STATE OF CALIFORNIA EDMUND G. BROWN JR., G

PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

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March 6, 2015

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Ratesetting

TO PARTIES OF RECORD IN APPLICATION 13-07-002

This is the proposed decision of Administrative Law Judge Colbert. Until and unless the Commission hears the item and votes to approve it, the proposed decision has no legal effect. This item may be heard, at the earliest, at the Commission's April 9, 2015 Business Meeting. To confirm when the item will be heard, please see the Business Meeting agenda, which is posted on the Commission's website 10 days before each Business Meeting.

Parties of record may file comments on the proposed decision as provided in Rule 14.3 of the Commission's Rules of Practice and Procedure.

The Commission may hold a Ratesetting Deliberative Meeting to consider this item in closed session in advance of the Business Meeting at which the item will be heard. In such event, notice of the Ratesetting Deliberative Meeting will appear in the Daily Calendar, which is posted on the Commission's website. If a Ratesetting Deliberative Meeting is scheduled, *ex parte* communications are prohibited pursuant to Rule 8.3(c)(4)(B).

/s/ KAREN V. CLOPTON
Karen V. Clopton, Chief
Administrative Law Judge

KVC:ek4
Attachment

Decision **PROPOSED DECISION OF ALJ COLBERT** (Mailed on 3/6/2015)

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of California-American Water Company (U210W) for Authorization to Increase its Revenues for Water Service by $18,473,900 or 9.55% in the year 2015, by $8,264,700 or 3.90% in the year 2016, and by $6,654,700 or 3.02% in the year 2017.	Application 13-07-002 (Filed July 1, 2013)

DECISION ADOPTING THE 2015, 2016, AND 2017 REVENUE REQUIREMENT FOR CALIFORNIA-AMERICAN WATER COMPANY

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DECISION ADOPTING THE 2015, 2016, AND 2017 REVENUE REQUIREMENT FOR CALIFORNIA-AMERICAN WATER COMPANY

Summary

This decision resolves California-American Water Company's (Cal-Am) 2015 general rate case (GRC). This decision grants in part and denies in part the Joint Motion for the Adoption of Partial Settlement Agreement between California-American Water Company, City of Pacific Grove, Las Palmas Wastewater Committee, Monterey Peninsula Water Management District, and the Office of Ratepayer Advocates on Revenue Issues in the GRC. This decision also grants the Settling Parties' Joint Motion to Amend the Partial Settlement Agreement. This decision reflects the changes made to the Partial Settlement Agreement and waives the comment period related to the Amended Partial Settlement Agreement. This decision authorizes a $204,019,400 revenue requirement for Cal-Am in Test Year 2015, as proposed in the Amended Partial Settlement Agreement. This authorized revenue requirement represents a $3,352,800 increase, or 1.64 percent, over present rates. This decision also resolves four contested issues not included in the Amended Partial Settlement Agreement. The table below illustrates the average residential bill impacts for each district for the 2015 year.

District	Percentage Change in Annual Residential Bill
Sacramento	-6.4%
Larkfield	3.3%
Monterey	0.3%
Toro	-28.4%
San Diego	2.6%
Ventura	8.9%
Los Angeles – Baldwin Hills	2.8%
Los Angeles-San Marino	4.0%

Los Angeles-Duarte	-7.0%
Garrrapta	9.4%
Monterey Wastewater	-5.4%

1. Procedural Background

On July 1, 2013, California-American Water Company (Cal-Am) filed Application (A.) 13-07-002 seeking increased revenue for its water service in the years 2015 through 2017. The California Public Utilities Commission's (Commission) Office of Ratepayer Advocates (ORA) [1], the Mark West Area Community Services Committee (Mark West) and the Central Coast Coalition of Communities for Wastewater Equity (Central Coast Coalition) all filed timely protests and are parties to the proceeding. In addition, the City of Pacific Grove (Pacific Grove), the Monterey Peninsula Water Management District (MPWMD), the Coalition of Peninsula Businesses (CPB), the National Association of Minority Companies, Inc. (NAMC), California Water Association (CWA), and the Small Business Utility Advocates (SBUA) have all requested and been granted party status in the instant proceeding. The California Water Rights Association requested party status on June 12, 2014, and was denied status on June 19, 2014.

A Prehearing Conference (PHC) was noticed and held on September 17, 2013. The assigned Commissioner and assigned Administrative Law Judge (ALJ) jointly conducted the PHC. During the PHC the parties discussed the scope of the proceeding, the schedule, and times and locations for public participation hearings (PPHs).

[1] ORA was formerly the Division of Ratepayer Advocates (DRA).

On October 9, 2013, Cal-Am filed an update to its 2015 GRC application. On October 1, 2013, Cal-Am filed Supplemental Testimony with the rate design proposal for all districts except Monterey.

On November 12, 2013, ORA filed a motion for a Companion Order Instituting an Investigation (OII) regarding Cal-Am's responses to Minimum Data Requirements (MDRs) required by Decision (D.) 07-05-065 and whether Cal-Am violated Rule 1.1 of the Commission's Rules of Practice and Procedure.[2] As part of requirement MDR II.D.5, Cal-Am listed five projects that were authorized in prior GRCs but not built.[3] However, in response to a data request sent by ORA, Cal-Am identified 62 projects that were not actually built.[4] An additional PHC was held on January 21, 2014, in which the parties and the ALJ discussed the possibilities of an Order to Show Cause (OSC) in this proceeding as opposed to a separate OII proceeding. On February 21, 2014, the assigned ALJ denied ORA's motion for a Companion OII and directed Cal-Am to show cause why it should not be sanctioned for violation of Rule 1.1.

On March 6, 2014, the assigned ALJ convened an OSC hearing to show cause why Cal-Am should not be sanctioned for violating Rule 1.1. Parties submitted post-hearing briefs on March 17, 2014, and reply briefs on March 28, 2014. This matter is addressed in a separate decision.

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[2] Unless otherwise indicated, all references to Rules are to the Commission's Rules of Practice and Procedure.

[3] Administrative Law Judge's Ruling Denying the Motion of the Office of Ratepayer Advocates for an Order Instituting an Investigation and Directing California-American Water Company to Show Cause Why It Should Not Be Sanctioned By the Commission For Violation of Rule 1.1 of the Commission's Rules of Practice and Procedure, February 21, 2014, at 2.

[4] *Id*.

On March 28, 2014, Cal-Am noticed an all-party settlement conference for April 4, 2014.

Several PPHs were held between April 24, 2014, and May 19, 2014. Evidentiary hearings were held from June 16, 2014, through June 19, 2014. Also on June 19, 2014, the assigned ALJ directed the parties to submit any settlement agreements to the Commission no later than July 25, 2014. On July 21, 2014, parties filed opening briefs. In accordance with the assigned ALJ's ruling, on July 25, 2014, Cal-Am, Pacific Grove, Las Palmas Wastewater Committee (LPWC), MPWMD, and ORA (collectively, the Settling Parties) filed the Joint Motion for the Adoption of Partial Settlement Agreement between California-American Water Company, City of Pacific Grove, Las Palmas Wastewater Committee, Monterey Peninsula Water Management District, and the Office of Ratepayer Advocates on Revenue Issues in the General Rate Case.

On July 21, 2014, Cal-Am filed a motion for interim rate relief, which was granted on September 16, 2014. Central Coast Coalition filed Comments to the Joint Motion on August 25, 2014. Cal-Am filed Reply Comments on September 9, 2014.

On February 19, 2015, the Settling Parties filed a joint motion to amend the Partial Settlement Agreement. The amendments reduce Cal-Am's revenue requirement by removing ASR Well #3 and the associated $4.1 million of capital expenditures in the Monterey Wastewater District from present and proposed operating revenues. The amendments also include a corrected formula, which reduces California Corporate General Office costs by $98,834 for Monterey. The overall impact of those two changes is to lower the increase to the monthly average Monterey residential bill by $1.94. The remainder of the amendments clarify and address minor issues but do not otherwise affect Cal-Am's revenue requirement for this GRC period. For instance, changes include adding missing titles to charts,

corrects typographical errors, and corrections to align sections within the Partial Settlement Agreement.

Relying on the Rules 1.12 and 11.1, the Settling Parties also requested the Commission to waive the comment period in connection with the joint motion to amend and the Amended Partial Settlement Agreement Between California-American Water Company, City Of Pacific Grove, Las Palmas Wastewater Committee, Monterey Peninsula Water Management District, and ORA (Amended Partial Settlement Agreement). The adopted Amended Partial Settlement Agreement is attached as Attachment A to this decision.

Submission of this proceeding was set aside to receive the joint motion to amend the Partial Settlement Agreement. This proceeding was submitted on March 4, 2015.

2. Terms of the Amended Partial Settlement Agreement

The Settling Parties agreed on a resolution of the issues set forth in the Amended Partial Settlement Agreement. The Amended Partial Settlement Agreement addresses the new rates to be established for Cal-Am's service areas in the Larkfield, Los Angeles County, Monterey County Water, Monterey Wastewater, Sacramento, San Diego County, and Ventura County Districts for calendar year 2015, and sets parameters to file for escalation and attrition allowances in 2016 and 2017.[5]

As part of the Amended Partial Settlement Agreement, Cal-Am and ORA have agreed to most of the significant elements of Cal-Am's 2015 general rate

[5] Joint Motion For the Adoption of Partial Settlement Agreement Between California-American Water Company, City of Pacific Grove, Las Palmas Wastewater Committee, Monterey Peninsula Water Management District, and the Office of Ratepayer Advocates on Revenue Issues in the General Rate Case (Joint Motion), July 25, 2014, at 3.

case (GRC) revenue requirement and rate design, including the number of customers, usage per customer, rate base, operating expenses, utility plant additions, depreciation expense, income taxes, and most special requests.[6] Additionally, Cal-Am and ORA have reached an agreement on forward-looking interpretation of MDR II.D.5.[7]

The Amended Partial Settlement Agreement also addresses 1) Cal-Am's agreement with MPWMD on issues related to conservation, utility plant additions in Monterey[8], 2) Cal-Am's agreement with MPWMD and Pacific Grove on certain special requests, and 3) Cal-Am's agreement with LPWC regarding Monterey wastewater issues.[9]

3. Request to Waive the Comment Period for the Amended Partial Settlement Agreement

In the joint motion to amend the Partial Settlement Agreement, the Settling Parties also request the Commission to waive further comments, replies, or responses in connection with the amendments or the motion to amend because the amendments only slightly reduce Cal-Am's revenue requirement and make minor corrections. The Commission grants this request.

Rule 1.12(b) states that if the time for filing a reply, response, protest, or answer to the original document has passed, the ALJ may limit or prohibit any further reply, response, protest, or answer to the amended document. Rule 12.2

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[6] Joint Motion at 3.

[7] Joint Motion at 3.

[8] Amended Partial Settlement Agreement Between California-American Water Company, City of Pacific Grove, Las Palmas Wastewater Committee, Monterey Peninsula Water Management District, and the Office of Ratepayer Advocates on Revenue Issues in the General Rate Case, (Amended Partial Settlement Agreement) at 2.

[9] Amended Partial Settlement Agreement at 2.

provides parties 30 days to contest all or part of a settlement from the date the motion for adoption of settlement was served. Here, the Settling Parties filed the joint motion to adopt the Partial Settlement Agreement on July 25, 2014. Furthermore, pursuant to Rule 11.1(g), the Commission or the ALJ may rule on a motion before responses or replies are filed. Therefore, the ALJ may use his discretion and waive the comment period as permitted by Rule 1.12(b).

The amendments made to the Partial Settlement Agreement are minor in nature and were made to clarify issues and correct typographical errors. In addition, the amendments reduce Cal-Am's revenue requirement by: 1) removing the ASR Well #3, 2) removing the capital expenditures associated with ASR Well #3, and 3) reduces the California Corporate General Office costs by $98,834 for Monterey. Considering the nature of the changes and the resulting decrease in Cal-Am's revenue requirement for this GRC period, the comment period related to the Amended Partial Settlement Agreement shall be waived.

4. Settled Issued Approved by the Decision

The majority of the issues in this proceeding were settled among various parties and the product of that settlement is contained in the Amended Partial Settlement Agreement attached as Appendix A to the Settling Parties' Joint motion to Amend Partial Settlement Agreement. The following is a summary of the settled issues adopted by this decision. Settled issues denied and modified are discussed in Sections 6 and 7, respectively.

4.1. Water Customer, Consumption and Revenues

4.1.1. Customer Growth

Based on its review of actual customer growth from 2008 through the end of 2012 and its District managers review of actual growth trends, Cal-Am projected

annual customer growth in customers to be 77 water customers and 23 fire service customers.[10] ORA recommended using a five-year average customer growth for forecasting active service connections and consumption per customer in all districts, except for the Monterey County District. ORA projected annual customer growth in customers to be 264 water customers and 47 fire service customers.

The Settling Parties agreed with Cal-Am's decision not to forecast customer growth for the Monterey County District.[11] ORA and Cal-Am agree: (1) to the level of customers proposed by Cal-Am for Sacramento, Larkfield, Toro, Garrapata, and the Los Angeles County Districts; (2) to the level of customers proposed by ORA for the San Diego County and Monterey Districts; and (3) that the customer growth for Ventura County District is based on adjusting the five-year average for the reclassification between residential and commercial customer classes and starting from a base of actual 2013 residential and commercial customers. The Amended Partial Settlement Agreement reflects a projected annual customer growth in customers to be 132 water customers and 38 fire service customers.

4.1.2. Consumption

Cal-Am used a three-year (2010 - 2012) average of the historical information for all customer classes, with the exception of the Sacramento District's residential customers, to forecast consumption. In the case of the Sacramento District's residential customers, Cal-Am used a three-year average and adjusted 2014, 2015, and 2016 numbers by reducing them by two percent each year to reflect the completion in 2013 of the conversion of unmetered residential customers to meters

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[10] Amended Partial Settlement Agreement at 3.

[11] This is due to the State Water Resources Control Board Moratorium on "new and expanded" service. Amended Partial Settlement Agreement at 3.

and implementing conservation rates in the Sacramento District.[12] ORA recommended the use of the five-year average of annual consumption. In the proposed Amended Partial Settlement Agreement, the settling parties agreed to use a four-year average of 2010 - 2013 for all customer classes. In addition, Sacramento residential consumption was further reduced by two percent per year as discussed above. In the proposed Amended Partial Settlement Agreement, both the Ventura County and San Marino residential four-year averages were increased two hundred cubic feet annually to reflect a recent trend of increasing customer use.

4.1.3. Revenues

Cal-Am forecasted water revenues for the 2015 test year based on a projection of the number of customers by class, consumption per customer by class, and the use of standard tariff rate design reflecting the 2014 Step Rate Increase and the revenues associated with capital expenditure Advice Letters, which is based on the Commission's Standard Practice U-7-W, entitled *Rate Design for Water and Sewer System Utilities Including Master Metered Facilities* (dated July 2006).

In regard to Cal-Am's escalation year filings, Cal-Am proposes that it continue to use its interpretation of the Pro-Forma test[13] and customer growth[14]

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[12] Amended Partial Settlement Agreement at 8.

[13] Cal-Am 's interpretation of the Pro Form Test is to multiply the actual number of customers by the authorized consumption per customers for residential and commercial classifications and to then multiply the product by the appropriate rates to determine the Pro Forma revenues for these two classifications, and then adds to that the recorded revenues for all other classifications. *See* Amended Partial Settlement Agreement at 73.

[14] Cal-Am's interpretation of the customer growth requirements are to use the actual number of customers in the pro forma calculations and to use the latest Commission authorized number of customers for the escalation year and the difference between the escalation year and test year

Footnote continued on next page

requirements. ORA withdrew its recommendations to require Cal-Am to use recorded revenues and customers in the escalation and attrition year revenue requirement determinations and to adjust the five-year average growth for all customer classes.

The table below illustrates the settled revenue requirement for 2015 for each of the California-American Water Company's districts.

County	2015 Settled Revenue Requirement	Percentage Increase Over Present Rates
Larkfield	$ 3,348,300	-0.77%
Los Angeles	29,810,510	-1.85%
Monterey	53,356,100	1.34%
Sacramento	52,430,768	0.70%
San Diego	25,931,957	5.23%
Ventura	34,842,470	4.57%
Garrapata	73,980	9.44%
Toro	691,175	11.97%
Monterey Wastewater	3,534,100	-5.40%
Total	204,019,360	1.64%

In regard to non-revenue water, Cal-Am and ORA agreed with the five-year average in each district as a reasonable quantity as it aligns with use of averages for average water use per customer. ORA and Cal-Am also agreed to retain the

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number of customers added to the escalation year to set the number of customers in the attrition year. *See* Amended Partial Settlement Agreement at 74.

calculation methodology of the Monterey non-revenue water (NRW) penalty/reward program adopted in D. 12-06-016. ORA and Cal-Am agree that Cal-Am shall monitor, record, and report specific volumetric amounts for non-revenue water, instead of by percentage, for ratemaking purposes. ORA and Cal-Am agree that it is appropriate for Cal-Am to use the results of the American Water Works Association Water Loss Audit Report for each of its sub-systems in its Monterey County District, including trends in water loss efficiency metrics, volumetric quantities, and the known feasible cost-effective methods available to reduce non-revenue water.

For fire service revenues, Cal-Am determined revenues based on projected customers and standard tariff rate design at present rates. Cal-Am forecasted the Other Revenues generally based upon historical information. ORA did not oppose Cal-Am's forecast, but recommended that the Commission direct Cal-Am to use its *actual* rates for all revenue calculations in all future GRCs rather than projections. The Settling Parties agreed on the proposed rate revenues for projected test year 2015.

4.2. Rate Base

The table below illustrates the settled rate base for 2015 and 2016 for each of the California-American Water Company's districts. The rate base for 2015 and 2016 as proposed in the Amended Partial Settlement Agreement are adopted.

District	2015 Settlement	2016 Settlement
Larkfield	$ 7,132,407	$ 7,028,542
Los Angeles	75,869,974	85,232,754
Monterey	136,896,895	139,817,064
Sacramento	146,930,723	152,934,802
San Diego	23,676,120	23,828,409
Ventura	45,666,311	51,673,215
Garrapata	126,763	135,002
Toro	1,559,623	1,631,536

Monterey Wastewater	1,589,591	1,545,412

4.2.1. Construction Work in Progress

Cal-Am has historically included all spending on construction in rate base including spending on projects that are in the development/construction phase. ORA recommends removing construction work in progress (CWIP) amounts from the two test years for all projects Cal-Am anticipates being in service after 2016. ORA argues that removing CWIP amounts from rate base for projects that will not be used or useful in the test years is reasonable.

Cal-Am and ORA agree that for the purposes of determining rate base for 2015, 2016 and 2017, in this proceeding and for this rate case cycle only, for projects not completed and in service prior to December 31, 2016, the spending on those projects will not be included in the rate base (or in the revenue requirements). In lieu of including the proposed accumulated spend in rate base, Cal-Am and ORA agree that Cal-Am will be able to capitalize the carrying costs (AFUDC) of the project's reasonable and prudent costs into the project's overall cost up until the time the project is completed and in service and then capture separately in an off book regulatory account the carry cost of the project from the time it is completed until it goes into rates and rate base.

4.3. Rate Design

Other than adjustments to block widths and rate percentage differences between blocks, Cal-Am did not propose any specific rate design changes for any district. ORA did not oppose the rate design proposed by Cal-Am for Larkfield, Ventura, San Diego, Los Angeles, Garrapata, and Toro service Areas; therefore, ORA agreed to Cal-Am's proposed design.

Cal-Am proposed that residential customers in the Sacramento District be placed under a two-tier inclining block rate design with a modest price differential

of 10 percent between the tier rates and 25 percent of fixed costs recovered in the monthly fixed charges, and that all other customers continue on a single block rate with 25 percent of the fixed costs recovered in the monthly fixed charges. In addition, Cal-Am proposes a Water Revenue Adjustment Mechanism/Modified Cost Balancing Account (WRAM/MCBA) mechanism. The requested WRAM would track all under or over recoveries of authorized fixed costs collected as part of the quantity rates, and the requested MCBA would track the under or over recovery of actual purchased water and power costs from customers. ORA does not oppose the rate design proposed by Cal-Am or the WRAM/MBCA for the Sacramento District.

Excluding mixed-use customers, Cal-Am proposes to continue the parameters agreed to by all the parties in the Settlement Agreement approved in Cal-Am's last GRC for Monterey. ORA did not oppose this rate design. For Monterey mixed-use customers, the Settling Parties agreed to bill these customers under the residential rate design, but in a manner that provides allotments for both the residential and non-residential use that are then combined together to develop a specific allotment for each of the five residential tiers.

4.4. Conservation

Cal-Am and ORA agree to Cal-Am's three-year combined budget for conservation programs of $3,551,802 for its Larkfield ($90,524), Los Angeles County ($642,929), Sacramento ($1,463,998), San Diego County ($493,053), and Ventura County ($861,298) Districts for years 2015, 2016 and 2017. Cal-Am and ORA also agree to Cal-Am and MPWMD's joint conservation program for the Monterey County District, which proposed a three-year budget of $2,398,500 for Cal-Am and a three-year surcharge amount of $899,000 for MPWMD. In addition, Cal-Am and ORA agree that the three-year conservation funding monies may be

moved between the three rate case years as long as the total year funding levels are not exceeded. Cal-Am may not move monies between different districts.

Cal-Am and ORA further agree that Cal-Am will continue to track conservation expenses in a capped, one-way balancing account with any unspent funds refunded to ratepayers after the end of the rate case period.

4.5. Monterey Wastewater

The settling parties agree to ORA's proposals and recommendations for the number of customers, purchase power costs, chemical costs, other administrative and general expenses, annual depreciation accrual, and costs of materials and supplies. ORA did not oppose Cal-Am's methodology for calculating uncollectible expenses, rent estimates, contribution depreciation, retirement expenses, net negative salvage factors, depreciation weighting factor, depreciation expenses, and average plant weighting factors. As for estimating Monterey Wastewater's rate base, ORA and Cal-Am agree with the following total recurring project capital amounts: 2015 - $171,459; and 2016 - $171,816. ORA also agrees to allow Cal-Am to manage the overall bottom-line Recurring Projects budget by district, with flexibility to allocate different spending levels to specific Recurring Project line items, consistent with the 2010 GRC settlement between ORA and Cal-Am.

Cal-Am also reached a settlement with LPWC on Irrigation System Odor Issues. The current Las Palmas Recycle/Reclamation System consists of a wastewater collection system with two parallel treatment trains rated at 90,000 gallons per day (gpd) and 145,000 gpd, and an average daily flow rate of 200,000 gpd. The System discharges to two holding ponds described as the "lower pond" and the "upper pond." Odors have been reported as occurring for more than 20 years. In response to LPWC's concerns, Cal-Am took water quality samples from: (1) the Las Palmas Drinking Water System, (2) treatment plant influent, (3)

treatment plant effluent to lower pond, (4) upper pond, and (5) irrigation system at discharge point.

Based on its investigation, Cal-Am believes that a primary contributor of the odors is hydrogen sulfide, which is generated by a layer of solids at the bottom of the upper pond. The removal of this layer prevents the formation of hydrogen sulfide, which ameliorates the odor. Cal-Am agrees to drain the upper pond and remove the layer of solids at the bottom of the pond. As required by the Settlement, LPWC shall make reasonable efforts to secure the cooperation of Las Palmas residents while the pond is drained. While the pond is drained for cleaning, Cal-Am shall not be responsible for providing alternative sources of irrigation water.

In addition, the settlement obligates Cal-Am to make good faith efforts to implement a chemical treatment process at the plant to oxidize hydrogen sulfide compounds believed to be forming in the upper pond and causing the unpleasant odors. In order to do so, Cal-Am must obtain regulatory authorization prior to implementing this process change. Cal-Am will make reasonable efforts to obtain such authorization. Moreover, Cal-Am agrees to not raise or attempt to raise rates in connection with any of the expenses associated with the water quality sampling, pond cleaning, or chemical treatment processes identified in the Amended Partial Settlement Agreement.

Furthermore, Cal-Am agrees to meet with LPWC representatives on a semi-annual basis to discuss residents' concerns about the operation of the Wastewater System. On an annual basis, Cal-Am will provide LPWC with a summary of annual operating expenses, operating revenue, depreciation, and general and income taxes which are allocated to the active wastewater systems and passive wastewater systems in Cal-Am's Monterey Wastewater Division.

4.6. Minimum Data Requirement II.D.5

During this proceeding, ORA alleged that Cal-Am provided inaccurate information in response to its MDRs.[15] The testimony requirement of MDR II.D.5 requires a "list of the plant improvements authorized in the test years but not built."[16] Cal-Am responded that the information provided was accurate at the time the MDRs responses were prepared, based on its interpretation of the MDR.[17] Cal-Am and ORA differed as to which were the "test years" for reporting purposes, whether "not built" included projects that were temporarily on hold, projects that Cal-Am expected to complete by the end of 2013, projects that were still in progress at the time the MDRs response was prepared, and whether the MDRs applied to advice letter projects and multi-year projects.

As a result of the settlement, Cal-Am and ORA agree that future MDR II.D.5 reports will include the information set forth below, which Cal-Am will use in subsequent GRC filings, unless and until the reporting requirements of MDR II.D.5 are modified by Commission decision. Cal-Am will further ensure that all MDRs responses are complete and accurate in future GRC filings in compliance with this interpretation of the MDR II.D.5 requirement.

In providing information subject to MDR II.D.5, Cal-Am will include the status of all projects authorized by the Commission in the last GRC, including:

1. Advice letter projects,
2. Multi-year projects,

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[15] Brief of the Office of Ratepayer Advocates Regarding the Administrative Law Judges Order to Show Cause Regarding California-American water Company's Violation of Rule 1.1 at 2.

[16] D.07-05-062 at A-27.

[17] California-American Water Company Post-Hearing Reply Brief on Order to Show Cause at 3.

3. Projects authorized in the test years but not built for whatever reason, even if the project is temporarily on hold and Cal-Am expects to the complete the project,
4. Projects authorized in all test years, even if the reporting occurs during a particular test year,
5. Projects authorized in all test years, even if the project is currently in progress, and
6. Projects authorized in all test years, even if Cal-Am expects the project to be complete during the years in which the GRC is filed and decided.

The MDR shall include the status on both a recorded and forecast basis through the end of the prior GRC cycle. Cal-Am will update the status as close to the application date as reasonably possible, and any further updates will be provided in response to data requests issued in the GRC. This compromise interpretation applies going forward, but not retroactively.

4.7. Special Requests

The settlement resolves 63 of Cal-Am's 65 Special Requests (including the 33 subparts of Special Request No. 29). Fifty-two Special Requests were settled. Four Special Requests are no longer in dispute as the Commission determined that the requests were outside the scope of this proceeding. Seven Special Requests were withdrawn and two were left unsettled.[18] The unsettled Special Requests are discussed in Section 8 below.

5. Compliance with Rule 12.1 of the Commission's Rules of Practice and Procedure

In order for the Commission to approve any proposed settlement, the Commission must be convinced that the parties have a sound and thorough

[18] In Cal-Am's 2015 GRC Application, Cal-Am proposed the same Special Request twice as Special Request Nos. 23 and 31. In the Amended Partial Settlement Agreement, the Settling Parties withdrew Special Request No. 31 because of this error.

understanding of the application, the underlying assumptions, and the data included in the record. Pursuant to Rule 12.1(d), the Commission will only approve settlements if the settlement is reasonable in light of the whole record, consistent with the law, and is in the public interest. As discussed below, we find the Amended Partial Settlement Agreement consistent with Rule 12.1 and adopt it with modification.

5.1. Reasonableness in Light of the Record as a Whole

The Amended Partial Settlement Agreement, excluding the below exceptions, is reasonable in light of the record as a whole based on the Settling Parties' discussions and thorough review and understanding of the record. The Settling Parties submitted extensive testimony and the Commission held evidentiary hearings and PPHs in which witnesses offered additional testimony and the public was heard. Moreover, settlement conferences took place as scheduled, with multiple parties participating and engaging in settlement discussions and negotiations.

5.2. Consistent with Law and Prior Commission Decisions

The Amended Partial Settlement Agreement is also consistent with law and prior Commission decisions. The issues resolved in the Amended Partial Settlement Agreement are within the scope of the proceeding.

5.3. The Public Interest

After weeks of discussions and good faith negotiations, the Settling Parties came to a reasonable compromise that furthers the public interest. The Amended Partial Settlement Agreement promotes a favorable outcome for ratepayers and public safety. Specifically, the Amended Partial Settlement Agreement establishes

policies and targets for cost-effectively reducing water losses.[19] It also enables Cal-Am to: (1) track conservation expenses in a capped, one-way balancing account with any unspent funds refunded to ratepayer; (2) to maintain a non-revenue water loss penalty/reward program for Monterey; and (3), continue using multi-tiered block rate designs in several districts.[20] Lastly, by coming to a compromise, the Settling Parties avoided excess litigation over the matter and made an efficient use of time and resources.

5.4. Conclusion

Based upon the record of this proceeding, we find that the Settling Parties complied with Rule 12.1 by making the appropriate filings and noticing settlement conferences. We find that the Amended Partial Settlement Agreement contains factual and legal considerations sufficient to advise the Commission of the scope of the settlement and of the grounds for its adoption; that the settlement was limited to the issues in this proceeding; and, that the settlement included comparisons indicating the impact of the settlement in relation to the utility's application and issues the other parties contested in their prepared testimony, or would have contested in a hearing. We conclude, pursuant to Rule 12.1(d) that the Amended Partial Settlement Agreement, with the exceptions outlined below, is reasonable in light of the whole record, consistent with the law and in the public interest.

6. Settled Issues Denied By the Decision

6.1. Special Request No. 32

In Special Request No. 32, Cal-Am requests authorization to track in the Monterey County District's WRAM/MCBA all lost revenues associated with the

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[19] Joint Motion at 6.

[20] Joint Motion at 6.

loss of sales to certain Pacific Grove properties as Pacific Grove plans to build, own, operate, and distribute water to those properties from a yet to be constructed water reclamation facility.[21] The Commission denies this request because, as of now, Cal-Am is unable and ill-situated to reasonably forecast lost revenue associated with the project. Cal-Am will be better able to estimate this loss in its next GRC when the terms and timing of Pacific Grove's plans are known. As such, if Cal-Am chooses to request authorization to track lost revenues in its next GRC, then the Commission will also be in a better position to evaluate the necessity and reasonableness of doing so once the terms of Pacific Grove's plans are available. Furthermore, as noted by ORA in its original recommendation, the Monterey District already has a WRAM/MCBA mechanism to recover costs associated with conservation.[22]

6.2. Special Request No. 16

The Commission also denies Special Request No. 16. Cal-Am's request sought Commission approval of a Consumption Adjustment Mechanism (CAM) modeled after the Sales Reconciliation Mechanism (SRM) authorized for the California Water Service Company (Cal Water) in Cal Water's 2012 GRC (A.12-07-007).[23]

While the Commission authorized Cal Water to implement a SRM in D.14-08-011 at Ordering Paragraph 43, it did so as a *trial program* for the second and third years of Cal Water's rate case cycle.[24] The Commission weighed the costs

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[21] Application of California-American Water Company to Increase Revenues in Each of Its Districts Statewide (Cal-American Application) at 18.

[22] Amended Partial Settlement Agreement at 182.

[23] Cal-American Application at 16.

[24] D.14-08-011, Ordering Paragraph 43 at 111.

and benefits and the policy implications of implementing such a program and found that Cal Water's SRM is in the public interest. However, the Commission authorized the SRM on a trial basis. This allows the Commission to revisit the efficacy and benefits of the SRM.

Given the complexity and experimental nature of Cal Water's SRM, authorizing further pilot programs based on Cal Water's mechanism before a review is completed could lead to flawed designs and unintended consequences being replicated in other pilot programs. Considering this, Cal-Am's request to implement a CAM is denied. However, this does not preclude Cal-Am from requesting authorization of a CAM in its future GRC.

7. Settled Issues Modified by the Decision

Special Request No. 18 seeks to authorize Cal-Am to establish a memorandum account to track all penalties and fines that could be assessed as a result of a violation of the State Water Resources Control Board's (State Water Board) Cease and Desist Order.[25] Due to the position Cal-Am is in, the Commission grants Cal-Am's request with modifications. Specifically, in order to recover these costs, Cal-Am must file a formal application for the Commission to determine whether or not such costs are necessary and reasonable. A formal application process will allow the Commission and intervenors appropriate scrutiny on the costs associated with the Cease and Desist Order.

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[25] In 1995, the State Water Board adopted Order WR 95-10, which found that Cal-Am was unlawfully diverting about 10,730 acre feet per annum of water from the Carmel River and directed Cal-Am to terminate its unlawful diversion. In 2009, the State Water Board adopted Order WR 2009-0060 and issued a Cease and Desist Order because it found that Cal-Am failed to comply with Order WR 95-10 and violated Water Code section 1052. Order WR 2009-0060, *In the Matter of the Unauthorized Diversion and Use of Water by the California American Water Company*, State Water Resources Control Board, at 2. D.14-08-011, OP 43 at 111.

Knowing that this is a contentious issue with Monterey ratepayers, the Commission sought to reach an appropriate balance between competing interests. On one hand, Cal-Am is voluntarily and intentionally diverting water from the Carmel River in violation of the State Water Board's Cease and Desist Order; therefore, Cal-Am should be held responsible for the penalties and fines it incurs. However, Cal-Am's actions were and are undertaken for the purpose of supplying the residential, municipal, and commercial needs of the Monterey Peninsula area communities. In other words, if Cal-Am was not obligated to provide services to Monterey County, then it would not violate the terms of the State Water Board's Cease and Desist Order.

To ensure that ratepayer funds are used properly and for their benefit, it is necessary for the Commission to ensure that procedural safeguards will be in place prior to any attempt to recover these costs. Therefore, it is reasonable to allow Cal-Am to establish a memorandum account with the requirement that Cal-Am file a formal application to recover costs rather than seek recovery through an advice letter. This will allow Cal-Am to track its expected penalties and fines while also granting the public an opportunity to be heard and for a reasonableness review of the costs incurred.

8. Resolution of the Remaining Contested Issues

While the Amended Partial Settlement Agreement resolved most issues presented in Cal-Am's GRC application, four issues remain unresolved. The issues are: (1) ORA's recommendation that Cal-Am should be required to file 2016 and 2017 escalation year filings for each and every district; (2) ORA's proposal to require Cal-Am to use recorded rate base up to, but not exceeding, its authorized rate base in order to calculate Cal-Am's 2017 rate base; (3) Special Request No. 23, which seeks authorization for Cal-Am to establish a memorandum account associated with Placer County purchased water supply contract and track costs

associated with ongoing peaking charges imposed by Placer County for later recovery if such charges are found reasonable and prudent; and (4), Special Request No. 30, which seeks authorization to include the Placer County Water Agency's peaking charges in its Purchased Water Balancing Account for Cal-Am's Sacramento District.[26] This decision approves ORA's escalation year filing proposal but does not approve ORA's proposed attrition year filing methodology and Cal-Am's Special Requests Nos. 23 and 30. We address each of these unresolved items in turn below.

8.1. ORA's Recommendation to Require Cal-Am to File 2016 and 2017 Escalation Year Filings For Every District

ORA proposes that Cal-Am be required to file 2016 and 2017 escalation year filings (step rate filings) for each and every district, regardless whether the filing will result in an increase or decrease in rates. The Commission grants ORA's request for this GRC cycle.

ORA presented three persuasive arguments. First, requiring Cal-Am to file 2016 and 2017 escalation year filings for each and every district is not unprecedented and is, in fact, consistent with the Commission's directives in Cal-Am's 2012 GRC (A.10-07-007).[27] During Cal-Am's last GRC, the Commission ordered Cal-Am to "file Tier 2 advice letters in conformance with General Order 96-B proposing new revenue requirements and corresponding revised tariff schedules for *each* district for escalation years 2013 and 2014."[28]

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[26] Joint Motion at 4.

[27] Opening Brief of the Office of Ratepayer Advocates at 11.

[28] D.12-06-016, *Decision Adopting The 2011, 2012, 2013, And 2014 Revenue Requirement For California-American Water Company*, Ordering Paragraph 7 at 90 (emphasis added).

Second, requiring such a filing for this GRC would be in the ratepayers' best interest. By allowing water utilities to pick and choose the districts for which it files escalation year filings, a utility may conceal over-earning by choosing not to file an escalation filing for a district that would be entitled to a rate decrease.[29] While Cal-Am's assertion that water utilities previously had discretion in this arena is true,[30] we are persuaded that modifying this practice for this GRC cycle will allow the most transparency and fairness to ratepayers.

Third, such a requirement does not change the Rate Case Plan.[31] D.07-05-062 states that each GRC decision shall include standard ordering paragraphs providing for escalation year increases subject to an earnings test, unless deviation is otherwise expressly justified in the decision.[32] The standard ordering paragraph provided in D.07-05-062 states, "[a]n escalation advice letter, including workpapers, may be filed in accordance with General Order (GO) 96-B no later than 45 days prior to the first day of the escalation year."[33] Deviating from optional escalation filings to requiring escalation filings for every district is justified because it serves the public interest by protecting ratepayers and ensures the provision of safe, reliable utility service and infrastructure at reasonable rates from utilities. Furthermore, this requirement is for the current rate case cycle and does not pre-determine any consideration of this issue in Cal-Am's next GRC.

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[29] Opening Brief of the Office of Ratepayer Advocates at 12.

[30] D.04-06-018 at 12 states, "[t]o implement the escalation increase . . . the utility may file an advice letter setting out its calculations and supporting analysis for the escalation year rates."

[31] Opening Brief of the Office of Ratepayer Advocates at 12.

[32] D.07-05-062 at A-13 of Appendix A.

[33] *Id*.

8.2. ORA's Proposal Regarding Attrition Year Filings

The Commission rejects ORA's proposal that Cal-Am be required to use its recorded rate base up to, but not to exceed, the authorized rate base to calculate its 2017 attrition year rate base filing. The Commission rejects this modification because it is impractical as applied, is contrary to the Rate Case Plan, and Cal-AM's methodology for using a forecasted test year to determine its attrition year rate base is reasonable.

ORA's proposal is impractical for achieving ORA's goal of improving transparency. ORA's underlying motivation for Cal-Am to use a recorded rate base for its attrition year rate base is to address Cal-Am's "historical failure to complete its authorized capital projects."[34] However, adopting a different formula for calculating an attrition year rate base in this regard is an inappropriate reactionary measure. Due to Cal-Am's filing schedule, ORA's proposal requires Cal-Am to continue to forecast the last three months of its attrition year. Thus, this attempt to make Cal-Am's filings more reflective of actual recorded data falls short.

In addition, ORA's proposal to modify Cal-Am's attrition year rate base formula for this particular GRC is contrary to the Rate Case Plan. D.04-06-018 identified the methodologies for calculating escalation and attrition year filings. It adopted ORA's recommendation at the time to retain the existing system of two test years and one attrition year.[35] The existing system provided for two

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[34] Reply Brief of the Office of Ratepayer Advocates at 10.

[35] D.04-06-018, *Interim Order Adopting Rate Case Plan*, June 09, 2004 at 15.

consecutive test years, followed by one attrition year for January filers and two attrition years for July filers.[36]

In differentiating the methodology between evaluating a test year and an attrition year, the decision stated that "a "test year" is a 12-month period over which projected costs and revenue are evaluated . . . [t]his evaluation includes specific review of all projected costs and forecasts of consumer use."[37]

In contrast, an "attrition year" provides for rate increases based on an adopted formula.[38] In articulating the attrition year formula, D.04-06-018 stated that the attrition allowance methodology provides for rate base additions in Year Three by adding the difference between test Year One and test Year Two rate base to test Year Two rate base.[39] Neither D.04-06-018 nor D.07-05-062 identified whether forecasted or recorded rate bases are to be used for the attrition year. However, D.04-06-018 determined that:

> Standard ratemaking practice uses "test year" to refer to the period over which the cost of service and proposed rates will be evaluated. Two types of test years are used: historical and forecasted (or future) test years. The Commission's current practice for water utilities is to use two forecasted test years.[40]

Moreover, while D.07-05-062 provides for modifications to escalation year filings, the language of the decision does not afford such flexibility for formulating an attrition year rate base.

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[36] *Id.* at 5.

[37] *Id.*

[38] *Id.*

[39] *Id.* at footnote 6 at 15.

[40] *Id.* at 6.

Lastly, while D.04-06-018 and D.07-05-062 do not specify which type of test year to use in calculating an attrition year rate base, it is reasonable to use a forecasted test year. As stated in D.04-06-018, the Commission's current practice for water utilities is to use two forecasted test years rather than historic test years. The Commission reasoned that "using a forecast allows the utility to project expected costs and determine the revenue required to recover those costs, and the Commission to tailor the rate changes to match anticipated cost changes."[41] As such, attrition allowance methodology provides for rate base additions in Year Three by adding the difference between the two forecast test years to the test Year Two rate base. Since the Rate Case Plan decisions have not strayed from "current practice"[42] in using two test years and one attrition year, it is reasonable for Cal-Am to use forecasted test years as an attrition year rate base.

