5. A Local Government Fee Surcharge is included as a separate line item on bills in the City of Whittier to collect franchise taxes. The amount collected is 4.0% of the gross amount of customers' bills beginning November 11, 2010 through November 10, 2011, 8.0% beginning November 11, 2011 through November 10, 2012, and 12.0% beginning November 11, 2012 through November 10, 2035.

(To be inserted by utility)

Issued by

(To be inserted by Cal. P.U.C.)

Advise Letter No. _____ Robert L. Kelly _____ Date Filed _____
Name
Decision No. _____ Vice President _____ Effective _____
Title
Resolution No. _____

Suburban Water Systems
1325 N. Grand Ave. , Ste. 100
Covina, CA 91724-4044

Revised _____ Cal. P.U.C. Sheet No. _____
Canceling Revised _____ Cal. P.U.C. Sheet No. _____

Schedule WLM-2
(Continued)

WHITTIER/LA MIRADA SERVICE AREA
NON RESIDENTIAL METERED SERVICE

SPECIAL CONDITIONS

6. As authorized by the California Public Utilities Commission (C.P.U.C.), all bills are subject to a one time surcharge of \$0.217 per 100 cubic feet, beginning with the effective date as determined by the C.P.U.C. pursuant to D.xx-xx-xxx. This surcharge will recover the under collected balance in the Low Income Ratepayer Assistance (LIRA) Program as of December 31, 2013.

(D)
(D)
(D)
(D)
(N)
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(N)

(To be inserted by utility)

Issued by

(To be inserted by Cal. P.U.C.)

Advise Letter No. _____ Robert L. Kelly _____ Date Filed _____
Name
Decision No. _____ Vice President _____ Effective _____
Title
Resolution No. _____

Suburban Water Systems
1325 N. Grand Ave., Ste. 100
Covina, CA 91724-4044

Original _____
Canceling _____

Cal. P.U.C. Sheet No. _____
Cal. P.U.C. Sheet No. _____

PRELIMINARY STATEMENT
(Continued)

Employee Healthcare (EH) Balancing Account

1. **PURPOSE:** The purpose of this balancing account is to record and recover the difference between the adopted forecast and the actual costs of employee healthcare expenses beginning January 1, 2015. Suburban Water Systems ("Suburban") will file a tier one Advice Letter to request recovery of the balance or request recovery in Suburban's next general rate case application. The authority to establish this account was granted in Decision xx-xx-xxx, dated ____.
2. **ACCOUNTING PROCEDURE:**
 - a. The following entries will be made monthly to the EH Balancing Account:
 1. Recorded employee healthcare expense
 2. Adopted employee healthcare expense
 3. Net employee healthcare balance = (1) minus (2)
 - b. The company will record the accumulated EH balance monthly, by adding its entry in section a.3. to the prior accumulated monthly balance, and apply the interest to the average net balance in the EH balancing account at a rate equal to one twelfth the interest rate on three month Non-Financial Commercial Paper as reported in the Federal Reserve Statistical Release.

(To be inserted by utility)

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Covina, CA 91724-4044

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Cal. P.U.C. Sheet No. _____
Cal. P.U.C. Sheet No. _____

PRELIMINARY STATEMENT
(Continued)

Affiliate Transfer Fee Memorandum Account

3. **PURPOSE:** The purpose of the Affiliate Transfer Fee Memorandum Account is to record transfer fees received by Suburban Water Systems ("Suburban") from affiliates when an employee of Suburban is transferred, assigned, or otherwise employed by the affiliate pursuant to Appendix A, Rule IV.D.2. of Decision No. 10-10-019. All transfer fees paid to Suburban shall be accounted for in the Affiliate Transfer Fee Memorandum Account and tracked for future ratemaking treatment. This transfer payment provision does not apply to clerical workers.
4. **ACCOUNTING PROCEDURE:**
- c. The following entries will be made monthly to the Affiliate Transfer Fee Memorandum Account:
4. A credit entry equal to the transfer fee received by Suburban from an affiliate when an employee of Suburban is transferred, assigned, or otherwise employed by the affiliate.