8.3. Special Request No. 23

In Special Request No. 23, Cal-Am requests authorization to establish a memorandum account to tracks costs associated with the Sacramento/Placer County purchased water supply, including capacity charges assessed in a new purchased water agreement to cover the costs of capital investment. These costs include amounts attributed to negotiation, development, and implementation of a new water supply agreement. The Commission rejects Special Request No. 23 because it does not meet the requirements set out in Standard Practice U-27-W for establishing a Memorandum Account.

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[41] D.04-06-018 at 6.

[42] *Id*. at 15.

In order to establish a Memorandum Account, Cal-Am must satisfy a four part test. Memorandum accounts are appropriate when the following conditions are met:

(1) Expense is caused by an event of an exceptional nature that is not under the utility's control;

(2) The expense cannot have been reasonably foreseen in the utility's last GRC and will occur before the utility's next scheduled rate case;

(3) The expense is of a substantial nature in the amount of money involved; and

(4) The ratepayers will benefit by the memorandum account.[43]

Cal-Am asserts that because its agreement with Placer County Water Agency provides for Cal-Am's sole source of water in Placer County, "the agreement between the two bodies is exceptional in nature and of significant importance."[44] Cal-Am further asserts that the agreement is not within Cal-Am's control because Cal-Am must obtain that water to service the area.[45] However, this agreement is undoubtedly under Cal-Am's control- albeit, incomplete control. Cal-Am is one of the largest water utilities in the business of providing water to its ratepayers. As such, it is able to bring a plethora of resources and industry experience to the bargaining table. To suggest that Cal-Am is at the mercy of Placer County Water Agency is to starkly misconstrue Cal-Am's bargaining position as an experienced and needed service provider for Placer County residents.

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[43] Standard Practice U-27-W; *See* also D.02-08-054 *Interim Decision Authorizing Creation of Memorandum Account*, August 22, 2002 at 3.

[44] California-American Water Company's Opening Brief at 12.

[45] California-American Water Company's Opening Brief at 12.

In regard to the second prong of this four part test, Cal-Am asserts that because negotiations had not yet begun at the start of this GRC, the level of increased requirements and costs is unknown.[46] Although the exact costs are unknown, these negotiations are neither a first-time event for Cal-Am, nor are they on par with Cal-Am's cited example of the Commission's authorization of a memorandum account for Great Oaks Water Company for the cost of Chromium-6 compliance.

Cal-Am has already negotiated with Placer County Water Agency for this exact purpose in the past. Based on Cal-Am's past negotiating experiences, current agreement with Placer County Water Agency, and experience in the industry, Cal-Am can reasonably foresee the future costs the agreement presents. Therefore, the costs associated with the agreement are not entirely unforeseeable now. Moreover, the costs were not unforeseeable in Cal-Am's last GRC considering that Cal-Am was well aware of the expiration date of its current agreement with Placer County Water Agency and that it needs to procure such an agreement in order to continue providing services to Placer County.

Furthermore, in Resolution W-4965, Great Oaks Water Company was required to comply with future federal and state regulations that had yet to be established. Great Oaks Water Company was authorized track expenditures (capital and operating costs) due to compliance related to the final Chromium-6 Maximum Contaminant Level (MCL) drinking water standard adopted by the California Department of Public Health (CDPH).[47] In that case, Great Oaks Water Company was not in a position to negotiate or bargain. Rather, it had to react to

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[46] California-American Water Company's Opening Brief at 12.

[47] Resolution W-4965, Great Oaks Water Company. *Order Authorizing Establishment Of A Memorandum Account For Chromium-6 Compliance Costs*, December 5, 2013 at 2.

new, unilateral requirements established by a state agency. Although every negotiation is different, here it is only a matter of degree. In this instance, Cal-Am is able to negotiate and bargain for a beneficial position and has done so before.

Cal-Am asserts that it satisfies the third prong because the expenses associated with negotiations are of a substantial nature in the amount of money involved based on its 2010 GRC. In its 2010 GRC, Cal-Am had a budget of $1.5 million to pay an initial capacity charge for a purchased water agreement with the City of Sacramento.[48] Here, Cal-Am argues that it *may* incur costs of increased capacity, new capital investment or one-time payments and that they are always substantial in nature.[49] However, Cal-Am has not identified any particular costs or projected capital expenditures that it is likely to incur or at least a degree of certainty that such costs will in fact occur because of these negotiations.

Lastly, in regard to the fourth prong, Cal-Am argues that ratepayers will benefit from the memorandum account treatment because it allows for the continued delivery of water to customers in Placer County. While this is true in the general sense, Cal-Am has not proposed that it will in fact stop negotiations with Placer County Water Agency and stop delivering water to Placer County ratepayers in the event that a memorandum account is not authorized. Thus, Cal-Am has failed to meet Standard Practice U-27-W's four part test and therefore, is not authorized to establish a memorandum account to track costs associated with the Sacramento/Placer County purchased water supply and changes in the Placer County Water Agency agreement.

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[48] California-Water Company Closing Brief at 13.

[49] California-Water Company Opening Brief at 13 (emphasis added).

8.4. Special Request No. 30

The Commission rejects Cal-Am's Special Request No. 30 that seeks authorization to include the Placer County Water Agency's peaking charges in its Purchased Water Balancing Account for Cal-Am's Sacramento District for the following four reasons. First, D.13-10-003 explicitly states that Cal-Am will not recover peaking charges incurred after January 1, 2012, because of the construction of new facilities including the Walerga storage tank and the Special Facilities Fees (SFF) approved in the decision.[50] Second, granting Special Request No. 30 presents perverse incentives in regard to Cal-Am's negotiations with Placer County Water Agency. Third, Cal-Am's arguments that Cal-Am is only requesting authority to track charges at the moment does not adequately justify tracking peaking charges. Fourth, that the Walerga Tank Project has not been completed due to the delay in Phase 2 of Cal-Am's 2012 GRC is irrelevant to the need for tracking peaking charges.

First, Ordering Paragraph No. 4 of D.13-10-003 explicitly restricts Cal-Am's ability to recover peaking charges incurred after January 1, 2012.[51] The Commission disallowed the recovery of peaking charges incurred after January 2012, because the Commission authorized Cal-Am to recover SFF applicable to all new customers in the West Placer Service Area and because of the Walerga Tank's ability to eliminate peaking charges.[52] While it is true that peaking

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[50] D.13-10-003, *Decision Resolving the Dry Creek Special Facilities Fees Issues*, October 03, 2013 at 12.

[51] Cal-Am is authorized to file a Tier 1 Advice Letter to recover peaking charges of $797,912 from its purchased water account for the Sacramento District for 2005 to 2010. Cal-Am may not recover peaking charges incurred after January 1, 2012." (D.13-10-003 at 19.)

[52] " . . . [E]xisting customers currently pay annual peaking charges ranging from $200,000 to $400,000 that will be eliminated by the Walerga Tank Project, and that the tank will provide equalized pressure to the whole system throughout the day and meet fire flow requirements benefitting all customers within the system." D.13-10-003 at 10; "Due to the construction of new

Footnote continued on next page

charges are not incurred solely because of Cal-Am's actions,[53] the plain meaning of "Cal-Am may not recover peaking charges incurred after January 1, 2012" is clear. There could be no other logical interpretation of D.13-10-003, Ordering Paragraph No. 4 other than that the Commission restricted Cal-Am from recovering peaking charges incurred after January 1, 2012.

Cal-Am is correct in its submissions that D.13-10-003 relies on portions of the Settlement Agreement between Cal-Am, ORA, and The Utility Reform Network. However, pursuant to Rule 12.5, unless the Commission expressly provides otherwise, adoption of a settlement agreement does not constitute approval of or precedent regarding any principle or issue in any future proceeding. Therefore, even though the Commission relied on portions of the prior settlement agreement to reach a decision, that settlement agreement is not binding here because the Commission did not expressly provide otherwise.

Second, Cal-Am's argument concerning its renegotiations with Placer County Water Agency does not justify granting Special Request No. 30. By authorizing Cal-Am to recover peaking charges, the Commission would institute perverse incentives for Cal-Am to bargain for positions contrary to the best interest of its ratepayers.

Third, while Cal-Am is requesting authority to track charges and not to recover charges at the moment,[54] the purpose of a memorandum account is to

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facilities including the Walerga storage tank and the SFF approved in this decision, we find Cal-Am's recovery of $797,913 in peaking charges for 2005–2010 reasonable. Cal-Am will not recover peaking charges incurred after January 1, 2012." (D.13-10-003 at 12.)

[53] Cal-Am argues that peaking charges result from customer need, possible rapid growth, emergency maintenance, natural occurrences, and the actions of third parties. California-American Water Company's Opening Brief at 15-16.

[54] California-American Water Company's Opening Brief at 15-16.

ultimately recover what costs are tracked. Considering that the Commission decided not to allow Cal-Am to recover peaking chargers for rate payers in the Sacramento District pursuant to D.13-10-003, tracking such charges in a memorandum account is unreasonable and serves no purpose.

Finally, Cal-Am asserts that peaking charges could occur in 2015 because the Walerga tank might not be completed by 2015 due to a delay in Phase 2 of Cal-Am's 2012 GRC.[55] However, regardless of the timing of Phase 2 of Cal-Am's last GRC, the construction of the Walerga Tank Project could have been completed irrespective of Commission action. Therefore, that the tank has not been completed does not adequately justify tracking peaking charges.

9. Conclusion

After reviewing the Application, parties' briefs and testimony, the Commission adopts the Amended Partial Settlement Agreement as is, except for Special Requests Nos. 16, 18, and 32. Special Requests Nos. 16 and 32 are denied and Special Request No. 18 is modified.

In regard to the remaining disputed issues unsettled by the Amended Partial Settlement Agreement, the Commission: (1) approves ORA's proposal to require Cal-Am to file 2016 and 2017 escalation year filings for each and every district; (2) rejects ORA's proposal to require Cal-Am to use recorded rate base, up to but not exceeding authorized rate base, in order to calculate Cal-Am's rate base for 2017; (3) denies Cal-Am's Special Request No. 23, which seek authorization for Cal-Am to establish a memorandum account to track costs associated with Placer County purchased water supply contract; and (4) denies Cal-Am's Special Request No. 30, which seeks authorization to include the Placer County Water Agency's peaking

[55] California-American Water Company's Opening Brief at 15-16.

charges in Cal-Am's Purchased Water Balancing Account for the Sacramento District.

This decision adopts the Amended Partial Settlement Agreement and reflects the changes made to the Partial Settlement Agreement. Considering the nature of the changes made and the resulting decrease in Cal-Am's revenue requirement for this GRC period, this decision grants the Setting Parties' request to waive the comment period related to the Amended Partial Settlement Agreement.

10. Categorization and Need for Hearing

In Resolution ALJ 176-3326, dated November 14, 2013, the Commission preliminarily categorized this application as ratesetting, and preliminarily determined that hearings were necessary. On December 6, 2013, both TURN and ORA filed protests to the application. Evidentiary hearings have been held and with the filing of the Amended Partial Settlement Agreement and supporting Joint Motion, no further hearings are necessary. We confirm the categorization and need for hearings.

11. Comments on Proposed Decision

Proposed decision of ALJ Colbert in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. Comments were filed on _____, and reply comments were filed on_____ by _____.

12. Assignment of Proceeding

Carla J. Peterman is the assigned Commissioner and W. Anthony Colbert is the assigned ALJ in this proceeding.

Findings of Fact

1. On July 25, 2014, the Settling Parties filed and served the Joint Motion for the Adoption of Partial Settlement Agreement between Cal-AM, City of Pacific Grove, Las Palmas Wastewater Committee, Monterey Peninsula Water Management District, and the ORA on Revenue Issues in the GRC.

2. Central Coast Coalition of Communities for Wastewater Equity filed Comments to the Joint Motion on August 25, 2014.

3. Cal-Am filed Reply Comments on September 9, 2014.

4. On February 19, 2015, the Settling Parties filed the Settling Parties' Joint Motion to Amend Partial Settlement Agreement.

5. In addition to requesting to amend the Partial Settlement Agreement, the Settling Parties request the Commission to waive the comment period pertaining to the amendments and the joint motion to amend.

6. The Amended Partial Settlement Agreement enables Cal-Am to: (1) track conservation expenses in a capped, one-way balancing account with any unspent funds refunded to ratepayer; (2) to maintain a non-revenue water loss penalty/reward program for Monterey; and (3), continue using multi-tiered block rate designs in several districts.

7. By coming to a compromise, the Settling Parties avoided excess litigation over the matter and made an efficient use of time and resources.

8. In Special Request No. 32, Cal-Am requests authorization to track in the Monterey County District's WRAM/MCBA all lost revenues associated with the loss of sales to certain Pacific Grove properties as Pacific Grove plans to build, own, operate, and distribute water to those properties from a yet to be constructed water reclamation facility.

9. Cal-Am's Special Request No. 16 requested the Commission to approve a CAM modeled after the SRM requested by Cal Water in its 2012 GRC.

10. D.14-08-011, Ordering Paragraph No. 43 authorized Cal Water to establish a SRM for a trial period during the second and third year of its rate case period.

11. The complexity and experimental nature of Cal Water's SRM, could lead to flawed designs and unintended consequences for Cal-Am's CAM.

12. In Special Request No. 18, Cal-Am seeks to establish a memorandum account to track all penalties and fines that could be assessed as a result of a violation of the State Water Board's Cease and Desist Order.

13. Cal-Am is voluntarily and intentionally diverting water from the Carmel River in violation of the State Water Board's Cease and Desist Order.

14. During Cal-Am's last GRC, the Commission ordered Cal-Am to "file Tier 2 advice letters in conformance with General Order 96-B proposing new revenue requirements and corresponding revised tariff schedules for *each* district for escalation years 2013 and 2014."

15. It is in the ratepayers' best interest to require Cal-Am to file escalation year filings for each district, regardless of an increase or a decrease in rates.

16. By allowing water utilities to pick and choose what districts it files escalation year filings for, a utility may conceal over-earning by choosing not to file an escalation filing for a district that would be entitled to a rate decrease.

17. D.07-05-062 states that each GRC decision shall include standard ordering paragraphs providing for escalation year increases subject to an earnings test, unless deviation is otherwise expressly justified in the decision.

18. ORA's underlying motivation for Cal-Am to use a recorded rate base for its attrition year rate base is to address Cal-Am's "historical failure to complete its authorized capital projects."

19. D.04-06-018 identified the methodologies for calculating escalation and attrition year filings and adopted ORA's recommendation to retain the existing system of two test years and one attrition year.

20. In differentiating the methodology between evaluating a test year and an attrition year, D.04-06-018 stated that "a 'test year' is a 12-month period over which projected costs and revenue are evaluated . . . [t]his evaluation includes specific review of all projected costs and forecasts of consumer use" while an "attrition year" provides for rate increases based on an adopted formula.

21. D.04-06-018 stated that the attrition allowance methodology provides for rate base additions in Year Three by adding the difference between test Year One and test Year Two rate base to test Year Two rate base.

22. Neither D.04-06-018 nor D.07-05-062 identified whether forecasted or recorded rate bases are to be used for the attrition year.

23. D.04-06-018 determined that "test year" refers to the period over which the cost of service and proposed rates will be evaluated and that the Commission's current practice for water utilities is to use two forecasted test years.

24. The Commission's current practice for water utilities is to use two forecasted test years rather than historic test years.

25. Memorandum accounts are appropriate when the following conditions are met: (1) expense is caused by an event of an exceptional nature that is not under the utility's control; (2) the expense cannot have been reasonably foreseen in the utility's last GRC and will occur before the utility's next scheduled rate case; (3) The expense is of a substantial nature in the amount of money involved; and (4) the ratepayers will benefit by the memorandum account.

26. Cal-Am is one of the largest water utilities in the business of providing water to its ratepayers and is able to bring a plethora of resources and industry experience to negotiations between Cal-Am and Placer County Water Agency.

27. Although the exact costs are unknown, the negotiations are neither a first-time event for Cal-Am, nor are they on par with Cal-Am's cited example of the

Commission's authorization of a memorandum account for Great Oaks Water Company for the cost of Chromium-6 compliance.

28. Cal-Am has already negotiated with Placer County Water Agency for this exact purpose in the past.

29. Based on Cal-Am's past negotiating experiences, current agreement with Placer County Water Agency, and experience in the industry, Cal-Am can reasonably foresee the future costs the agreement presents.

30. The costs were also foreseeable in Cal-Am's last GRC considering that Cal-Am was well aware of the expiration date of its current agreement with Placer County Water Agency and that it needs to procure such an agreement in order to continue providing services to Placer County.

31. Cal-Am has not identified any particular costs or projected capital expenditures that it is likely to incur or at least a degree of certainty that such costs will in fact occur because of these negotiations considering the state and capacity of existing facilities.

32. Cal-Am has not proposed that it will stop negotiations with Placer County Water Agency and stop delivering water to Placer County ratepayers in the event that a memorandum account is not authorized.

33. D.13-10-003 explicitly states that Cal-Am will not recover peaking charges incurred after January 1, 2012, because of the Walerga Storage Tank's ability to eliminate peaking charges and the Special Facilities Fees approved in the decision.

34. Regardless of the timing of Phase 2 of Cal-Am's last GRC, the construction of the Walerga Tank Project could have been completed irrespective of Commission action.

Conclusions of Law

1. Rule 1.12(b) states that if the time for filing a reply, response, protest, or answer to the original document has passed, the ALJ may limit or prohibit any further reply, response, protest, or answer to the amended document.

2. Rule 12.2 provides parties 30 days to contest all or part of a settlement from the date the motion for adoption of settlement was served.

3. Pursuant to Rule 11.1(g), the Commission or the ALJ may rule on a motion before responses or replies are filed.

4. Since the Partial Settlement Agreement and the joint motion to approve the Partial Settlement Agreement were filed on July 25, 2014, the ALJ may use his discretion and waive the comment period as permitted by Rule 1.12(b).

5. Considering the minor nature of the changes made to the Partial Settlement Agreement and the resulting decrease of Cal-Am's revenue requirement for this GRC period, the comment period related to the Amended Partial Settlement Agreement should be waived.

6. Rule 12.1(d) provides that the Commission will not approve settlements, whether contested or uncontested, unless the settlement is reasonable in light of the whole record, consistent with law, and in the public interest.

7. The Amended Partial Settlement Agreement, with the exceptions noted in this decision, is reasonable in light of the whole record, consistent with law, and is in the public interest.

8. The Amended Partial Settlement Agreement, with the exceptions noted in this decision, should be adopted.

9. The issues resolved in the Amended Partial Settlement Agreement are within the scope of the proceeding.

10. The Amended Partial Settlement Agreement, with the exceptions noted in this decision, promotes a favorable outcome for ratepayers and public safety by establishing policies and targets for cost-effectively reducing water losses.

11. Special Request No. 32 should be denied because recovery for lost revenue related to the Pacific Grove Projects could be sought in Cal-Am's next GRC.

12. Cal-Am will be better able to forecast the loss revenue associated with the loss of sales to certain Pacific Grove properties in Cal-Am's next GRC when the terms and timing of Pacific Grove's plans are known.

13. Special Request No. 16 should be denied, but this does not preclude al-Am from requesting authorization for a CAM in Cal-Am's next GRC.

14. The Commission should grant Cal-Am's Special Request No. 18 with modification because it is reasonable to allow Cal-Am to establish a memorandum account with the requirement that Cal-Am file a formal application to recover costs rather than an advice letter.

15. Cal-Am's diversion of water from the Carmel River were and are undertaken for the purpose of supplying the residential, municipal, and commercial needs of the Monterey Peninsula area communities.

16. In order to recover the costs associated with the Cease and Desist Order, Cal-Am should be held responsible for the penalties and fines it incurs and required to file a formal application for the Commission to determine whether or not such costs are necessary and reasonable.

17. Allowing Cal-Am to track expected penalties and fines and to require Cal-Am to file a formal filing to recover costs will grant the public an opportunity to be heard and for a reasonableness review of the costs incurred.

18. It is in the ratepayers' best interest to require Cal-Am to file escalation year filings for each district, regardless of an increase or a decrease in rates.

19. By allowing water utilities to pick and choose what districts it files escalation year filings for, a utility may conceal over-earning by choosing not to file an escalation filing for a district that would be entitled to a rate decrease.

20. The Commission should grant ORA's proposal that Cal-Am be required to file 2016 and 2017 escalation year filings for each district.

21. Requiring Cal-Am to file 2016 and 2017 escalation year filings for each and every district is consistent with the Commission's requirements in Cal-Am's 2012 GRC and is within the public interest.

22. Requiring Cal-Am to file 2016 and 2017 escalation year filings does not change the Rate Case Plan because deviation from the standard ordering paragraphs in D.07-05-062 is justified because it serves the public interest by protecting ratepayers and ensures the provision of safe, reliable utility service and infrastructure at reasonable rates from utilities.

23. The Commission should not grant ORA's proposal to require Cal-Am to use its recorded rate base up to but not to exceed the authorized rate base to calculate its 2017 attrition year rate base filing.

24. ORA's proposed modification to the attrition year rate base methodology is in an inappropriate reactionary measure because, due to Cal-Am's filing schedule, ORA's proposal would require Cal-Am to continue to forecast the last three months of its attrition year.

25. ORA's attrition year rate base methodology proposal is impractical for achieving ORA's goal of improving transparency and is contrary to the Rate Case Plan.

26. It is reasonable for Cal-Am to use a forecasted test year to determine its attrition year rate base for this GRC cycle because using a forecast allows the utility to project expected costs and determine the revenue required to recover those

costs, and the Commission to tailor the rate changes to match anticipated cost changes.

27. The Commission should deny Special Requests No. 23 because Cal-Am's request does not meet the requirements set out in Standard Practice U-27-W for establishing a Memorandum Account.

28. Cal-Am's comparison to Great Oaks Water Company is not warranted because Great Oaks Water Company was required to comply with future federal and state regulations that had yet to be established and was not in a position to negotiate or bargain.

29. The Commission should deny Cal-Am's Special Request No. 30 that seeks authorization to include the Placer County Water Agency's peaking charges in its Purchased Water Balancing Account for Cal-Am's Sacramento District.

30. Cal-Am's arguments that Cal-Am is only requesting authority to track charges at the moment does not adequately justify tracking peaking charges.

31. The Commission restricted Cal-Am from recovering peaking charges incurred after January 1, 2012; therefore, tracking such charges in a memorandum account is unreasonable and serves no purpose.

32. The fact that the Walerga Tank Project has not been completed due to the delay in Phase 2 of Cal-Am's 2012 GRC is irrelevant to the need for tracking peaking charges.

O R D E R

IT IS ORDERED that:

1. The Joint Motion for the Adoption of Partial Settlement Agreement between California-American Water Company, City of Pacific Grove, Las Palmas Wastewater Committee, Monterey Peninsula Water Management District, and the

Office of Ratepayer Advocates on Revenue Issues in the General Rate Case is granted.

2. The Settling Parties' Joint Motion to Amend Partial Settlement Agreement is granted.

3. The Amended Partial Settlement Agreement is adopted in part and denied in part. Specifically, Special Requests Nos. 16 and 32 are denied and Special Request No.18 is adopted with the additional requirement that California-American Water Company be required to file a formal application to recover costs associated with penalties and fines levied by the State Water Resource Control Board.

4. California-American Water Company is authorized to file a Tier 1 advice letter to recover the difference between the 2015 interim and final rates from its customers. This calculation must be based on the 2015 rate tariff schedules that would have been implemented under the present rate design.

5. California-American Water Company must also recalculate the 2015 Water Revenue Adjustment Mechanism/Modified Cost Balancing Account balance for these districts to include the final revenue requirement adopted today and the recorded revenue California-American Water Company would have received if final rates had been effective on January 1, 2015.

6. California-American Water Company must update its 2015 Water Revenue Adjustment Mechanism/Modified Cost Balancing Account annual report to the Commission for changes resulting from today's order.

7. California-American Water Company is authorized to file a Tier 1 advice letter for the revised 2015 Water Revenue Adjustment Mechanism/Modified Cost Balancing Account balance.

8. For escalation years 2016 and 2017, California-American Water Company shall file Tier 2 advice letters proposing new revenue requirements and corresponding revised tariff schedules for each district. The filing shall include

rate procedures set forth in the Commission's Rate Case Plan (Decision 07-05-062) for Class A Water Utilities and shall include appropriate supporting workpapers. The revised tariff schedules shall take effect no earlier than January 1, 2016, and January 1, 2017, respectively and shall apply to service rendered on and after their effective dates.

9. The proposed revisions to revenue requirements and rates shall be reviewed by the Commission's Division of Water and Audits. The Division of Water and Audits shall inform the Commission if it finds that the revised rates do not conform to the Rate Case Plan, this order, or other Commission decisions, and if so, reject the filing.

10. Going forward, California-American Water Company shall include in its Minimum Data Requirements the status of all projects authorized by the Commission in the last general rate case including: including:

1. Advice letter projects,
2. Multi-year projects,
3. Projects authorized in the test years but not built for whatever reason, even if the project is temporarily on hold and California-American Water Company expects to the complete the project,
4. Projects authorized in all test years, even if the reporting occurs during a particular test year,
5. Projects authorized in all test years, even if the project is currently in progress, and
6. Projects authorized in all test years, even California-American Water Company expects the project to be complete during the years in which the GRC is filed and decided.

11. The Minimum Data Requirements shall also include the status of projects authorized by the Commission in the last general rate case on both a recorded and forecast basis through the end of the prior general rate case cycle. California-American Water Company must update the status as close to the application date

as reasonably possible, and any further updates must be provided in response to data requests issued in the general rate case.

12. California-American Water Company shall establish a memorandum account to track all penalties and fines that are assessed as a result of a violation of the State Water Resources Control Board's Cease and Desist Order. In order to recover these costs, California-American Water Company must file a formal application for the Commission to determine whether or not such costs are necessary and reasonable.

13. California-American Water Company is required to file 2016 and 2017 escalation year filings for each and every district.

14. Application 13-07-002 is closed.

This order is effective today.

Dated _____, at San Francisco, California.

ATTACHMENT A

(Amended Partial Settlement Agreement)

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

APPLICATION OF CALIFORNIA-AMERICAN WATER COMPANY (U210W) FOR AUTHORIZATION TO INCREASE ITS REVENUES FOR WATER SERVICE BY $18,473,900 OR 9.55% IN THE YEAR 2015, BY $8,264,700 OR 3.90% IN THE YEAR 2016, AND BY $6,654,700 OR 3.02% IN THE YEAR 2017.	A.13-07-002 (Filed July 1, 2013)

AMENDED PARTIAL SETTLEMENT AGREEMENT BETWEEN CALIFORNIA-AMERICAN WATER COMPANY, CITY OF PACIFIC GROVE, LAS PALMAS WASTEWATER COMMITTEE, MONTEREY PENINSULA WATER MANAGEMENT DISTRICT, AND THE OFFICE OF RATEPAYER ADVOCATES ON REVENUE ISSUES IN THE GENERAL RATE CASE

Kevin Tilden
For California-American Water Company
1033 B Avenue, Suite 200
Coronado, CA 92118
(619) 522-6362
kevin.tilden@amwater.com

Thomas Frutchey
For City of Pacific Grove
300 Forest Avenue
Pacific Grove, CA 93950
(831) 648-3106
tfrutchey@ci.pg.ca.us

Sara Senger
For Las Palmas Wastewater Committee
25374 Jasmine Ct.
Salinas, CA 93908
(831) 455-8232
sarasenger@comcast.net

David J Stoldt
For Monterey Peninsula Water Management District
P.O. Box 85
Monterey, CA 93942 (831)-658-5600
dstoldt@mpwmd.net

Joseph P. Como
For California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102
(415) 703-2381
joc@cpuc.ca.gov

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1.0 GENERAL PROVISIONS

Pursuant to Article 12 of the Rules of Practice and Procedure of the California Public Utilities Commission ("Commission"), California-American Water Company ("CAW" or "Company") and the Office of Rate Payer Advocates ("ORA") have agreed on the terms of this amended and restated settlement agreement (the "Settlement Agreement"), which they now submit for approval. This Settlement Agreement embodies the entire understanding and agreement of the Parties with respect to the matters described herein. Where specifically noted below, the Monterey Peninsula Water Management District ("MPWMD"), the Las Palmas Wastewater Committee ("LPWC"), and the City of Pacific Grove also join specific aspects of this settlement agreement.[1]

The Parties, desiring to avoid the expense, inconvenience, and the uncertainty attendant to litigation of matters in dispute between them, have agreed on this Settlement Agreement, which they now submit for approval.

Because the Settlement Agreement represents a compromise by them, the Parties have entered into each stipulation contained in the Settlement Agreement on the basis that its approval by the Commission not be construed as an admission or concession by any Party regarding any fact or matter of law in dispute in this proceeding. Furthermore, the Parties intend that the approval of this Settlement Agreement by the Commission not be construed as a precedent or statement of policy of any kind for or against any Party in any current or future proceeding. (*See* Rule 12.5, Commission's Rules of Practice and Procedure.)

The Parties agree that no signatory to the Settlement Agreement assumes any personal liability as a result of their agreement. All rights and remedies of the Parties are limited to those available before the Commission. Furthermore, the Settlement Agreement is being presented as an integrated package such that the Parties are agreeing to the Settlement Agreement as a whole, as opposed to agreeing to specific elements of the Settlement Agreement. If the Commission adopts the Settlement Agreement with modification, all the Parties must consent to the modifications or the Settlement Agreement is void and all Parties reserve all rights set forth in Rule 12.4 of the Commission's Rules of Practice and Procedure. As between the Parties, this Settlement Agreement may be amended or changed only by a written agreement signed by the Parties.

This Settlement Agreement may be executed in counterparts, each of which shall be deemed an original, and the counterparts together shall constitute one and the same instrument. Each of the Parties hereto and their respective counsel and advocates have contributed to the preparation of this Settlement Agreement. Accordingly, the Parties agree that no provision of this Settlement Agreement shall be construed against any Party because that Party or its counsel drafted the provision.

[1] Hereinafter, CAW, ORA, MPWMD, LPWC, and the City of Pacific Grove are referred to as the "Parties."

The Parties agree to use their best efforts to obtain Commission approval of the Settlement Agreement. The Parties shall request that the Commission approve the Settlement Agreement without change and find the Settlement Agreement to be reasonable, consistent with the law, and in the public interest.

2.0 SUMMARY OF SETTLEMENT

The Settlement Agreement addresses the new rates to be established for CAW's service areas in the Larkfield, Los Angeles County, Monterey County Water, Monterey Wastewater, Sacramento, San Diego County, and Ventura County districts for calendar year 2015, and sets parameters to file for escalation and attrition allowances in 2016 and 2017. As part of the Settlement Agreement, CAW and ORA have agreed to most of the significant elements of the General Rate Case ("GRC") revenue requirement and rate design, including number of customers, usage per customer, rate base, operating expenses, utility plant additions, depreciation expense, income taxes, and special requests. Additionally, CAW and ORA have reached an agreement on forward-looking interpretation of Minimum Data Request II.D.5, which was the subject of the alleged Rule 1 violations.

The Settlement Agreement also addresses CAW's settlements with various intervenors. Specifically, the Settlement Agreement addresses CAW's agreement with MPWMD on various issues related to conservation, utility plant additions in Monterey, and certain special requests, as well as CAW's agreement with LPWC regarding certain Monterey wastewater issues. ORA supports CAW's agreements with MPWMD, and LPWC. Further, MPWMD and LPWC have no objection to any aspect of the Settlement Agreement, including CAW's revenue requirement agreements with ORA.

A comprehensive record supports the Settlement Agreement. As part of this GRC, the Parties have submitted extensive testimony concerning the issues that are the subject of the Settlement Agreement, including, but not limited to, CAW's direct testimony submitted with the application, ORA's Report, and CAW's rebuttal testimony.

The tables embedded in the Settlement Agreement set forth (1) the original positions of the Parties on various elements of revenue requirement, (2) the differences between the Parties' positions, and (3) the settlement terms.

The parties have not reached a settlement on the following issues: (1) ORA's recommendation to make step rate advice letter filings mandatory for CAW, (2) ORA's proposal to require CAW to calculate the attrition year based using recorded rate base, and (3) Special Requests 23 and 30, which seek authorization to: record peaking charges in the MCBA and capture any costs imposed by Placer County Water Agency as a result of the new purchased water agreement in a new memorandum account in the Sacramento District, respectively . Some of the Parties, including CAW and ORA, shall file additional briefing on these particular issues.

3.1 WATER CUSTOMER, CONSUMPTION AND REVENUES

3.2 Average Number of Customers

CAW REQUEST:

Section 1.0 - Water Customers, Consumption and Revenues discusses all districts with the exception of Monterey Wastewater, Toro and Garrapata. These service areas will be discussed in separate sections of the Settlement Agreement.

CAW reviewed the actual growth in the number of customers from 2008 through the end of 2012. In addition, District managers were asked to review the actual growth trends and provide input on the future growth of customers in their Districts. Based on the review of the actual data and each District manager's review of their service territories, CAW projected annual customer growth in customers to be 77 water customers and 23 fire service customers.

ORA POSITION:

ORA recommends using a five-year average customer growth for forecasting active service connections and consumption per customer in all Districts, except for the Monterey County District. ORA projected annual customer growth in customers to be 264 water customers and 47 fire service customers.

ORA agrees with CAW's method of forecasting no customer growth for the Monterey County District due to the State Water Resources Control Board Moratorium on "new and expanded" service.

RESOLUTION:

ORA and CAW agree on the number of customers for each district, as set forth below. Based on information provided, ORA and CAW agree to the level of customers proposed by CAW for Sacramento, Larkfield, and the Los Angeles County Districts. ORA and CAW agree to the level of customers proposed by ORA for the San Diego County and Monterey Districts. The settlement for the Ventura County District is based on adjusting the five-year average for the re-classification between residential and commercial customer classes and starting from a base of actual 2013 residential and commercial customers. The settlement reflects a projected annual customer growth in customers to be 132 water customers and 38 fire service customers.

3.1.1 Larkfield

2013 GRC Larkfield Average # Customers	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Total Metered	2,375	2,388	(13)	2,375	2,378	2,381
Residential	2,042	2,030	12	2,042	2,044	2,046
Commercial	329	354	(25)	329	330	331
Public Authority	4	4	0	4	4	4
Private Fire Service	57	59	(2)	57	58	59
Total Active	2,432	2,447	(15)	2,432	2,436	2,440

REFERENCES: CAW Revised Exh. A, Ch. 3, Table 3.5; Hearing Exh. 12 and 12-A, ORA Korthamar Direct, *ORA Analysis and Recommendations on Operating Revenues, Rate Design and Special Requests 5, 6, 8, 9, 21, 24, 25 of CAW Company Application 13-07-002*, dated March 28, 2014, ("ORA Report No. 6"), Workpapers Ch. 3, Table 3.5.

3.1.2 Los Angeles County

2013 GRC Baldwin Hills Average # Customers	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Total Metered	6,189	6,192	(3)	6,189	6,186	6,183
Residential	5,553	5,553	0	5,553	5,553	5,553
Commercial	602	602	0	601	598	596
Public Authority	27	30	(3)	27	27	27
Industrial	3	3	0	3	3	3
Other	4	4	0	4	4	4
Private Fire Service	36	45	(9)	36	36	36
Total Active	6,225	6,237	(12)	6,224	6,221	6,219

2013 GRC Duarte Average # Customers	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Total Metered	7,335	7,336	(1)	7,335	7,340	7,345
Residential	6,539	6,554	(15)	6,539	6,545	6,551
Commercial	596	596	0	596	595	594
Public Authority	122	115	7	122	122	122
Industrial	16	16	0	16	16	16
Irrigation	57	55	2	57	57	57
Other	5	0	5	5	5	5
Private Fire Service	145	137	8	145	148	151
Total Active	7,480	7,473	7	7,480	7,488	7,496

2013 GRC San Marino Average # Customers	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Total Metered	13,938	13,933	5	13,938	13,946	13,954
Residential	12,382	12,382	0	12,382	12,396	12,410
Commercial	1,368	1,368	0	1,368	1,362	1,356
Public Authority	140	140	0	140	140	140
Industrial	45	45	0	45	45	45
Other	3	(2)	5	3	3	3
Private Fire Service	188	186	2	187	187	186
Total Active	14,126	14,119	7	14,125	14,133	14,140

REFERENCES: CAW Revised Exh. A, Ch. 3, Table 3.5 Workpapers Table 3.5; Hearing Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report No. 6, Workpapers Ch. 3, Table 3.5.

3.1.3 Monterey Toro

Refer to the Monterey Toro Section of the Settlement Agreement (Section 5.0).

3.1.4 Monterey Garrapata

Refer to the Monterey Garrapata Section of the Settlement Agreement (Section 6).

3.1.5 Monterey County

2013 GRC Monterey County Average # Customers	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Total Metered	39,206	39,206	0	39,206	39,206	39,206
Residential	32,262	32,262	0	32,262	32,262	32,262
Multi-Residential	1,478	1,478	0	1,478	1,478	1,478
Commercial & Irrig	3,272	3,272	0	3,272	3,272	3,272
Industrial	7	7	0	7	7	7
Public Authority	575	575	0	575	575	575
Golf Course	4	4	0	4	4	4
Construction	22	22	0	22	22	22
Sale for Resale	1	1	0	1	1	1
Ambler	402	402	0	402	402	402
Bishop	376	376	0	376	376	376
Hidden Hills	441	441	0	441	441	441
Ryan Ranch	156	156	0	156	156	156
Ralph Lane	26	26	0	26	26	26
Chualar	184	184	0	184	184	184
Private Fire Service	803	803	0	803	803	803
Fire Hydrants	276	276	0	276	276	276
Total Active	40,285	40,285	0	40,285	40,285	40,285

REFERENCES: CAW Revised Exh. A, Ch. 3, Table 3.5; Hearing Exh. 12 and 12-A, ORA Report No. 6, Workpapers Ch. 3, Table 3.5.

3.1.6 Monterey Wastewater

Refer to the Monterey Wastewater Section of the Settlement Agreement (Section 19.0).

3.1.7 Sacramento

2013 GRC Sacramento Average # Customers	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Total Metered	57,923	58,379	(456)	57,923	57,971	58,019
Residential	52,711	53,004	(293)	52,711	52,751	52,791
Commercial	4,839	4,982	(143)	4,839	4,845	4,851
Public Authority	372	392	(20)	372	374	376
Industrial	1	1	0	1	1	1
Private Fire Service	855	878	(23)	855	865	875
Total Active	58,778	59,257	(479)	58,778	58,836	58,894

REFERENCES: CAW Revised Exh. A, Ch. 3, Table 3.2; Hearing Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report No. 6, Workpapers Ch. 3, Table 3.5.

3.1.8 San Diego County

2013 GRC San Diego Average # Customers	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Total Metered	20,605	20,649	(44)	20,649	20,680	20,711
Residential	18,212	18,220	(8)	18,220	18,235	18,250
Commercial	2,062	2,100	(38)	2,100	2,117	2,134
Public Authority	320	320	0	320	320	320
Other	11	9	2	9	8	7
Private Fire Service	439	451	(12)	451	461	471
Total Active	21,044	21,100	(56)	21,100	21,141	21,182

REFERENCES: CAW Revised Exh. A, Ch. 3, Table 3.2; Hearing Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report No. 6, Workpapers Ch. 3, Table 3.5.

3.1.9 Ventura County

2013 GRC Ventura Average # Customers	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Total Metered	20,677	20,632	45	20,796	20,836	20,876
Residential	19,254	19,064	190	19,347	19,374	19,401
Commercial	1,052	1,197	(145)	1,078	1,091	1,104
Public Authority	194	204	(10)	194	194	194
Industrial	167	163	4	167	167	167
Metered Construction	10	4	6	10	10	10
Private Fire Service	329	354	(25)	354	367	382
Total Active	21,006	20,986	20	21,150	21,203	21,258

REFERENCES: CAW Revised Exh. A, Ch. 3, Table 3.2; Hearing Exh. 12 and 12-A, ORA Report No. 6, Workpapers Ch. 3, Table 3.5.

3.3 Consumption

CAW REQUEST:

Based on actual consumption per customer history, CAW utilized the most recent three years (2010 - 2012) of actual level of consumption per customer and calculated a three-year average of the historical information for all customer classes, with the exception of the Sacramento District's residential customers. In the case of the Sacramento District's residential customers, CAW used a three-year average and adjusted 2014, 2015, and 2016 numbers by reducing them by 2% each year to reflect the completion in 2013 of the conversion of unmetered residential customers to meters and implementing conservation rates in the Sacramento District.

CAW's use of a three-year average using consumption data for 2010 - 2012 is appropriate because of the significant general decline in consumption per customer for the residential and commercial classes from the 2008 and 2009 levels. CAW believes that these higher levels of consumption in 2008 and 2009 will not likely occur again given the decline in consumption trends, the implementation of conservation rates, conservation education and the State of California's commitment to reducing water use by 20% by the year 2020.

ORA POSITION:

ORA recommends the use of the five-year average of annual consumption and notes that its recommendation represents a reasonable means of reconciling the guidance of the Rate Case Plan to use a ten-year regression of recorded consumption and the request of CAW to use a three-year average.