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Suburban Water Systems
1325 N. Grand Ave., Ste. 100
Covina, CA 91724-4044

Original _____
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Cal. P.U.C. Sheet No. _____
Cal. P.U.C. Sheet No. _____

PRELIMINARY STATEMENT
(Continued)

Credit Card Pilot Program Memorandum Account (CCPPMA)

5. **PURPOSE:** The purpose of this memorandum account is to track the savings and costs related to the Commission's authorization to commence a pilot credit card payment option for Suburban Water Systems' ("Suburban") residential customers. Once the pilot program has concluded, the Commission will determine if the savings and costs are cost-neutral or not. If the savings outweigh the costs, the costs and savings are roughly equal, or the Commission, for public policy reasons and in accordance with the Legislation (AB 746), determines that the benefits justify a continuation of the program, Suburban will begin full implementation of the credit card program, when authorized by a Commission Decision. If the costs outweigh the savings and the program is not consistent with the legislative objectives, the pilot program will sunset on the date of the Commission Decision. In any event, all capital costs incurred in this program will be determined to have been prudently incurred, and fully recoverable in rates.
6. **APPLICABILITY:** The CCPPMA shall initially apply to residential customers who use an approved personal credit card.
7. **CCPPMA RATES:** The CCPPMA does not have a rate component.
8. **ACCOUNTING PROCEDURE:** Suburban shall maintain the CCPPMA until the Commission has reviewed and approved the pilot program costs for recovery upon the conclusion of the 12-month pilot program. Incremental debits and credits of the CCPPMA include the following categories:
 - a. A credit equal to the estimated savings based on:
 1. The migration of payments from some higher cost payment channels to lower cost payment channels.
 2. Avoided check processing fees for those customers who pay by credit card that statistically would have paid by check.
 3. Avoided termination of service costs which Suburban will attempt to quantify during the course of this pilot program.
 - b. A debit equal to the charges from:
 1. The potential for payments to migrate from lower cost options.
 2. Transaction fees charged by the credit card company and any third-party processor.
 3. Potential charges associated with investigation and reversal of credit card payments.
 4. Depreciation, return, and income taxes relating to capital costs associated with installation of any necessary infrastructure, also maintenance, and training to support credit card payments.
 - c. Suburban will propose in its report on the pilot program, at the end of the 12-month period, how any long-term, one-time costs associated with installation and maintenance of infrastructure and training should be treated in comparison with savings. Such a comparison will help facilitate the decision on whether to continue with the credit card program.
 - d. An entry equal to interest on the average balance in the CCPPMA at the beginning of the month and the balance in the account after entries 4.a and 4.b above, at a rate equal to one-twelfth the interest rate on 3-month Non-Financial Commercial Paper Rate for the previous month, as reported in the Federal Reserve Statistical Release, H.15. or its successor.
 - e. Suburban shall file its report on the pilot program at the end of the 12-month period, and any request for CCPPMA program cost recovery shall be by an application to the Commission.

(To be inserted by utility)

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Effective _____

Rule No. 7
DEPOSITS

A. Amounts to Establish Credit

1. Metered Service

a. To establish credit by deposit, the amount for residential service requiring not more than one 5/8 x 3/4-inch meter will be \$30 when bills are rendered monthly or \$60 when bills are rendered bimonthly. (I)

b. To establish credit by deposit, the amount for all other service will be twice the estimated average periodic bill when bills are rendered monthly or bimonthly, but in any event not more than twice the estimated bimonthly bill nor less than the amounts set forth above.

2. Flat Rate Service

No deposit will be required, except as prescribed for temporary service in Rule No. 13.

B. Amount to Re-establish Credit

1. Former Customers

To re-establish credit for an applicant who previously has been a customer of the Utility and during the last 12 months of that prior service has had service discontinued for nonpayment of bills, the amount will be twice the estimated average monthly or bimonthly bill to be rendered for the service requested.

2. Present Customers

To re-establish credit for a customer whose service has been discontinued for nonpayment of bills, the amount will be twice the average monthly or bimonthly bill to be rendered for that service.

C. Applicability to Unpaid Accounts

Deposits made under this rule will be applied to unpaid bills for service when such service has been discontinued.

(Continued)

(To be inserted by utility)

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Effective _____

Resolution No. _____

Suburban Water Systems
1325 N. Grand Ave., Ste. 100
Covina, CA 91724-3603

Revised

Cal. P.U.C. Sheet No. _____

Canceling Revised

Cal. P.U.C. Sheet No. _____

Rule No. 7
(Continued)

DEPOSITS

D. Return of Deposits

- 1. Upon discontinuance of service, the Utility will refund the balance of the customer's deposit in excess of unpaid bills for that service for which the deposit was made. (T)
- 2. Deposits will be returned to customers after being held for 12 consecutive months, provided that all bills for service are paid prior to becoming past due. (N)
The return of the deposit will be made with interest as provided in Paragraph E of this rule. | (N)

E. Interest on Deposit

Interest on deposit held will be paid by the Utility at the rate of 7/12 percent per month (7% annually) upon discontinuance of service, or after the deposit has been held for 12 consecutive months, provided that all bills are paid prior to becoming past due. No interest shall accrue after mailing to the customer or to the customer's last known address the refund or a notice that the refund is payable. (T)
(T)

(To be inserted by utility)

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Decision No. _____

Vice President _____

Effective _____

Title

Resolution No. _____

Suburban Water Systems
1325 N. Grand Ave. , Ste. 100
Covina, CA 91724-4044

Original Cal. P.U.C. Sheet No. _____
Canceling Cal. P.U.C. Sheet No. _____

Rule No. 23

CUSTOMER INFORMATION SHARING

A. General

This rule establishes the guidelines for the release of specific customer information to prescribed entities, if requested. This information will be used for the sole purpose of the calculation of local taxes, sewer fees, miscellaneous city fees and water conservation efforts, whereby the calculation of these fees and/or efforts depends on data held by Suburban Water Systems ("Suburban"). Suburban will enter into Non-Disclosure Agreements with the entities to insure that the customer information shared is kept private and only used for the sole purpose for which it is intended.