RESOLUTION:

ORA and CAW agree on consumption per customer for each district, as set forth below. This agreement was based on more recent data on consumption for 2013 in each district and uses a four-year average of 2010 - 2013 for all customer classes. In addition, Sacramento residential was further reduced by 2% per year as discussed above. Both the Ventura County and San Marino residential four-year averages were increased 2 CCF annually to reflect a recent trend of increasing customer use.

3.2.1 Larkfield Total Water Consumption Per Customer

2013 GRC Larkfield Consumption / Customer (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	121.7	134.9	(13.2)	122.6	122.6	122.6
Commercial	378.5	385.5	(7.0)	382.0	382.0	382.0
Public Authority	839.2	839.2	0.0	857.7	857.7	857.7

REFERENCES: CAW Revised Exh. A, Ch. 3, Table 3.8; *Direct Testimony of Edward J. Grubb - Amended, dated July 1, 2013,* ("CAW Grubb Direct"), pp. 14-17; Hearing Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report No. 6, Workpapers Ch. 3, Table 3.8.

3.2.2 Larkfield Total Water Consumption

2013 GRC Larkfield Total Consumption (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	248,546	273,895	(25,349)	250,349	250,594	250,840
Commercial	124,531	136,455	(11,924)	125,678	126,060	126,442
Public Authority	3,357	3,357	0	3,431	3,431	3,431
Total Consumption	376,434	413,707	(37,273)	379,458	380,085	380,712

REFERENCES: CAW Revised Exh. A, Ch. 3, Table 3.11; Hearing Exh. 22, CAW Grubb Direct, pp. 14-17; Hearing Exh. 12 and 12-A, ORA Report No. 6, Workpapers Ch. 3, Table 3.11.

3.2.3 Los Angeles County Total Water Consumption Per Customer

2013 GRC Baldwin Hills Consumption / Customer (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	184.5	196.4	(11.9)	186.2	186.2	186.2
Commercial	363.1	390.0	(26.9)	368.0	368.0	368.0
Public Authority	1,581.0	1,632.8	(51.8)	1,607.5	1,607.5	1,607.5
Industrial	32,415.3	37,909.0	(5,493.7)	29,564.1	29,564.1	29,564.1
Other	13.0	10.0	3.0	9.8	9.8	9.8

2013 GRC Duarte Consumption / Customer (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	216.2	231.2	(15.0)	218.5	218.5	218.5
Commercial	1,107.3	1,168.4	(61.1)	1,105.5	1,105.5	1,105.5
Public Authority	1,071.0	1,166.6	(95.6)	1,144.5	1,144.5	1,144.5
Industrial	1,533.0	1,428.0	105.0	1,526.6	1,526.6	1,526.6
Irrigation	2,400.3	2,400.7	(0.4)	2,530.0	2,530.0	2,530.0
Other	906.3	632.0	274.3	1,062.0	1,062.0	1,062.0

2013 GRC San Marino Consumption / Customer (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	262.7	280.2	(17.5)	268.5	268.5	268.5
Commercial	672.9	706.6	(33.7)	671.0	671.0	671.0
Public Authority	1,286.3	1,342.8	(56.5)	1,292.9	1,292.9	1,292.9
Industrial	1,172.0	1,275.4	(103.4)	1,167.7	1,167.7	1,167.7
Other	98.0	309.4	(211.4)	89.6	89.6	89.6

REFERENCES: CAW Revised Exh. A, Ch. 3, Table 3.8; Hearing Exh. 22, CAW Grubb Direct, pp. 14-17; Hearing Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report No. 6, Workpapers Ch. 3, Table 3.8.

3.2.4 Los Angeles County Total Water Consumption

2013 GRC Baldwin Hills Total Consumption (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	1,024,438	1,090,609	(66,171)	1,033,969	1,033,969	1,033,969
Commercial	218,600	234,780	(16,180)	221,536	220,432	219,328
Public Authority	42,687	48,984	(6,297)	43,403	43,403	43,403
Industrial	97,246	113,727	(16,481)	88,692	88,692	88,692
Other	52	40	12	39	39	39
Total Consumption	1,383,023	1,488,140	(105,117)	1,387,639	1,386,535	1,385,431

2013 GRC Duarte Total Consumption (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	1,413,459	1,515,285	(101,826)	1,428,772	1,430,083	1,431,394
Commercial	659,928	696,366	(36,438)	658,878	657,773	656,667
Public Authority	130,662	134,159	(3,497)	139,629	139,629	139,629
Industrial	24,528	22,848	1,680	24,426	24,426	24,426
Irrigation	134,897	132,039	2,858	144,210	144,210	144,210
Other	4,532	0	4,532	5,310	5,310	5,310
Total Consumption	2,368,006	2,500,697	(132,691)	2,401,224	2,401,430	2,401,635

2013 GRC San Marino Total Consumption (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	3,253,079	3,469,436	(216,357)	3,324,567	3,328,326	3,332,085
Commercial	920,519	966,629	(46,110)	917,928	913,902	909,876
Public Authority	127,507	187,992	(60,485)	181,006	181,006	181,006
Industrial	52,740	57,393	(4,653)	52,547	52,547	52,547
Other	294	(619)	913	269	269	269
Total Consumption	4,354,139	4,680,831	(326,692)	4,476,316	4,476,049	4,475,782

REFERENCES: CAW Revised Exh. A, Ch. 3, Table 3.11; Hearing Exh. 22, CAW Grubb Direct, pp. 14-17; Hearing Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report No. 6, Workpapers Ch. 3, Table 3.11.

3.2.5 Monterey Toro Water Consumption Per Customer

Refer to the Monterey Toro Section of the Settlement Agreement (Section 5.0).

3.2.6 Monterey Toro Total Water Consumption

Refer to the Monterey Toro Section of the Settlement Agreement (Section 5.0).

3.2.7 Monterey Garrapata Water Consumption Per Customer

Refer to the Monterey Garrapata Section of the Settlement Agreement (Section 6).

3.2.8 Monterey Garrapata Total Water Consumption

Refer to the Monterey Garrapata Section of the Settlement Agreement (Section 6).

3.2.9 Monterey County Water Consumption Per Customer

2013 GRC Monterey County Consumption / Customer (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Monterey Base						
Residential	73.4	77.5	(4.1)	72.3	72.3	72.3
Multi-Residential	478.3	446.3	32.0	465.3	465.3	465.3
Commercial & Irrigation	354.9	365.9	(11.0)	348.8	348.8	348.8
Industrial	5,798.0	6,119.6	(321.6)	5,141.0	5,141.0	5,141.0
Public Authority	474.3	647.2	(172.9)	472.9	472.9	472.9
Golf Courses	14,021.7	14,676.8	(655.1)	14,128.4	14,128.4	14,128.4
Construction	196.7	190.0	6.7	222.5	222.5	222.5
Sale for Resale	0.0	0.0	0.0	0.0	0.0	0.0
Ambler Park	0.0	0.0	0.0	0.0	0.0	0.0
Residential	151.9	162.4	(10.5)	148.9	148.9	148.9
Commercial	1,144.7	1,202.6	(57.9)	1,213.6	1,213.6	1,213.6
Public Authority	368.0	464.0	(96.0)	570.9	570.9	570.9
Bishop	0.0	0.0	0.0	0.0	0.0	0.0
Residential	167.1	192.2	(25.1)	165.6	165.6	165.6
Commercial	358.8	387.8	(29.0)	365.3	365.3	365.3
Golf Courses	50.3	78.8	(28.5)	58.8	58.8	58.8
Other	64.3	117.6	(53.3)	48.3	48.3	48.3
Hidden Hills	0.0	0.0	0.0	0.0	0.0	0.0
Residential	130.7	151.2	(20.5)	129.5	129.5	129.5
Ryan Ranch	0.0	0.0	0.0	0.0	0.0	0.0
Commercial	165.9	198.2	(32.3)	168.2	168.2	168.2
Public Authority	76.0	82.6	(6.6)	77.6	77.6	77.6
Other	14.3	63.2	(48.9)	10.8	10.8	10.8
Ralph Lane	0.0	0.0	0.0	0.0	0.0	0.0
Residential	136.8	130.8	6.0	138.0	138.0	138.0
Chualar	0.0	0.0	0.0	0.0	0.0	0.0
Residential	247.8	296.2	(48.4)	241.7	241.7	241.7
Multi-Residential	327.2	312.6	14.6	397.3	397.3	397.3
Commercial	303.0	661.4	(358.4)	448.9	448.9	448.9
Public Authority	950.0	570.0	380.0	936.1	936.1	936.1

REFERENCES: CAW Revised Exh. A, Ch. 3, Table 3.8; Hearing Exh. 22, CAW Grubb Direct, pp. 14-17; Hearing Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report No. 6, Workpapers Ch. 3, Table 3.8.

3.2.10 Monterey County Total Water Consumption

2013 GRC Monterey County Total Consumption (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Monterey Base						
Residential	2,368,888	2,498,910	(130,022)	2,332,543	2,332,543	2,332,543
Multi-Residential	706,923	659,641	47,282	687,713	687,713	687,713
Commercial & Irrigation	1,161,104	1,197,142	(36,038)	1,141,274	1,141,274	1,141,274
Industrial	40,586	42,837	(2,251)	35,987	35,987	35,987
Public Authority	272,742	372,140	(99,398)	271,918	271,918	271,918
Golf Courses	56,087	58,707	(2,620)	56,514	56,514	56,514
Construction	4,327	4,180	147	4,895	4,895	4,895
Sale for Resale	-	-	-	-	-	-
Ambler Park						
Residential	58,486	62,370	(3,884)	57,327	57,327	57,327
Commercial	17,170	18,039	(869)	18,204	18,204	18,204
Public Authority	736	928	(192)	1,142	1,142	1,142
Bishop						
Residential	54,655	62,849	(8,194)	54,151	54,151	54,151
Commercial	16,865	18,227	(1,362)	17,169	17,169	17,169
Golf Courses	101	158	(57)	118	118	118
Other	-	-	-	-	-	-
Hidden Hills						
Residential	57,639	66,679	(9,040)	57,110	57,110	57,110
Ryan Ranch						
Commercial	25,221	30,126	(4,905)	25,566	25,566	25,566
Public Authority	304	330	(26)	310	310	310
Other	-	-	-	-	-	-
Ralph Lane						
Residential	3,557	3,401	156	3,588	3,588	3,588
Chualar						
Residential	43,615	52,131	(8,516)	42,539	42,539	42,539
Multi-Residential	654	625	29	795	795	795
Commercial	1,212	2,646	(1,434)	1,796	1,796	1,796
Public Authority	1,900	1,140	760	1,872	1,872	1,872
Total Consumption	4,892,772	5,153,206	(260,434)	4,812,529	4,812,529	4,812,529

REFERENCES: CAW Revised Exh. A, Ch. 3, Table 3.11; Hearing Exh. 22, CAW Grubb Direct, pp. 14-17; Hearing Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report No. 6, Workpapers Ch. 3, Table 3.11.

3.2.11 Sacramento Water Consumption Per Customer

2013 GRC Sacramento Consumption / Customer (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	164.3	176.9	(12.6)	165.7	162.4	159.1
Commercial	825.5	885.0	(59.5)	834.9	834.9	834.9
Public Authority	2,748.8	2,983.6	(234.8)	2,898.7	2,898.7	2,898.7
Industrial	157,262.7	99,723.0	57,539.7	150,855.3	150,855.3	150,855.3

REFERENCES: CAW Exh. A, Ch. 3, Table 3.8; Hearing Exh. 22, CAW Grubb Direct, pp. 14-17; Hearing Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report No. 6, Workpapers Ch. 3, Table 3.8.

3.2.12 Sacramento Total Water Consumption

2013 GRC Sacramento Total Consumption (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	8,661,387	9,374,381	(712,994)	8,732,579	8,564,421	8,399,497
Commercial	3,994,359	4,409,163	(414,804)	4,040,081	4,045,091	4,050,100
Public Authority	1,022,550	1,169,574	(147,024)	1,078,316	1,084,114	1,089,911
Industrial	157,263	99,723	57,540	150,855	150,855	150,855
Total Consumption	13,835,559	15,052,841	(1,217,282)	14,001,831	13,844,481	13,690,364

REFERENCES: CAW Exh. A, Ch. 3, Table 3.11; Hearing Exh. 22, CAW Grubb Direct, pp. 14-17; Hearing Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report No. 6, Workpapers Ch. 3, Table 3.11.

3.2.13 San Diego County Water Consumption Per Customer

2013 GRC San Diego County Consumption / Customer (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	120.3	129.5	(9.2)	120.8	120.8	120.8
Commercial	797.2	851.0	(53.8)	797.4	797.4	797.4
Public Authority	2,072.7	2,218.1	(145.4)	2,121.7	2,121.7	2,121.7
Other	1,404.1	1,326.3	77.8	1,466.4	1,466.4	1,466.4

REFERENCES: CAW Revised Exh. A, Ch. 3, Table 3.8; Hearing Exh.22, CAW Grubb Direct, pp. 14-17; Hearing Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report No. 6, Workpapers Ch. 3, Table 3.8.

3.2.14 San Diego County Total Water Consumption

2013 GRC San Diego County Total Consumption (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	2,191,463	2,358,807	(167,344)	2,200,976	2,202,788	2,204,600
Commercial	1,643,927	1,787,197	(143,270)	1,674,540	1,688,096	1,701,652
Public Authority	663,251	709,795	(46,544)	678,944	678,944	678,944
Other	15,445	11,937	3,508	13,198	11,731	10,265
Total Consumption	4,514,086	4,867,736	(353,650)	4,567,658	4,581,559	4,595,460

REFERENCES: CAW Exh. A, Ch. 3, Table 3.11; Hearing Exh.22, CAW Grubb Direct, pp. 14-17; Hearing Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report No. 6, Workpapers Ch. 3, Table 3.11.

3.2.15 Ventura County Water Consumption Per Customer

2013 GRC Ventura County Consumption / Customer (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	228.5	248.9	(20.4)	232.8	232.8	232.8
Commercial	1,267.0	1,426.8	(159.8)	1,263.3	1,263.3	1,263.3
Public Authority	2,375.3	2,672.5	(297.2)	2,397.1	2,397.1	2,397.1
Industrial	3,944.7	3,812.8	131.9	4,009.9	4,009.9	4,009.9
Metered Construction	429.2	521.8	(92.6)	470.2	470.2	470.2

REFERENCES: CAW Revised Exh. A, Ch. 3, Table 3.8; Hearing Exh.22, CAW Grubb Direct, pp. 14-17; Hearing Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report No. 6, Workpapers Ch. 3, Table 3.8.

3.2.16 Ventura County Total Water Consumption

2013 GRC Ventura County Total Consumption (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	4,400,011	4,744,325	(344,314)	4,503,982	4,510,267	4,516,553
Commercial	1,332,889	1,707,908	(375,019)	1,361,837	1,378,260	1,394,683
Public Authority	460,810	545,193	(84,383)	465,037	465,037	465,037
Industrial	658,763	621,492	37,271	669,653	669,653	669,653
Metered Construction	4,292	3,863	429	4,702	4,702	4,702
Total Consumption	6,856,765	7,622,781	(766,016)	7,005,212	7,027,920	7,050,629

REFERENCES: CAW Revised Exh. A, Ch. 3, Table 3.11; Hearing Exh.22, CAW Grubb Direct, pp. 14-17; Hearing Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report No. 6, Workpapers Ch. 3, Table 3.11.

3.4 Non-Revenue Water

CAW and ORA agree that the non-revenue water forecast amounts are reasonable, and it is these amounts, and not the percentages, that will be used in all system delivery forecasts.[2]

Forecast Non-Revenue Water (NRW) CCF	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Settlement NRW %	System Delivery
Larkfield	31,281	31,281	0	31,281	7.6%	410,739
Los Angeles County						
Baldwin Hill	48,276	48,276	0	48,276	3.4%	1,435,915
Durarte	402,482	402,482	0	402,482	14.4%	2,803,706
San Marino	301,425	301,425	0	301,425	6.3%	4,777,741
Monterey County						
Monterey Main	540,527	540,527	0	540,527	10.7%	5,071,370
Ambler	6,310	6,310	0	6,310	7.6%	82,982
Ralph Lane	464	464	0	464	11.5%	4,052
Chualar	3,833	3,833	0	3,833	7.5%	50,835
Bishop, Hidden Hills, Ryan Ranch	15,925	15,925	0	15,925	9.4%	170,349
Sacramento	1,183,685	1,183,685	0	1,183,685	7.8%	15,186,543
San Diego County	168,985	168,985	0	168,985	3.6%	4,736,643
Ventura County	221,276	221,276	0	221,276	3.1%	7,225,879
Garrapata	0	0	0	0	0.0%	0
Toro	12,705	12,705	0	12,705	12.8%	99,278
Total NRW	2,937,174	2,937,174	0	2,937,174		42,056,032

Total system delivery will be different from total production in certain situations for Monterey and Duarte

REFERENCES: CAW Revised Exh. A, Ch. 3; Hearing Exh. 29, *Direct Testimony of Eric J. Sabolsice*, dated July 1, 2013 ("CAW Sabolsice Direct"), pp. 3-9; Hearing Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report No. 6, Ch. 1, p. 1-21, ORA Chapter 3 Revenue Workpapers.

3.4.1 Monterey Non-Revenue Water Loss Penalty/Reward Program

ORA and CAW agree to retain the calculation methodology of the Monterey non-revenue water (NRW) penalty/reward program as adopted in D. 12-06-016.

[2] ORA agreed with the five-year average of non revenue water in each district as a reasonable quantity as it aligns with use of averages for average water use per customer.

ORA and CAW agree that CAW shall monitor, record, and report specific volumetric amounts for non-revenue water --instead of by percentage -- for ratemaking purposes. Non-revenue water volumes are used in ratemaking calculations for purchased water, purchased power, and chemicals. Using percentage indicators to assess water loss standing in water utilities can give misleading and unreliable measures of utility performance because: (1) it is impossible to reliably represent multiple types of non-revenue water typically occurring in a water utility with a single simplistic percentage; (2) a simple percentage reveals nothing about water volumes and costs, the two most important factors in water loss assessments of water utilities; and (3) the mathematical flaws of the percentage indicator stem from the fact that the percentage is affected by varying levels of customer consumption. Parties have therefore agreed to use a specific volumetric amount, instead of a percentage, for ratemaking purposes in this GRC.
ORA and CAW agree that it is appropriate for CAW to use the results of the AWWA Water Loss Audit Report for each of its sub-systems in its Monterey County District, including trends in water loss efficiency metrics, volumetric quantities, and the known feasible cost-effective methods available to reduce non-revenue water.

Any reward/penalty will be based on a cost per acre foot of $1,820.30 and applied against the overage/underage based on the below targets. The table below illustrates the settlement's 2015 proposed non-revenue water targets for the non-revenue by volume, that will trigger a penalty for each sub-system.

	2015 Proposed Volumes (Ac-Ft)	**2015 5% Deadband**	**Adopted Penalty Triggers (Ac-Ft)**
Ambler Park	19.0	1.0	20.0
Bishop	16.7	1.3	18.0
Chualar	10.5	0.5	11.0
Hidden Hills	16.3	0.7	17.0
Monterey	1,025.1	50.9	1,076.0
Ralph Lane	1.0	0.1	1.1
Ryan Ranch	9.6	0.5	10.1
Toro	26.6	1.4	28.0

REFERENCES: CAW Revised Exh. A, Ch. 3; Table 3.14, Hearing Exh. 29, Direct Testimony of Eric J. Sabolsice, dated July 1, 2013 ("CAW Sabolsice Direct"), pp. 3-9; Hearing Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report No. 6, Ch. 1, p. 1-21, ORA Chapter 3 Revenue Workpapers.

3.5 Special Fees Revenue

CAW REQUEST:

CAW has proposed several revised or new fees in Special Requests No. 8, 9, and 24. The rebuttal testimony of Dave Stephenson identifies the appropriate net increase in revenues for these fees.

ORA POSITION:

The additional revenue associated with the fees proposed in Special Requests No. 8, 9, and 24 were not initially calculated or presented in CAW's Workpapers. The table below includes a list of all the special fees recommended by ORA including the revenue forecasts developed by CAW and ORA and the adjustments made by ORA in the revenue workpapers for Test Year 2015 and 2016:

Special Fee Adjustment Proposed by ORA

District	Special Request #8: After-Hours Activation Charge 2015 Test Year Forecasted Revenues ($)	Special Request #9: Late Payment Fee 2015 Test Year Forecasted Revenues ($)	Special Request #24: Metered Construction 2015 Test Year Forecasted Revenues ($)	Total
Larkfield	$ 630	$ 4,453	$ 16,244	$ 21,327
Los Angeles County	2,170	-	-	2,170
Baldwin Hill	-	18,802	1,513	20,315
Duarte	-	18,407	37,497	55,904
San Marino	-	14,629	2,430	17,059
Monterey County	11,025	188,124	226,179	425,328
Sacramento	16,450	122,795	24,440	163,685
San Diego County	9,800	43,536	39,086	92,422
Ventura County	1,470	52,789	-	54,259
Total ORA Revenue Adjustment	$ 41,545	$ 463,535	$ 347,389	$ 852,469

REFERENCES: Testimony of Daphne Korthamar, Special Request # 8, 9 and 24.
REFERENCES: CAW Revised Exh. A, Ch. ----; Hearing Exh. 12 and 12-A, *Direct Testimony of Daphne Korthamar, dated March 28, 2014; ("*ORA Korthamar Direct"). Hearing Exh. 12 and 12-A, ORA Report No. 6, Ch. 1, p. 1-21.

Special Fees Proposed by CAW

District	Special Request #8: After-Hours Activation Charge 2015 Test Year Forecasted Revenues ($)	Special Request #9: Late Payment Fee 2015 Test Year Forecasted Revenues ($)	Special Request #24: Metered Construction 2015 Test Year Forecasted Revenues ($)	Total
Larkfield	$ 450	$ 4,160	$ 1,542	$ 6,152
Los Angeles County				-
Baldwin Hill	500	17,572	(577)	17,495
Duarte	225	16,690	14,859	31,774
San Marino	825	13,428	(879)	13,374
Monterey County	7,875	168,786	(49,577)	127,084
Sacramento	11,750	109,597	(34,515)	86,832
San Diego County	7,000	39,973	19,223	66,197
Ventura County	1,050	48,075	-	49,125
Total ORA Revenue Adjustment	$ 29,675	$ 418,280	$ (49,923)	$ 398,031

REFERENCES: Rebuttal Testimony of Dave Stephenson, Special Request # 8, 9 and 24.
Late Payment Fee based on no 180 day + assessment and a 15% improvement rate.
REFERENCES: CAW Revised Exh. A, Ch. 1 ----; Hearing Exh. 30-B and 30-C, *Rebuttal Testimony of David P. Stephenson, dated June 2, 2014 (*"CAW Stephenson Rebuttal"), pp. 28-29 and 38-42.; Hearing Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report No. 6, Ch. 1, p. 29, Ch. 5, pp. 1-2, Ch. 6, pp. 1-4 and Ch. 8, 1-4.

RESOLUTION: CAW and ORA agree to reflect the revenues for Special Request Numbers 8, 9, and 24 based on the rebuttal testimony of Dave Stephenson and as shown in the chart above which reflects total revenues of $398,031.

3.6 Operating Revenues

CAW REQUEST:

CAW forecasted water revenues for the 2015 test year based on a projection of the number of customers by class, consumption per customer by class, and the use of standard tariff rate design reflecting the 2014 Step Rate Increase and the revenues associated with capital expenditure Advice Letters, which is based on the Commission's Standard Practice U-7-W, entitled *Rate Design for Water and Sewer System Utilities Jncluding Master Metered Facilities* (dated July 2006).

For fire service revenues, revenues are based on projected customers and standard tariff rate design at present rates. CAW projected fire service revenues by first projecting the number of

fire service customers by size of connection and the number of hydrants for the test year. The number of fire service customers by size of connection for each test year is then multiplied by the fire service charge based on the standard tariff rate design for present rates.

CAW forecasted the Other Revenues generally based upon historical information. The Other Revenues represent revenues generated from Non-sufficient Funds Checks, Rent, Contract Operations, Method 5 Revenues, Reconnection Fees, Other Service Revenues, WRAM Surcharges, and Conservation Surcharges. CAW eliminated the surcharges in projecting other revenues since they represent revenues that may be collected in a future period and thus should not be reflected in the revenue requirement.

ORA POSITION:

ORA recommends that the Commission direct CAW to use its actual rates for all revenue calculations in all future GRCs.

RESOLUTION:

Revenues are calculated based on the discussion above in sections 3.2, 3.3, and 3.5. Shown below are the revenues at both present and proposed rates by district by revenue classification for the projected test year 2015.

Projected Test Year 2015 Present Rate Revenues Larkfield	CAW Direct	ORA Report	Difference	2015 Settlement
Residential	$ 2,125,774	$ 2,237,534	$ 111,760	$ 2,213,410
Commercial	1,033,308	1,098,897	65,589	1,077,359
Public Authority	26,667	26,667	-	28,022
Private Fire Service	21,317	22,480	1,163	21,722
Total Billed Revenues	3,207,066	3,385,578	178,512	3,340,513
Method 5 Revenes	500	500	-	500
Misc Service Revenues	1,130	1,130	-	1,130
New Special Fees	10,341	21,327	10,986	6,152
			-	
Total Revenues	$ 3,219,037	$ 3,408,535	$ 189,498	$ 3,348,295

Projected Test Year 2015 Proposed Rate Revenues Larkfield	CAW Direct	ORA Report	Difference	2015 Settlement
Residential	$ 2,237,261	$ 1,964,298	$ (272,963)	$ 2,191,687
Commercial	1,089,031	965,135	(123,896)	1,067,769
Public Authority	28,164	23,431	(4,733)	27,832
Private Fire Service	22,379	19,763	(2,617)	27,378
Total Billed Revenues	3,376,835	2,972,626	(404,209)	3,313,865
Method 5 Revenes	500	500	-	500
Misc Service Revenues	1,130	1,130	-	1,130
New Special Fees	10,341	21,327	10,986	6,152
			-	
Total Revenues	$ 3,388,806	$ 2,995,583	$ (393,223)	$ 3,322,448

Projected Test Year 2015 Present Rate Revenues Los Angeles County	CAW Direct	ORA Report	Difference	2015 Settlement
Residential	$ 20,589,971	$ 21,408,208	$ 818,237	$ 21,378,714
Commercial	5,842,858	6,052,112	209,254	6,004,985
Public Authority	1,224,517	1,260,199	35,682	1,257,091
Industrial	477,523	521,942	44,419	506,846
Irrigation	388,416	378,451	(9,965)	247,803
Private Fire Service	311,438	313,311	1,873	299,053
Other	29,926	18,555	(11,371)	30,043
Total Billed Revenues	28,864,649	29,952,778	1,088,129	29,724,535
Method 5 Revenes	8,382	10,182	1,800	9,282
Misc Service Revenues	14,051	14,051	0	14,051
New Special Fees	24,678	95,448	70,770	62,643
Total Revenues	$ 28,911,760	$ 30,072,459	$ 1,160,699	$ 29,810,510

Projected Test Year 2015 Proposed Rate Revenues Los Angeles County	CAW Direct	ORA Report	Difference	2015 Settlement
Residential	$ 22,335,104	$ 20,636,116	$ (1,698,988)	$ 20,917,324
Commercial	6,507,534	6,016,907	(490,627)	5,818,889
Public Authority	1,370,951	1,254,081	(116,870)	1,218,904
Industrial	436,452	420,988	(15,464)	501,555
Irrigation	473,085	420,496	(52,589)	375,936
Private Fire Service	338,448	307,945	(30,503)	298,565
Other	35,898	19,575	(16,323)	42,672
Total Billed Revenues	31,497,472	29,076,108	(2,421,364)	29,173,845
Method 5 Revenes	8,382	10,182	1,800	9,282
Misc Service Revenues	14,051	14,051	0	14,051
New Special Fees	24,678	95,448	70,770	62,643
Total Revenues	$ 31,544,583	$ 29,195,789	$ (2,348,794)	$ 29,259,820

Projected Test Year 2015 Present Rate Revenues Baldwin Hills	CAW Direct	ORA Report	Difference	2015 Settlement
Residential	$ 4,117,015	$ 4,270,635	$ 153,620	$ 4,662,537
Commercial	848,003	885,566	37,563	966,683
Public Authority	152,429	168,368	15,939	174,876
Industrial	238,013	276,275	38,262	266,317
Irrigation	-		-	-
Private Fire Service	29,436	37,320	7,884	29,027
Other	121	93	(28)	12,481
Total Billed Revenues	5,385,017	5,638,257	253,240	6,111,921
Method 5 Revenes	**Refer to Total Los Angeles County Table**			
Misc Service Revenues	**Refer to Total Los Angeles County Table**			
New Special Fees	**Refer to Total Los Angeles County Table**			
Total Revenues	$ 5,385,017	$ 5,638,257	$ 253,240	$ 6,111,921

Projected Test Year 2015 Proposed Rate Revenues Baldwin Hills	CAW Direct	ORA Report	Difference	2015 Settlement
Residential	$ 3,683,220	$ 3,383,423	$ (299,797)	$ 4,716,379
Commercial	749,476	692,960	(56,516)	977,968
Public Authority	130,615	127,399	(3,216)	176,971
Industrial	166,970	175,689	8,719	269,848
Irrigation	-		-	-
Private Fire Service	31,988	35,990	4,002	28,960
Other	81	57	(24)	12,584
Total Billed Revenues	4,762,350	4,415,518	(346,832)	6,182,710
Method 5 Revenes	**Refer to Total Los Angeles County Table**			
Misc Service Revenues	**Refer to Total Los Angeles County Table**			
New Special Fees	**Refer to Total Los Angeles County Table**			
Total Revenues	$ 4,762,350	$ 4,415,518	$ (346,832)	$ 6,182,710

Projected Test Year 2015 Present Rate Revenues Duarte	CAW Direct	ORA Report	Difference	2015 Settlement
Residential	$ 4,754,411	$ 4,969,868	$ 215,457	$ 4,770,178
Commercial	2,062,960	2,138,927	75,967	2,073,131
Public Authority	471,783	475,114	3,331	471,399
Industrial	70,462	66,959	(3,503)	70,186
Irrigation	388,416	378,451	(9,965)	247,803
Private Fire Service	113,274	113,274	-	119,568
Other	25,288	15,840	(9,448)	13,175
Total Billed Revenues	7,886,594	8,158,433	271,839	7,765,440
Method 5 Revenes	**Refer to Total Los Angeles County Table**			
Misc Service Revenues	**Refer to Total Los Angeles County Table**			
New Special Fees	**Refer to Total Los Angeles County Table**			
Total Revenues	$ 7,886,594	$ 8,158,433	$ 271,839	$ 7,765,440

Projected Test Year 2015 Proposed Rate Revenues Duarte	CAW Direct	ORA Report	Difference	2015 Settlement
Residential	$ 5,778,493	$ 5,486,156	$ (292,337)	$ 4,501,107
Commercial	2,556,832	2,409,957	(146,875)	1,948,056
Public Authority	572,352	522,157	(50,195)	445,156
Industrial	85,803	74,305	(11,498)	65,495
Irrigation	473,085	420,496	(52,589)	375,936
Private Fire Service	123,097	109,238	(13,859)	119,508
Other	30,520	16,596	(13,924)	25,692
Total Billed Revenues	9,620,182	9,038,905	(581,277)	7,480,950
Method 5 Revenes	**Refer to Total Los Angeles County Table**			
Misc Service Revenues	**Refer to Total Los Angeles County Table**			
New Special Fees	**Refer to Total Los Angeles County Table**			
Total Revenues	$ 9,620,182	$ 9,038,905	$ (581,277)	$ 7,480,950

Projected Test Year 2015 Present Rate Revenues San Marino	CAW Direct	ORA Report	Difference	2015 Settlement
Residential	$ 11,718,545	$ 12,167,705	$ 449,160	$ 11,945,999
Commercial	2,931,895	3,027,619	95,724	2,965,171
Public Authority	600,305	616,717	16,412	610,816
Industrial	169,048	178,708	9,660	170,343
Irrigation	-		-	-
Private Fire Service	168,728	162,717	(6,011)	150,458
Other	4,517	2,622	(1,895)	4,387
Total Billed Revenues	15,593,038	16,156,088	563,050	15,847,174
Method 5 Revenes	**Refer to Total Los Angeles County Table**			
Misc Service Revenues	**Refer to Total Los Angeles County Table**			
New Special Fees	**Refer to Total Los Angeles County Table**			
Total Revenues	$ 15,593,038	$ 16,156,088	$ 563,050	$ 15,847,174

Projected Test Year 2015 Proposed Rate Revenues San Marino	CAW Direct	ORA Report	Difference	2015 Settlement
Residential	$ 12,873,391	$ 11,766,537	$ (1,106,854)	$ 11,699,838
Commercial	3,201,226	2,913,990	(287,236)	2,892,865
Public Authority	667,984	604,525	(63,459)	596,777
Industrial	183,679	170,994	(12,685)	166,212
Irrigation	-		-	-
Private Fire Service	183,363	162,717	(20,646)	150,097
Other	5,297	2,922	(2,375)	4,396
Total Billed Revenues	17,114,940	15,621,685	(1,493,255)	15,504,185
Method 5 Revenes	**Refer to Total Los Angeles County Table**			
Misc Service Revenues	**Refer to Total Los Angeles County Table**			
New Special Fees	**Refer to Total Los Angeles County Table**			
Total Revenues	$ 17,114,940	$ 15,621,685	$ (1,493,255)	$ 15,510,185

Projected Test Year 2015 Proposed Rate Revenues Monterey County	**CAW Direct**	**ORA Report**	**Difference**	**2015 Settlement**
Residential	$ 31,997,198	$ 27,407,573	$ (4,589,625)	$ 29,158,650
Multi Residential	6,381,088	5,034,565	(1,346,523)	5,767,207
Commercial & Irrigation	11,225,601	9,508,717	(1,716,884)	10,223,373
Public Authority	3,332,464	3,309,601	(22,862)	3,058,450
Industrial	291,590	252,280	(39,310)	241,859
Metered Construction	156,619	131,184	(25,436)	146,613
Golf Courses	424,583	364,332	(60,251)	394,865
Private Fire Service	677,319	566,338	(110,981)	739,695
Ambler	842,371	727,329	(115,042)	777,131
Bishop	913,606	813,471	(100,136)	840,371
Hidden Hills	760,826	683,309	(77,517)	695,774
Ryan Ranch	405,690	365,826	(39,864)	374,343
Ralph Lane	34,121	27,477	(6,644)	31,626
Chualar	520,477	514,393	(6,084)	495,321
Total Billed Revenues	57,963,553	49,706,395	(8,257,158)	52,945,278
Method 5 Revenes	2,387	2,287	(100)	2,687
Misc Service Revenues	14,178	14,178	(0)	14,178
New Special Fees	66,243	425,328	359,085	127,084
Antenae Lease	71,292	-	(71,292)	71,292
Additional NTPS	25,423	-	(25,423)	23,995
Rents	12,600	-	(12,600)	12,600

New Sand City	4,430	4,430	-	4,430
Total Revenues	$ 58,160,107	$ 50,152,618	$ (8,007,488)	$ 53,201,544

Projected Test Year 2015 Present Rate Revenues Sacramento	CAW Direct	ORA Report	Difference	2015 Settlement
Residential	$ 31,949,511	$ 33,765,957	$ 1,816,446	$ 32,124,771
Commercial	14,586,134	15,637,440	1,051,306	14,696,359
Public Authority	3,233,164	3,599,770	366,606	3,361,946
Industrial	403,703	261,773	(141,930)	385,445
Private Fire Service	1,528,649	1,545,177	16,528	1,568,349
Total Billed Revenues	51,701,161	54,810,116	3,108,955	52,136,871
Method 5 Revenes	13,800	13,900	100	14,500
Misc Service Revenues	45,995	45,995	0	45,995
New Special Fees	80,400	163,685	83,285	86,832
Mather Tank	62,771	62,771	-	62,771
Contract Revenue	35,741	-	(35,741)	35,741
Additional NTPS	48,058	-	(48,058)	48,058
Total Revenues	$ 51,987,926	$ 55,096,467	$ 3,108,542	$ 52,430,768

Projected Test Year 2015 Proposed Rate Revenues Sacramento	CAW Direct	ORA Report	Difference	2015 Settlement
Residential	$ 34,683,510	$ 30,735,644	$ (3,947,866)	$ 32,305,082
Commercial	15,878,785	14,289,598	(1,589,186)	14,834,164
Public Authority	3,671,773	3,416,164	(255,609)	3,556,612
Industrial	491,272	260,445	(230,826)	436,587
Private Fire Service	1,662,100	1,413,064	(249,035)	1,372,771
Total Billed Revenues	56,387,438	50,114,915	(6,272,523)	52,521,716
Method 5 Revenes	13,800	13,900	100	14,500
Misc Service Revenues	45,995	45,995	0	45,995
New Special Fees	80,400	163,685	83,285	86,832
Mather Tank	62,771	62,771	-	62,771
Contract Revenue	35,741	-	(35,741)	35,741
Additional NTPS	48,058	-	(48,058)	48,058
Total Revenues	$ 56,674,203	$ 50,401,266	$ (6,272,937)	$ 52,799,113

Projected Test Year 2015 Present Rate Revenues San Diego County	CAW Direct	ORA Report	Difference	2015 Settlement
Residential	$ 10,814,262	$ 11,399,127	$ 584,865	$ 13,232,627
Commercial	6,990,557	7,495,967	505,410	8,852,156
Public Authority	2,751,458	2,913,782	162,324	3,491,494
Private Fire Service	128,581	138,192	9,610	151,270
Other	71,190	58,954	(12,236)	70,449
Total Billed Revenues	20,756,047	22,006,021	1,249,974	25,797,996
Method 5 Revenes	2,734	3,434	700	3,834
Misc Service Revenues	38,247	38,247	0	38,247
New Special Fees	46,322	92,422	46,100	66,197
Antenae Lease	19,044	-	(19,044)	19,044
Additional NTPS	7,034	-	(7,034)	6,639
			-	
Total Revenues	$ 20,869,428	$ 22,140,124	$ 1,270,696	$ 25,931,957

Projected Test Year 2015 Proposed Rate Revenues San Diego County	CAW Direct	ORA Report	Difference	2015 Settlement
Residential	$ 11,886,521	$ 11,427,171	$ (459,350)	$ 13,941,842
Commercial	7,608,453	7,431,175	(177,278)	9,304,885
Public Authority	2,989,295	2,883,277	(106,018)	3,661,839
Private Fire Service	140,525	138,192		172,086
Other	77,911	59,191		74,110
Total Billed Revenues	22,702,706	21,939,007	(742,646)	27,153,662
Method 5 Revenes	2,734	3,434	700	3,834
Misc Service Revenues	38,247	38,247	0	38,247
New Special Fees	46,322	92,422	46,100	66,197
Antenae Lease	19,044	-	(19,044)	19,044
Additional NTPS	7,034	-	(7,034)	6,639
			-	
Total Revenues	$ 22,816,087	$ 22,073,110	$ (721,923)	$ 27,288,723

Projected Test Year 2015 Present Rate Revenues Ventura County	CAW Direct	ORA Report	Difference	2015 Settlement
Residential	$ 20,978,067	$ 22,225,178	$ 1,247,111	$ 22,455,905
Commercial	6,250,904	7,677,529	1,426,625	6,670,086
Public Authority	2,083,246	2,407,622	324,376	2,213,650
Industrial	2,812,022	2,673,036	(138,986)	3,024,033
Metered Construction	133,988	132,247	(1,741)	139,133
Private Fire Service	246,187	266,680	20,493	268,975
Total Billed Revenues	32,504,412	35,382,291	2,877,879	34,771,781
Method 5 Revenes	6,363	7,263	900	7,363
Misc Service Revenues	6,511	6,511	0	6,511
New Special Fees	2,012	54,259	52,247	49,125
Antenae Lease	5,702	-	(5,702)	5,702
Additional NTPS	2,106	-	(2,106)	1,988
			-	
Total Revenues	$ 32,527,107	$ 35,450,324	$ 2,923,217	$ 34,842,470

Projected Test Year 2015 Proposed Rate Revenues Ventura County	CAW Direct	ORA Report	Difference	2015 Settlement
Residential	$ 23,212,192	$ 22,711,857	$ (500,335)	$ 23,508,009
Commercial	6,905,776	7,805,782	900,006	6,994,680
Public Authority	2,293,247	2,442,293	149,046	2,306,425
Industrial	3,077,221	2,702,173	(375,049)	3,133,042
Metered Construction	147,521	134,415	(13,105)	141,975
Private Fire Service	271,052	271,054	2	278,583
Total Billed Revenues	35,907,009	36,067,575	160,566	36,361,913
Method 5 Revenes	6,363	7,263	900	7,363
Misc Service Revenues	6,511	6,511	0	6,511
New Special Fees	2,012	54,259	52,247	49,125
Antenae Lease	5,702	-	(5,702)	5,702
Additional NTPS	2,106	-	(2,106)	1,988
			-	
Total Revenues	$ 35,929,703	$ 36,135,608	$ 205,904	$ 36,433,402

References: CAW Revised Exh. A, Ch. 3, Table 3.18 and 3.21; Hearing Exh. 14 and 14-A, Direct Testimony of Richard Rauschmeier, dated March 28, 2014, ("ORA Rauschmeier Direct"), *ORA Analysis and Recommendations on Depreciation, Ratebase, and Special Requests, 3, 10,12,13, 16, 19,20, 26 of CAW Company Application 13-07-002*, dated March 28, 2014, ("ORA Report No. 4"), ORA Report, Ch. 4, pp. 1-2; Exh. 7, Workpaper Ch. 3 Table 3.18 and 3.21

4.1 RATE BASE

This section addresses the settlement of rate base for 2015 and 2016 for Larkfield, Los Angeles County, Monterey County, Sacramento, San Diego County, Ventura County and Cal Corp. The rate bases for Wastewater, Toro, and Garrapatawill be addressed in sections 19, 5, and 6, respectively.