Please note: A copy of Suburban's sample Non-Disclosure Agreement can be found in its tariffs as Form No. 21 "Confidentiality and Non-Disclosure Agreement".

Suburban only release the following information to local government (city and county) and wholesale water agencies, if requested, for the purpose discussed above:

Customer name
Service Address
Water consumption data*

*This data may include service establishment and termination dates.

If a local government entity requires additional information or intends to use the information for purposes other than what is mentioned above, Suburban will inform the entity it cannot release that information without having received prior written customer consent to do so.

(To be inserted by utility)

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Suburban Water Systems
1325 N. Grand Ave., Ste. 100
Covina, CA 91724-4044

Original Cal. P.U.C. Sheet No. _____
Canceling Cal. P.U.C. Sheet No. _____

Form No. 21
CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT
(see attached)

(To be inserted by utility)

Issued by

(To be inserted by Cal. P.U.C.)

Advise Letter No. _____ **Robert L. Kelly** _____ Date Filed _____
Name
Decision No. _____ **Vice President** _____ Effective _____
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Resolution No. _____



**Suburban
Water Systems**

A SouthWest Water Company

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

By and between

SUBURBAN WATER SYSTEMS

and

This Confidentiality and Non-Disclosure Agreement (“Agreement”) is effective upon execution and is entered into between Suburban Water Systems, a California corporation primarily located at 1325 North Grand Avenue, Suite 100, Covina, CA 91724-4044, (“Disclosing Party”) and _____ primarily located at _____ (“Receiving Party”).

Suburban Water Systems is a California public utility regulated by the California Utilities Commission. Personal identifying information, billing information, and customer-specific water consumption data obtained by Suburban Water Systems from its customers in its role as a water service provider is private, confidential, and propriety information (“Confidential Information” as defined in Section 1 below) protected by California law including Article 1, Section 1 of the California Constitution, and by the rules of the California Public Utilities Commission to maintain that confidentiality. Consistent with those laws, this Agreement allows Suburban Water Systems to release specific customer information to the Receiving Party for the following limited purposes: calculating fees such as local taxes, sewer fees, miscellaneous city and county fees and/or for the facilitation of water conservation planning. By entering into this Agreement, the Receiving Party represents and agrees that the information received will be kept confidential and will be used only for the limited purposes set forth herein.

1. Definition of Confidential Information

For purposes of this Agreement, “Confidential Information” shall mean all proprietary, non-public/or confidential information which one party (“Receiving Party”) receives from the other party (“Disclosing Party”), or others acting on behalf of a party, either directly or indirectly, in writing, verbally, electronically or by inspection, including without limitation, documents, business or marketing plans or strategies, financial statements, books of accounts, other financial analyses, customer names, lists and/or data, strategic plans, products, services, inventions and innovations, processes, designs, drawings, analyses, compilations, surveys, studies, tests, results, trade secrets and any other proprietary information of the Disclosing Party.

By way of further example and not as a limitation hereof, Confidential information shall include: (a) all lists or records containing the name, service address and/or consumption data of one or more of Disclosing Party’s customers; and (b) all information or material that has or could have commercial value or other utility in the business in which the Disclosing Party is engaged.

2. Use and Disclosure

Receiving Party agrees that:

- a. The Confidential Information disclosed by the Disclosing Party to the Receiving Party shall be used solely and exclusively by the Receiving Party for the following limited purposes: calculating fees such as local taxes, sewer fees, miscellaneous city and county fees and/or for the facilitation of water conservation planning (the "Limited Purposes").
- b. The Receiving Party shall keep all Confidential Information received hereunder in the strictest confidence, and shall not disclose or reveal any Confidential Information to any person other than to those of Disclosing Party's employees, consultants, and agents with a need to know the information solely for the purpose of carrying out one or more of the Limited Purposes.
- c. In the event an employee, consultant, or agent of the Receiving Party receives Confidential Information, each employee, consultant, or agent shall be subject to the Receiving Party's internal restrictions concerning disclosure of such Confidential Information; and the internal restrictions shall include, but not be limited to, a requirement that each employee, consultant, or agent shall hold all Confidential Information in strict confidence, and shall provide that such employees, consultants, or agents are under a confidentiality obligation to the Receiving Party at least as protective of the Disclosing Party as set forth in this Agreement.
- d. Receiving Party shall not, without prior written approval of Disclosing Party, use for the Receiving Party's own benefit, publish, copy, or otherwise disclose to others, or permit the use by others for their benefit or to the detriment of Disclosing Party, any Confidential Information.