Shown below is a summary of the settled rate base amounts for 2015 and 2016. Discussion of individual components of rate base will be discussed below and a full detailed rate base for each district and Cal Corp will be shown at the end of the section. In addition, a discussion of the settled Average Plant Weighting Factors will be addressed.

Projected Test Year Rate Base	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Larkfield	$ 7,296,349	$ 6,180,218	$ (1,116,131)	$ 7,132,407	$ 7,028,542
Los Angeles County	79,179,366	70,688,364	(8,491,002)	75,869,974	85,232,754
Monterey County	156,141,844	124,130,720	(32,011,125)	136,896,895	139,817,064
Sacramento	153,626,582	135,718,517	(17,908,066)	146,930,723	152,934,802
San Diego County	23,883,806	21,214,421	(2,669,385)	23,676,120	23,828,409
Ventura County	47,365,570	43,601,692	(3,763,878)	45,666,311	51,673,215
Cal Corp	19,167,486	16,895,222	(2,272,264)	17,812,801	16,621,230

REFERENCES: CAW Revised Exh. A, Ch. 9, Table 9.2; Hearing Exh. 7, ORA Report Results of Operations Tables, Workpapers Ch. 9, Table 9.2.

The components of rate base that will be discussed below are Average Utility Plant in Service, Materials and Supplies, Working Cash (Operational and Lead Lag), Accumulated Depreciation, Customer Advances, Contributions in Aid of Construction (CIAC), Unamortized Advances / Contributions and Deferred Income Taxes (Federal and State).

4.2 Average Utility Plant in Service

CAW REQUEST:

CAW calculated average utility plant in service by projecting capital expenditures and plant retirements for 2013 - 2016. Total plant expenditures were taken from the Company's Strategic Capital Expenditure Plan (SCEP). Please refer to the Depreciation Section of the Settlement Agreement for discussion of the projection of plant retirements.

ORA POSITION:

ORA recommends a level of plant expenditures as outlined in its direct testimony and shown below in the tables.

RESOLUTION:

CAW and ORA agreed to total capital expenditures as shown below in the tables. Please refer to the Plant Section of the Settlement Agreement for further discussion of capital expenditures included in the Settlement.

Larkfield	CAW	ORA		
Total SCEP	Direct	Report	Difference	Settlement
Total SCEP 2013	$ 626,740	$ 330,688	(296,052)	$ 454,714
Total SCEP 2014	733,410	398,485	(334,925)	651,859
Total SCEP 2015	647,667	398,815	(248,852)	549,491
Total SCEP 2016	1,097,167	735,092	(362,075)	877,880
Total SCEP	$ 3,104,984	$ 1,863,080	$ (1,241,904)	$ 2,533,944

Los Angeles County	CAW	ORA		
Total SCEP	Direct	Report	Difference	Settlement
Total SCEP 2013	$ 13,055,863	$ 9,550,439	(3,505,424)	$ 5,525,825
Total SCEP 2014	7,943,751	7,310,378	(633,373)	10,894,625
Total SCEP 2015	11,745,012	7,403,403	(4,341,609)	13,627,955
Total SCEP 2016	15,058,156	7,790,075	(7,268,081)	11,515,538
Total SCEP	$ 47,802,782	$ 32,054,295	$ (15,748,487)	$ 41,563,943

Monterey County	CAW	ORA		
Total SCEP	Direct	Report	Difference	Settlement
Total SCEP 2013	$ 13,792,244	$ 5,626,697	(8,165,547)	$ 9,597,894
Total SCEP 2014	11,182,049	3,730,578	(7,451,472)	5,395,120
Total SCEP 2015	8,127,000	5,865,170	(2,261,830)	6,572,250
Total SCEP 2016	10,590,500	5,873,886	(4,716,614)	7,818,364
Total SCEP	$ 43,691,793	$ 21,096,331	$ (22,595,463)	$ 29,383,628

Sacramento	CAW	ORA		
Total SCEP	Direct	Report	Difference	Settlement
Total SCEP 2013	$ 15,614,612	$ 7,412,361	(8,202,251)	$ 8,566,379
Total SCEP 2014	16,527,413	6,833,962	(9,693,452)	11,395,663
Total SCEP 2015	12,534,141	8,950,136	(3,584,005)	10,870,773
Total SCEP 2016	15,109,141	8,999,711	(6,109,430)	13,630,014
Total SCEP	$ 59,785,306	$ 32,196,170	$ (27,589,136)	$ 44,462,828

San Diego County Total SCEP	CAW Direct	ORA Report	Difference	Settlement
Total SCEP 2013	$ 6,058,495	$ 2,469,509	(3,588,986)	$ 1,767,132
Total SCEP 2014	1,835,926	4,651,282	2,815,356	6,033,163
Total SCEP 2015	2,837,069	1,104,898	(1,732,171)	1,351,192
Total SCEP 2016	3,470,024	1,079,994	(2,390,031)	1,309,478
Total SCEP	$ 14,201,514	$ 9,305,683	$ (4,895,831)	$ 10,460,965

Ventura County Total SCEP	CAW Direct	ORA Report	Difference	Settlement
Total SCEP 2013	$ 4,898,227	$ 4,530,924	(367,303)	$ 2,744,746
Total SCEP 2014	7,286,834	6,769,745	(517,089)	8,966,721
Total SCEP 2015	11,054,108	10,368,997	(685,111)	10,607,003
Total SCEP 2016	4,592,096	3,625,431	(966,665)	4,260,764
Total SCEP	$ 27,831,265	$ 25,295,097	$ (2,536,168)	$ 26,579,234

Cal Corp Total SCEP	CAW Direct	ORA Report	Difference	Settlement
Total SCEP 2013	$ 7,898,501	$ 6,715,134	(1,183,367)	$ 7,920,975
Total SCEP 2014	933,000	933,000	0	933,000
Total SCEP 2015	1,022,404	1,022,404	0	1,022,404
Total SCEP 2016	1,543,485	1,543,485	0	1,543,485
Total SCEP	$ 11,397,390	$ 10,214,023	$ (1,183,367)	$ 11,419,864

REFERENCES: CAW Revised Exh. A, Ch. 7, Workpapers RB 100 thru 105; Hearing Exh. 15 and 15-A, *ORA Analysis and Recommendations on Utility Plant in Service of CAW Company Application 13-07-002*, dated March 28, 2014, ("ORA Report No. 3"), ORA Report Workpapers RB 100 thru 105.

Shown below is the average utility plant by district and Cal Corp reflected in rate base in the Settlement.

Projected Test Year Average Utility Plant	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Larkfield	$ 18,233,861	$ 17,147,265	$ (1,086,596)	$ 17,690,128	$ 18,397,530
Los Angeles County	133,322,556	127,258,343	(6,064,213)	129,484,093	142,181,148
Monterey County	281,965,502	258,579,428	(23,386,074)	266,938,826	273,984,709
Sacramento	320,849,235	302,488,489	(18,360,746)	307,588,983	319,570,595
San Diego County	39,926,982	38,259,252	(1,667,730)	39,135,456	40,459,548
Ventura County	101,169,573	99,284,077	(1,885,496)	100,241,440	107,576,543
Cal Corp	21,759,293	20,567,735	(1,191,558)	21,764,677	23,013,567

REFERENCES: CAW Revised Exh. A, Ch. 9, Table 9.2; Hearing Exh. 7. Direct Testimony of Terence Shia, dated March 28, 2014, ("ORA Shia Direct"), *ORA Analysis and Recommendations*

on Results of Operation Tables of CAW Company Application 13-07-002, dated March 28, 2014, ("ORA Report Results of Operations Tables"), ORA Report #2.

4.3 Construction Work In Progress (CWIP)

CAW REQUEST:

CAW has historically included all spend on construction in rate base including spend on projects that are in the development/construction phase. This was to allow the Company to earn a return on all spend to ensure that continued funding would be available for all construction projects.

ORA POSITION:

ORA recommends removing CWIP amounts from the two test years for all projects CAW anticipates being in service after 2016. Removing CWIP amounts from rate base for projects that will not be used or useful in the test years is reasonable. ORA recommends that CAW be permitted to capitalize interest at the company's actual weighted cost of debt during construction on all projects to be completed after the two test years in A.13-07-002. In the next general rate case and after actual (not forecasted) completion of these projects, the Company shall be permitted to place all reasonable and prudent capital costs in rate base.

RESOLUTION:

Please refer to the detailed discussion of this issue in the section labelled AFUDC Proposal (Section 13) for the proposed resolution of the issue

4.4 Materials and Supplies

CAW REQUEST:

CAW calculated a five-year average of plant material and supplies and adjusted Monterey to include 7,000 feet of HDPE pipe added to inventory in 2013.

ORA POSITION:

ORA recommended a five-year average of plant materials and supplies.

RESOLUTION:

CAW and ORA agree to ORA's recommendation for all districts. Refer to tables below for details of settlement of Materials and Supplies by district and Cal Corp.

Projected Test Year Materials & Supplies	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Larkfield	$ 11,305	$ 11,116	$ (189)	$ 11,069	$ 11,322
Los Angeles County	102,017	101,594	(424)	101,184	103,491
Monterey County	990,977	270,569	(720,408)	270,304	279,429
Sacramento	247,124	242,701	(4,423)	241,677	247,187
San Diego County	145,157	143,696	(1,460)	143,148	146,412
Ventura County	64,120	63,509	(611)	63,250	64,692
Cal Corp	-	-	-	-	-

REFERENCES: CAW Revised Exh. A, Ch. 9, Table 9.2; Hearing Exh. 7, ORA Report Results of Operations Tables, ORA Report #2.

4.5 Working Cash Operational

CAW REQUEST:

CAW calculated Working Cash - Operational based on a five-year average of selected balance sheet accounts. In addition, CAW included tank painting costs based on its projected expenditures through 2017.

ORA POSITION:

ORA calculated its Working Cash - Operational by calculating a five-year average of selected balance sheet accounts and proposed corrections and adjustments totaling a reduction in rate base of $3.9 million. In addition, ORA recommended using a five-year historical average and actual 2013 tank painting costs which reduced rate base an additional $4.1 million.

RESOLUTION:

CAW agrees to the adjustments proposed by ORA for the Operational Working Cash with the exception of tank painting. CAW and ORA agree to reduce tank painting costs for the Monterey and Sacramento Districts to reflect shifting $1.91 million of tank painting from 2015 to 2016 and shifting $1.895 million of tank painting costs from 2016 to 2017. Refer to table below for details of settlement of Working Cash - Operational by district and Cal Corp.

Projected Test Year Working Cash - Operational	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Larkfield	$ 171,545	$ 69,399	$ (102,145)	$ 418,016	$ 366,580
Los Angeles County	1,362,135	656,485	(705,650)	1,175,019	1,060,642
Monterey County	5,997,339	2,486,219	(3,511,120)	2,956,659	4,982,688
Sacramento	1,052,481	104,604	(947,877)	533,216	467,947
San Diego County	1,052,481	104,604	(947,877)	533,216	467,947
Ventura County	1,536,616	1,703,583	166,966	1,359,866	2,052,869
Cal Corp	3,390,143	1,432,200	(1,957,943)	1,432,200	1,432,200

REFERENCES: CAW Revised Exh. A, Ch. 9, Table 9.2; Hearing Exh. 7, ORA Report Results of Operations Tables,

4.6 Working Cash - Lead Lag

CAW REQUEST:

CAW calculated Working Cash - Lead Lag using a detailed lead lag study and applying the expense lags to the projected test year expenses.

ORA POSITION:

ORA calculated Working Cash - Lead Lag by utilizing CAW's study and making three adjustments. ORA included interest expense at 91.25 lag days, excluded depreciation and deferred income taxes and assigned 45 days to the purchased water expense for San Diego County and Ventura County Districts.

RESOLUTION:

CAW and ORA agree to a level of Working Cash - Lead Lag that balances the differences in the positions of both parties. Refer to table below for details of settlement of Working Cash - Lead Lag by district.

Projected Test Year Working Cash - Lead Lag	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Larkfield	$ 218,000	$ 86,000	$ (132,000)	$ 176,000	$ 178,000
Los Angeles County	1,839,000	1,008,000	(831,000)	1,402,000	1,411,000
Monterey County	3,666,000	2,074,000	(1,592,000)	2,805,000	2,842,000,
Sacramento	3,735,000	1,816,000	(1,919,000)	2,810,000	2,811,000
San Diego County	1,165,000	481,000	(684,000)	1,099,000	1,096,000
Ventura County	1,234,000	119,000	(1,115,000)	384,000	380,000
Cal Corp	-	-	-	-	-

REFERENCES: CAW Revised Exh. A, Ch. 9, Table 9.2; Hearing Exh. 7, ORA Report Results of Operations Tables.

4.7 Accumulated Depreciation

CAW REQUEST:

CAW calculated the accumulated depreciation based on its projected levels of plant additions, depreciation expense, retirements and cost of removal, net of salvage.

ORA POSITION:

ORA calculated the accumulated depreciation based on its projected levels of plant additions, depreciation expense, plant retirements and cost of removal, net of salvage.

RESOLUTION:

The resolution of plant additions is discussed below under Average Utility Plant in Service (Section 4.2) and in the Plant Section (Section 22) of this Settlement. Also, please refer to the Depreciation Section of the Settlement (Section 16) which discusses plant retirements and cost of removal, net of salvage. Refer to the table below for details of settlement of Accumulated Depreciation by district and Cal Corp.

Projected Test Year Accumulated Depreciation	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Larkfield	$ (7,198,303)	$ (7,070,782)	$ 127,522	$ (7,195,192)	$ (7,656,281)
Los Angeles County	(46,845,942)	(45,948,696)	897,246	(46,187,636)	(49,158,463)
Monterey County	(103,242,061)	(102,010,790)	1,231,271	(102,361,132)	(109,117,593)
Sacramento	(118,059,613)	(114,341,455)	3,718,158	(112,559,498)	(118,625,701)
San Diego County	(14,576,961)	(14,053,842)	523,119	(14,107,459)	(15,001,499)
Ventura County	(36,325,793)	(35,727,193)	598,599	(35,871,164)	(38,066,799)
Cal Corp	(5,487,492)	(3,837,437)	1,650,055	(3,880,645)	(5,068,257)

REFERENCES: CAW Revised Exh. A, Ch. 9, Table 9.2; Hearing Exh. 7, ORA Report Results of Operations Tables.

4.8 Advances for Construction

CAW REQUEST:

CAW projected the balance for Advances for Construction based on projected amounts for capital expenditures reflected in the Strategic Capital Expenditures Plan ("SCEP"). Refunds were projected based on historical averages.

ORA POSITION:

ORA projected the balance for Advances for Construction based on five-year historical average additions and refunds.

RESOLUTION:

CAW and ORA agreed to calculate the projected balance for Advances for Construction based on amounts in the SCEP and using a historical average for refunds. Refer to the table below for details of settlement of Advances for Construction by district and Cal Corp.

Projected Test Year Advances for Construction	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Larkfield	$ (435,117)	$ (481,896)	$ (46,780)	$ (411,316)	$ (430,424)
Los Angeles County	(535,596)	(599,217)	(63,621)	(543,735)	(540,263)
Monterey County	(1,248,804)	(1,386,104)	(137,301)	(1,556,427)	(1,680,805)
Sacramento	(9,230,132)	(9,332,418)	(102,285)	(8,876,899)	(9,209,687)
San Diego County	(223,833)	(289,684)	(65,851)	(223,833)	(214,471)
Ventura County	(5,864,327)	(7,121,969)	(1,257,642)	(5,922,115)	(5,746,043)
Cal Corp	-	-	-	-	-

REFERENCES: CAW Revised Exh. A, Ch. 9, Table 9.2; Hearing Exh. 7, ORA Report Results of Operations Tables.

4.9 Contributions in Aid of Construction (CIAC)

CAW REQUEST:

CAW projected the balance for CIAC based on projected amounts for capital expenditures reflected in the Strategic Capital Expenditures Plan.

ORA POSITION:

ORA projected the balance for CIAC based on five-year historical average additions. Additionally, for the Monterey and Los Angeles Districts ORA added in a little over $2,000,000 to contributions in 2015 relating to CAW's request for regulatory treatment of MTBE contamination proceeds (see Special Request #3).

RESOLUTION:

CAW and ORA agreed to calculate the projected balance for CIAC based on amounts in the SCEP. In addition, the balance in CIAC for 2015 and 2016 was increased by $339,000 based on the settled growth in customers using $2,000 for residential, $5,000 for commercial and $10,000 for Other Public Authority for each new customer in growth. Refer to table below for details of settlement of CIAC by district and Cal Corp. Please see the Special Request Section (Section 21.4) for settlement details on the MTBE contamination proceeds issue and why there is no longer any recognition of any contributions for this item.

Projected Test Year CIAC	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Larkfield	$ (698,323)	$ (639,333)	$ 58,990	$ (611,323)	$ (702,313)
Los Angeles County	(2,451,484)	(4,703,236)	(2,251,752)	(2,519,804)	(2,499,916)
Monterey County	(15,949,343)	(20,460,402)	(4,511,059)	(16,318,173)	(15,900,220)
Sacramento	(17,359,579)	(17,532,299)	(172,720)	(16,779,659)	(17,638,849)
San Diego County	(1,942,345)	(2,547,485)	(605,140)	(2,025,985)	(2,050,529)
Ventura County	(11,475,598)	(11,667,248)	(191,650)	(11,612,418)	(11,253,941)
Cal Corp	-	-	-	-	-

REFERENCES: CAW Revised Exh. A, Ch. 9, Table 9.2; Hearing Exh. 7, ORA Shia Direct, ORA Report Results of Operations Tables.

4.10 Deferred Income Taxes

CAW REQUEST:

Deferred income taxes are calculated for temporary timing differences used for book and tax purposes. The largest element of deferred taxes is associated with the timing difference for book and tax depreciation. CAW calculated deferred taxes based on the timing differences between

book and tax depreciation, utilizing bonus depreciation in 2013 and reflecting tax repairs deductions.

ORA POSITION:

ORA utilized the same method to calculate the deferred income taxes in rate base that the Company used. The difference between ORA and CAW's methodology is the amount of utility plant that ORA reflected in rate base in its report as compared to the Company's proposed level.

RESOLUTION:

CAW and ORA have agreed to the level of deferred taxes as shown below based on the stipulated level of plant additions, the depreciation rates reflected in calculation of depreciation expense, the use of bonus depreciation in 2013 and utilization of the tax repairs deduction. Refer to table below for details of settlement of Deferred Income Taxes by district and Cal Corp.

Projected Test Year Deferred Income Taxes	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Larkfield	$ (1,967,018)	$ (1,901,951)	$ 65,067	$ (1,905,374)	$ (2,256,072)
Los Angeles County	(7,613,320)	(7,084,909)	528,411	(7,041,147)	(7,324,885)
Monterey County	(16,037,767)	(15,422,201)	615,566	(15,838,162)	(15,573,145)
Sacramento	(18,597,160)	(18,712,418)	(115,258)	(17,104,475)	(17,533,143)
San Diego County	(1,662,675)	(883,121)	779,554	(877,423)	(1,074,999)
Ventura County	(2,973,021)	(3,052,066)	(79,045)	(2,976,547)	(3,334,105)
Cal Corp	(494,458)	(1,267,276)	(772,818)	(1,503,431)	(2,756,279)

REFERENCES: CAW Revised Exh. A, Ch. 9, Table 9.2; Hearing Exh. 7, ORA Shia Direct, ORA Report Results of Operations Tables.

4.11 Unamortized Advances and Contributions

CAW REQUEST:

CAW is currently amortizing the balance in Advances and Contributions associated with "imputed" balances that the Company assumed as an offset to rate base at the time of the Citizens Acquisition to offset the actual Advances for Construction and CIAC that Citizens had on its books but were not acquired by CAW.

ORA POSITION:

ORA agreed with the balances proposed by the Company.

RESOLUTION:

There is no issue to resolve. Refer to table below for details of settlement of Unamortized Advances and Contributions by district and Cal Corp.

Projected Test Year Unamortized Adv/Contrib	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Larkfield	$ (1,039,600)	$ (1,039,600)	$ -	$ (1,039,600)	$ (879,800)
Los Angeles County	-	-	-	-	-
Monterey County	-	-	-	-	-
Sacramento	(9,919,200)	(9,919,200)	-	(9,919,200)	(8,393,200)
San Diego County	-	-	-	-	-
Ventura County	-	-	-	-	-
Cal Corp	-	-	-	-	-

REFERENCES: CAW Revised Exh. A, Ch. 9, Table 9.2; Hearing Exh. 7, ORA Report Results of Operations Tables.

4.12 Rate Base by District and Cal Corp

Shown below are rate base tables by District and for Cal Corp comparing CAW and ORA and the settlement positions for 2015 and 2016.

Larkfield Projected Test Year Rate Base	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Average Utility Plant	$ 18,233,861	$ 17,147,265	$ (1,086,596)	$ 17,690,128	$ 18,397,530
Materials and Supplies	11,305	11,116	(189)	11,069	11,322
Working Cash - Operational	171,545	69,399	(102,145)	418,016	366,580
Working Cash - Lead Lag	218,000	86,000	(132,000)	176,000	178,000
Accumulated Depreciation	(7,198,303)	(7,070,782)	127,522	(7,195,192)	(7,656,281)
Advances for Construction	(435,117)	(481,896)	(46,780)	(411,316)	(430,424)
Contributions in Aid of Construction	(698,323)	(639,333)	58,990	(611,323)	(702,313)
Deferred Federal Income Taxes	(1,656,482)	(1,584,683)	71,799	(1,595,252)	(1,915,217)
Deferred State Income Taxes	(310,536)	(317,268)	(6,732)	(310,122)	(340,855)
Unamortized Advances	(940,850)	(940,850)	-	(940,850)	(796,150)
Unamortized Contributions	(98,750)	(98,750)	-	(98,750)	(83,650)
Total Rate Base	$ 7,296,349	$ 6,180,218	$ (1,116,131)	$ 7,132,407	$ 7,028,542

Los Angeles County Projected Test Year Rate Base	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Average Utility Plant	$ 133,322,556	$ 127,258,343	$ (6,064,213)	$ 129,484,093	$ 142,181,148
Materials and Supplies	102,017	101,594	(424)	101,184	103,491
Working Cash - Operational	1,362,135	656,485	(705,650)	1,175,019	1,060,642
Working Cash - Lead Lag	1,839,000	1,008,000	(831,000)	1,402,000	1,411,000
Accumulated Depreciation	(46,845,942)	(45,948,696)	897,246	(46,187,636)	(49,158,463)
Advances for Construction	(535,596)	(599,217)	(63,621)	(543,735)	(540,263)
Contributions in Aid of Construction	(2,451,484)	(4,703,236)	(2,251,752)	(2,519,804)	(2,499,916)
Deferred Federal Income Taxes	(6,386,858)	(5,846,092)	540,766	(5,798,860)	(6,047,608)
Deferred State Income Taxes	(1,226,462)	(1,238,817)	(12,355)	(1,242,287)	(1,277,277)
Unamortized Advances	-	-	-	-	-
Unamortized Contributions	-	-	-	-	-
Total Rate Base	$ 79,179,366	$ 70,688,364	$ (8,491,002)	$ 75,869,974	$ 85,232,754

Monterey County	CAW	ORA		2015	2016
Projected Test Year Rate Base	Direct 2015	Report 2015	Difference	Settlement	Settlement
Average Utility Plant	$ 281,965,502	$ 258,579,428	$ (23,386,074)	$ 266,938,826	$ 273,984,709
Materials and Supplies	990,977	270,569	(720,408)	270,304	279,429
Working Cash - Operational	5,997,339	2,486,219	(3,511,120)	2,956,659	4,982,688
Working Cash - Lead Lag	3,666,000	2,074,000	(1,592,000)	2,805,000	2,842,000
Accumulated Depreciation	(103,242,061)	(102,010,790)	1,231,271	(102,361,132)	(109,117,593)
Advances for Construction	(1,248,804)	(1,386,104)	(137,301)	(1,556,427)	(1,680,805)
Contributions in Aid of Construction	(15,949,343)	(20,460,402)	(4,511,059)	(16,318,173)	(15,900,220)
Deferred Federal Income Taxes	(13,009,872)	(12,402,572)	607,300	(12,793,134)	(12,502,552)
Deferred State Income Taxes	(3,027,895)	(3,019,629)	8,266	(3,045,028)	(3,070,593)
Unamortized Advances	-	-	-	-	-
Unamortized Contributions	-	-	-	-	-
Total Rate Base	$ 156,141,844	$ 124,130,720	$ (32,011,125)	$ 136,896,895	$ 139,817,064

Sacramento	CAW	ORA		2015	2016
Projected Test Year Rate Base	Direct 2015	Report 2015	Difference	Settlement	Settlement
Average Utility Plant	$ 320,849,235	$ 302,488,489	$ (18,360,746)	$ 307,588,983	$ 319,570,595
Materials and Supplies	247,124	242,701	(4,423)	241,677	247,187
Working Cash - Operational	1,960,909	1,009,116	(951,792)	1,529,795	1,706,600
Working Cash - Lead Lag	3,735,000	1,816,000	(1,919,000)	2,810,000	2,811,000
Accumulated Depreciation	(118,059,613)	(114,341,455)	3,718,158	(112,559,498)	(118,625,701)
Advances for Construction	(9,230,132)	(9,332,418)	(102,285)	(8,876,899)	(9,209,687)
Contributions in Aid of Construction	(17,359,579)	(17,532,299)	(172,720)	(16,779,659)	(17,638,849)
Deferred Federal Income Taxes	(15,389,506)	(15,248,661)	140,845	(13,705,316)	(14,017,171)
Deferred State Income Taxes	(3,207,654)	(3,463,757)	(256,103)	(3,399,159)	(3,515,972)
Unamortized Advances	(7,257,500)	(7,257,500)	-	(7,257,500)	(6,140,900)
Unamortized Contributions	(2,661,700)	(2,661,700)	-	(2,661,700)	(2,252,300)
Total Rate Base	$ 153,626,582	$ 135,718,517	$ (17,908,066)	$ 146,930,723	$ 152,934,802

San Diego County	CAW	ORA		2015	2016
Projected Test Year Rate Base	Direct 2015	Report 2015	Difference	Settlement	Settlement
Average Utility Plant	$ 39,926,982	$ 38,259,252	$ (1,667,730)	$ 39,135,456	$ 40,459,548
Materials and Supplies	145,157	143,696	(1,460)	143,148	146,412
Working Cash - Operational	1,052,481	104,604	(947,877)	533,216	467,947
Working Cash - Lead Lag	1,165,000	481,000	(684,000)	1,099,000	1,096,000
Accumulated Depreciation	(14,576,961)	(14,053,842)	523,119	(14,107,459)	(15,001,499)
Advances for Construction	(223,833)	(289,684)	(65,851)	(223,833)	(214,471)
Contributions in Aid of Construction	(1,942,345)	(2,547,485)	(605,140)	(2,025,985)	(2,050,529)
Deferred Federal Income Taxes	(1,501,034)	(716,864)	784,170	(712,757)	(858,182)
Deferred State Income Taxes	(161,641)	(166,257)	(4,616)	(164,666)	(216,817)
Unamortized Advances	-	-	-	-	-
Unamortized Contributions	-	-	-	-	-
Total Rate Base	$ 23,883,806	$ 21,214,421	$ (2,669,385)	$ 23,676,120	$ 23,828,409

Ventura County	CAW	ORA		2015	2016
Projected Test Year Rate Base	Direct 2015	Report 2015	Difference	Settlement	Settlement
Average Utility Plant	$ 101,169,573	$ 99,284,077	$ (1,885,496)	$ 100,241,440	$ 107,576,543
Materials and Supplies	64,120	63,509	(611)	63,250	64,692
Working Cash - Operational	1,536,616	1,703,583	166,966	1,359,866	2,052,869
Working Cash - Lead Lag	1,234,000	119,000	(1,115,000)	384,000	380,000
Accumulated Depreciation	(36,325,793)	(35,727,193)	598,599	(35,871,164)	(38,066,799)
Advances for Construction	(5,864,327)	(7,121,969)	(1,257,642)	(5,922,115)	(5,746,043)
Contributions in Aid of Construction	(11,475,598)	(11,667,248)	(191,650)	(11,612,418)	(11,253,941)
Deferred Federal Income Taxes	(2,335,950)	(2,383,369)	(47,419)	(2,333,817)	(2,574,177)
Deferred State Income Taxes	(637,071)	(668,697)	(31,626)	(642,730)	(759,928)
Unamortized Advances	-	-	-	-	-
Unamortized Contributions	-	-	-	-	-
Total Rate Base	$ 47,365,570	$ 43,601,692	$ (3,763,878)	$ 45,666,311	$ 51,673,215

Monterey Wastewater	CAW	ORA		2015	2016
Projected Test Year Rate Base	Direct 2015	Report 2015	Difference	Settlement	Settlement
Average Utility Plant	$ 16,238,377	$ 16,109,701	$ (128,676)	$ 16,226,413	$ 16,384,872
Materials and Supplies	44,903	43,862	(1,041)	43,617	44,611
Working Cash - Operational	-	-	-	-	-
Working Cash - Lead Lag	21,000	4,000	(17,000)	3,000	2,000
Accumulated Depreciation	(8,345,598)	(8,241,383)	104,215	(8,067,347)	(8,355,204)
Advances for Construction	-	-	-	-	-
Contributions in Aid of Construction	(6,145,360)	(6,145,360)	-	(6,145,360)	(6,049,290)
Deferred Federal Income Taxes	(312,239)	(319,780)	(7,541)	(363,588)	(369,687)
Deferred State Income Taxes	(91,910)	(93,938)	(2,028)	(107,144)	(111,890)
Unamortized Advances	-	-	-	-	-
Unamortized Contributions	-	-	-	-	-
Total Rate Base	$ 1,409,173	$ 1,357,102	$ (52,071)	$ 1,589,591	$ 1,545,412

Cal Corp	CAW	ORA		2015	2016
Projected Test Year Rate Base	Direct 2015	Report 2015	Difference	Settlement	Settlement
Average Utility Plant	$ 21,759,293	$ 20,567,735	$ (1,191,558)	$ 21,764,677	$ 23,013,567
Materials and Supplies	-	-	-	-	-
Working Cash - Operational	3,390,143	1,432,200	(1,957,943)	1,432,200	1,432,200
Working Cash - Lead Lag	-	-	-	-	-
Accumulated Depreciation	(5,487,492)	(3,837,437)	1,650,055	(3,880,645)	(5,068,257)
Advances for Construction	-	-	-	-	-
Contributions in Aid of Construction	-	-	-	-	-
Deferred Federal Income Taxes	(404,170)	(996,792)	(592,622)	(1,199,237)	(2,228,532)
Deferred State Income Taxes	(90,288)	(270,484)	(180,196)	(304,194)	(527,747)
Unamortized Advances	-	-	-	-	-
Unamortized Contributions	-	-	-	-	-
Total Rate Base	$ 19,167,486	$ 16,895,222	$ (2,272,264)	$ 17,812,801	$ 16,621,230

REFERENCES: CAW Revised Exh. A, Ch. 9, Table 9.2; Hearing Exh. 7, ORA Report Results of Operations Tables.

4.13 Average Plant Weighting Factors

CAW REQUEST:

CAW calculated the Average Plant Weighting Factors using six years of historical information. The factors were used to develop the average utility plant in service based on the proposed level of capital expenditures and retirements (see Section 4.2).

ORA POSITION:

ORA agreed with the Company's calculation and used the same factors in its Report.

RESOLUTION:

There is no issue to resolve. Refer to table below for details of settlement of Average Plant Weighting Factors by district and Cal Corp.

Average Plant 6 Yr Weighting Factor	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Larkfield	50.82%	50.82%	0.00%	50.82%	50.82%
Los Angeles County	38.98%	38.98%	0.00%	38.98%	38.98%
Monterey County	54.62%	54.62%	0.00%	54.62%	54.62%
Sacramento	44.90%	44.90%	0.00%	44.90%	44.90%
San Diego County	48.07%	48.07%	0.00%	48.07%	48.07%
Ventura County	50.50%	50.50%	0.00%	50.50%	50.50%
Cal Corp	50.00%	50.00%	0.00%	50.00%	50.00%
Monterey WW	36.30%	36.30%	0.00%	36.30%	36.30%

REFERENCES: CAW Revised Exh. A, Ch.7, Table 7.1; Hearing Exh. 7, ORA Report re Results of Operations Tables Workpapers Ch. 7, Table 7.1.

5.1 TORO

This section of the settlement document between CAW and ORA addresses the level of customers, use per customer, total consumption, revenues, operating expenses, rate base and capital expenditures which were used to develop the revenue requirement.

5.2 Revenues and Customers

CAW REQUEST:

CAW has projected 405 residential customers and 7 commercial customers through the rate case cycle of 2015 - 2017. The Company is projecting no growth in customers. Consumption per customer was based on a three-year average of 2010 - 2012. Total Consumption was calculated by multiplying the average number of customers by the consumption per customer. Present rate revenues for 2015 are based on the current Standard Tariff rate design using the 2014 Step Rates.

ORA POSITION:

ORA recommended the same level of customers but used a five-year average consumption per customer using 2008 - 2012.

RESOLUTION:

CAW and ORA agree to use more current consumption per customer information and therefore the settlement reflects the use of a four-year average of 2010 - 2013. Shown below are the customer, consumption per customer, total consumption and revenue tables detailing the settlement.

2013 GRC Toro Average # Customers	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Total Metered	412	412	0	412	412	412
Residential	405	405	0	405	405	405
Commercial	7	7	0	7	7	7
Total Active	412	412	0	412	412	412

2013 GRC Toro Consumption / Customer (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	209.2	229.0	(19.8)	209.2	209.2	209.2
Commercial	263.5	239.0	24.5	263.9	263.9	263.9

2013 GRC Toro Total Consumption (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	84,726	92,745	(8,019)	84,726	84,726	84,726
Commercial	1,845	1,673	172	1,847	1,847	1,847
Total Consumption	86,571	94,418	(7,848)	86,573	86,573	86,573

Projected Test Year 2015 Present Rate Revenues Monterey Toro	CAW Direct	ORA Report	Difference	2015 Settlement
Residential	$ 683,713	$ 712,229	$ 28,515	$ 683,713
Commercial	7,461	10,417	2,956	7,461
Total Billed Revenues	691,175	722,646	31,472	691,175
Misc Service Revenues	-	-	-	-
Total Revenues	$ 691,175	$ 722,646	$ 31,472	$ 691,175

Projected Test Year 2015 Proposed Rate Revenues Monterey Toro	CAW Direct	ORA Report	Difference	2015 Settlement
Residential	$ 750,708	$ 739,681	$ (11,027)	$ 765,843
Commercial	8,192	10,819	2,627	8,357
Total Billed Revenues	758,900	750,500	(8,400)	774,200
Misc Service Revenues	-	-	-	-
Total Revenues	$ 758,900	$ 750,500	$ (8,400)	$ 774,200

REFERENCES: CAW Revised Exh. A, Ch. 1, Toro Revised; Hearing Exh. 15 and 15-A, (this report is not revised in the Exhibit list), Direct Testimony of Alex Lau, dated March 28, 2014, ("ORA Lau Direct"), *ORA Report on Utility Plant in Service of CAW Company Application 13-07-002*, dated March 28, 2014, ORA Report,Ch. 6, Workpapers Ch. 13 Toro Revised.

5.3 Operating Expenses

CAW REQUEST:

CAW projected total operating expenses, excluding income taxes in the amount of $569,004 which included amounts for labor, purchased power, chemicals, Service Company, California General Office, other O&M, depreciation, Ad Valorem Taxes and payroll taxes.

ORA POSITION:

ORA recommended a total of $569,536 for the same cost categories identified above. ORA recommended reductions in labor, Chemicals, Service Company, California General Office and payroll taxes. ORA recommended an increase in depreciation expense to reflect higher capital expenditures in 2013.

RESOLUTION:

CAW and ORA agreed to a level of operating expenses in the amount of $579,240 which reflects higher depreciation to higher capital expenditures in 2013. Also, lower Service Company and California General Office are based on the discussion in the Expense Section of the settlement document (Section 7 and Section 9). Shown below is the operating expenses table detailing the settlement. Please refer to the operating expense section of the settlement for further discussion.

Toro	CAW	ORA		2015
2015 Projected Test Year	Direct	Direct	Difference	Settlement
Purchased Water	$ -	$ -	$ -	$ -
Purchased Power	51,197	51,197	-	51,197
Chemicals	23,108	22,602	(506)	22,517
Waste Disposal	1,320	1,289	(31)	1,283
Uncollectibles	-	-	-	-
Tank Painting	-	-	-	-
CPS & GIS			-	
Other O&M	180,906	180,146	(759)	180,047
Total O&M Expenses	$ 256,531	$ 255,234	$ (1,297)	$ 255,044
Labor	$ 55,637	$ 52,086	$ (3,551)	$ 56,637
Insurance	-	-	-	-
Other Benefits	2,536	2,465	(71)	2,471
Arc Flash Studies	-			
Outside Services	-	-	-	-
Other A&G	1,936	2,399	464	1,886
Rents	4,903	4,903	-	4,903
Total A&G Expenses	$ 65,012	$ 61,854	$ (3,158)	$ 65,898
Service Company	$ 31,290	$ 27,554	$ (3,736)	$ 27,455
Group Insurance	11,889	10,880	(1,009)	11,002
Pension	9,688	7,515	(2,173)	7,498
OPEB	3,104	2,290	(814)	2,288
California Corporate GO	47,450	41,088	(6,362)	45,748
Citizens Premium	-	-	-	-
Total General Office	$ 103,421	$ 89,327	$ (14,095)	$ 93,992
Depreciation	120,704	140,037	19,333	140,649
Ad Valorem Taxes	19,412	19,274	(138)	19,400
Payroll Taxes	3,924	3,810	(114)	3,911
Total Depreciation & General Taxes	$ 144,040	$ 163,121	$ 19,081	$ 163,960
Total Expenses Before Income Taxes	$ 569,004	$ 569,536	$ 531	$ 578,894

REFERENCES: CAW Revised Exh. A, Ch. 13, Toro Revised; Hearing Exh. 15 and 15-A. ORA Report, Workpapers Ch. 13 Toro Revised.

5.4 Rate Base and Capital Expenditures

CAW REQUEST:

CAW proposed an average 2015 rate base of $1,526,464 based on total capital expenditures of $975,500 for 2013 - 2016 taken from the Strategic Capital Expenditure Plan (SCEP).

ORA POSITION:

ORA recommended a total average rate base for 2015 of $1,482,392 based on total capital expenditures of $834,850 for 2013 - 2016.

RESOLUTION:

CAW and ORA agree to total capital expenditure of $976,802 for the years 2013 - 2016 which results in a settlement of rate base in the amounts of $1,559,638 and $1,631,544 for 2015 and 2016, respectively. Shown below are the capital expenditure, rate base, and depreciation rates tables detailing the settlement.

Toro	CAW	ORA		
Total SCEP	Direct	Report	Difference	Settlement
Total SCEP 2013	$ 222,500	$ 335,965	113,465	$ 377,105
Total SCEP 2014	109,000	81,793	(27,207)	81,793
Total SCEP 2015	277,000	176,349	(100,651)	218,953
Total SCEP 2016	367,000	240,743	(126,257)	298,951
Total SCEP	$ 975,500	$ 834,850	$ (140,650)	$ 976,802

Toro	CAW	ORA		2015	2016
Projected Test Year Rate Base	Direct 2015	Report 2015	Difference	Settlement	Settlement
Average Utility Plant	$ 4,762,497	$ 4,799,997	$ 37,500	$ 4,863,981	$ 5,119,547
Materials and Supplies	4,061	3,969	(91)	3,951	4,041
Working Cash - Operational	-	-	-	-	-
Working Cash - Lead Lag	-	-	-	-	-
Accumulated Depreciation	(1,875,170)	(1,927,505)	(52,335)	(1,937,620)	(2,073,133)
Advances for Construction	-	-	-	-	-
Contributions in Aid of Construction	(872,730)	(872,730)	-	(872,730)	(872,730)
Deferred Federal Income Taxes	(396,959)	(421,573)	(24,614)	(401,552)	(440,000)
Deferred State Income Taxes	(95,234)	(99,766)	(4,532)	(96,407)	(106,189)
Unamortized Advances	-	-	-	-	-
Unamortized Contributions	-	-	-	-	-
Total Rate Base	$ 1,526,464	$ 1,482,392	$ (44,072)	$ 1,559,623	$ 1,631,536

PUC Acct	Description	Toro
303	Other Intangible Plant	0.00%
311	Structures & Improvements	1.52%
312	Collecting & Impounding Reservoirs	1.14%
313	Lake, River and Other Intake	2.53%
315	Wells & Springs	5.42%
316	Supply Mains	2.57%
317	Other Source of Supply Plant	1.28%
321	Structures & Improvements	0.85%

323	Other Power Production Equipment	3.18%
324	Electric Pumping Equipment	12.89%
325	Other Pumping Equipment	3.99%
331	Structures & Improvements	1.44%
332	Water Treatment Equipment	1.06%
341	Structures & Improvements	2.98%
342	Reservoirs & Tanks	-0.91%
343.1	Mains - 4" & Less	2.79%
343.2	Mains - 6" to 10"	2.27%
343.3	Mains - 12" & More	2.44%
344	Fire Mains	0.00%
345	Services	2.27%
346	Meters	4.10%
347	Meter Installations	0.00%
348	Hydrants	2.31%
349	Other T & D Plant	6.66%
371.1	Office Structures	2.22%
371.2	Stores, Shops, & Garage Str.	1.36%
372.1	Office Furniture (391.1)	-1.56%
372.21	Computer and Peripherals	5.98%
372.22	Other Computer Equipment	3.95%
372.23	Computer Software	5.84%
373.11	Light Utility Trucks	12.86%
373.12	Heavy Utility Trucks	8.50%
373.2	Automobiles	12.86%
373.3	Transportation Other	5.38%
374	Stores Equipment	0.00%
375	Laboratory Equipment	3.10%
376	Communication Equipment	3.96%
377	Power Operated Equipment	3.15%
378	Tools, Ship, & Garage Equip.	3.24%
379	Other General Plant	0.00%
390	Other Tangible Property	0.00%

REFERENCES: CAW Revised Exh. A, Ch. 13,Toro Revised; Hearing Exh. 15 and 15-A. ORA Report, Workpapers Ch. 13 Toro Revised

6.1 GARRAPATA

The California Public Utilities Commission approved the acquisition of the Garrapata system in D.13-01-033 on January 24, 2013 and Garrapata's current tariff rates were authorized per Advice

Letter 992 effective April 1, 2013. The system serves approximately 49 residential and commercial customers. Currently, the customers are unmetered with plans to install meters by the end of the 2015 - 2017 rate case cycle.

This section of the settlement document between CAW and ORA addresses the level of customers, revenues, operating expenses, rate base and capital expenditures which were used to develop the revenue requirement. The expectation is that CAW will propose to move these customers to metered rates in the next GRC cycle.

6.2 Revenues and Customers

CAW REQUEST:

CAW has projected 47 residential customers and 2 commercial customers through the rate case cycle of 2015 - 2017. Present rate revenues for 2015 were initially based on the rates prior to the acquisition of the Garrapata system.

ORA POSITION:

ORA recommended the same level of customers and revenues as proposed by CAW.

RESOLUTION:

Present rate revenues were based on the agreed upon level of customers and the rates authorized by Advice Letter 992 which became effective April 1, 2013. Shown below are the customer and revenue tables detailing the settlement.

2013 GRC Garrapata Average # Customers	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	47	47	0	47	47	47
Commercial	2	2	0	2	2	2
Total Active	49	49	0	49	49	49

Projected Test Year 2015 Present Rate Revenues Garrapata	CAW Direct	ORA Report	Difference	2015 Settlement
Residential	$ 76,625	$ 76,625	$ -	$ 69,193
Commercial	5,140	5,140	-	4,788
Total Billed Revenues	81,765	81,765	-	73,980
Misc Service Revenues	-	-	-	-
Total Revenues	$ 81,765	$ 81,765	$ -	$ 73,980

Projected Test Year 2015 Proposed Rate Revenues Garrapata	CAW Direct	ORA Report	Difference	2015 Settlement
Residential	$ 84,910	$ 74,802	$ (10,108)	$ 75,725
Commercial	5,140	5,018	(122)	5,240
Total Billed Revenues	90,050	79,820	(10,230)	80,965
Misc Service Revenues	-	-	-	-
Total Revenues	$ 90,050	$ 79,820	$ (10,230)	$ 80,965

REFERENCES: CAW Revised Exh. A, Ch. 12, Garrapata; Hearing Exh. 15 and 15-A, ORA Report, Workpapers Ch. 12 Garrapata.

6.3 Operating Expenses

CAW REQUEST:

CAW projected total operating expenses, excluding income taxes in the amount of $64,488, which included amounts for labor, purchased power, chemicals, uncollectibles, Service Company, California General Office, tank painting, other O&M, depreciation, Ad Valorem Taxes and payroll taxes.

ORA POSITION:

ORA recommended a total of $60,892 for the same cost categories identified above. ORA recommended reductions in labor, Service Company, California General Office, depreciation and payroll taxes.

RESOLUTION:

CAW and ORA agreed to a level of operating expenses in the amount of $61,876 which reflects lower depreciation and Ad Valorem Taxes due to lower capital expenditures. Also, lower labor and payroll taxes and lower Service Company and California General Office are based on the discussion in the Expense Section of the settlement document (Section 7 and Section 9). Shown below is the operating expenses table detailing the settlement. Please refer to the operating expense section of the settlement for further discussion.

Garrapata	CAW	ORA		2015
2015 Projected Test Year	Direct	Direct	Difference	Settlement
Purchased Water	$ -	$ -	$ -	$ -
Purchased Power	10,648	10,648	-	10,648
Chemicals	1,719	1,719	-	1,719
Waste Disposal			-	
Uncollectibles	691	691	-	691
Tank Painting	4,700	4,700	-	4,700
CPS & GIS			-	
Other O&M	12,073	12,073	(0)	12,073
Total O&M Expenses	$ 29,831	$ 29,831	$ (0)	$ 29,831
Labor	$ 6,617	$ 6,195	$ (422)	$ 6,736
Insurance			-	
Other Benefits			-	
Arc Flash Studies			-	
Outside Services			-	
Other A&G	2,346	2,346	-	2,346
Rents	512	512	0	512
Total A&G Expenses	$ 9,475	$ 9,053	$ (422)	$ 9,594
Service Company	$ 3,651	$ 3,215	$ (436)	$ 3,265
Group Insurance	1,461	1,318	(143)	1,330
Pension	1,160	900	(260)	906
OPEB	373	275	(98)	277
California Corporate GO	5,103	4,380	(723)	5,016
Citizens Premium	-	-	-	-
Total General Office	$ 11,748	$ 10,088	$ (1,660)	$ 10,795
Depreciation	$ 5,622	$ 4,122	$ (1,500)	$ 3,975
Ad Valorem / Franchise Taxes	7,346	7,346	-	7,191
Payroll Taxes	467	453	(14)	465
Total Depreciation & General Taxes	$ 13,435	$ 11,921	$ (1,514)	$ 11,631
Total Expenses Before Income Taxes	$ 64,488	$ 60,892	$ (3,596)	$ 61,850

REFERENCES: CAW Revised Exh. A, Ch. 12, Garrapata; Hearing Exh. 15 and 15-A, ORA Report, Workpapers Ch. 12 Garrapata.

6.4 Rate Base and Capital Expenditures

CAW REQUEST:

CAW proposed an average 2015 rate base of $179,339 based on total capital expenditures of $94,900 for 2013 - 2016 taken from the Strategic Capital Expenditure Plan (SCEP).

ORA POSITION:

ORA recommended a total average rate base for 2015 of $131,589 based on total capital expenditures of $44,900 for 2013 - 2016.

RESOLUTION:

CAW and ORA agree to total capital expenditure of $44,900 for the years 2013 - 2016, which results in a settlement of rate base in the amounts of $126,763 and $135,002 for 2015 and 2016, respectively. Shown below are the capital expenditure, rate base, and depreciation rates tables detailing the settlement.

Garrapata Total SCEP	CAW Direct	ORA Report	Difference	Settlement
Total SCEP 2013	$ 50,000	$ -	(50,000)	$ -
Total SCEP 2014	25,000	25,000	0	25,000
Total SCEP 2015	12,400	12,400	0	7,500
Total SCEP 2016	7,500	7,500	0	12,400
Total SCEP	$ 94,900	$ 44,900	$ (50,000)	$ 44,900

Garrapata Projected Test Year Rate Base	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Average Utility Plant	$ 187,400	$ 137,400	$ (50,000)	$ 132,500	$ 144,900
Materials and Supplies	-	-	-	-	-
Working Cash - Operational	-	-	-	-	-
Working Cash - Lead Lag	-	-	-	-	-
Accumulated Depreciation	(8,061)	(5,811)	2,250	(5,738)	(9,899)
Advances for Construction	-	-	-	-	-
Contributions in Aid of Construction	-	-	-	-	-
Deferred Federal Income Taxes	-	-	-	-	-
Deferred State Income Taxes	-	-	-	-	-
Unamortized Advances	-	-	-	-	-
Unamortized Contributions	-	-	-	-	-
Total Rate Base	$ 179,339	$ 131,589	$ (47,750)	$ 126,763	$ 135,002

PUC Acct	Description	Garrapata
303	Other Intangible Plant	0.00%
311	Structures & Improvements	2.57%
312	Collecting & Impounding Reservoirs	1.75%
313	Lake, River and Other Intake	2.53%
315	Wells & Springs	5.42%

316	Supply Mains	2.57%

317	Other Source of Supply Plant	3.52%
321	Structures & Improvements	1.47%
323	Other Power Production Equipment	3.18%
324	Electric Pumping Equipment	3.68%
325	Other Pumping Equipment	3.99%
331	Structures & Improvements	1.44%
332	Water Treatment Equipment	2.37%
341	Structures & Improvements	2.98%
342	Reservoirs & Tanks	1.74%
343.1	Mains - 4" & Less	2.79%
343.2	Mains - 6" to 10"	2.27%
343.3	Mains - 12" & More	2.44%
344	Fire Mains	0.00%
345	Services	2.27%
346	Meters	4.10%
347	Meter Installations	0.00%
348	Hydrants	2.31%
349	Other T & D Plant	0.00%
371.1	Office Structures	2.22%
371.2	Stores, Shops, & Garage Str.	1.36%
372.1	Office Furniture (391.1)	4.48%
372.21	Computer and Peripherals	5.98%
372.22	Other Computer Equipment	3.95%
372.23	Computer Software	5.84%
373.11	Light Utility Trucks	12.86%
373.12	Heavy Utility Trucks	8.50%
373.2	Automobiles	12.86%
373.3	Transportation Other	12.86%
374	Stores Equipment	0.00%
375	Laboratory Equipment	3.10%
376	Communication Equipment	3.96%
377	Power Operated Equipment	3.15%
378	Tools, Ship, & Garage Equip.	3.24%
379	Other General Plant	0.00%
390	Other Tangible Property	0.00%

REFERENCES: CAW Revised Exh. A, Ch. 12, Garrapata; Hearing Exh. 15 and 15-A, ORA Report, Workpapers Ch. 12 Garrapata.

7.1 CAW COMPANY EXPENSES

7.2 Overview of Settlement Discussion of Expenses

This section of the Settlement agreement addresses the settlement of specific CAW operation expenses that are general in nature and are allocated in some manner to all of the districts in the determination of the revenue requirement. The expenses that will be covered in this section are labor expense, pensions, group insurance, post-retirement benefits (OPEB's), Insurance Other Than Group, rate case expense and postage.

Other operating expenses are addressed in separate sections of the settlement agreement, including Service Company expenses (Section 9), other California American Corporate expenses (Section 8.1.4), district specific expenses such as purchased water, purchased power, uncollectibles, etc. (Section 14), and Taxes Other than Income and Income Taxes (Section 12). The revenue requirement for Wastewater, Toro and Garrapata are discussed in Sections 19.0, 5.0, and 6.0, respectively).

7.1.1 Labor Expense

CAW POSITION:

CAW projected a Cal Corp labor expense cost of $6,215,239 for 2015, which includes Annual Incentive Plan ("AIP"), LTIP Long-Term Incentive Plan ("LTIP"), and a payroll reserve. The projection was based on 80 employees and reflected actual wage rates for 2013 escalated by a 3% inflation factor for 2014 and 2015 for the non-union employees and 3.5% and 2.26% increases for the union employees for 2014 and 2015. In addition, a 0.5% payroll reserve factor and AIP at 100% of the target amounts were was included in the Company's forecast.

CAW projected district labor expense of $15,167,545 for 2015, which includes AIP and a payroll reserve. The projection was based on 210 employees and reflected actual wage rates for 2013 escalated by a 3% inflation factor for 2014 and 2015 for the non-union employees and 3.5% and 2.26% increases for the union employees for 2014 and 2015. In addition, a 0.5% payroll reserve factor and AIP at 100% of the target amounts were included in the Company's forecast.

ORA POSITION:

ORA projected a Cal Corp labor expense cost of $5,291,025 and district labor expense of $14,023,163 for 2015. The projection was based on 80 corporate and 210 district employees, and reflecting actual wage rates for 2012 and using a 2.1% inflation factor for 2013 and then using a 1.5% inflation factor for 2014 and 2015 for the non-union employees and 2.25% and 1.5% increases for the union employees for 2014 and 2015. In addition, the Annual Incentive compensation was reduced to 20% of the target amounts and the ORA excluded the 0.5% payroll reserve factor. ORA also adjusted overtime for two employees in Monterey as they believed the actual recorded hours were excessive.

RESOLUTION:

CAW and ORA agree to a projection of labor expense in the amount of $5,875,603 for Corporate Office and $15,029,883 for district payroll in 2015. This projection was based on the following agreement: 1) eliminate the 0.5% payroll reserve, 2) reflect 75% recovery for Annual Incentive Plan costs and 15% for LTIP Costs 3) reflect inflation factors of 2.5% for 2014 and 2015, unless otherwise dictated in a union contract, 4) allow the recorded overtime hours as presented by CAW and 5) add in two employees in Monterey for customer service to meet the agreed upon Customer Service recommendations.

Labor	**CAW**	**ORA**		**2015**
2015 Projected Test Year	**Direct**	**Direct**	**Difference**	**Settlement**
Larkfield	$ 399,516	$ 366,043	$ (33,474)	$ 390,960
Los Angeles County	$ 1,865,708	$ 1,716,427	$ (149,280)	$ 1,830,967
Monterey County	$ 5,443,063	$ 5,095,665	$ (347,398)	$ 5,540,965
Sacramento	$ 3,738,512	$ 3,519,826	$ (218,685)	$ 3,670,597
San Diego County	$ 1,413,259	$ 1,270,592	$ (142,667)	$ 1,384,760
Ventura County	$ 1,216,375	$ 1,123,932	$ (92,443)	$ 1,195,563
Monterey Wastewater	$ 1,029,968	$ 930,678	$ (99,290)	$ 1,018,062
Garrapata	$ 6,617	$ 6,195	$ (422)	$ 6,736
Toro	$ 55,637	$ 52,086	$ (3,551)	$ 56,637
Total California American	$ 15,168,655	$ 14,081,444	$ (1,087,210)	$ 15,095,247
California American Payroll	CAW Direct	ORA Direct	Difference	2015 Settlement
Corporate	$6,215,239	$5,383,286	-$831,953	$5,875,603
Larkfield	$399,516	$366,043	-$33,473	$390,960
Los Angeles	$1,865,708	$1,716,427	-$149,281	$1,830,967
Monterey Water	$5,505,317	$5,095,665	-$409,652	$5,604,338
Monterey Wastewater	$1,029,968	$930,678	-$99,290	$1,020,044
Sacramento	$3,738,512	$3,519,826	-$218,686	$3,670,597
San Diego	$1,412,740	$1,270,592	-$142,148	$1,384,760
Ventura	$1,215,785	$1,123,932	-$91,853	$1,195,563
Total	$21,382,784	$19,406,449	-$1,976,335	$20,972,831

REFERENCES: CAW(Jeff Dana's direct testimony, pgs 5, 8-9, 22), CA Corp Exhibit A and Labor Workpapers; Exh. 16 and 16-A. Direct Testimony of John R. Roberts and Josefina C. Montero, dated March 28, 2014, ("ORA Roberts Direct and ORA Josefina Direct"), *ORA Report*

on Administrative and General Expenses, Special Request #17, (ORA Report #1, Ch. 9 pp.1-9), ORA Report Workpapers, CA Corp Exhibit A and Labor File

7.1.2 Pension Expense

CAW POSITION:

CAW projected a pension expense cost of $2,473,565 for 2015. This projection was based on a total pension cost from American Water of $59.3 million and an allocation factor of 4.999% to CAW.

ORA POSITION:

ORA projected a pension expense cost of $1,918,709 for 2015. This projection was based on an updated total pension cost from American Water of $46.0 million and using an allocation to CAW of 4.999%.

RESOLUTION:

CAW and ORA agree to a pension expense of $1,883,842 for 2015 based on the updated projected cost from American Water.

Pension 2015 Projected Test Year	CAW Direct	ORA Direct	Difference	2015 Settlement
Larkfield	$ 75,155	$ 58,297	$ (16,858)	$ 58,314
Los Angeles County	$ 401,663	$ 311,564	$ (90,099)	$ 311,728
Monterey County	$ 953,903	$ 739,929	$ (213,974)	$ 704,486
Sacramento	$ 518,577	$ 402,253	$ (116,324)	$ 402,638
San Diego County	$ 276,906	$ 214,792	$ (62,114)	$ 215,090
Ventura County	$ 212,124	$ 164,542	$ (47,582)	$ 165,087
Monterey Wastewater	$ 24,388	$ 18,917	$ (5,471)	$ 18,095
Garrapata	$ 1,160	$ 900	$ (260)	$ 906
Toro	$ 9,688	$ 7,515	$ (2,173)	$ 7,498
Total California American	$ 2,473,565	$ 1,918,709	$ (554,856)	$ 1,883,842

REFERENCES: CAW(Jeff Dana's direct testimony, pg 25), CA Corp Exhibit A; Exh. 16 and 16-A, Direct Testimony of John R. Roberts and Josefina C. Montero, dated March 28, 2014, ("ORA Roberts Direct and ORA Josefina Direct"), *ORA Report on Administrative and General Expenses, Special Request #17, (ORA Report #1, Ch. 1 pp.1-6 and 7),*, ORA Report Workpapers, CA Corp Exhibit A

7.1.3 Group Insurance

CAW POSITION:

CAW projected group insurance expense cost of $3,626,390. This projection was based on 290 employees and claims expense in 2012. The 2012 actual claims expense was then inflated by

7.4%, 9.2% and 7.6% for 2013, 2014 and 2015, respectively. These inflation factors were based on information provided by the Company's actuary and estimates of costs that would be incurred to comply with the Affordable Health Care Act.

ORA POSITION:

ORA projected a group insurance expense cost of $3,273,682. This projection was based on 286 employees and using the actual 2012 medical expense. The 2012 actual claims expense was then inflated by 3.1%, 4.5% and 5.0% for 2013, 2014 and 2015, respectively. These inflation factors were based on IHS Global Insight inflation factors.

RESOLUTION:

CAW and ORA agree to a group insurance expense of $3,301,114 for 2015 based on 286 employees, adjusted annually by 6% for inflation for 2013, 2014 and 2015, respectively. In addition, the settlement reflects the correction to eliminate double counted inflation and capitalized amounts.

Group Insurance 2015 Projected Test Year	CAW Direct	ORA Direct	Difference	2015 Settlement
Larkfield	$ 83,763	$ 76,693	$ (7,070)	$ 77,559
Los Angeles County	$ 476,447	$ 455,969	$ (20,478)	$ 439,984
Monterey County	$ 1,172,152	$ 1,082,723	$ (89,429)	$ 1,033,937
Sacramento	$ 1,010,967	$ 912,456	$ (98,511)	$ 933,617
San Diego County	$ 362,652	$ 321,462	$ (41,190)	$ 334,903
Ventura County	$ 333,039	$ 280,580	$ (52,459)	$ 307,406
Monterey Wastewater	$ 174,020	$ 131,601	$ (42,420)	$ 161,362
Garrapata	$ 1,461	$ 1,318	$ (143)	$ 1,330
Toro	$ 11,889	$ 10,880	$ (1,009)	$ 11,002
Total California American	$ 3,626,390	$ 3,273,682	$ (352,708)	$ 3,301,114

REFERENCES: CAW(Jeff Dana's direct testimony, p26), CA Corp Exhibit A; Exh. 16 and 16-A, Direct Testimony of John R. Roberts and Josefina C. Montero, dated March 28, 2014, ("ORA Roberts Direct and ORA Josefina Direct"), *ORA Report on Administrative and General Expenses, Special Request #17, (ORA Report #1, Ch. 1 pp.1-6 and 7),* ORA Report Workpapers, CA Corp Exhibit A

7.1.4 Post-retirement Benefits (OPEB)

CAW POSITION:

CAW projected OPEB expense of $722,373 for 2015. This projection was based on a total OPEB cost from American Water of $24.4 million and an allocation factor of 3.29% to CAW .

ORA POSITION:

ORA projected a Cal Corp pension expense cost of $532,898 for 2015. This projection was based on an updated total OPEB cost from American Water of $16.2 million and using an allocation to CAW of 3.29%

RESOLUTION:

CAW and ORA agree to a OPEB expense of $520,968 for 2015 based on the updated projected cost from American Water.

Cal Corp 2015 Projected Test Year	CAW Direct	ORA Direct	Difference	2015 Settlement
Total Cal Corp OPEB Expense	$ 722,373	$ 532,898	$ (189,475)	$ 520,968
Allocated to Districts GO				
Larkfield	7,018	5,177	(1,841)	5,179
Los Angeles County	124,700	91,992	(32,708)	92,007
Monterey County	306,525	226,125	(80,400)	214,141
Sacramento	130,662	96,390	(34,272)	96,426
San Diego County	53,146	39,206	(13,940)	39,233
Ventura County	47,768	35,239	(12,529)	35,289
Monterey Wastewater	49,077	36,204	(12,873)	36,129
Garrapata	373	275	(98)	277
Toro	3,104	2,290	(814)	2,288

REFERENCES: CAW(Jeff Dana direct testimony, p26), CA Corp Exhibit A; Exh. 16 and 16-A, Direct Testimony of John R. Roberts and Josefina C. Montero, dated March 28, 2014, ("ORA Roberts Direct and ORA Josefina Direct"), *ORA Report on Administrative and General Expenses, Special Request #17, (ORA Report #1, Ch. 1 pp.),* ORA Report Workpapers, CA Corp Exhibit A

7.1.5 Insurance Other Than Group

CAW POSITION:

CAW projected a Cal Corp Insurance Other Than Group expense cost of $1,767,012 for 2015. The projection was based on a five-year average adjusted for inflation , customer growth, and an increase for sales tax in 2013.

ORA POSITION:

ORA projected a Cal Corp Insurance Other Than Group expense cost of $1,736,672, for 2015. The projection was based on using a five-year average and increasing for inflation factors but excluding customer growth and the increase for sales tax in 2013.

RESOLUTION:

CAW and ORA agree to an Insurance Other Than Group expense cost of $1,742,188 for 2015 based on a five-year average adjusted for inflation factors and excluding the adjustments for customer growth and sales tax increase.

Cal Corp	CAW	ORA		2015
2015 Projected Test Year	Direct	Direct	Difference	Settlement
Total Cal Corp Insurance Other	$ 1,767,012	$ 1,736,672	$ (30,340)	$ 1,742,188
Allocated to Districts GO				
Larkfield	38,602	37,948	(655)	38,250
Los Angeles County	290,554	286,686	(3,868)	288,006
Monterey County	330,074	323,025	(7,048)	324,116
Sacramento	622,328	613,650	(8,678)	612,498
San Diego County	196,865	192,692	(4,173)	195,604
Ventura County	213,979	209,305	(4,674)	210,736
Monterey Wastewater	67,427	66,087	(1,339)	65,676
Garrapata	405	396	(9)	395
Toro	6,778	6,882	104	6,907

REFERENCES: CAW (Jeff Dana direct testimony p27, CA Corp Exhibit A; Exh. 16 and 16-A, Direct Testimony of John R. Roberts and Josefina C. Montero, dated March 28, 2014, ("ORA Roberts Direct and ORA Josefina Direct"), *ORA Report on Administrative and General Expenses, Special Request #17, (ORA Report #1, Ch. 1 pp.1-5 and 6),*, ORA Report Workpapers, CA Corp Exhibit A

7.1.6 Rate Case Expense

CAW POSITION:

CAW projected total rate case expenses of $4,279,592 to be recovered over three years in amounts of $279,592, $2,000,000 and $2,000,000. CAW based its regulatory expense estimate on historical costs, information from outside counsel, its substantial experience with general rate case proceedings and its assessment as to the effect of having a single statewide case every three years. The estimate contains the rate case expense which is to be recovered in the 2015-2017 period rate cycle consistent with Decision 12-06-016. As per Special Request # 17, CAW is requesting recovery of a small portion of total estimated rate case expense in 2015 with the bulk of the recovery in 2016 and 2017. This more closely aligns with the typical spending and timing of rate case expenses.

With regards to regulatory expenses, CAW has requested that the authorized level of rate case expense be amortized over 27 months instead of 36. With this proposal, the recovery is authorized for 3 months of the 2015 Test Year with the remaining amount recovered equally in the Escalation and Attrition years. The Company has made this request to better match costs incurred with recovery. At present, it incurs very little rate case expenses in the first year of the rate case cycle. This is because work is usually just beginning at this time and the work that is beginning on the next case can, for the most part, be performed by the internal rate case staff. Internal rate case staff costs are recovered through labor, labor related and other administrative costs and are not part of rate case expense.

ORA POSITION:

ORA projected total rate case expense of $1,373,181 to be recovered over three years in equal amounts of $457,727, $457,727, and $457,727. ORA recommends a reduction in Rate Case expenses to reflect legal and consulting cost savings offset by the hiring of a new in-house regulatory attorney and a rates analyst. ORA recommends a reduction to rate case printing and mailing expenses to reflect recorded invoice amounts from the previous GRC, adjusted for inflation. ORA recommends the Commission adopt an equal sharing of Rate Case expense between ratepayers and shareholders in order to properly align the expenses incurred with the parties receiving benefits. ORA also recommends evenly recovering the Rate Case expense instead of back-weighting the expense into the escalation and attrition years.

RESOLUTION:

CAW and ORA agree to a total rate case cost of $3,201,255 to be recovered over three years. The amount to be recovered in 2015 is $1,067,085. This total cost reflects lower costs for legal expenses and consultants in the amount of $1,270,592 as proposed by ORA. The settled rate case costs will be recovered evenly over the three-year rate cycle.

Cal Corp	CAW	ORA		2015
2015 Projected Test Year	Direct	Direct	Difference	Settlement
Total Cal Corp Rate Case Expense	$ 279,513	$ 457,141	$ 177,627	$ 1,066,784
Allocated to Districts GO				
Larkfield	3,896	6,371	2,476	14,913
Los Angeles County	44,594	72,933	28,339	170,607
Monterey County	64,485.51	105,465.42	40,980	244,694.53
Sacramento	94,203	154,068	59,865	360,493
San Diego County	33,725	55,156	21,432	129,456
Ventura County	33,665	55,059	21,394	129,844
Monterey Wastewater	4,193	6,857	2,664	13,951
Garrapata	79	129	50	300
Toro	673	1,101	428	2,526

REFERENCES: : CAW (Dana direct testimony pp27-29, CA Corp Exhibit A; Exh. 16 and 16-A, Direct Testimony of John R. Roberts and Josefina C. Montero, dated March 28, 2014, ("ORA Roberts Direct and ORA Josefina Direct"), *ORA Report on Administrative and General Expenses, Special Request #17, (ORA Report #1, Ch. 1 pp.1-7 and 8),*, ORA Report Workpapers, CA Corp Exhibit A

7.1.7 Postage Expense

CAW POSITION:

CAW projected a Cal Corp postage expense cost of $885,553 for 2015. The estimate was based on the projected number of average customers for 2015 multiplied by 12 bills per customer times $0.43 per bill.

ORA POSITION:

ORA projected a Cal Corp postage expense cost of $709,495 for 2015. The projections was based on the projected number of average customers for 2015 multiplied by 12 bills per customer and reduced by 32,675 customers projected to -sign up for e-billing. This was then multiplied by $0.42 per bill.

RESOLUTION:

CAW and ORA agree to a postage expense of $877,112 based on the current actual number of customers receiving a paper bill of 169,649 and a cost of $0.42 per bill.

Cal Corp 2015 Projected Test Year	CAW Direct	ORA Direct	Difference	2015 Settlement
Total Cal Corp Postage Expense	$ 885,553	$ 709,495	$ (176,058)	$ 877,112
Allocated to Districts GO				
Larkfield	12,471	9,889	(2,583)	12,309
Los Angeles County	142,757	113,194	(29,562)	140,817
Monterey County	201,821	163,885.79	(37,935)	200,273
Sacramento	301,567	238,917.57	(62,649)	297,547
San Diego County	107,961	85,604	(22,357)	106,851
Ventura County	107,769	85,452	(22,317)	107,172
Monterey Wastewater	8,804	10,642	1,838	9,815
Garrapata	248	201	(47)	243
Toro	2,155	1,709	(446)	2,085

REFERENCES: CAW(Dana direct testimony, p27, CA Corp Exhibit A; Exh. 16 and 16-A, Direct Testimony of John R. Roberts and Josefina C. Montero, dated March 28, 2014, ("ORA Roberts Direct and ORA Josefina Direct"), *ORA Report on Administrative and General Expenses, Special Request #17, (ORA Report #1, Ch. 1 pp.1-7 and 8),*, ORA Report Workpapers, CA Corp Exhibit A

7.1.8 Escalation

CAW POSITION

CAW adjusts its five-year average of recorded data for inflation, customer growth, and a sales tax increase for 2013. CAW then arrives at its test year 2015 forecast by applying these inflation and customer growth factors as "multipliers" on recorded year expenses according to the Memorandum of the Estimates of Non-Labor and Wage Escalation Rates for 2013 through 2017 and Compensation (Memo) published by the ORA Energy Cost of Services (ECOS) and Water Branches dated May 2013. This Memo generates its factors from a composite index of ten

Wholesale Price Indexes (WPI) for material and supplies expenses and the Consumer Price Index (CPI) weighted 5% for services and consumer-related items.

ORA POSITION:

ORA also agrees with the use of the Memo to bring historic dollars to base year dollars by inflating recorded dollars to test year levels. ORA disagrees with CAW's proposed methodology of applying an annual average customer growth factor to recorded years 2009-2012 and including a 2013 sales tax increase of 0.25%.

RESOLUTION:

ORA and CAW, for purposes of Settlement in this case, agree to remove the customer growth factor from all escalation in this proceeding and also agree to remove any consideration of an additional 2013 0.25% sales tax increase.

REFERENCES: CAW, Dana Rebuttal, pp. 21-24; ORA Report 2 Chapter 1, pp. 1-5 - 1-7

8.1 CAW CORPORATE

8.2 Overview

This section of the Settlement agreement will address and explain the settlement of general Cal Corp operating expenses that are allocated to all of the districts in the determination of the revenue requirement. The expenses that will be covered in this section are depreciation expense, return on Cal Corp rate base, Other Employee Benefits, and Other Operating Expenses.

8.1.1 Depreciation Expense on Cal Corp Utility Plant

CAW POSITION:

CAW projected depreciation expense of $2,087,700 for 2015 based on the projected average utility plant in service proposed by the Company (as discussed in the Rate Base and Plant sections (Sections 4.2 and 22)) and applying the depreciation rates (as discussed in the Depreciation section of this settlement) including a depreciation rate of 10% for Computer Software.

ORA POSITION:

ORA projected depreciation expense of $1,096,281 for 2015 based on the projected average utility plant in service proposed by ORA (as discussed in the Rate Base and Plant sections of this settlement) and applying the depreciation rates (as discussed in the Depreciation section (Section 19.5) including a depreciation rate of 5.49% for Computer Software.

RESOLUTION:

CAW and ORA have agreed to a depreciation expense of $1,154,712 for 2015 based on the settled amount of average utility plant in service and the settled depreciation rates, including a 5.49% rate for Computer Software.

Cal Corp 2015 Projected Test Year	CAW Direct	ORA Direct	Difference	2015 Settlement
Total Cal Corp Depreciation	$ 2,087,700	$ 1,096,281	$ (991,419)	$ 1,154,712
Allocated to Districts GO				
Larkfield	29,089	15,275	(13,814)	16,137
Los Angeles County	332,983	174,854	(158,129)	184,617
Monterey County	482,101	253,158	(228,943)	265,113
Sacramento	703,412	369,372	(334,040)	390,096
San Diego County	251,821	132,235	(119,586)	140,086
Ventura County	251,375	132,000	(119,374)	140,507
Monterey Wastewater	31,306	16,439	(14,867)	15,097
Garrapata	586	308	(278)	325
Toro	5,026	2,639	(2,387)	2,733

REFERENCES: CAW, CA Corp Exhibit A; Hearing Exh. 14 and 14-A, ORA Rauschmeier Direct, *ORA Report on Depreciation, Ratebase, and Special Requests 3, 10, 12, 13, 16, 19, 20, 26* ORA Report 4 Workpapers, Chapter 1, p. 1-4.

8.1.2 Return on Cal Corp Rate Base

CAW POSITION:

CAW proposed a return on Cal Corp rate base of $2,367,684 for 2015 based on its proposed average rate base for 2015 and multiplied by the pre-tax return of 12.38%. The average rate base for 2015 was discussed in the Rate Base Section of the settlement agreement (Section 4.2).

ORA POSITION:

ORA proposed a return on Cal Corp rate base of $2,091,629 for 2015 based on its proposed average rate base for 2015 and multiplied by the pre-tax return of 12.38%. The average rate base for 2015 was discussed in the Rate Base Section of the settlement agreement (Section 4.1).

RESOLUTION:

CAW and ORA agree to a return on Cal Corp rate base for 2015 in the amount of $2,205,225 based on a rate base of $17,812,801(as discussed in the Rate Base Section of the settlement agreement) and a pre-tax return of 12.38%.

Cal Corp	CAW	ORA		2015
2015 Projected Test Year	Direct	Direct	Difference	Settlement
Total Cal Corp Return on Rate Base	$ 2,367,684	$ 2,091,629	$ (276,056)	$ 2,205,225
Allocated to Districts GO				
Larkfield	32,990	29,144	(3,846)	30,819
Los Angeles County	377,640	333,610	(44,030)	352,575
Monterey County	546,757	483,008	(63,748)	506,303
Sacramento	797,748	704,736	(93,012)	744,991
San Diego County	285,593	252,295	(33,298)	267,532
Ventura County	285,087	251,848	(33,239)	268,335
Monterey Wastewater	35,505	31,365	(4,140)	28,831
Garrapata	665	587	(78)	621
Toro	5,700	5,036	(665)	5,219

REFERENCES: CAW, CA Corp Exhibit A; Exh. 14 and 14-A, ORA Rauschmeier Direct, ORA Report 4 Workpapers, Chapter. 2, p. 1-4, CA Corp Exhibit A.

8.1.3 Other Employee Benefits

CAW POSITION:

CAW projected Other Employee Benefits costs of $548,143 for 2015 based on five-year averages and its proposed escalation factors including customer growth and an increase in sales tax of .25% for 2013. For benefits tied to labor (401(k), deferred contribution plan ("DCP"), etc.), these projections were based on the projected level of labor expense.

ORA POSITION:

ORA projected Other Employee Benefits costs of $502,789 for 2015 based on five-year averages and its proposed escalation factors and excluded customer growth and an increase in sales tax of .25% for 2013. For benefits tied to labor (401(k), DCP, etc.), these projections were based on the projected level of labor expense.

RESOLUTION:

CAW and ORA agreed to Other Employee Benefits costs of $540,684 for 2015 based on five-year averages and escalation factors that excludes customer growth and an increase in sales tax for 2013. For benefits tied to labor (401k, DCP, etc.), these projections were based on the settled amount of labor expense.

Cal Corp	CAW	ORA		2015
2015 Projected Test Year	Direct	Direct	Difference	Settlement
Total Cal Corp Oth Employee Benefits	$ 548,143	$ 502,789	$ (45,354)	$ 538,494
Allocated to Districts GO				
Larkfield	7,638	7,006	(632)	7,526
Los Angeles County	87,427	80,194	(7,234)	86,095
Monterey County	126,580	116,106	(10,473)	123,634
Sacramento	184,687	169,405	(15,281)	181,919
San Diego County	66,118	60,647	(5,471)	65,328
Ventura County	66,000	60,539	(5,461)	65,525
Monterey Wastewater	8,220	7,540	(680)	7,040
Garrapata	154	141	(13)	152
Toro	1,320	1,210	(109)	1,275

REFERENCES: CAW, CA Corp Exhibit A; Hearing Exh. 14 and 14-A, ORA Rauschmeier Direct, ORA Report 4 Workpapers, Chapter 2, p. 1-4, CA Corp Exhibit A.

8.1.4 Other Operating Expenses Cal Corp

CAW POSITION:

CAW projected Other Operating Expenses for Cal Corp of $4,276,361 for 2015. This was based on five-year averages and its proposed escalation factors and included customer growth and an increase in sales tax of .25% for 2013. In addition, bank service charges and customer forms were adjusted to reflect the increased number of bills as a result of monthly billing.

ORA POSITION:

ORA projected Other Operating Expenses for Cal Corp of $3,938,067 for 2015. This was based on five-year averages and its proposed escalation factors and excluded customer growth and an increase in sales tax of .25% for 2013. In addition, bank service charges and customer forms were adjusted to reflect the increased number of bills as a result of monthly billing and a reduction for e-bills. ORA also reduced Dues and Memberships by $119,799.

RESOLUTION:

CAW and ORA agreed to Other Operating Expenses of $4,188,248 for 2015 based on five-year averages and escalation factors that excludes customer growth and an increase in sales tax for 2013. In addition, dues and memberships have been reduced by $29,488.

Cal Corp	CAW	ORA		2015
2015 Projected Test Year	Direct	Direct	Difference	Settlement
Total Cal Corp Other Operating Exp	$ 4,276,361	$ 3,938,067	$ (338,293)	$ 4,188,248
Allocated to Districts GO				
Larkfield	59,585	54,871	(4,714)	58,532
Los Angeles County	682,069	628,112	(53,957)	669,623
Monterey County	987,517	909,397	(78,120)	961,591
Sacramento	1,440,841	1,326,859	(113,982)	1,414,916
San Diego County	515,820	475,015	(40,805)	508,106
Ventura County	514,905	474,172	(40,733)	509,632
Monterey Wastewater	64,127	59,054	(5,073)	54,757
Garrapata	1,201	1,106	(95)	1,179
Toro	10,296	9,481	(814)	9,913

REFERENCES: CAW, CA Corp Exhibit A; Hearing Exh. 14 and 14-A, ORA Rauschmeier Direct, ORA Report 4 Workpapers, Chapter 2, p. 1-4.

9.0 SERVICE COMPANY EXPENSES

AWWSC provides services to CAW that enable the Company to fulfill its public utility responsibilities. The services that AWWSC provides includes customer service, water quality testing, innovation and environmental stewardship, human resources, communications, information technology, finance, accounting, tax, legal, engineering, supply chain and insurance services. AWWSC provides these services to CAW at cost. It bills CAW for its services on a monthly basis. Whenever practicable, AWWSC costs are charged directly for services provided. When services benefit more than one entity in American Water, the costs are allocated based on the contract between CAW and AWWSC.

CAW POSITION:

CAW projected AWWSC costs of $12,996,713 for 2015. The projection was based on starting with 2013 detailed Service Company budget. The detailed 2013 budget was adjusted to arrive at the 2015 projected amount. The major adjusting factors were a 3% annual increase for non-union labor, 2% to 2.5% annual increase for union labor, 3% annual increase for pension and other post-retirement benefits expense and a 7.61% annual increase for group insurance. These cost escalations resulted in a 5.3% annual increase in Service Company costs to CAW.

ORA POSITION:

ORA recommended a projection of AWWSC costs of $11,444,769. The projection was based on starting with actual 2012 Service Company labor and labor related costs, with the exception of Information Technology. ORA used the 2013 Information Technology budgeted costs. ORA eliminated labor and labor related costs associated with Service Company Business Development and Service Company Corporate Administration. ORA also recommended eliminating $116,799 of External Affairs costs and $24,932 of Contract Services costs related to Public Relations. Incentive plan costs were reduced 80% for the Annual Incentive Plan and 77.5% for the Long-

term Incentive Plan. For non-labor related expenses, ORA started with the 2013 budgeted expenses. ORA then used inflation factors of 2.1% for 2013 and 1.5% for 2014 and 2015 for labor and related expenses. For non-labor related expenses, ORA used 1.6% and 2.28% inflation for 2014 and 2015.

RESOLUTION:

CAW and ORA agreed to a level of AWWSC costs for 2015 in the amount of $11,600,000, which reflects the inclusion of approximately $200,000 of additional Incentive Plan costs over the amount proposed by ORA. This is consistent with the stipulation reflecting 75% of the Annual Incentive Plan and 15% of the Long-term Incentive Plan costs which is discussed in the CAW section(Section 7.1.1).