These restrictions on disclosure of Confidential Information shall not apply to:

- i. Information which the Receiving Party may be required to disclose by applicable law or regulation, provided that the Receiving Party shall give the Disclosing Party prompt written notice and sufficient opportunity to object to such use or disclosure, or to request confidential treatment of the Confidential Information; or
- ii. Information that was in the public domain at the time of this Agreement; or
- iii. Information that has entered the public domain through the Disclosing Party or through any third party not being bound to secrecy by the Disclosing Party; or
- iv. Information that the Receiving Party had in its possession prior to such disclosures by the Disclosing Party, as evidence by written records; or
- v. Information that the Receiving Party has acquired from a third party bona fide source other than the Disclosing Party, which third party is not under an obligation with either the Receiving Party or Disclosing Party to maintain the confidentiality of such disclosed information; or
- vi. Information that has been independently developed by the Receiving Party.

3. Enforcement

Receiving Party agrees that money damages may not be sufficient remedy for any breach of this Agreement by Receiving Party, its employees, consultants, or agents, that in addition to all other

remedies, Distributing Party shall be entitled to seek specific performance and injunctive and other equitable relief as a remedy for any such breach, that such remedy shall not be deemed to be the exclusive remedy for breach of this Agreement but shall be in addition to all other remedies available at law or equity, and Receiving Party further agrees to waive any requirement for the securing or posting of any bond in connection with such remedy. In addition, Receiving Party agrees in advance that Receiving Party shall not oppose the granting of such relief on the basis that an adequate remedy exists at law.

4. Disclaimer

The Receiving Party's evaluation of the Confidential Information of the Disclosing Party shall be at its own risk. Nothing in this Agreement shall be construed to grant to the Receiving Party any right in and/or to the Confidential Information. Moreover, the Receiving Party understands and agrees that neither Disclosing Party nor anyone on its behalf have made or make any representation or warranty as to the accuracy or completeness of the Confidential Information, and that Disclosing Party shall not have any liability to the Receiving Party, its employees, consultants, or agents resulting from the use of the Confidential Information.

5. Return of Documents

Upon the request of the Disclosing Party, the Receiving Party shall immediately return to the Receiving Party all materials or tangible items containing any Confidential Information and all copies thereof. The Receiving Party shall destroy any remaining notes, photocopies and other materials derived from the Confidential Information if the documents reveal confidential data. The Receiving Party may retain any Confidential Information required pursuant to legal or regulatory compliance, internal document retention policies, or automatic electronic archiving and back-up procedures or similar electronic systems, provided that all such information shall continue to be kept confidential pursuant to the terms of this Agreement. The Receiving Party's return, destruction or retention of any such Confidential Information will not affect any of the Receiving Party's other obligations under this Agreement, including, but not limited to, its obligations under paragraph 2 above.

6. Relationships

Nothing contained in this Agreement shall be deemed to constitute either party as a partner, establishing a joint venture, or employee of the other party for any purpose. In addition, this Agreement does not obligate either party to enter into any further agreements.

7. Assignment

This Agreement may not be assigned by any party hereto, whether by operation of law or otherwise, without the prior written consent of the other Party, which consent shall not be unreasonably withheld, except that Disclosing Party may assign this Agreement (i) as incident to the merger, consolidation, reorganization or acquisition of stock affecting actual voting control or of substantially all of the assets of the assigning party or (ii) to a parent, affiliate or subsidiary.

8. Severability

If a court finds any provision of this Agreement invalid or unenforceable, the remainder of this Agreement shall be interpreted so as to best effect the intent of the parties.

9. Integration

This Agreement expresses the complete understanding of the parties with respect to the subject and supersedes all prior proposals, agreements, representations and understandings. This Agreement shall not be amended except in a writing signed by both parties.

10. Waiver

Any waiver of a particular breach of this Agreement by a party shall not operate as a waiver to any other breach of this Agreement by that party.

11. Multiple Originals

This Agreement may be executed in any number of counterparts, each of which shall be an original as against any party whose signature appears thereon and all of which together shall constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as signatories.

In Witness Whereof, the parties have caused this Agreement to be executed by their duly authorized representatives as identified and dated below.

“Disclosing Party”

“Receiving Party”

By: _____
Title: _____
Date: _____

By: _____
Title: _____
Date: _____

Suburban Water Systems