Service Company 2015 Projected Test Year	CAW Direct	ORA Direct	Difference	2015 Settlement
Projected Amount	$ 12,996,713	$ 11,444,769	$ (1,551,944)	$ 11,600,000

REFERENCES: CAW, CA Corp Exhibit A and CA 2013 Case Service Company Workpaper; ORA Report Workpaper, , Chapter. 9, pp.1-9C A Corp Exhibit A and Serv Co Base Year Labor Final.

10.1 REVENUES AND RATE DESIGN

10.2 Revenues

10.1.1 Calculation of Present and Proposed Revenues for Results of Operation Purposes

CAW REQUEST:

CAW uses Standard PUC rate design to calculate revenues at both present and proposed rates.

ORA POSITION:

ORA recommends that CAW be required to present actual rates included in the company's tariff sheet in all of its workpapers, which would simplify analysis between the application workpapers and actual rate design.

RESOLUTION:

ORA and CAW agree that CAW will use the actual present and proposed tariff rates to develop revenues at both present and proposed rates in future GRCs. CAW may still develop revenues under the Standard CPUC rate design for cost of service allocation. All bill comparisons will be done under the actual present and proposed tariff rate designs.

REFERENCES: CAW Application Exhibit A's Chapter 3, page 2. Hearing Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report 6 on Revenues and Rate Design, Chapter 2, pp.1-3.

10.1.2 Presentation of Relationship Between Percent of Revenue to Percent of Consumption in Each Customer Classification

CAW POSITION:

CAW did not raise this issue in its direct showing in this proceeding.

ORA POSITION:

ORA recommends that CAW provide workpapers showing the relationship between the percentage of revenue for each customer classification and the percentage of consumption for the same customer classes in future GRC's so that the CPUC and future ORA analysts remain aware of this as there appears to be an increasing divergence of these percentages between 2012 and 2015.

RESOLUTION:

CAW agrees to provide workpapers showing the relationship between the percentage of revenue for each customer classification and the percentage of consumption for the same customer classes in future GRC's. The presentation will be made via a bar chart and be shown for both present and proposed test year rates. The presentation will be included in the operating revenue chapter of the Results of Operations Reports for all water districts.

REFERENCES: Hearing Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report 6 on Revenues and Rate Design, Chapter 2, pp. 1-3.

10.1.3 Presentation of Percentage of Revenues Collected Through Meter Charges

CAW POSITION:

CAW did not raise this issue in its direct showing in this proceeding.

ORA POSITION:

ORA recommends that in future GRC's, CAW provide workpapers showing the decreasing percentage of revenue collected from meter charges and the effects this may have on CAW's risk profile.

RESOLUTION:

CAW agrees to provide workpapers showing the percentage of revenue collected through meter charges in future GRC's. The presentation will be made via a table presentation and will include five years of historical data and a projection of the applicable test year. The presentation will be included in the operating revenue chapter of the Results of Operations Reports for all water districts.

REFERENCES: Hearing Exh. 12 and 12-A, ORA Report 6 on Revenues and Rate Design, Chapter 2, pp. 1-3

10.1.4 Monterey Free Water Use Customers

CAW REQUEST:

CAW did not file any request in this application in regards to free water customers in the Monterey District

ORA POSITION:

ORA recommends that CAW be required to update the Commission in its next GRC on the status of reviewing the deeds and contracts to determine whether it can negotiate termination of free service and if so at what cost in conformity with the settlement agreement that ORA and CAW agreed to in D.09-02-006.

RESOLUTION:

CAW agrees that it will provide an update on the Monterey free water customers as proposed by ORA in conformity with the settlement agreement that ORA and CAW agreed to in D.09-02-006.

REFERENCES: Hearing Exh. 12 and 12-A, ORA Report 6 on Revenues and Rate Design, Chapter 1, pp. 1-3 and 37.

10.3 Rate Design

10.2.1 Proposed General Metered Rate Designs for All Water Districts Except Monterey Main System and Sacramento

CAW REQUEST:

CAW did not propose any specific rate design changes for any district except to adjust the block widths and rate percentage differences between blocks to correspond to the settlement provisions in D.12-11-006.

ORA POSITION:

ORA does not oppose the rate design proposed by CAW in this application for Larkfield, Ventura, San Diego, Los Angeles, Garrapata, and Toro service areas.

RESOLUTION:

ORA and CAW agree to the design as proposed by CAW.

REFERENCES: Hearing Exh. 30-D**,** CAW Stephenson Supplemental pp 2-17, Hearing Exh. 12 and 12-A, ORA Report 6 on Revenues and Rate Design, Chapter 2, pp. 1

10.2.2 Proposed General Metered Rate Design & WRAM/MCBA for Sacramento

CAW REQUEST:

CAW proposes that residential customers in the Sacramento District be placed under a two-tier inclining block rate design with a modest price differential of 10% between the tier rates and 25% of fixed costs recovered in the monthly fixed charges, and that all other customers continue on a single block rate with 25% of the fixed costs recovered in the monthly fixed charges. In addition, with the proposal to institute a WRAM/MCBA program consistent with the same parameters as in all other CAW districts, it is appropriate to have modest changes in the rates and tiers break points so that drastic changes do not result in large balances in the WRAM. Just as with all other districts where tiered residential conservation are in place, the requested WRAM/MCBA mechanism will authorize CAW to track fixed cost recovery variations as a result of implementing a rate design in which more fixed costs are recovered in the quantity rate and tiered rates are employed. The requested WRAM would track all under or over recoveries of authorized fixed costs collected as part of the quantity rates, and the requested MCBA would track the under or over recovery of actual purchased water and power costs from customers. The calculations that the Commission authorizes for the Sacramento district should determine the actual over or under collections. With the adoption of a WRAM in Sacramento, all districts in CAW where tiered rates are in place will be supported by a WRAM, including Toro.

ORA POSITION:

ORA does not oppose the rate design proposed by CAW in this application for the Sacramento District. ORA does not oppose the WRAM/MBCA for the Sacramento District.

RESOLUTION:

ORA and CAW agree to the design as proposed by CAW, including the establishment of the WRAM/MCBA for the Sacramento District in accordance with D.08-11-023 Appendix A, as modified by the settlement agreement adopted in D.12-06-016.

REFERENCES: Hearing Exh. 30-D**,** CAW Stephenson Supplemental pp 4-9, Hearing Exh. 12 and 12-A, ORA Report 6 on Revenues and Rate Design, Chapter 2, pp.1-3 and 5-6.

10.2.3 Proposed General Metered Rate Design for Monterey, Excluding Mixed-use Customers

CAW REQUEST:

CAW proposes that the appropriate presentation in this case is to maintain the parameters agreed to by all the parties in the Settlement Agreement approved by the California Public Utilities Commission ("Commission") in D.12-11-006. The maintenance of the terms of the Settlement Agreement and D.12-11-006 for the Toro sub-system, and application of the same general

parameters to the Ambler Park and Ralph Lane sub-systems, allows for the development of new rates that meet the goal of promoting conservation through appropriate price signals. This rate design will maintain a separate design for Garrapata wherein the rates are inflated by CPI only. The Ambler Park and Ralph Lane systems are increased only by the overall increase percentage for the Monterey system. The exact details of the Monterey rate design and revenue cost of service allocation are detailed in Attachment A-6.

ORA POSITION:

ORA does not oppose the rate design proposed by CAW in this application for general metered customers (except mixed-use per Section 10.2.4 below) in Monterey.

RESOLUTION:

ORA and CAW agree to the design as proposed by CAW. A WRAM in Toro shall be in place in accordance with the provisions specified in Appendix A to D.09-07-021 and as modified by D12-06-016, Appendix A.

REFERENCES: Hearing Exh. 30-D**,** CAW Stephenson Supplemental p 2, Hearing Exh. 12 and 12-AORA Report 6 on Revenues and Rate Design, Chapter 2, pp. 17.

10.2.4 Proposed Rate Design for Monterey Mixed-Use Customers

CAW REQUEST:

CAW proposes to define a calculation methodology that can be used consistently among current mixed-use customers, which are defined by the tariff as on or before December 31, 2014 with domestic water service on the customer's premise, with both residential and non-residential uses through a single meter. Minor changes are being proposed to remain consistent with the design established in D.12-06-016 for the residential and non-residential customers in the Monterey County District. Mixed-use customers are currently billed under residential rates and the residential rate design parameters. Tier 1 allotment is the allotment based on the number of occupants per service. The Tier 2 allotment is the amount for occupants plus the non-residential allotment. Tier 3 and 4 allotments are 7.5% of Tier 2 allotment plus the allotment for the number of occupants.

ORA POSITION:

ORA recommends that the mixed-use customers continue to be billed according to the residential rates and rate-design parameters. To the extent that mixed-use customers are currently billed based on the allotments that CAW reported as "current," these are not consistent with the rate design settlement adopted in Decision 13-07-041 and the Commission should order CAW to immediately correct those billing allotments.

RESOLUTION:

The parties agree to continue to bill these customers under the residential rate design, but in a manner that provides allotments for both the residential and non-residential use that are then combined together to develop a specific allotment for each of the 5 residential tiers. See Attachment E-6 for the agreed upon tariff language. ORA and CAW further agree that, at the next general rate case, they will consider reviewing the billing methodology for mixed-use customers under the tariff. The review would affect only those mixed use customers who have been grandfathered into residential rates because their CAW service commenced on or prior to December 31, 2014.

REFERENCES: Hearing Exh. 30-D, CAW Stephenson Supplemental pp 8-9, Hearing Exh. 12 and 12-A, ORA Report 6 on Revenues and Rate Design, Chapter 2, pp. 11-12 and 14-15.

10.2.5 Proposed Low Income Discount Modification

CAW REQUEST:

CAW proposed a change to the Low Income assistance program to allow the credit to be based on 20% of the total billed amount.

ORA POSITION:

ORA recommends that the Commission adopt ORA's proposed Low Income Program in which upon review of each customer bill, CAW would apply the lesser of the two low income discounts, either the existing flat fee discount or the CAW proposed 20% off the total bill.

RESOLUTION:

CAW and ORA agree that the low income discount of 20% shall be applied to all monthly service fees, the tier one billed usage amount and the tier two usage amount. This will in fact put a cap in the total allowed amount in all districts and is appropriate. The difference between what would have been billed at the regular residential rates for the meter charge, and the tier 1 and tier 2 rates; and the amounts actually billed under the low income rates for the meter charge, and the tier 1 and 2 rates will be the amount debited to the low income balancing account as the low income discounts provided.

REFERENCES: Hearing Exh. 30, ***Direct Testimony of David P. Stephenson, dated July 1, 2013,*** **("**CAW Stephenson Direct"), pp 27-30, Hearing Exh. 12 and 12-A, ORA Report 6 on Revenues and Rate Design, Chapter 2, p. 19.

10.2.6 Chualar and Ralph Lane

CAW REQUEST:

For Chualar, CAW proposes that the present rates at the time of a decision in this case be simply inflated by the most current ORA composite inflation factor, and continue to be inflated in such a manner, at least through 2017.

ORA POSITION:

ORA did not opine on this request in this case.

RESOLUTION:

CAW and ORA agree that there is currently no summary of earnings that identifies specific costs associated with serving Chualar and Ralph Lane. For 2015, CAW will increase base rates in these two systems by the overall revenue percentage increase for the Monterey system. In lieu of a traditional step advice letter that includes a pro-forma earnings test for escalation years 2016 and 2017, CAW will only increase rates in the Chualar by inflation, as determined by the consumer price index. CAW will increase base rates in Ralph Lane by the overall Step increase percentage in 2016 and 2017.

REFERENCES: Exh. 30, *Direct Testimony of David P. Stephenson, dated July 1, 2013,* **(**"CAW Stephenson Direct"), pp 46-47, Exh. 12 and 12-A,

11.1 ESCALATION AND ATTRITION

11.2 Use of Recorded Revenues for the Pro-Forma Test

CAW POSITION:

CAW uses its interpretation of the Pro-Forma test requirements and multiplies the actual number of customers by the authorized consumption per customers for residential and commercial classifications and then multiplies the product by the appropriate rates to determine the Pro Forma revenues for these two classifications, and then adds to that the recorded revenues for all other classifications.

ORA POSITION:

ORA recommends that for CAW's 2016 and 2017 escalation year filings, the Commission should require CAW to use the recorded revenues for the Pro-Forma year for the "Pro-Forma Revenues" used to calculate the Pro-Forma Rates of Return.

RESOLUTION:

For purposes of this application, ORA will withdraw the requests to use recorded revenues and customers in the escalation and attrition year revenue requirement determinations.

REFERENCES: Exh. 30-B and 30-C, CAW Stephenson Rebuttal, pp 4-16; Exh. 32, Direct Testimony of Suzie Rose, dated March 28, 2014, ("ORA Rose Direct"), *ORA Analysis and Recommendations Report on Escalation and Attrition of CAW Company Application 13-07-002,* dated March 28, 2014*, "(*ORA Report # 10"), pp 13-19

11.3 Use of Five-year Customer Growth for Escalation Year Filings

CAW POSITION:

CAW uses its interpretation of the requirements for customer growth and uses actual number of customers in the pro forma calculations and uses the latest Commission authorized number of customers for the escalation year and the difference between the escalation year and test year number of customers added to the escalation year to set the number of customers in the attrition year.

ORA POSITION:

ORA recommends that for CAW's 2016 and 2017 escalation year filings, in estimating the escalation year revenues, the Commission should require CAW to adjust for the five-year average growth for all customer classes.

RESOLUTION:

For purposes of this application, ORA will withdraw the requests to use the actual five-year growth in customers in the escalation and attrition year revenue requirement determinations, and instead rely on the accepted growth as shown above (see Section 3.1) above for determining the proposed step rate increase and associated rates.

REFERENCES: Exh. 30-B and 30-C, CAW Stephenson Rebuttal pp 4-16, ORA Report # 10 pp 19-23.

12.1 INCOME TAX

12.2 State and Federal Tax Rates

CAW REQUEST:

CAW has used tax rates of 8.84% and 35% respectively for the determination of the forecasted expense for State and Federal taxable income.

ORA POSITION:

ORA agrees with the recommendations of CAW.

RESOLUTION:

CAW and ORA agree on the tax rates applicable to taxable net income.

REFERENCES: CAW Chapter 6 of Exhibit A, Exh. 22, Direct Testimony of Edward Grubb, dated July 1, 2013, ("CAW Grubb Direct"), pp. 2-3; Exh. 13 and 13-A, Direct Testimony of Michael Conklin, dated March 28, 2014, *ORA Analysis and Recommendations on General Office, Jncome Taxes and Taxes and Other Jncome of CAW Company Application 13-07-002,* dated March 28, 2014 ("ORA Report No. 5"), Ch. 2, p. 79.

12.3 State Tax Deductibility for Federal Tax

CAW REQUEST:

CAW has used the prior year State taxes for the current deduction for Federal taxable income.

ORA POSITION:

ORA currently recommends no change to CAW's timing of the California Corporate Franchise Tax ("CCFT") expense deduction for Federal Income Tax ("FIT") due to the Commission granting a limited rehearing on the proper treatment of the matter in another proceeding.

RESOLUTION:

CAW and ORA agree on the methodology used by CAW for revenue requirement determinations in this case.

REFERENCES: CAW Chapter 6 of Exhibit A, Exh. 22, CAW Grubb Direct, pp. 2-3; Exh. 13 and 13-A, ORA Report #5, Chapter 2, p.79.

12.4 Ratemaking Interest

CAW REQUEST:

CAW has calculated its Ratemaking Interest Expense for CCFT and FIT by multiplying its authorized Weighted Cost of Debt by its Weighted Average Rate Base. CAW determined its Weighted Cost of Debt using the factors adopted by the Commission in D.12-07-009.

ORA POSITION:

ORA agrees with the calculation as proposed by CAW.

RESOLUTION:

CAW and ORA agree on the methodology used by CAW.

REFERENCES: CAW Chapter 6 of Exhibit A, Exh. 22, CAW Grubb Direct, pp. 3-4; Exh. 13 and 13-A, ORA Report #5, Chapter 2, p.79.

12.5 Domestic Production Activities Deduction ("DPAD")

CAW REQUEST:

CAW calculates the DPAD using the procedure recommended by the Commission in its previous GRC.[3]

ORA POSITION:

ORA agrees with the calculation as proposed by CAW.

RESOLUTION:

CAW and ORA agree on the methodology used by CAW.

REFERENCES: CAW Chapter 6 of Exhibit A, Exh. 22, CAW Grubb Direct, pp. 3-4; Exh. 13 and 13-A, ORA Report #5, Chapter 2, pp. 79-80.

12.6 168 (k) Bonus Depreciation

CAW REQUEST:

In this GRC filing CAW made the assumption that bonus depreciation would expire on January 1, 2014.

ORA POSITION:

ORA notes that although the most recent allowance for 50% bonus depreciation is set to expire on January 1, 2014, throughout the year Congress is still able to vote to extend bonus depreciation retroactively, and has done so in the past. In fact, there has been at least some type of bonus depreciation enacted each year beginning in 2001. In the event Sec.168(k) bonus depreciation is extended through 2014, ORA recommends the Commission require CAW to submit an Advice Letter establishing a memorandum account to capture its effects. ORA recommends this memorandum account follow the directives of Commission Resolution L-411A, and as such should be a one-way memorandum account.

RESOLUTION:

CAW and ORA agree on the ORA proposal to establish a memorandum account in line with Commission Resolution L-411A effective with the date of the decision. The memorandum account shall reflect not only the tax benefits of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (the "Tax Act") and any extensions of the Tax Act, but other direct changes in revenue requirement resulting from CAW's taking advantage of the Tax Act. Such changes may include, but are not limited to, impacts on Section 199

[3] In CAW's last GRC, the Commission explained that it is reasonable to apply the DPAD to reduce the income tax obligation for ratemaking purposes. D.12.06.016 at 44.

deductions, working cash, and contributions in aid of construction. So as not to discourage CAW from using the tax savings resulting from the Tax Act for investment in additional, needed infrastructure, CAW and ORA agree that the costs and expenses of that infrastructure during the rate case cycle and not otherwise reflected in rates shall also be reflected in the memorandum account. This memorandum account shall be used in determining whether any future rate adjustment is appropriate in CAW's next general rate case (TY 2018) to reflect impacts of the Tax Act during 2015, 2016, and 2017. In maintaining this memorandum account, CAW shall record, among other things: (1) changes in revenue requirement resulting from increases in deferred tax reserve; (2) offsets to reflect additional costs or expenses, not otherwise recovered in rates, incurred as a result of additional utility infrastructure investment enabled by the bonus depreciation provisions of the Tax Act. In the next GRC, the Commission shall address the disposition of amounts (a) recorded in the memorandum account and (b) forecast for the remainder of this general rate case period (2015-2017), and may reflect any net revenue requirement impacts in prospective rates. Consistent with Commission Resolution L-411A, the memorandum account will be a one-way memorandum account. This means that this memorandum account shall not be used to recover any net revenue requirement increase. If, at the end of the period covered by the memorandum account, the account reflects a net revenue requirement increase, the memorandum account shall be terminated without any impact on rates. The following limits apply to the additional needed utility infrastructure investments that may be tracked in the memorandum account: the property that the investment is made in must be Commission-jurisdictional; the property that the investment is made in must itself be eligible for bonus depreciation; (d) at least 90% of the investment must have a tax depreciable life of at least 15 years, and any remaining investments must be ancillary to such investments.

REFERENCES: CAW Chapter 6 of Exhibit A, Exh. 22, CAW Grubb Direct, p. 4, Exh. 22-A, *Rebuttal Testimony of Edward J. Grubb,* dated June 2, 2014 ("CAW Grubb Rebuttal"), p. 25, Exh. 13 and 13-A, ORA Report #5, Chapter 2, 81.

12.7 Internal Revenue Code ("IRC") Sec. 481 (a) Adjustment for T.D. 9636

CAW REQUEST:

In this GRC filing CAW made no assumption in regards to any adjustment that may be required to the rules it employs to determine a final repairs expense deduction.

ORA POSITION:

To the extent the IRS final repairs expense deduction rules provided for in T.D. 9636 cause CAW or Service Company to file for a Sec. 481(a) adjustment, or to file a Form 3115, ORA recommends treating the associated accumulated deferred federal income taxes ("ADFIT") on a normalized basis. ORA further requests that the Commission require CAW to submit an Advice Letter establishing a memorandum account in order to capture and quantify any resulting benefits to ratepayers.

RESOLUTION:

CAW and ORA agree that CAW shall file for a memorandum account to capture qualified benefits resulting from a ruling by the IRS on the deductibility of repair costs as assumed by CAW. The memorandum account will be filed through a Tier 2 advice letter if and when the IRS causes American Water Works to file for an adjustment. Any benefits will be captured prospectively from the date of the advice letter filing.

REFERENCES: CAW Chapter 6 of Exhibit A, Exh. 22, Grubb Direct, p. 4; Exh. 22-A, CAW Grubb Rebuttal, p. 25, ORA Report #5, Chapter 2, pp. 81-82.

13.0 AFUDC PROPOSAL

CAW REQUEST:

CAW has historically included all spend on construction in rate base including spend on projects that are in the development/construction phase. This was to allow the Company to earn a return on all spend to ensure that continued funding would be available for all construction projects.

The Commission's Water Action Plan states:

> "AFUDC does not provide utilities with needed cash flow for significant investments, and results in higher costs to customers due to higher carrying charges on invested capital."[4]
>
> "Sharp increases in rates over a short period of time can provide substantial financial challenges to ratepayers. With Construction Work in Progress, it is possible to level-off plant investment start-up costs by averaging those costs over several billing periods, and ratepayers are better able to allocate the funds required to pay their bills. The overall costs of the plant are reduced, because the water utility has lower interest payments, and the ratepayers benefit from the resulting lower rates. Water utilities also benefit from having start-up costs averaged over several billing periods early during the investment cycle, rather than having to wait until the plant actually is ready for service (as they would if AFUDC were used instead). For certain long-term projects, the Commission will consider accounting for Construction Work in Progress in rate base as the appropriate policy."[5]

[4] 2005 Water Action Plan, p. 22.
[5] *Jd.*

> "Similarly, certain valid development costs incurred prior to actual plant start-up, such as environmental compliance costs and engineering costs, can be passed-through to ratepayers as they occur, rather than deferring the charges until actual plant start-up, which ratepayers may find more difficult to pay as a much larger one-time charge. This prepay account would reduce the carrying cost of the plant, thereby reducing the overall cost of the plant."[6]
>
> "The Commission will seek to develop and implement programs that will increase the ability of water utilities, particularly the smaller utilities to get access to the capital they need to build adequate infrastructure to provide clean and reliable water not only today but in the future. The Commission encourages all participants in our proceedings to develop and propose innovative approaches to assist water utilities, particularly the smaller Class C and D water utilities."[7]

In the current GRC, ORA has not forecast 2017 plant additions or taken any position on the prudency or reasonableness of projects scheduled for completion in 2017 after 2016. ORA also states that for any projects not completed prior to 2017, recovery of prudent and reasonable costs (including capitalized carrying costs) should be authorized and begin with the next GRC. There are at least eight capital projects impacted by ORA's approach:

Los Angeles - Patton Tank Rehabilitation/Reconstruction project (I15-500050) - $232,000 in 2017; completion in 2019.

Los Angeles - Oak Knoll Reservoir Rehabilitation project (I15-500051) - $580,000 in 2017; completion in 2018.

San Diego - Replace 52,000 Ft of 16-inch Main in Silver Strand project (I15-300010) - $232,000 in 2017; completion in each year, ten year program.

Ventura - Upgrade Springwood Booster Station project (I15-510030) - $93,000 in 2017; completion in 2018.

Ventura - Upgrade Wildwood Hydro Booster Station project (I15-510031) - $104,000 in 2017; completion in 2018.

Ventura - Replace White Stallion Domestic Booster Station project (I15-510032) - $46,000 in 2017; completion in 2018.

Ventura - Upgrade Wildwood Booster Station project (I15-510033) - $23,000 in 2017;

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[6] *Jd.*
[7] *Jd.*

completion in 2018.

Ventura - Upgrade SCADA System (I15-510034) - $58,000 in 2017; completion in 2020.

ORA also removes CWIP from the two test years for all projects expected to be placed into service after 2016. There are at least six capital projects that are impacted by ORA's approach:

Los Angeles - Rehabilitate/Redrill Longden Well project (I15-500036) - $4,044,000; 2016 - $225,000; 2017 - $1,739,000; 2018 - $2,080,000.

Los Angeles - Booster Station Upgrades project (I15-500038) - $2,326,000; 2016 - $135,000; 2017 - $1,391,000; 2018 - $800,000.

Los Angeles - Upgrade SCADA System project (I15-500041) - $1,710,000; 2015 - $55,000; 2016 - $844,000; 2017 - $811,000.

Los Angeles - Arlington Well TCE Treatment project (I15-500048) - $1,635,000; 2016 - $281,000; 2017 - $754,000; 2018 - $600,000.

San Diego - Replace 2,450 Ft of 18-inch Main in Elm Avenue project (I15-300008) - $2,020,000; 2015 - $546,000; 2016 - $1,126,000; 2017 - $348,000.

San Diego - Upgrade SCADA System project (I15-300011) - $1,129,000; 2015 - $109,000; 2016 - $788,000; 2017 - $232,000.

ORA POSITION:

Since CAW's estimates of projects to be completed in 2017 fall outside of the two ratebase test years, ORA takes no position on the prudency or reasonableness of these projects. CAW should exercise the managerial diligence necessary in determining the necessity and reasonableness of capital projects. For projects that neither CAW nor ORA anticipate to be completed prior to 2017, recovery of all prudent and reasonable costs (including capitalized carrying costs) should be authorized and begin in CAW's next GRC.

In the current proceeding, CAW has estimated twelve plant additions to be completed and in service in 2017. However, the only rate impacts associated with these projects in the current GRC cycle are the estimated amounts of construction work in progress ("CWIP"). Furthermore, CWIP can only impact rates in the test years to the extent the Commission allows CWIP to be included in ratebase for projects that are neither complete nor expected to be used and useful during the test years. ORA has removed CWIP amounts from the two test years for all projects CAW anticipates being in service after 2016. Removing CWIP amounts from ratebase for projects that will not be used or useful in the test years is reasonable. ORA recommends that CAW be permitted to capitalize interest at the Company's actual weighted cost of debt during construction on all projects to be completed after the two test years in A.13-07-002. In CAW's next general rate case and after actual (not forecasted) completion of these projects, CAW should be permitted to place all reasonable and prudent capital costs in ratebase.

RESOLUTION:

CAW and ORA agree that for the purposes of determining rate base for 2015, 2016, and 2017, in this proceeding and for this rate case cycle only, for projects not completed and in service prior to 12/31/2016, the spend on those projects will not be included in rate base (or in the revenue requirements). This is for the purposes of this case only and will not be precedential in any succeeding proceeding. CAW reserves its right to earn AFUDC during the rate case cycle as set forth below for all projects not included in the revenue requirement as well as for projects not identified in this settlement agreement during the rate case cycle.

In lieu of including the proposed accumulated spend in rate base, CAW and ORA agree that CAW will be able to capitalize the carrying cost (AFUDC) of the project's reasonable and prudent costs into the project's overall cost up until the time the project is completed and in service and then capture separately in an off book regulatory account the carry cost of the project from the time it is completed until it goes into rates and rate base.

CAW and ORA agree that the utility shall conduct its ongoing construction programs in a manner that is deemed appropriate by utility management, consistent with Commission requirements, and which includes meeting the requirements of other agencies to provide safe and reliable service, meet water quality regulations and to adhere to environmental agreements and laws.

The agreed-upon process for settlement purposes only in this rate case is in recognition of ORA's concern for associated with the proposed spend authorized in the previous general rate case proceeding for CAW and the variance between actual and proposed spend. The Settling Parties intend that the AFUDC proposal shall allow the Company to remain whole on actual spend by capitalizing the AFUDC and then recovering the carry cost after the project is in service prior to being authorized in the revenue requirement, in recognition of ORA's concern that delays could impact the current cost to customers.

The agreed upon process will be as follows: For the projects that are under construction by CAW but are not included in rate base, nor the revenue requirement by 12/31/16, the Company will be allowed to capitalize AFUDC on the project until it is completed and in service. This compromise treatment and process is for this proceeding and this rate case cycle and will end at 12/31/17. Once in service CAW will then track in an off book regulatory account the full carry cost of the project until it is recognized in rate base and the revenue requirement. The AFUDC component will be charged to the project in compliance with Standard Practice U-38-W, Utility Plant Instruction 17, which states:

> "'Interest during construction' includes the net cost of borrowed funds used for construction purposes and a reasonable rate upon the utility's own funds when so used. Interest during construction may be charged to the individual job upon which the funds are expended and, if so charged, shall be credited to Account 536, Interest Charged to Construction-Cr."

Additionally, the Standard Practice states that no AFUDC will be charged to a project after the project is in service, and therefore CAW and ORA agree that the carry cost of the project will need to be tracked in an off book regulatory account for recovery in rates as an additional cost of service to be made as new rates are proposed in the succeeding general rate case.

For purposes of the actual AFUDC calculation, it will be calculated as follows:

1. During Construction:
   a. The weighted average authorized cost to debt in effect for the relevant time period will be used to calculate the AFUDC charged to the project while under construction.
2. Once in Service but before allowed in rate base:
   a. The current authorized weighted after-tax cost of capital for CAW will be used
   b. The carry cost as computed by the above will be tracked in the off book regulatory account.

One purpose for the allowance of CWIP in rate base is to give the utility some assurance that prudency of the project has been reviewed by the Commission before work on that project has begun. With the proposal in this case, wherein projects not completed by 2016 are not in any way reviewed for prudency or any other approval metric, the risk of recovery of the costs expended by the utility on those projects is shifted in the entirety to the utility until such time as the project is recognized as reasonable and prudent by the Commission.

REFERENCES: Exh. 30-B and 30-C, CAW Stephenson Rebuttal pp. 17-20, Exh. 10, Direct Testimony of Praneet Row, dated March 28, 2014 ("ORA Row Direct"). *ORA Analysis and Recommendations on Report on Audit of Recorded Plant Additions and Special Requests 1,2,4 and 20 of CAW Company Application 13-07-002,* dated March 28, 2014 ("ORA Report # 3"), Ch. 2, p. 79, ORA Report #3, Chapter 1, pp. 1-6 to 1-8.

14.1 DISTRICT EXPENSES

14.2 Purchased Water

CAW REQUEST:

CWA's Purchased Water estimates, except for Monterey County, are based on normalized consumption and production estimates computed at the most current commodity and assessment rates from the Purchased Water provider. For Monterey County, the amount is based on a five-year average of Seaside Basin Replenishment fees escalated for inflation, customer growth and sales tax increase. *See* Exhibit A, Chapter 3.

ORA POSITION:

ORA finds CAW's estimates using a five-year average escalated for inflation only reasonable. ORA also finds CAW's methodology reasonable for districts other than Monterey based on

normalized consumption and production estimates but recommends that its consumption forecasts change.

RESOLUTION:

ORA and CAW agree to calculate purchased water costs consistent with agreed upon total production and recognition of set well and other source limitations. CAW and ORA also agree that the cost of purchased water should be as determined in Attachment B-1 to this Settlement, and that determination accounts for purchases reflecting the price structures of the providers. CAW and ORA also agree to reduce Monterey purchased water expense to $54,780 from $591,000 to reflect most recent amount of Seaside Administrative Fees. The Seaside Administrative Fees are tracked as part of the Seaside Groundwater Basin Balancing Account and are therefore not part of Monterey's Modified Cost Balancing Account.

Purchased Water	CAW	ORA		2015
2015 Projected Test Year	Direct	Direct	Difference	Settlement
Larkfield	$ 327,069	$ 356,970	$ 29,900	$ 329,496
Los Angeles County	$ 4,610,883	$ 5,080,080	$ 469,197	$ 4,637,593
Monterey County	$ 541,669	$ 539,969	$ (1,700)	$ 56,735
Sacramento	$ 1,655,309	$ 1,783,064	$ 127,755	$ 1,671,863
San Diego County	$ 11,097,290	$ 11,935,387	$ 838,097	$ 16,197,091
Ventura County	$ 19,445,957	$ 21,413,752	$ 1,967,795	$ 20,880,389

REFERENCES: CAW Exh. A,- Ch. 2, Tbl2.2, ORA Exh.A,-Ch2, Tbl2.2, Exh. 21, Direct Testimony of Jeffrey Dana dated July 1, 2014, ("CAW Dana Direct"), p.43, Exh. 7, Direct Testimony of Terence Shia, dated March 28, 2014 ("ORA Shia Direct"), *ORA Analysis and Recommendations on Operations & Maintenance Expenses and Special Requests: 18,23,27,30,31 of CAW Company Application 13-07-002*, dated March 28, 2014, (ORA Report # 2), pp.1-12, 1-13.

14.3 Purchased Power

CAW REQUEST:

Purchased power costs were calculated using a one-year historical average of kilowatt usage and kilowatt per water production unit figures. An average kilowatt-hour cost was computed based on the most recent actual billing data from CAW's power providers. This average kilowatt per hour cost was then multiplied by the total estimated kilowatt usage calculated based on estimated water production quantities (estimated production times the historical kilowatt per production unit figure).

ORA POSITION:

ORA recommends that its consumption forecasts be used to forecast purchased power.

RESOLUTION:

ORA and CAW agree to align purchased power costs to reflect agreed upon total production and the latest power provider costs and rate structures of the providers.

Purchased Power	CAW	ORA		2015
2015 Projected Test Year	Direct	Direct	Difference	Settlement
Larkfield	$ 90,709	$ 99,002	$ 8,293	$ 91,382
Los Angeles County	$ 1,851,602	$ 1,958,116	$ 106,514	$ 1,795,793
MontereyCounty	$ 2,334,395	$ 2,436,838	$ 102,443	$ 2,302,832
Sacramento	$ 2,405,435	$ 2,600,391	$ 194,956	$ 2,432,065
San Diego County	$ -	$ -	$ -	$ -
Ventura County	$ 248,823	$ 275,752	$ 26,929	$ 254,041

REFERENCES: CAW Exh. A,- Ch. 2, Tbl2.2, ORA Exh.A,-Ch2, Tbl2.2, Exh. 21, CAW Dana Direct , p.43 Exh. 7, ORA Shia Direct, *ORA Analysis and Recommendations on Operations & Maintenance Expenses and Special Requests: 18,23,27,30,31 of CAW Company Application 13-07-002*, dated March 28, 2014, (ORA Report # 2), pp.1-14.

14.4 Chemicals

CAW REQUEST:

CAW estimated chemical costs for 2015 using a five year historical inflated average.

ORA POSITION:

ORA removes CAW's customer growth and sales tax multipliers from the calculated averages.

RESOLUTION:

ORA and CAW agree to compromise on chemical expenses as set forth below.

Chemicals	CAW	ORA		2015
2015 Projected Test Year	Direct	Direct	Difference	Settlement
Larkfield	$ 25,768	$ 25,250	$ (518)	$ 25,158
Los Angeles County	$ 118,821	$ 118,326	$ (496)	$ 117,867
Monterey County	$ 521,008	$ 517,567	$ (3,441)	$ 515,701
Sacramento	$ 510,051	$ 497,786	$ (12,265)	$ 495,914
San Diego County	$ -	$ -	$ -	$ -
Ventura County	$ -	$ -	$ -	$ -

REFERENCES: CAW Exh. A,- Ch. 2, Tbl2.2, ORA Exh.A,-Ch2, Tbl2.2 , Exh. 21, CAW Dana Direct , p.44, Exh. 7, ORA Shia Direct, *ORA Analysis and Recommendations on Operations & Maintenance Expenses and Special Requests: 18,23,27,30,31 of CAW Company Application 13-07-002*, dated March 28, 2014, (ORA Report # 2), pp.1-15.

14.5 Uncollectibles

CAW REQUEST:

CAW based its estimate on the average uncollectible percentage of the last 5 years of history. In addition, starting in 2015 an amount was included for leak adjustments, which was recommended by ORA's November 6, 2012 protest to Advice Letter 970.

Recognizing that leak adjustments increased significantly in the Monterey County District, ORA and CAW signed a Memorandum of Understanding in February of 2013 agreeing to a methodology for incorporating leak adjustments in the revenue requirement on a going-forward basis. The estimated leak adjustments were based on the 2012 actual percentage. On June 27, 2013, the Commission adopted Res. W-4951 which authorized CAW's Advice Letter (Advice Letter 991) that requested a memorandum account to track revenue shortfalls associated with leak adjustments.

ORA POSITION:

Any differences between ORA and CAW forecasts are a result of different revenue forecasts.

RESOLUTION:

ORA and CAW agree to compromise on uncollectibles expenses as set forth below.

Uncollectibles	CAW	ORA		2015
2015 Projected Test Year	Direct	Direct	Difference	Settlement
Larkfield	$ 27,770	$ 24,630	$ (3,140)	$ 27,311
Los Angeles County	$ 242,700	$ 224,314	$ (18,386)	$ 228,363
Monterey County	$ 3,806,400	$ 3,252,690	$ (553,710)	$ 3,557,546
Sacramento	$ 337,600	$ 300,909	$ (36,691)	$ 315,321
San Diego County	$ 133,650	$ 129,330	$ (4,320)	$ 159,905
Ventura County	$ 215,020	$ 216,330	$ 1,310	$ 218,745

REFERENCES: CAW Exh. A,- Ch. 2, Tbl2.2, ORA Exh.A,-Ch2, Tbl2.2, , Exh. 21, CAW Dana Direct, p. 44, Exh. 7, ORA Shia Direct, *ORA Analysis and Recommendations on Operations & Maintenance Expenses and Special Requests: 18,23,27,30,31 of CAW Company Application 13-07-002*, dated March 28, 2014, (ORA Report # 2), pp.. 1-24.

14.6 Tank Painting/Maintenance

CAW REQUEST:

The tank maintenance program maximizes the life span of numerous tanks and reservoirs throughout the state through continual assessment and regular maintenance. The tank maintenance program is also designed to implement tank and reservoir improvements to meet existing and future laws, codes, and regulations. The expenditures included for tank painting in the Tank Maintenance Program are deferred tank painting expenses. These expenses were

derived by assessing which tanks would require maintenance in years 2015-2018 in compliance with existing and future laws, codes and regulations. The number of tanks scheduled for tank painting maintenance from 2015-2018, by district, are as follows:

- San Diego County-2,
- Los Angeles County District-13,
- Ventura County District-12,
- Sacramento District-9,
- Monterey County District-25,
- Larkfield District-0.

Dollars discussed in this section do not include the capitalized portion of the Tank Maintenance program which is discussed as part of the recurring project section of the capital budget.

ORA POSITION:

ORA recommends reducing the forecast of 2015 expenditures for tank painting amortization expenses based on the issues ORA found in discovery regarding proposed tank projects in 2013 that were not completed.

RESOLUTION:

ORA and CAW agree to compromise on tank painting/maintenance expenses as set forth below. Tank painting/maintenance expenditures were revised in Monterey and Sacramento to shift 2015 expenditures by $1.91M to 2016 and $1.895M of expenditures from 2016 to 2017. It is agreed that all tank painting/maintenance expense should be deferred and amortized to expense over a useful life of five years for study costs and ten years for all other tank painting costs. A more detailed list of tank projects by districts is included here as Attachment B-4.

Tank Painting 2015 Projected Test Year	CAW Direct	ORA Direct	Difference	2015 Settlement
Larkfield	$ 28,157	$ 13,177	$ (14,980)	$ 52,697
Los Angeles County	$ 162,927	$ 70,674	$ (92,253)	$ 131,890
Monterey County	$ 468,870	$ 385,266	$ (83,604)	$ 468,498
Sacramento	$ 286,529	$ 151,109	$ (135,420)	$ 196,748
San Diego County	$ 41,486	$ 26,626	$ (14,860)	$ 39,711
Ventura County	$ 338,207	$ 205,478	$ (132,729)	$ 283,338

REFERENCES: CAW Ex A-Ch 4 Expenses Acct.766 TD Maint Plt, ORA Ex A-Ch4 Expenses Acct.766 TD Maint Plt, Exh. 2, Direct Testimony of Mark Schubert Dated July 1, 2014, pp 148-151 ("CAW Schubert Direct"); Exh. 7, ORA Shia Direct, *ORA Analysis and Recommendations*

on Operations & Maintenance Expenses and Special Requests: 18,23,27,30,31 of CAW Company Application 13-07-002, dated March 28, 2014, (ORA Report # 2), pp.1-30,1-31.

14.7 Comprehensive Planning Study ("CPS") & Geographical Information Systems ("GIS")

CAW REQUEST:

CAW based its CPS cost estimate on prior Commission authorizations. CAW considered the 2008 Monterey GRC, in which the Commission adopted $150,000 per year for the Monterey CPS, to be amortized over a three-year period. CAW also considered the Commission's decision in the 2009 GRC for the Sacramento and Los Angeles County Districts. It should be recognized that the expenditures will be amortized over a three-year period and the annual amounts will be charged to the expense accounts.

Both the Commission's G.O. 103-A and the DPH Waterworks Standards require that CAW have on file updated plans, maps, drawings, or other records of all system facilities. CAW estimated that about 20 percent of the work on each system map task will be performed by CAW staff, 30 percent by the American Water Service Company staff, and the remaining 50 percent by external consultants. The estimate of the internal staff hourly rate is about $40 per hour, plus 55 percent labor overhead, for a total of $62 per hour. CAW estimated $70 per hour, including labor overhead, for the average cost of support by the American Water Service Company and about $120 per hour for the average hourly rate by external consulting firms.

ORA POSITION:

ORA excluded any expenses related to CPS & GIS from A&G accounts and instead included them in O&M Account 756.

RESOLUTION:

ORA and CAW agree to compromise on GIS & CPS expenses as set forth below.

CPS & GIS	CAW	ORA		2015
2015 Projected Test Year	Direct	Direct	Difference	Settlement
Larkfield	$ 33,950	$ 33,950	$ -	$ 83,950
Los Angeles County	$ 235,600	$ 235,600	$ -	$ 235,600
Monterey County	$ 333,300	$ 333,300	$ -	$ 333,300
Sacramento	$ 395,200	$ 395,200	$ -	$ 645,200
San Diego County	$ 174,940	$ 174,940	$ -	$ 174,940
Ventura County	$ 177,970	$ 177,970	$ -	$ 177,970

REFERENCES: Exh. 2, CAW Schubert Direct , CAW Ex A-Ch 4 Expenses Acct.756 Misc TD Exp, ORA Ex A-Ch4 Expenses Acct.756 Misc Td Exp, Exh. 7, ORA Shia Direct, *ORA Analysis and Recommendations on Operations & Maintenance Expenses and Special Requests: 18,23,27,30,31 of CAW Company Application 13-07-002*, dated March 28, 2014, (ORA Report # 2), pp. 1-17, 1-18.

14.7 Other O&M

CAW REQUEST:

Other O&M includes, but is not limited to, Source of Supply, Pumping, Water treatment, T&D Maintenance, customer accounting and Rent expenses. In general, CAW's estimates are based on a five-year escalated average adjusted for inflation, customer growth, and a 2013 increase to sales tax.

ORA POSITION

ORA removed CAW's customer growth and sales tax multipliers from the calculated averages for Other O&M expenses. ORA also disagreed with Rents for CAW's San Diego County District.

RESOLUTION:

ORA and CAW agree to compromise on other O&M expenses as set forth below.

Other O&M 2015 Projected Test Year	CAW Direct	ORA Direct	Difference	2015 Settlement
Larkfield	$ 67,991	$ 19,473	$ (48,518)	$ 66,639
Los Angeles County	$ 1,077,644	$ 1,072,807	$ (4,837)	$ 1,069,364
Monterey County	$ 2,707,297	$ 2,885,322	$ 178,024	$ 3,300,264
Sacramento	$ 1,379,686	$ 1,958,386	$ 578,699	$ 1,348,633
San Diego County	$ 193,800	$ 191,242	$ (2,558)	$ 191,472
Ventura County	$ 270,098	$ 260,153	$ (9,945)	$ 337,456

REFERENCES: CAW Exh. A,- Ch. 2, Tbl2.2, ORA Exh.A,-Ch2, Tbl2.2, Exh. 7, ORA Shia Direct, *ORA Analysis and Recommendations on Operations & Maintenance Expenses and Special Requests: 18,23,27,30,31 of CAW Company Application 13-07-002*, dated March 28, 2014, (ORA Report # 2, pp. 1-12:1-32. Exh. 16 and 16-A, ORA Roberts/Montero Direct, *ORA Analysis and Recommendations on A&G Expenses Payroll and Special Request 17 of CAW Company Application 13-07-002*, dated March 28, 2014, (ORA Report # 1), pp.7-5".

14.8 Salaries and Wages

CAW REQUEST:

A discussion on salaries and wages is included in the General Office section of this settlement for all districts.

14.9 Insurance

CAW REQUEST:

The Insurance estimate is comprised of Property Insurance and Workers' Comp, Injuries and Damages. Insurance estimates are based on a five-year average of recorded numbers, adjusted for inflation.

ORA POSITION:

In general, ORA and CAW's Insurance estimates have a minimal difference. ORA and CAW have the same estimate for the Los Angeles District. For San Diego, ORA excluded a one-time expense of $13,000 in 2011 from sub-account Injuries and Damages which represented an employee related settlement.

RESOLUTION:

ORA and CAW agree on the requested insurance below.

Insurance 2015 Projected Test Year	CAW Direct	ORA Direct	Difference	2015 Settlement
Larkfield	$ 618	$ 612	$ (6)	$ 609
Los Angeles County	$ 479	$ 479	$ 0	$ 479
Monterey County	$ 15,574	$ 15,517	$ (57)	$ 15,443
Sacramento	$ 13,066	$ 12,840	$ (226)	$ 12,778
San Diego County	$ 6,995	$ 4,171	$ (2,824)	$ 6,925
Ventura County	$ 7,387	$ 7,340	$ (47)	$ 7,307
Total California American	$ 44,119	$ 40,959	$ (3,160)	$ 43,541

REFERENCES: CAW Exh. A,- Ch. 2, Tbl2.2, ORA Exh.A,-Ch2, Tbl2.2, Exh. 16 and 16-A, ORA Roberts/Montero Direct, *ORA Analysis and Recommendations on A&G Expenses Payroll and Special Request 17 of CAW Company Application 13-07-002*, dated March 28, 2014, (ORA Report #1), pp. 2-1,3-1,4-2,6-2,7-2,8-1,8-2".

14.10 Other Benefits

CAW REQUEST:

CAW applied an inflation factor and adjusted historical five-year average customer count to forecast most expenses in this category, including but not limited to, training, tuition, safety incentive, 401k operating and other welfare benefits. CAW projected 401(k) costs using the matching guidelines based on the current contribution election for employees. Employees hired after December 31, 2005 also receive a Company funded contribution of 5.25% of their salary in the Defined Contribution Plan (DCP) to compensate for the fact that they are no eligible for the pension plan.

Group insurance, pension and post-retirement benefits other than pension ("PBOP") costs are discussed in the CAW Company Expenses section of this settlement (Section 7.0).

ORA POSITION:

The differences between CAW's and ORA's estimates are a result of differences in payroll estimates and ORA excluding recorded items such as appreciation awards and social activities for employees, training related to GIS and ORM and charitable contributions.

RESOLUTION:

ORA and CAW agree to Other Benefits costs as set forth below.

Other Benefits 2015 Projected Test Year	CAW Direct	ORA Direct	Difference	2015 Settlement
Larkfield	$ 23,210	$ 21,492	$ (1,719)	$ 22,921
Los Angeles County	$ 82,642	$ 65,960	$ (16,682)	$ 75,781
Monterey County	$ 261,881	$ 229,657	$ (32,224)	$ 240,349
Sacramento	$ 243,972	$ 224,130	$ (19,843)	$ 240,790
San Diego County	$ 69,922	$ 61,579	$ (8,343)	$ 69,000
Ventura County	$ 59,983	$ 53,403	$ (6,581)	$ 56,072
Total California American	$ 741,611	$ 656,220	$ (85,391)	$ 704,914

REFERENCES: CAW Exh. A,- Ch. 2, Tbl2.2, ORA Exh.A,-Ch2, Tbl2.2, Exh. 16 and 16-A, ORA Roberts/Montero Direct, *ORA Analysis and Recommendations on A&G Expenses Payroll and Special Request 17 of CAW Company Application 13-07-002*, dated March 28, 2014, (ORA Report #1),pp. 2-2,3-2,3-3, 4-2, 4-3, 6-2, 6-3, 7-2, 7-3, 8-2".

14.11 Outside Services

CAW REQUEST:

Outside services costs include all outside professional services including, but not limited to, legal, finance, recruiting, audit, information technology and accounting. CAW employs these services to manage a variety of operational, engineering, and corporate activities. CAW estimated most expenses based on a five-year average, adjusted for inflation, customer growth, and a 2013 sales tax increase.

CAW also requested $904,110 $504,000 per year over a five year period for a total of $2,520,000 to fund arc flash studies to assess potential arc flash hazards at its facilities

ORA POSITION:

For all districts, ORA excluded Comprehensive Planning Study (CPS) and Geographical Information Systems (GIS) from the historical period since the forecasted dollars were presented

in Account 756 - Miscellaneous T&D. ORA excluded $504,000 per year over a five year period for a total of $2,520,000 from Test Year 2015 related to arc flash studies.

RESOLUTION:

CAW and ORA agree to reflect CPS and GIS dollars under Account 756 and have reached a compromise to reflect Arc Flash Studies costs in outside services expenses. Please refer to the tables below.

Arc Flash Studies 2015 Projected Test Year	CAW Direct	ORA Direct	Difference	2015 Settlement
Larkfield	$ 26,953	$ -	$ (26,953)	$ 4,838
Los Angeles County	$ 125,276	$ -	$ (125,276)	$ 25,435
Monterey County	$ 368,418	$ -	$ (368,418)	$ 65,875
Sacramento	$ 310,394	$ -	$ (310,394)	$ 61,730
San Diego County	$ 32,275	$ -	$ (32,275)	$ 8,032
Ventura County	$ 40,794	$ -	$ (40,794)	$ 27,342
Monterey Wastewater	$ 35,000	$ -	$ (35,000)	$ 11,586
Garrapata	$ -	$ -	$ -	$ -
Toro	$ -	$ -	$ -	$ -
Total California American	$ 939,110	$ -	$ (939,110)	$ 204,838

All Other Outside Services 2015 Projected Test Year	CAW Direct	ORA Direct	Difference	2015 Settlement
Larkfield	$ 9,265	$ 9,892	$ 627	$ 9,083
Los Angeles County	$ 27,470	$ 36,981	$ 9,511	$ 27,286
Monterey County	$ 462,274	$ 465,110	$ 2,836	$ 458,052
Sacramento	$ 256,145	$ 256,698	$ 553	$ 252,845
San Diego County	$ 11,435	$ 15,705	$ 4,270	$ 11,287
Ventura County	$ 33,958	$ 40,256	$ 6,298	$ 33,557
Total California American	$ 800,547	$ 824,642	$ 24,095	$ 792,111

REFERENCES: CAW Exh. A,- Ch. 2, Tbl2.2, ORA Exh.A,-Ch2, Tbl2.2, Exh. 16 and 16-A, ORA Roberts/Montero Direct, *ORA Analysis and Recommendations on A&G Expenses Payroll and Special Request 17 of CAW Company Application 13-07-002*, dated March 28, 2014, (ORA Report #1),pp. 2-2,3-3,4-4,6-3,7-3,8-2".

14.12 Other Administrative and General

CAW REQUEST:

Other Administrative and General Expenses includes, but is not limited to, office supplies and other expenses, regulatory expense, materials and supplies, transportation, bill inserts, telephone, and general plant. Office supplies and other expenses and general plant are based on a five-year average of recorded years adjusted for inflation. Additional information on regulatory expense can be found in the General Office section of this settlement.

ORA POSITION:

In general, CAW and ORA agree on office supplies and other expenses with the exception of certain one-time expenses and Dues and Membership fees. ORA disallowed the regulatory expense in the Monterey and Sacramento districts because they were due to amortization of a depreciation study that ended in 2008. ORA removed charitable contributions, donations, coffee expenses, erroneous expenses from the transportation, and other sub-accounts from the requested miscellaneous general expense.

RESOLUTION:

CAW and ORA agree that there are no regulatory expenses at the district level because it is accounted for in the General Office. ORA generally agreed with CAW's estimates of general plant. Please refer to the table below for the agreed upon estimates of other A&G.

Other A&G 2015 Projected Test Year	CAW Direct	ORA Direct	Difference	2015 Settlement
Larkfield	$ 88,765	$ 85,954	$ (2,811)	$ 86,808
Los Angeles County	$ 557,295	$ 535,895	$ (21,400)	$ 220,400
Monterey County	$ 2,077,122	$ 1,803,465	$ (273,657)	$ 2,011,698
Sacramento	$ 1,438,818	$ 1,274,235	$ (164,583)	$ 1,385,864
San Diego County	$ 235,549	$ 202,746	$ (32,804)	$ 230,019
Ventura County	$ 363,026	$ 310,151	$ (52,875)	$ 327,904
Total California American	$ 4,760,576	$ 4,212,446	$ (548,130)	$ 4,262,692

REFERENCES: CAW Exh. A,- Ch. 2, Tbl2.2, ORA Exh.A,-Ch2, Tbl2.2, Exh. 16 and 16-A, ORA Roberts/Montero Direct, *ORA Analysis and Recommendations on A&G Expenses Payroll and Special Request 17 of CAW Company Application 13-07-002*, dated March 28, 2014, (ORA Report #1),pp. 2-2, 2-3, 3-3,3-4, 3-5, 4-4, 4-5, 4-6, 4-7, 6-3, 6-4, 6-5, 6-6, 6-7, 7-3, 7-4, 7-5, 8-2, 8-3, 8-4".

14.13 Rents

CAW REQUEST:

CAW based property lease expenses projections on actual leases that it has entered into for office space. Office equipment, storage, etc., were generally escalated using an inflation adjusted historical five-year average.

ORA POSITION:

The minor differences between ORA and CAW's estimates are due to CAW including customer growth to derive the restatement factor, which ORA removes to develop its test year estimate. In Sacramento there are two one-time expenses that ORA removes which are the rental of a compressor for the Walnut Grove facility and "temporary labor". For San Diego, ORA agrees with the Palm Avenue office estimate, but suggests the removal from rate base of the book value of the Cherry Avenue office. ORA proposes to include $579,000 as an estimate of the gain that is expected when CAW moves from and disposes of its current operations facilities.

RESOLUTION:

CAW and ORA agree that any gain related to the sale of the old San Diego Office facility should be reviewed in the next General Rate Case in compliance with Minimum Data Requirement II.D.8, which requires an accounting of real property sales in a general rate case.

Many other expenses were also reduced. These were either minor amounts to reflect elimination or errors, amounts that are contributions, or amounts that are true one-time non-recurring expenses.

ORA and CAW also agree to San Diego Office's Rent at the level requested by CAW.

Rents 2015 Projected Test Year	CAW Direct	ORA Direct	Difference	2015 Settlement
Larkfield	$ 29,869	$ 29,387	$ (482)	$ 29,276
Los Angeles County	$ 57,434	$ 57,333	$ (101)	$ 57,113
Monterey County	$ 500,982	$ 500,918	$ (64)	$ 500,829
Sacramento	$ 17,363	$ 16,157	$ (1,206)	$ 16,979
San Diego County	$ 202,593	$ 184,924	$ (17,670)	$ 202,121
Ventura County	$ 337,912	$ 335,408	$ (2,504)	$ 334,099
Total California American	$ 1,146,155	$ 1,124,128	$ (22,027)	$ 1,140,416

REFERENCES: CAW Exh. A,- Ch. 2, Tbl2.2, ORA Exh.A,-Ch2, Tbl2.2, Exh. 16 and 16-A, ORA Roberts/Montero Direct, *ORA Analysis and Recommendations on A&G Expenses Payroll and Special Request 17 of CAW Company Application 13-07-002*, dated March 28, 2014, (ORA Report #1),pp. 2-4,3-5,4-7,6-6,7-5,8-4".

15.0 RESERVED

16.1 DEPRECIATION

16.2 Annual Depreciation Accrual

CAW REQUEST:

CAW's proposed depreciation rates for all of its districts and property classes were obtained directly from the CAW Depreciation Study performed by the third-party contractor, Alliance Consulting Group in 2010 and accepted by the Commission in D.13-06-016.

ORA POSITION:

To ensure that CAW's annual depreciation updates represent reasonable estimates that can be reviewed in general rate cases prior to impacting customer rates, ORA recommends the Commission instruct CAW to include in subsequent general rate case applications the three most recent annual depreciation updates available at the time of filing.

Consistent with the settlement adopted in CAW's previous general rate case, the reasonableness of the depreciation rates used for "book purposes" in CAW's annual update should be considered when the Commission reviews escalation and attrition year rate requests between general rate cases in order to ensure the continuation of just and reasonable water rates.

RESOLUTION:

CAW and ORA agree with the recommendations requested by ORA. CAW and ORA also agree that the depreciation rates to be used in the calculation of the revenue requirements shall be those filed in the annual update submitted to the Commission on October 30, 2013. Further CAW and ORA agree that for accounts where the depreciation study provides rates for sub-portions of the plant account that a weighted average of all the sub-account rates shall be used.

Based on the overall agreement on the forecasted level of plant additions, ORA and CAW agree to the annual depreciation accrual rates as set forth below for each district.

PUC Acct	Description	CAW Corporate
303	Other Intangible Plant	0.00%
311	Structures & Improvements	0.00%
312	Collecting & Impounding Reservoirs	0.00%
313	Lake, River and Other Intake	0.00%
315	Wells & Springs	3.30%
316	Supply Mains	0.00%
317	Other Source of Supply Plant	0.00%
321	Structures & Improvements	0.00%
323	Other Power Production Equipment	0.00%
324	Electric Pumping Equipment	0.00%
325	Other Pumping Equipment	0.00%
331	Structures & Improvements	0.00%
332	Water Treatment Equipment	2.86%
341	Structures & Improvements	0.00%
342	Reservoirs & Tanks	2.41%
343.1	Mains - 4" & Less	0.00%
343.2	Mains - 6" to 10"	0.00%
343.3	Mains - 12" & More	0.00%
344	Fire Mains	0.00%
345	Services	0.00%
346	Meters	5.71%
347	Meter Installations	0.00%
348	Hydrants	0.00%
349	Other T & D Plant	0.00%
371.1	Office Structures	3.35%
371.2	Stores, Shops, & Garage Str.	0.00%
372.1	Office Furniture (391.1)	2.75%
372.21	Computer and Peripherals	2.63%
372.22	Other Computer Equipment	73.62%
372.23	Computer Software	5.49%
373.11	Light Utility Trucks	0.00%
373.12	Heavy Utility Trucks	8.50%
373.2	Automobiles	1.09%
373.3	Transportation Other	0.00%
374	Stores Equipment	0.00%
375	Laboratory Equipment	0.00%
376	Communication Equipment	5.46%
377	Power Operated Equipment	0.00%
378	Tools, Ship, & Garage Equip.	1.29%
379	Other General Plant	0.00%
390	Other Tangible Property	0.00%

PUC Acct	Description	Larkfield
303	Other Intangible Plant	5.22%
311	Structures & Improvements	2.57%
312	Collecting & Impounding Reservoirs	0.00%
313	Lake, River and Other Intake	0.00%
315	Wells & Springs	3.28%
316	Supply Mains	1.92%
317	Other Source of Supply Plant	0.00%
321	Structures & Improvements	0.35%
323	Other Power Production Equipment	7.83%
324	Electric Pumping Equipment	3.75%
325	Other Pumping Equipment	4.10%
331	Structures & Improvements	1.59%
332	Water Treatment Equipment	3.33%
341	Structures & Improvements	2.62%
342	Reservoirs & Tanks	1.66%
343.1	Mains - 4" & Less	2.44%
343.2	Mains - 6" to 10"	2.14%
343.3	Mains - 12" & More	2.11%
344	Fire Mains	1.80%
345	Services	2.90%
346	Meters	5.85%
347	Meter Installations	0.00%
348	Hydrants	2.18%
349	Other T & D Plant	0.00%
371.1	Office Structures	4.97%
371.2	Stores, Shops, & Garage Str.	3.49%
372.1	Office Furniture (391.1)	2.92%
372.21	Computer and Peripherals	1.28%
372.22	Other Computer Equipment	5.87%
372.23	Computer Software	0.00%
373.11	Light Utility Trucks	0.81%
373.12	Heavy Utility Trucks	8.50%
373.2	Automobiles	0.00%
373.3	Transportation Other	12.86%
374	Stores Equipment	0.00%
375	Laboratory Equipment	2.45%
376	Communication Equipment	3.19%
377	Power Operated Equipment	4.77%
378	Tools, Ship, & Garage Equip.	2.87%
379	Other General Plant	1.47%
390	Other Tangible Property	3.50%

PUC Acct	Description	Sacramento
303	Other Intangible Plant	0.00%
311	Structures & Improvements	2.75%
312	Collecting & Impounding Reservoirs	0.00%
313	Lake, River and Other Intake	3.91%
315	Wells & Springs	2.66%
316	Supply Mains	1.83%
317	Other Source of Supply Plant	0.00%
321	Structures & Improvements	1.56%
323	Other Power Production Equipment	4.04%
324	Electric Pumping Equipment	3.82%
325	Other Pumping Equipment	4.00%
331	Structures & Improvements	1.90%
332	Water Treatment Equipment	2.06%
341	Structures & Improvements	2.62%
342	Reservoirs & Tanks	1.81%
343.1	Mains - 4" & Less	1.58%
343.2	Mains - 6" to 10"	1.72%
343.3	Mains - 12" & More	1.76%
344	Fire Mains	1.73%
345	Services	2.19%
346	Meters	5.41%
347	Meter Installations	5.19%
348	Hydrants	2.06%
349	Other T & D Plant	0.57%
371.1	Office Structures	2.04%
371.2	Stores, Shops, & Garage Str.	2.60%
372.1	Office Furniture (391.1)	1.21%
372.21	Computer and Peripherals	5.38%
372.22	Other Computer Equipment	6.82%
372.23	Computer Software	-10.37%
373.11	Light Utility Trucks	2.59%
373.12	Heavy Utility Trucks	0.00%
373.2	Automobiles	12.86%
373.3	Transportation Other	0.00%
374	Stores Equipment	5.00%
375	Laboratory Equipment	3.04%
376	Communication Equipment	2.85%
377	Power Operated Equipment	3.26%
378	Tools, Ship, & Garage Equip.	2.38%
379	Other General Plant	0.00%
390	Other Tangible Property	0.58%

PUC Acct	Description	Monterey Water
303	Other Intangible Plant	2.35%
311	Structures & Improvements	2.69%
311	Structures & Improvements-San Clemente & Los Padres Dam	5.72%
312	Collecting & Impounding Reservoirs	8.80%
312	Collecting & Impounding Reservoirs-San Clemente & Los Padres Dam	12.33%
313	Lake, River and Other Intake	1.09%
315	Wells & Springs	4.80%
316	Supply Mains	2.39%
317	Other Source of Supply Plant	3.52%
317	Other Source of Supply Plant-San Clemente & Los Padres Dam	2.78%
321	Structures & Improvements	1.54%
323	Other Power Production Equip	3.77%
324	Electric Pumping Equipment	3.49%
324	Electric Pumping Equipment-San Clemente & Los Padres Dam	3.49%
325	Other Pumping Equipment	4.12%
331	Structures & Improvements	1.77%
332	Water Treatment Equipment	2.37%
332	Water Treatment Equipment-San Clemente & Los Padres Dam	10.57%
341	Structures & Improvements	3.90%
342	Reservoirs & Tanks	1.80%
342	Reservoirs & Tanks-San Clemente & Los Padres Dam	13.92%
343.1	Mains - 4" & Less	2.38%
343.2	Mains - 6" to 10"	2.13%
343.3	Mains - 12" & More	2.30%
344	Fire Mains	0.00%
345	Services	2.18%
346	Meters	4.25%
347	Meter Installations	0.00%
348	Hydrants	2.32%
349	Other T & D Plant	5.22%
349	Other T & D Plant-San Clemente & Los Padres Dam	13.15%
371.1	Office Structures	2.38%
371.2	Stores, Shops, & Garage Str.	1.88%
372.1	Office Furniture (391.1)	4.60%
372.1	Office Furniture (391.1)-San Clemente & Los Padres Dam	0.00%
372.21	Computer and Peripherals	8.72%
372.22	Other Computer Equipment	4.29%
372.23	Computer Software	1.60%
372.23	Computer Software	20.00%

373.11	Light Utility Trucks	-0.56%
373.12	Heavy Utility Trucks	-0.34%
373.2	Automobiles	12.86%
373.3	Transportation Other	9.27%
373.3	Transportation Other-San Clemente & Los Padres Dam	15.46%
374	Stores Equipment	0.00%
375	Laboratory Equipment	2.26%
376	Communication Equipment	3.43%
377	Power Operated Equipment	0.89%
378	Tools, Ship, & Garage Equip.	2.42%
379	Other General Plant	6.36%
390	Other Tangible Property	5.80%

PUC Acct	Description	San Diego
303	Other Intangible Plant	0.00%
311	Structures & Improvements	0.00%
312	Collecting & Impounding Reservoirs	0.00%
313	Lake, River and Other Intake	0.00%
315	Wells & Springs	0.00%
316	Supply Mains	-0.04%
317	Other Source of Supply Plant	0.00%
321	Structures & Improvements	7.70%
323	Other Power Production Equipment	0.00%
324	Electric Pumping Equipment	8.66%
325	Other Pumping Equipment	0.00%
331	Structures & Improvements	0.00%
332	Water Treatment Equipment	9.91%
341	Structures & Improvements	0.00%
342	Reservoirs & Tanks	2.46%
343.1	Mains - 4" & Less	1.69%
343.2	Mains - 6" to 10"	1.62%
343.3	Mains - 12" & More	1.75%
344	Fire Mains	0.00%
345	Services	2.42%
346	Meters	4.85%
347	Meter Installations	5.03%
348	Hydrants	1.84%
349	Other T & D Plant	22.22%
371.1	Office Structures	6.46%
371.2	Stores, Shops, & Garage Str.	3.96%
372.1	Office Furniture (391.1)	2.75%
372.21	Computer and Peripherals	7.29%
372.22	Other Computer Equipment	3.21%
372.23	Computer Software	2.98%
373.11	Light Utility Trucks	0.00%
373.12	Heavy Utility Trucks	-0.47%
373.2	Automobiles	0.00%
373.3	Transportation Other	6.99%
374	Stores Equipment	5.00%
375	Laboratory Equipment	0.00%
376	Communication Equipment	2.45%
377	Power Operated Equipment	0.26%
378	Tools, Ship, & Garage Equip.	2.52%
379	Other General Plant	11.95%
390	Other Tangible Property	4.12%

PUC Acct	Description	Ventura
303	Other Intangible Plant	0.00%
311	Structures & Improvements	2.64%
312	Collecting & Impounding Reservoirs	0.00%
313	Lake, River and Other Intake	3.25%
315	Wells & Springs	0.00%
316	Supply Mains	1.64%
317	Other Source of Supply Plant	0.00%
321	Structures & Improvements	1.52%
323	Other Power Production Equipment	0.00%
324	Electric Pumping Equipment	3.63%
325	Other Pumping Equipment	0.00%
331	Structures & Improvements	0.00%
332	Water Treatment Equipment	2.38%
341	Structures & Improvements	2.53%
342	Reservoirs & Tanks	1.51%
343.1	Mains - 4" & Less	1.65%
343.2	Mains - 6" to 10"	1.60%
343.3	Mains - 12" & More	1.59%
344	Fire Mains	1.76%
345	Services	3.29%
346	Meters	4.73%
347	Meter Installations	4.90%
348	Hydrants	3.13%
349	Other T & D Plant	0.00%
371.1	Office Structures	2.71%
371.2	Stores, Shops, & Garage Str.	3.28%
372.1	Office Furniture (391.1)	3.38%
372.21	Computer and Peripherals	3.22%
372.22	Other Computer Equipment	4.61%
372.23	Computer Software	-2.20%
373.11	Light Utility Trucks	0.00%
373.12	Heavy Utility Trucks	8.50%
373.2	Automobiles	0.00%
373.3	Transportation Other	0.00%
374	Stores Equipment	1.80%
375	Laboratory Equipment	5.12%
376	Communication Equipment	4.05%
377	Power Operated Equipment	0.00%
378	Tools, Ship, & Garage Equip.	2.56%
379	Other General Plant	0.00%
390	Other Tangible Property	4.95%

PUC Acct	Description	Los Angeles
303	Other Intangible Plant	0.00%
311	Structures & Improvements	4.47%
312	Collecting & Impounding Reservoirs	1.37%
313	Lake, River and Other Intake	2.53%
315	Wells & Springs	3.29%
316	Supply Mains	1.66%
317	Other Source of Supply Plant	0.00%
321	Structures & Improvements	4.25%
323	Other Power Production Equipment	0.00%
324	Electric Pumping Equipment	3.23%
325	Other Pumping Equipment	0.57%
331	Structures & Improvements	1.10%
332	Water Treatment Equipment	1.68%
341	Structures & Improvements	4.89%
342	Reservoirs & Tanks	1.19%
343.1	Mains - 4" & Less	1.67%
343.2	Mains - 6" to 10"	1.76%
343.3	Mains - 12" & More	1.67%
344	Fire Mains	0.00%
345	Services	2.90%
346	Meters	4.46%
347	Meter Installations	4.48%
348	Hydrants	2.21%
349	Other T & D Plant	0.83%
371.1	Office Structures	3.31%
371.2	Stores, Shops, & Garage Str.	3.77%
372.1	Office Furniture (391.1)	4.84%
372.21	Computer and Peripherals	6.53%
372.22	Other Computer Equipment	5.30%
372.23	Computer Software	12.76%
373.11	Light Utility Trucks	-2.51%
373.12	Heavy Utility Trucks	0.00%
373.2	Automobiles	12.86%
373.3	Transportation Other	8.98%
374	Stores Equipment	0.84%
375	Laboratory Equipment	0.00%
376	Communication Equipment	2.56%
377	Power Operated Equipment	0.00%
378	Tools, Ship, & Garage Equip.	2.24%
379	Other General Plant	8.06%
390	Other Tangible Property	0.10%

REFERENCES: Application Exhibit A's Chapter 8, Table 8.9, Exh. 14 and 14-A, ORA Rauschmeier Direct , ORA Report 4, Chapter 1.

16.3 Contribution Depreciation

CAW REQUEST:

CAW's position in filing was to apply the proposed annual depreciation rate by plant account to the level of average contributions by plant account.

ORA POSITION:

ORA did not provide any comments on the procedure to be used by CAW.

RESOLUTION:

ORA and CAW agree on the methodology as stated above.

REFERENCES: CAW Exh. A, Chs. 8.

16.4 Retirements

CAW REQUEST:

CAW's position in filing was based on a five-year average of recorded plant retirements versus total plant additions.

ORA POSITION:

ORA did not propose any changes to the methodology proposed by CAW.

RESOLUTION:

ORA and CAW agree on the methodology as stated above.

REFERENCES: CAW Exh. A, Chs. 8.

16.5 Net Negative Salvage Factors

CAW REQUEST:

The net negative salvage factors were analyzed as part of the depreciation study. CAW proposed continuing the same factors as authorized in D.13-06-016.

ORA POSITION:

ORA agreed with the methodology proposed by CAW.

RESOLUTION:

ORA and CAW agree on the methodology as stated above. Please also see the resolution in Special Request #22 (Section 21.22).

REFERENCES: CAW Exh. A, Chs. 8.

16.6 Depreciation Weighting Factor

CAW REQUEST:

CAW's position in filing was based on developing a 6-year average of 13 month average changes versus the total annual changes.

ORA POSITION:

ORA did not dispute the methodology proposed by CAW.

RESOLUTION:

ORA and CAW agree on the methodology but had to adjust the result for the Monterey County District due to an error in base data in the calculation. ORA and CAW agree to the following:

Average Depr 6 Yr Weighting Factor	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Larkfield	52.80%	52.80%	0.00%	52.80%	52.80%
Los Angeles County	52.95%	52.95%	0.00%	52.95%	52.95%
Monterey County	48.44%	48.44%	0.00%	48.44%	48.44%
Sacramento	49.89%	49.89%	0.00%	49.89%	49.89%
San Diego County	50.19%	50.19%	0.00%	50.19%	50.19%
Ventura County	51.99%	51.99%	0.00%	51.99%	51.99%
Cal Corp	50.00%	50.00%	0.00%	50.00%	50.00%

REFERENCES: CAW Exh. A, Chs. 8;

16.7 Depreciation Expense

CAW REQUEST:

CAW's position in filing was based on applying the proposed depreciation accrual rates against the annual weighted average plant balance by account (less contributions).

ORA POSITION:

ORA did not comment on the methodology proposed by CAW.

RESOLUTION:

ORA and CAW agree on the methodology and also agree to the below amounts for all districts where all plant issues have been resolved.

REFERENCES: CAW Exh. A, Chs. 8.

17.1 CONSERVATION

17.2 Overview

CAW REQUEST:

CAW submitted a three year combined budget total of $3,551,802 for its Larkfield ($90,524), Los Angeles County ($642,929), Sacramento ($1,463,998), San Diego County ($493,053), and Ventura County ($861,298) districts for years 2015, 2016 and 2017.

In addition, CAW and Monterey Peninsula Water Management District (MPWMD) submitted a joint, three-year proposed conservation budget of $3,297,500 for the Monterey County district ($2,398,500 for CAW; $899,000 for MPWMD).

ORA POSITION:

ORA did not oppose CAW's request.

RESOLUTION:

CAW and ORA agree on a three year combined budget total of $3,551,802 for its Larkfield ($90,524), Los Angeles County ($642,929), Sacramento ($1,463,998), San Diego County ($493,053), and Ventura County ($861,298) districts for years 2015, 2016 and 2017.

CAW and ORA also agree that the CAW-MPWMD joint conservation program should be authorized a three-year budget of $2,398,500 for CAW and a three-year surcharge amount of $899,000 for MPWMD.

CAW agrees that the funding category, Public Information Program will be subject to spending caps for all districts. A similar spending cap shall be in place for Monterey district's rebate program

Except for those categories mentioned above, CAW, at its discretion, may move dollars from one budget conservation program element to another as long as the total for all elements remains as authorized.

CAW and ORA also agree that three year conservation funding monies may be moved between the three rate case years as long as the total three year funding levels are not exceeded. CAW may not move monies between different districts.

ORA and CAW agree that if mandatory conservation or rationing is implemented that if CAW believes it is necessary, that additional dollars that are spent on the conservation programs may be captured in an authorized mandatory conservation/rationing memorandum account, if one is so approved, for future review or prudent and reasonable costs in such account.

Detailed conservation program budgets for each district are discussed below.

17.3 One-Way Balancing Account for Conservation Expense

CAW REQUEST:

CAW requests to continue to utilizing a one-way balancing account to track conservation expenses with any unspent funds refunded to ratepayers. A one-way balancing account will ensure that funds authorized for conservation programs are dedicated to that purpose.

ORA POSITION:

ORA agreed with CAW's request.

RESOLUTION:

CAW and ORA agree to continue tracking expenses in a capped, one-way balancing account with any unspent funds refunded to ratepayers after the end of the rate case period, which for this rate case period is December 31, 2017.

REFERENCES: Hearing Exh. 34, MPWMD Locke Direct, pp 26 Q/A 40

17.4 Rationing Memorandum Account (specific for Monterey District)

CAW REQUEST:

CAW requests to retain its rationing memorandum account initially approved by the Commission in D.03-02-030 and re-confirmed in D.08-07-010, D.09-05-029 and D.12-06-016, to track CAW's rationing related expenditures should rationing in the Monterey County District occur.

ORA POSITION:

ORA did not oppose CAW's request.

RESOLUTION:

CAW and ORA agree that CAW shall retain its rationing memorandum account to track CAW's rationing related expenditures. ORA and CAW agree that the language that the Commission previously authorized for this memorandum account in D.03-02-030, D.08-08-010, D.09-05-029 and D.12-06-016 shall continue to apply to the memorandum account.

REFERENCES: Hearing Exh. 1, CAW Pilz Direct, pp.16, Q/A28

17.5 MPWMD Rationing Memorandum Account (specific for Monterey District)

MPWMD REQUEST:

MPWMD requests the establishment of a memorandum account for MPWMD emergency rationing costs, similar to the one authorized for CAW. MPWMD's unique regulatory powers are necessary to implement and enforce a successful water rationing program.

ORA POSITION:

ORA did not oppose the MPWMD request.

RESOLUTION:

ORA agrees in principle that reasonable and prudent rationing costs authorized by the Commission should be able to be recovered however does not believe the Commission has jurisdiction over MPWMD and therefore the Commission lacks the ability to require MPWMD to submit its books and records for the reasonableness and prudency review that would otherwise be necessary prior to authorizing the recovery of expenses incurred by a regulated utility. The Parties agree that CAW may track the costs that it incurs from MPWMD rationing activities in a CAW rationing memo account.

REFERENCES: Hearing Exh. 34, MPWMD Locke Direct, pp 13Q/A 17

17.6 Larkfield

CAW REQUEST:

CAW requested a total three year conservation budget of $90,524 for 2015, 2016 and 2017.

ORA POSITION:

ORA did not oppose CAW's request.

RESOLUTION:

ORA accepts CAW 's budget of $90,524 for 2015, 2016 and 2017 Further, ORA and CAW agree to the following:

- CAW's water conservation spending will be tracked in a one-way balancing account.
- CAW will include in its annual report a detailed conservation summary report as per prior Partial Settlement Agreement between the Division of Ratepayer Advocates, the Utility Reform Network and CAW adopted in D.12-06-016
- **CAW will provide ORA with a copy of its CUWCC BMP** Implementation Reports upon ORA's request.
- The Public Information Program should be capped at $10,781.

- At its discretion, CAW may move its budget amount among the conservation programs excluding moving funds into Public Information.

Larkfield District					
Program 2015 - 2017 Budget	CAW Direct	CAW Rebuttal	ORA Report	Difference	Settlement
Conservation Staff	41,235	41,235			41,235
Public Information Program	10,781	10,781			10,781
School Education Program	1,540	1,540			1,540
Residential Water Audits	10,782	10,782			10,782
Residential Plumbing Retrofit/ Low Flow Fixtu	4,621	4,621			4,621
Washing Machine Rebates	4,621	4,621			4,621
Residential Toilet Rebates	4,621	4,621			4,621
CII Rebates	4,621	4,621			4,621
CII and Large Landscape Audits	7,702	7,702			7,702
Total Conservation Budget	90,524	90,524			90,524

REFERENCES: Hearing Exh. 1, CAW Pilz Direct, pp20-21, and Attachments 3 & 4 to CAW Pilz Direct.

17.7 Los Angeles

CAW REQUEST:

CAW requested a total conservation budget of $642,929 for years 2015, 2016 and 2017.

ORA POSITION:

ORA did not oppose CAW's request.

RESOLUTION:

ORA agrees to CAW 's budget of $642,929 for 2015, 2016 and 2017.

Further, ORA and CAW agree to the following:

a) CAW's water conservation spending will be tracked in a one-way balancing account.

b) CAW will include in its annual report a detailed conservation summary report as per prior Partial Settlement Agreement between the Division of Ratepayer Advocates, the Utility Reform Network and CAW adopted in D.12-06-016

c) **CAW will provide ORA with a copy of its CUWCC BMP** Implementation Reports upon ORA's request.

d) The Public Information Program should be capped at $76,891

e) At its discretion, CAW may move its budget amount among the conservation programs excluding moving funds into Public Information.

Los Angeles County District					
Program 2015-2017 Budget	CAW Direct	CAW Rebuttal	ORA Report	Difference	Settlement
Conservation Staff	95,960	95,960			95,960
Public Information Program	76,891	76,891			76,891
WaterSmart Software or similar	23,067	23,067			23,067
School Education Program	64,588	64,588			64,588
Residential Water Audits and Retrofits	30,756	30,756			30,756
Residential Plumbing Retrofit	21,529	21,529			21,529
Residential HECW Rebates	9,227	9,227			9,227
Residential Toilet Rebates	9,227	9,227			9,227
HET Direct Installations - Low-Income	61,513	61,513			61,513
CII Rebates	46,134	46,134			46,134
Turf Removal Rebate	53,823	53,823			53,823
CII and Large Landscape Audits and Retrofits	92,269	92,269			92,269
Landscape Upgrade Grant Program	57,945	57,945			57,945
Total Conservation Budget	642,929	642,929			642,929

REFERENCES: Hearing Exh. 1, CAW Pilz Direct, pp12-14 and Attachments 3 & 4 to CAW Pilz Direct.

17.8 Monterey

CAW REQUEST:

CAW and MPWMD requested a total combined conservation budget of $3,297,500 for the years 2015 through 2017.

ORA POSITION:

ORA did not oppose CAW's request.

RESOLUTION:

ORA, CAW and MPWMD agree to a total three year budget of $2,398,500 for CAW conservation programs in the Monterey County district and a three-year surcharge of $899,000 for MPWMD's conservation programs.

Further, ORA and CAW agree to the following:

a) CAW's water conservation spending will be tracked in a one-way balancing account.

b) MPWMD's water conservation spending will be tracked in a one-way balancing account.

c) CAW will retain its rationing memorandum account to track CAW's rationing related expenditures. ORA and CAW agree that the provision that the Commission previously authorized for this memorandum account in D.03-02-030, D.08-08-010 ,D.09-05-029 and D12-06-016 shall continue to apply to the memorandum account

d) CAW will include in its annual report for each district, estimated water savings per year, per measure and lifetime measure savings for each quantifiable program as shown in its CAW-MPWMD Joint Conservation Report for Monterey County district.

e) CAW will be able to track its costs incurred in the event of MPWMD emergency rationing. CAW will include in its annual report a detailed conservation summary report as per prior Partial Settlement Agreement between the Division of Ratepayer Advocates, the Utility Reform Network and CAW adopted in D.12-06-016.

f) CAW will provide ORA with a copy of its CUWCC BMP Implementation Reports upon ORA's request.

g) The Public Information Program should be capped at $400,000 for three years.

Monterey County District - excl. MPWMD					
Program 2015-2017 Budget	CAW Direct	CAW Rebuttal	ORA Report	Difference	Settlement
Conservation Coordinator & Training	100,000	100,000			100,000
Public Information Program	400,000	400,000			400,000
School Education Program	15,000	15,000			15,000
Residential Water Audits	0	0			0
Residential Plumbing Retrofit	22,500	22,500			22,500
Rebates (CII, Large Landscape, Residential-Toilet & Clothes Washer)	1,600,000	1,600,000			1,600,000
CII Audits	175,000	175,000			175,000
WBIC Pilot Study Project (Rain Sensor Installation Program)	25,000	25,000			25,000
Large Landscape Upgrade Grant Program	25,000	25,000			25,000
HET Direct Installations - Low-Income	36,000	36,000			36,000
Total Conservation Budget	2,398,500	2,398,500			2,398,500

Monterey County District - MPWMD Conservation Programs					
Program 2015-2017 Budget	MPWMD Direct	MPWMD Rebuttal	ORA Report	Difference	Settlement
Conservation Representative	335,000	335,000			335,000
Conservation Technician	160,000	160,000			160,000
Water Audits/Budgets - Stage 2	150,000	150,000			150,000
Conservation & Efficiency Workshops/Training	30,000	30,000			30,000
In-Line Meter Pilot Program	35,000	35,000			35,000
Pressure Regulator Pilot Program	35,000	35,000			35,000
Gardensoft WaterWise Gardening	15,000	15,000			15,000
Community Gardens	25,000	25,000			25,000
Website Upgrades	10,000	10,000			10,000
CIMIS Station Annual Maintenance	7,500	7,500			7,500
Linen/Towel Reuse Program	5,000	5,000			5,000
Water Conservation Devices	75,000	75,000			75,000
Water Conservation Printed Materials	15,000	15,000			15,000
Flow Measurement Devices	1,500	1,500			1,500
Water Auditor Training (CLIA)	0	0			0
Supersavor Recognition	0	0			0
School Retrofits	0	0			0
Rainwater/Graywater Education/Demo	0	0			0
Total	899,000	899,000			899,000

REFERENCES: Hearing Exh. 1, CAW Pilz Direct, pp14-19, and Attachments 3 & 4 to CAW Pilz Direct. Hearing Exh. 34, MPWMD Locke Direct Attachments 7 & 8.

17.9 Sacramento

CAW REQUEST:

CAW requested a total conservation budget of $1,463,998 for years 2015, 2016 and 2017.

ORA POSITION:

ORA did not oppose CAW's request.

RESOLUTION:

ORA agrees to CAW 's budget of $1,463,998 for 2015, 2016 and 2017.

Further, ORA and CAW agree to the following:

a) CAW's water conservation spending will be tracked in a one-way balancing account.

b) CAW will include in its annual report a detailed conservation summary report as per prior Partial Settlement Agreement between the Division of Ratepayer Advocates, the Utility Reform Network and CAW adopted in D.12-06-016

c) CAW will provide ORA with a copy of its CUWCC BMP Implementation Reports upon ORA's request.

d) The Public Information Program should be capped at $199,916.

At its discretion, CAW may move its budget amount among the conservation programs excluding moving funds into Public Information

Sacramento District					
Program 2015-2017 Budget	CAW Direct	CAW Rebuttal	ORA Report	Difference	Settlement
Conservation Staff	95,960	95,960			95,960
Public Information Programs	199,916	199,916			199,916
School Education Programs	123,025	123,025			123,025
Residential Water Audits & Retrofits	79,966	79,966			79,966
Low Flow Fixtures/Residential Plumbing Retro	76,891	76,891			76,891
Residential HECW Rebates	46,134	46,134			46,134
Residential Toilet Rebates	61,513	61,513			61,513
HET Direct Installations - Low-Income	134,712	134,712			134,712
CII Rebates	61,513	61,513			61,513
Turf Removal Rebate	92,269	92,269			92,269
CII and Large Landscape Audits & Retrofits	492,100	492,100			492,100
Total Conservation Budget	1,463,999	1,463,999			1,463,999

REFERENCES: Hearing Exh. 1, CAW Pilz Direct, pp19-20, and Attachments 3 & 4 to CAW Pilz Direct.

17.10 San Diego

CAW REQUEST:

CAW requested a total conservation budget of $493,053 for 2015, 2016 and 2017

ORA POSITION:

ORA did not oppose CAW's request.

RESOLUTION:

ORA accepts CAW 's budget of $493,053 for 2015, 2016 and 2017.

Further, ORA and CAW agree to the following:

a) CAW's water conservation spending will be tracked in a one-way balancing account.

b) CAW will include in its annual report a detailed conservation summary report as per prior Partial Settlement Agreement between the Division of Ratepayer Advocates, the Utility Reform Network and CAW adopted in D.12-06-016

c) CAW will provide ORA with a copy of its CUWCC BMP Implementation Reports upon ORA's request.

d) The Public Information Program should be capped at $36,908.

e) At its discretion, CAW may move its budget amount among the conservation programs excluding moving funds into Public Information.

San Diego County District					
Program 2015-2017 Budget	CAW Direct	CAW Rebuttal	ORA Report	Difference	Settlement
Conservation Staff	95,960	95,960			95,960
Public Information Programs	36,908	36,908			36,908
School Education Programs	68,002	68,002			68,002
Residential Water Audits	6,151	6,151			6,151
Low Flow Fixtures	15,378	15,378			15,378
Washing Machine Rebates	7,689	7,689			7,689
Toilet Rebates/Ultra-Low Flow Toilet Prgrm	15,378	15,378			15,378
HET Direct Installations - Low-Income	46,134	46,134			46,134
CII and LL Audits & Retrofits	70,739	70,739			70,739
CII Rebates	15,378	15,378			15,378
Turf Removal Rebate	38,445	38,445			38,445
Landscape Upgrade Grant Program	76,891	76,891			76,891
Total Conservation Budget	493,053	493,053			493,053

REFERENCES: Hearing Exh. 1, CAW Pilz Direct, pp 7-10, and Attachments 3 & 4 to CAW Pilz Direct.

17.11 Ventura

CAW REQUEST:

CAW requested a total conservation budget of $861,298 for 2015, 2016 and 2017.

ORA POSITION:

ORA did not oppose CAW's request.

RESOLUTION:

ORA accepts CAW 's budget of $861,298 for 2015, 2016 and 2017.

Further, ORA and CAW agree to the following:

a) CAW's water conservation spending will be tracked in a one-way balancing account.

b) CAW will include in its annual report a detailed conservation summary report as per prior Partial Settlement Agreement between the Division of Ratepayer Advocates, the Utility Reform Network and CAW adopted in D.12-06-016

c) CAW will provide ORA with a copy of its CUWCC BMP Implementation Reports upon ORA's request.

d) The Public Information Program should be capped at $92,269.

e) At its discretion, CAW may move its budget amount among the conservation programs excluding moving funds into Public Information.

Ventura County District					
Program 2015-2017 Budget	CAW Direct	CAW Rebuttal	ORA Report	Difference	Settlement
Conservation Coordinator	95,960	95,960			95,960
Public Information Programs	92,269	92,269			92,269
WaterSmart Software or similar	30,756	30,756			30,756
School Education Programs	49,210	49,210			49,210
Residential Water Audits and Retrofits	36,908	36,908			36,908
Low Flow Fixtures	27,681	27,681			27,681
Washing Machine Rebates	7,197	7,197			7,197
Ultra-Low Flow Toilet Program	7,689	7,689			7,689
Residential Toilet Direct Installations- Low Income	58,437	58,437			58,437
CII Rebates	46,134	46,134			46,134
CII and LL Audits & Retrofits	92,269	92,269			92,269
Turf Removal Rebate	76,891	76,891			76,891
Landscape Upgrade Grant Program	239,899	239,899			239,899
Total Conservation Budget	861,300	861,300			861,300

REFERENCES: Hearing Exh. 1, CAW Pilz Direct, pp 10-12, and Attachments 3 & 4 to CAW Pilz Direct.

18.0 CARMEL RIVER MITIGATION BALANCING ACCOUNT

MPWMD REQUEST: As part of CAW's Application, MPWMD provided testimony supporting continuation of Carmel River mitigations that the State Water Resources Control Board (SWRCB) determined in Order WR 95-10 help alleviate the effects of CAW's diversions on the river. The MPWMD operates a mitigation program- that includes general mitigation and specific mitigation measures relating to selective environmental resources, such as steelhead, riparian and lagoon habitat. Total costs of the program for the period 2015-2017 include $7,404,236 for staff, consultant, operation and maintenance, and direct capital costs for five components of the mitigation program.

CAW POSITION: A MPWMD Balancing Account already exists. CAW supports MPWMD's mitigation program since the SWRCB determined that CAW would be responsible for these activities if MPWMD ceased doing them.

ORA POSITION: ORA did not contest this matter.

RESOLUTION: Parties agree that the MPWMD Balancing Account shall remain open, but that it will be renamed the Carmel River Mitigation Program Balancing Account. The 2015-17 costs that will be incurred by MPWMD and reimbursed by CAW for the Carmel River Mitigation

Program are $2,367,219 in 2015, $2,456,888 in 2016 and $2,580,129 in 2017. They are capped annually at the listed amounts and will be collected through a surcharge applied against the meter and total tiered rates. CAW agrees to include the preliminary statement tariff as part of its updated tariff sheets.

REFERENCES: Exh. 31, MPWMD Prasad Direct Testimony pp. 3:1-3, 4:8-10; Exh. 31, MPWMD Prasad Direct Attachment 1.

19.1 WASTEWATER

19.2 Average Number of Customers

CAW REQUEST:

For each District, the Company reviewed the actual growth in the number of customers from 2007 through the end of 2012. In addition, District managers were asked to review the actual growth trends and to make recommendations on the future growth of customers in their Districts. Based on the review of the actual data and each District manager's review of their service territories, the Company projected annual customer growth to be four wastewater customers.

ORA POSITION:

ORA recommends the use of a four year customer growth (2009-2012) to forecast active service connections.

RESOLUTION:

ORA and CAW agree on the number of customers between the active and passive systems, as set forth below. Based on information provided, ORA and CAW agree to the level of customers proposed by ORA as shown below by customer class and system.

2013 GRC Monterey Wastewater Average # Customers	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	2,563	2,519	44	2,519	2,514	2,509
Commercial	44	67	(23)	67	67	67
Public Authority	4	4	0	4	4	4
Industrial	3	3	0	3	3	3
Golf Course	1	1	0	1	1	1
Hotel	1	1	0	1	1	1
Total Customers	2,616	2,595	21	2,595	2,590	2,585

2013 GRC Monterey Wastewater Average # Customers	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Passive	788	809	21	809	820	831
Active	1,828	1,786	(42)	1,786	1,770	1,754
Total Customers	2,616	2,595	(21)	2,595	2,590	2,585

REFERENCES: CAW Revised Exh. A, Ch. 3, Table 3.5; Exh. 12 and 12-A, ORA Korthamar Direct, *ORA Analysis and Recommendations on Operating Revenues, Rate Design and Special Requests 5, 6, 8, 9, 21, 24, 25 of CAW Company Application 13-07-002*, dated March 28, 2014, ("ORA Report No. 6"), Workpapers Ch. 3, Table 3.5.

19.3 Operations and Maintenance Expense

19.2.1 Purchased Power

CAW REQUEST:

CAW estimated purchased power costs based on 2012 recorded costs adjusted for inflation, customer growth, and a 2013 sales tax increase.

ORA POSITION:

ORA recommends removal of the customer growth and sales tax multipliers.

RESOLUTION:

CAW agrees to ORA's proposal.

	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement
Acct 726 - Purchased Power	$126,023	$123,731	($2,292)	$122,927

REFERENCES: CAW Revised Exh. A, Ch. 4, Table 4.1, Exh. 7, ORA Shia Direct, *ORA Analysis and Recommendations on Operations & Maintenance Expenses and Special Requests: 18, 23, 27, 30, 31of CAW Company Application 13-07-002, dated March 28, 2014,* ("ORA Report No. 2), Workpapers Ch. 4, Table 4.1.

19.2.2 Chemicals

CAW REQUEST:

CAW used a five year historical average to project its chemicals costs, adjusted for inflation, customer growth, and a 2013 sales tax increase.

ORA POSITION:

ORA recommends removal of the customer growth and sales tax multipliers.

RESOLUTION:

CAW agrees to ORA's proposal.

	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement
Acct 744 - WT Chemicals	$339,267	$331,980	($7,287)	$330,710

REFERENCES: CAW Revised Exh. A, Ch. 4, Table 4.1, Exh. 7, ORA Shia Direct, ORA Report No. 2, Workpapers Ch. 4, Table 4.1.

19.2.3 Uncollectibles

CAW REQUEST:

CAW based its estimate on the average uncollectible percentage of the last five years of history.

ORA POSITION:

ORA agrees with CAW's approach. Any difference between ORA and CAW's estimates of forecasted uncollectibles expense is due to different revenue forecasts.

RESOLUTION:

ORA agrees to the use of CAW's approach for estimating uncollectibles. Any differences in the level of uncollectibles expense is driven by changes in the revenue forecasts.

	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement
Acct 775 - Uncollectibles	$17,930	$16,510	($1,420)	$16,821

REFERENCES: CAW Revised Exh. A, Ch. 4, Table 4.1, Exh. 14 and 14-A, ORA Direct Rauschmeier, ORA Report No. 4, Workpapers Ch. 4, Table 4.1.

19.2.4 Other Operating and Maintenance Expense

CAW REQUEST:

CAW also requested dollars for the Comprehensive Planning Study ("CPS"), Sewer System Management Programs ("SSMP"), and system maps. The 2015 estimates were based on prior Commission authorizations in the 2010 GRC (A.10-07-007). CAW escalated the 2015 estimate by 3% to determine its 2016 estimate. Specifically, the 2010 GRC adopted $77,200 in CPS costs for the Monterey Wastewater system. In this proceeding, CAW requested $77,200 for CPS/SSMPs in 2015, $79,600 in 2016, and $82,000 in 2017. For system maps, CAW asked for $42,900 in 2015, $45,575 in 2016, and $47,302 in 2017.

ORA POSITION:

ORA agrees with CAW's 2015 estimates, but escalates by 2.3% to arrive at 2016 estimates. Specifically, ORA recommended $77,200 for 2015 and $78,976 for 2016. For system maps, ORA recommended $42,900 in 2015 and $43,887 in 2016.

RESOLUTION:

CAW and ORA agree to an annual spend of $50,000 for CPS and system maps for years 2015-2017.

	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement
CPS & System Maps	$50,000	$120,100	$70,100	$50,000
Other O&M	$366,943	$359,160	($7,784)	$357,815

REFERENCES: CAW Revised Exh. A, Ch. 4, Table 4.1, Exh. 14 and 14-A, ORA Direct Rauschmeier, ORA Report No. 4, Workpapers Ch. 4, Table 4.1.

19.4 Administrative and General Expense

19.3.1 Salaries and Wages

A discussion on salaries and wages is included in the CAW Company Expenses section of this settlement (Section 7.0). CAW and ORA agree to the following level of salaries for the Monterey Wastewater district;

	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement
Acct - 791 Labor	$1,029,968	$930,678	($99,290)	1,016,071

REFERENCES: CAW Revised Exh. A, Ch. 4, Table 4.1, Exh. 16 and 16-A, ORA Roberts/Montero Direct, ORA Report No. 1, Workpapers Ch. 4, Table 4.1.

19.3.2 Pensions and Benefits

CAW REQUEST:

CAW applied a 3% annual inflation factor to budgeted 2013 expenses in these categories to forecast most expenses in this category, including but not limited to training, tuition, and other welfare. CAW projected 401(k) costs using the matching guidelines based on the current contribution elections of employees. Employees hired after December 31, 2005 also receive a Company funded contribution of 5.25% of their salary in the Defined Contribution Plan (DCP) to compensate for the fact that they are not eligible for the pension plan.

Group insurance, pension and post-retirement benefits other than pension ("PBOP") costs are discussed in the CAW Company Expensessection of this settlement (Section 7.0).

ORA POSITION:

ORA recommends using base year 2012 recorded expenses in these categories, and escalating those expenses to Test Year 2015 using labor inflation factors published in the September 2013 ECOS/ORA memorandum

RESOLUTION:

CAW agrees to remove the customer growth and sales tax multipliers.

	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement
Acct 795 - Pensions & Benefits	$69,923	$62,755	($7,168)	$69,685

REFERENCES: CAW Revised Exh. A, Ch. 4, Table 4.1, Exh. 16 and 16-A, ORA Roberts/Montero Direct, ORA Report No. 1, Workpapers Ch. 4, Table 4.1.

19.3.3 Outside Services

CAW REQUEST:

CAW estimated most expenses based on a five-year average, adjusted for inflation, customer growth, and a 2013 sales tax increase. CAW also requested $35,000 in the Monterey Wastewater district to fund arc flash studies to assess potential arc flash hazards at its facilities.

ORA POSITION:

ORA recommends disallowance of arc flash studies. ORA also removed historical dollars related to the Comprehensive Planning Studies (CPS), Sewer System Management Program (SSMP) and system maps because they are reflected in Acct 756 - Miscellaneous Transmission and Distribution (T&D) costs under other O&M.

RESOLUTION:

CAW and ORA agree to reflect Test Year 2015 CPS, SSMP and system mapping costs under Acct 756 as part of other O&M expense. ORA and CAW also agree to a total Company annual amount of $188,206 for arc flash studies to be shared among the districts. Monterey Wastewater's share is $11,586 annually for years 2015-2017 and is reflected in the table below, along with other outside services costs.

	2015 CAW Direct	**2015 ORA Report**	**Difference**	**Test Year 2015 Settlement**
Arc Flash Studies	$35,000	$0	($35,000)	$11,586
Acct 798 - All Outside Services	$51,654	$51,471	($184)	$50,710

REFERENCES: CAW Revised Exh. A, Ch. 4, Table 4.1, Exh. 16 and 16-A, ORA Roberts/Montero Direct, ORA Report No. 1, Workpapers Ch. 4, Table 4.1.

19.3.4 Other Administrative and General

CAW REQUEST:

CAW generally estimated other administrative and general expenses (including, but not limited to office supplies, dues, telephone, cell phone, meals, security, and other miscellaneous expense) using an inflation and customer adjusted historical five-year average based on ORA's inflation rates and actual customer growth rates.

ORA POSITION:

ORA adjusted CAW's forecast by excluding historical dollars related to penalties totaling $10,241, transportation totaling $8,170, and materials & supplies of $11,256 from the five-year average.

RESOLUTION:

CAW agrees with ORA's above adjustments to historical dollars for penalties, transportation and materials and supplies. CAW and ORA agree to the expense level below for other administrative and general costs.

	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement
Other A&G	$66,725	$62,284	($4,442)	$63,806

REFERENCES: CAW Revised Exh. A, Ch. 4, Table 4.1, Exh. 16 and 16-A, ORA Roberts/Montero Direct, ORA Report No. 1, Workpapers Ch. 4, Table 4.1.

19.3.5 Rents

CAW REQUEST:

CAW estimated rent expense based on the lease costs of its Pacific Gove office, a portion of which is allocated to the Monterey Wastewater district based on customer count.

ORA POSITION:

ORA finds CAW's estimate reasonable.

RESOLUTION:

ORA finds CAW's estimate reasonable.

	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement
Acct 811 - Rents	$30,217	$30,217	$0	$30,217

REFERENCES: CAW Revised Exh. A, Ch. 4, Table 4.1, Exh. 16 and 16-A, ORA Roberts/Montero Direct, ORA Report No. 1, Workpapers Ch. 4, Table 4.1.

19.5 Capital Projects

19.4.1 Recurring Projects ("RP")

CAW REQUEST:

CAW requested total estimated cost of the Recurring Projects for 2015 of $192,000 and for 2016 of $192,000.

ORA POSITION:

Agreed with the need for the Recurring Projects, but recommended a reduced total cost for the Recurring Projects for 2015 of $150,917 and for 2016 of $151,361.

RESOLUTION:

In the spirit of compromise, ORA and CAW agree with the following total recurring project capital amounts: 2015 - $171,459; and 2016 - $171,816. ORA and CAW also agree that these annual amounts shall be reflected in each respective year's Utility Plant In Service ("UPIS"). Finally, ORA agrees to allow CAW to manage the overall bottom-line RP budget by district, with flexibility to allocate different spending levels to specific RP line items, consistent with the 2010 GRC settlement between ORA and CAW.

REFERENCES:

19.6 DEPRECIATION

19.5.1 Annual Depreciation Accrual

CAW REQUEST:

CAW's proposed depreciation rates for all of its districts and property classes were obtained directly from the CAW Depreciation Study performed by the third-party contractor, Alliance Consulting Group in 2010 and accepted by the Commission in D.13-06-016.

ORA POSITION:

To ensure that CAW's annual depreciation updates represent reasonable estimates that can be reviewed in general rate cases prior to impacting customer rates, ORA recommends the Commission instruct CAW to include in subsequent general rate case applications the three most recent annual depreciation updates available at the time of filing.

Consistent with the settlement adopted in CAW's previous general rate case, the reasonableness of the depreciation rates used for "book purposes" in CAW's annual update should be considered when the Commission reviews escalation and attrition year rate requests between general rate cases in order to ensure the continuation of just and reasonable water rates.

RESOLUTION:

CAW and ORA agree with the recommendations requested by ORA. CAW and ORA also agree that the depreciation rates to be used in the calculation of the revenue requirements shall be those filed in the annual update submitted to the Commission on October 30, 2013. Further CAW and ORA agree that for accounts where the depreciation study provides rates for sub-portions of the plant account that a weighted average of all the sub-account rates shall be used.

Based on the overall agreement on the forecasted level of plant additions, ORA and CAW agree to the annual depreciation accrual rates as set forth below.

PUC Acct	Description	Monterey WW
303	Other Intangible Plant	1.76%
311	Structures & Improvements	0.00%
312	Collecting & Impounding Reservoirs	0.00%
313	Lake, River and Other Intake	0.00%
315	Wells & Springs	5.46%
316	Supply Mains	1.71%
317	Other Source of Supply Plant	0.00%
321	Structures & Improvements	0.00%
323	Other Power Production Equipment	4.78%
324	Electric Pumping Equipment	2.93%
325	Other Pumping Equipment	0.00%
331	Structures & Improvements	1.86%
332	Water Treatment Equipment	1.98%
341	Structures & Improvements	1.85%
342	Reservoirs & Tanks	0.00%
343.1	Mains - 4" & Less	1.30%
343.2	Mains - 6" to 10"	1.67%
343.3	Mains - 12" & More	2.50%
344	Fire Mains	0.00%
345	Services	2.41%
346	Meters	0.00%
347	Meter Installations	0.00%
348	Hydrants	0.00%
349	Other T & D Plant	1.52%
371.1	Office Structures	3.80%
371.2	Stores, Shops, & Garage Str.	0.00%
372.1	Office Furniture (391.1)	0.00%
372.21	Computer and Peripherals	0.00%
372.22	Other Computer Equipment	0.00%
372.23	Computer Software	0.00%
373.11	Light Utility Trucks	0.00%
373.12	Heavy Utility Trucks	3.70%
373.2	Automobiles	0.00%
373.3	Transportation Other	12.86%
374	Stores Equipment	0.00%
375	Laboratory Equipment	0.85%
376	Communication Equipment	6.03%
377	Power Operated Equipment	2.08%
378	Tools, Ship, & Garage Equip.	3.93%
379	Other General Plant	5.02%
390	Other Tangible Property	5.18%

19.5.2 Contribution Depreciation

CAW REQUEST:

CAW's position in filing was to apply the proposed annual depreciation rate by plant account to the level of average contributions by plant account.

ORA POSITION:

ORA did not provide any comments on the procedure to be used by CAW.

RESOLUTION:

ORA and CAW agree on the methodology as stated above.

REFERENCES: CAW Exh. A, Chs. 8.

19.5.3 Retirements

CAW REQUEST:

CAW's position in filing was based on a five-year average of recorded plant retirements versus total plant additions.

ORA POSITION:

ORA did not propose any changes to the methodology proposed by CAW.

RESOLUTION:

ORA and CAW agree on the methodology as stated above.

REFERENCES: CAW Exh. A, Chs. 8.

19.5.4 Net Negative Salvage Factors

CAW REQUEST:

The net negative salvage factors were analyzed as part of the depreciation study. CAW proposed continuing the same factors as authorized in D.13-06-016.

ORA POSITION:

ORA agreed with the methodology proposed by CAW.

RESOLUTION:

ORA and CAW agree on the methodology as stated above. Please also see the resolution in Special Request #22 (Section 21.23).

REFERENCES: CAW Exh. A, Chs. 8.

19.5.5 Depreciation Weighting Factor

CAW REQUEST:

CAW's position in filing was based on developing a 6-year average of 13 month average changes versus the total annual changes.

ORA POSITION:

ORA did not dispute the methodology proposed by CAW.

RESOLUTION:

ORA and CAW agree on the methodology but had to adjust the result for the Monterey County District due to an error in base data in the calculation.

Average Depr 6 Yr Weighting Factor	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Monterey WW	50.80%	50.80%	0.00%	50.80%	50.80%

REFERENCES: CAW Exh. A, Chs. 8;

19.5.6 Depreciation Expense

CAW REQUEST:

CAW's position in filing was based on applying the proposed depreciation accrual rates against the annual weighted average plant balance by account (less contributions).

ORA POSITION:

ORA did not comment on the methodology proposed by CAW.

RESOLUTION:

ORA and CAW agree on the methodology and also agree to the below amounts for Monterey wastewater where all plant issues have been resolved.

REFERENCES: CAW Exh. A, Chs. 8.

19.7 RATE BASE

This section addresses the settlement of rate base for 2015 and 2016 for Monterey Wastewater.

Shown below is a summary of the settled rate base amounts for 2015 and 2016. Discussion of individual components of rate base will be discussed below and a full detailed rate base for each district and Cal Corp will be shown at the end of the section. In addition, a discussion of the settled Average Plant Weighting Factors will be addressed.

REFERENCES: CAW Revised Exh. A, Ch. 9, Table 9.2; Exh. 7, ORA Report Results of Operations Tables, Workpapers Ch. 9, Table 9.2.

The components of rate base that will be discussed below are Average Utility Plant in Service, Materials and Supplies, Working Cash (Operational and Lead Lag), Accumulated Depreciation, Customer Advances, Contributions in Aid of Construction (CIAC), Unamortized Advances / Contributions and Deferred Income Taxes (Federal and State).

19.6.1 Average Utility Plant in Service

CAW REQUEST:

CAW calculated average utility plant in service by projecting capital expenditures and plant retirements for 2013 - 2016. Total plant expenditures were taken from the Company's Strategic Capital Expenditure Plan (SCEP). Please refer to the Depreciation Section for Wastewater of the Settlement Agreement for discussion of the projection of plant retirements.

ORA POSITION:

ORA recommends a level of plant expenditures as outlined in its direct testimony and shown below in the tables.

RESOLUTION:

CAW and ORA agreed to total capital expenditures as shown below in the tables. Please refer to the Plant Section for Wastewater of the Settlement Agreement for further discussion of capital expenditures included in the Settlement.

Wastewater	CAW	ORA		
Total SCEP	Direct	Report	Difference	Settlement
Total SCEP 2013	$ 198,279	$ 136,579	(61,700)	$ 245,891
Total SCEP 2014	202,993	150,917	(52,076)	150,917
Total SCEP 2015	192,000	150,923	(41,077)	171,459
Total SCEP 2016	192,000	151,372	(40,628)	171,816
Total SCEP	$ 785,272	$ 589,791	$ (195,481)	$ 740,083

REFERENCES: CAW Revised Exh. A, Ch. 7, Workpapers RB 100 thru 105; Exh. 15 and 15-A, *ORA Analysis and Recommendations on Utility Plant in Service of CAW Company Application 13-07-002*, dated March 28, 2014, ("ORA Report No. 3"), ORA Report Workpapers RB 100 thru 105.

Shown below is the average utility plant reflected in rate base in the Settlement.

Monterey Wastewater	CAW	ORA		2015	2016
Projected Test Year Rate Base	Direct 2015	Report 2015	Difference	Settlement	Settlement
Average Utility Plant	$ 16,238,377	$ 16,109,701	$ (128,676)	$ 16,226,413	$ 16,384,872

REFERENCES: CAW Revised Exh. A, Ch. 9, Table 9.2; Exh. 7. Direct Testimony of Terence Shia, dated March 28, 2014, ("ORA Shia Direct"), *ORA Analysis and Recommendations on Results of Operation Tables of CAW Company Application 13-07-002*, dated March 28, 2014, ("ORA Report Results of Operations Tables"), ORA Report #2.

19.6.2 Construction Work In Progress (CWIP)

CAW REQUEST:

CAW has historically included all spend on construction in rate base including spend on projects that are in the development/construction phase. This was to allow the Company to earn a return on all spend to ensure that continued funding would be available for all construction projects.

ORA POSITION:

ORA recommends removing CWIP amounts from the two test years for all projects CAW anticipates being in service after 2016. Removing CWIP amounts from rate base for projects that will not be used or useful in the test years is reasonable. ORA recommends that CAW be permitted to capitalize interest at the company's actual weighted cost of debt during construction on all projects to be completed after the two test years in A.13-07-002. In the next general rate case and after actual (not forecasted) completion of these projects, the Company shall be permitted to place all reasonable and prudent capital costs in rate base.

RESOLUTION:

Please refer to the detailed discussion of this issue in the section labelled AFUDC Proposal (Section 13) for the proposed resolution of the issue

19.6.3 Materials and Supplies

CAW REQUEST:

CAW calculated a five-year average of plant material and supplies.

ORA POSITION:

ORA recommended a five-year average of plant materials and supplies.

RESOLUTION:

CAW and ORA agree to ORA's recommendation. Refer to table below for details of settlement of Materials and Supplies.

Monterey Wastewater Projected Test Year Rate Base	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Materials and Supplies	44,903	43,862	(1,041)	43,617	44,611

19.6.4 Working Cash – Lead Lag

CAW REQUEST:

CAW calculated Working Cash - Lead Lag using a detailed lead lag study and applying the expense lags to the projected test year expenses.

ORA POSITION:

ORA calculated Working Cash - Lead Lag by utilizing CAW's study and making three adjustments. ORA included interest expense at 91.25 lag days, excluded depreciation and deferred income taxes and assigned 45 days to the purchased water expense for San Diego County and Ventura County Districts.

RESOLUTION:

CAW and ORA agree to a level of Working Cash - Lead Lag that balances the differences in the positions of both parties. Refer to table below for details of settlement of Working Cash - Lead Lag by district.

Monterey Wastewater Projected Test Year Rate Base	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Working Cash - Lead Lag	21,000	4,000	(17,000)	3,000	2,000

REFERENCES: CAW Revised Exh. A, Ch. 9, Table 9.2; Ex. 7, ORA Report Results of Operations Tables.

19.6.5 Accumulated Depreciation

CAW REQUEST:

CAW calculated the accumulated depreciation based on its projected levels of plant additions, depreciation expense, retirements and cost of removal, net of salvage.

ORA POSITION:

ORA calculated the accumulated depreciation based on its projected levels of plant additions, depreciation expense, plant retirements and cost of removal, net of salvage.

RESOLUTION:

The resolution of plant additions is discussed below under Average Utility Plant in Service (Section 4.1) and in the Plant Section (Section 22) of this Settlement. Also, please refer to the Depreciation Section of the Settlement (Section 16) which discusses plant retirements and cost of removal, net of salvage. Refer to the table below for details of settlement of Accumulated Depreciation.

Monterey Wastewater Projected Test Year Rate Base	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Accumulated Depreciation	(8,345,598)	(8,241,383)	104,215	(8,067,347)	(8,355,204)

REFERENCES: CAW Revised Exh. A, Ch. 9, Table 9.2; Exh. 7, ORA Report Results of Operations Tables

19.6.6 Contributions in Aid of Construction (CIAC)

CAW REQUEST:

CAW projected the balance for CIAC based on projected amounts for capital expenditures reflected in the Strategic Capital Expenditures Plan.

ORA POSITION:

ORA projected the balance for CIAC based on five-year historical average additions.

RESOLUTION:

CAW and ORA agreed to calculate the projected balance for CIAC based on amounts in the SCEP. In addition, the balance in CIAC for 2015 and 2016 was increased by $339,000 based on the settled growth in customers using $2,000 for residential, $5,000 for commercial and $10,000 for Other Public Authority for each new customer in growth. Refer to table below for details of settlement of CIAC.

Monterey Wastewater Projected Test Year Rate Base	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Contributions in Aid of Construction	(6,145,360)	(6,145,360)	-	(6,145,360)	(6,049,290)

REFERENCES: CAW Revised Exh. A, Ch. 9, Table 9.2; Exh. 7, ORA Shia Direct, ORA Report Results of Operations Tables.

19.6.7 Deferred Income Taxes

CAW REQUEST:

Deferred income taxes are calculated for temporary timing differences used for book and tax purposes. The largest element of deferred taxes is associated with the timing difference for book and tax depreciation. CAW calculated deferred taxes based on the timing differences between book and tax depreciation, utilizing bonus depreciation in 2013 and reflecting tax repairs deductions.

ORA POSITION:

ORA utilized the same method to calculate the deferred income taxes in rate base that the Company used. The difference between ORA and CAW's methodology is the amount of utility plant that ORA reflected in rate base in its report as compared to the Company's proposed level.

RESOLUTION:

CAW and ORA have agreed to the level of deferred taxes as shown below based on the stipulated level of plant additions, the depreciation rates reflected in calculation of depreciation expense, the use of bonus depreciation in 2013 and utilization of the tax repairs deduction. Refer to table below for details of settlement of Deferred Income Taxes.

Monterey Wastewater	CAW	ORA		2015	2016
Projected Test Year Rate Base	Direct 2015	Report 2015	Difference	Settlement	Settlement
Deferred Federal Income Taxes	(312,239)	(319,780)	(7,541)	(363,588)	(369,687)
Deferred State Income Taxes	(91,910)	(93,938)	(2,028)	(107,144)	(111,890)

REFERENCES: CAW Revised Exh. A, Ch. 9, Table 9.2; Exh. 7, ORA Shia Direct, ORA Report Results of Operations Tables.

19.6.8 Rate Base by Line Category

Shown below are rate base tables for Monterey Wastewater comparing CAW and ORA and the settlement positions for 2015 and 2016.

Monterey Wastewater Projected Test Year Rate Base	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Average Utility Plant	$ 16,238,377	$ 16,109,701	$ (128,676)	$ 16,226,413	$ 16,384,872
Materials and Supplies	44,903	43,862	(1,041)	43,617	44,611
Working Cash - Operational	-	-	-	-	-
Working Cash - Lead Lag	21,000	4,000	(17,000)	3,000	2,000
Accumulated Depreciation	(8,345,598)	(8,241,383)	104,215	(8,067,347)	(8,355,204)
Advances for Construction	-	-	-	-	-
Contributions in Aid of Construction	(6,145,360)	(6,145,360)	-	(6,145,360)	(6,049,290)
Deferred Federal Income Taxes	(312,239)	(319,780)	(7,541)	(363,588)	(369,687)
Deferred State Income Taxes	(91,910)	(93,938)	(2,028)	(107,144)	(111,890)
Unamortized Advances	-	-	-	-	-
Unamortized Contributions	-	-	-	-	-
Total Rate Base	$ 1,409,173	$ 1,357,102	$ (52,071)	$ 1,589,591	$ 1,545,412

REFERENCES: CAW Revised Exh. A, Ch. 9, Table 9.2; Exh. 7, ORA Report Results of Operations Tables

19.6.9 Average Plant Weighting Factors

CAW REQUEST:

CAW calculated the Average Plant Weighting Factors using six years of historical information. The factors were used to develop the average utility plant in service based on the proposed level of capital expenditures and retirements (see Section 4.1).

ORA POSITION:

ORA agreed with the Company's calculation and used the same factors in its Report.

RESOLUTION:

No issue to resolve. Refer to table below for details of settlement of Average Plant Weighting Factors.

Average Plant 6 Yr Weighting Factor	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Monterey WW	36.30%	36.30%	0.00%	36.30%	36.30%

REFERENCES: CAW Revised Exh. A, Ch.7, Table 7.1; ORA Report re Results of Operations Tables Workpapers Ch. 7, Table 7.1.

19.8 Settlement with Las Palmas Ranch on Irrigation System Odor Issues

19.7.1 Existing System

The current Las Palmas Recycle/Reclamation System consists of a wastewater collection system with two parallel treatment trains rated at 90,000 gallons per day (gpd) and 145,000 gpd, and an

average daily flow rate of 200,000 gpd. The System discharges to two holding ponds described as the lower pond (10 MG located at the treatment plant) and the upper pond (14 MG accessed via Acclaim Drive). Chlorinated plant effluent is discharged to the lower pond; a high-speed floating aerator is utilized to improve dissolved oxygen content. Effluent is pumped from the lower pond to the upper pond via two remote controlled pumps. Recycled water is held in the upper pond and used by the irrigation system operator as needed. A slow speed mixer is installed in the upper pond to ensure mixing and prevent thermal stratification. The irrigation system draws from two outlets at the upper pond and supplies recycled water to 41 acres of turf and landscape. Each outlet supplies a separate irrigated area referred to as the lower irrigated area and upper irrigated area. The lower irrigation system outlet flows through a Y-strainer located within the plant site.

19.7.2 Odor Issue

Odors have been reported as occurring for more than 20+ years. The typical odor is described as "raw sewage" or "rotten egg" type smell. The severity of the odors is reported to have gotten worse over time, specifically over the past four years. Numerous complaints have been received regarding the odors and these were voiced most recently at the California Public Utility Commission's (CPUC) Public Participation Hearings in April 2014. As a result of the odors, concerns have been raised by residents and the Las Palmas Wastewater Committee ("LPWC") as to the water quality of the recycled water as it pertains to the use of common areas by residents.

19.7.3 Resolution

Water Quality Sampling

In consideration for LPWC's participation in settlement discussions, CAW has taken water quality samples from (i) the Las Palmas Drinking Water System (as a reference), (ii) treatment plant influent, (iii) treatment plant effluent to lower pond, (iv) upper pond, (v) irrigation System at discharge point (irrigated space). While the results of the samples are considered preliminary, the most important aspect as it relates to health concerns is the bacteriological quality of the recycled irrigation water. At this time, the results indicate that the recycled irrigation water is safe for human contact; however, as stated at the PPH, the water should be considered non-potable.

Pond Cleaning

Based on its investigation, CAW believes that a primary contributor of the odors emanating from the System is hydrogen sulfide. The hydrogen sulfide is generated by a layer of solids at the bottom of the upper pond that is anoxic in nature (lacking oxygen). The organisms present in this environment "feed" on compounds contained in the sludge layer forming hydrogen sulfide as a byproduct. The removal of this layer prevents the formation of hydrogen sulfide, which ameliorates the odor.

CAW shall drain the upper pond and remove the layer of solids at the bottom of the pond. CAW will need the cooperation of Las Palmas residents and homeowners to reduce the water level of the pond. LPWC shall make reasonable efforts to secure the cooperation of Las Palmas residents

while the pond is drained. While the pond is drained for cleaning, it will be impossible to irrigate the Upper Back area of Las Palmas with recycled wastewater from the System. During this time, CAW shall not be responsible for providing alternative sources of irrigation water.

Chemical Treatment

CAW shall also make good faith efforts to implement a chemical treatment process at the plant to oxidize hydrogen sulfide compounds believed to be forming in the upper pond and causing the unpleasant odors. Oxidation is the most common form of treatment used to eliminate hydrogen sulfide. A small chemical feed pump will be used to feed the chlorine solution into the recycle stream and this may provide adequate contact time to allow for oxidation of the hydrogen sulfide. CAW must obtain regulatory authorization prior to implementing this process change. CAW shall make reasonable efforts to obtain such regulatory authorization.

Rates

CAW shall not raise or attempt to raise rates in connection with any of the expenses associated with the water quality sampling, pond cleaning, or chemical treatment processes identified above.

CAW is currently participating in a proceeding for an Order Instituting Rulemaking ("OIR") considering the establishment of high-cost maintenance funds. As part of this Settlement Agreement, CAW shall continue to make good faith efforts to participate in the OIR proceeding for the purpose of establishing a mechanism to request a high-cost maintenance fund for Las Palmas. If the OIR proceeding results in a change that would allow CAW to seek a high-cost maintenance fund for Las Palmas prior to its next general rate case, then CAW shall make reasonable efforts to establish one.

Semi-Annual Meetings

In each of the years at issue in this General Rate Case -- 2015, 2016, and 2017 -- CAW shall meet with representatives from LPWC on a semi-annual basis to discuss Las Palmas residents' concerns about the operation of the System. The first of these meetings shall take place after the close of the first quarter of the year 2015. Thereafter, the meetings shall take place every six months through 2017.

Prior to each of the semi-annual meetings, CAW shall provide LPWC with: (1) invoices for all maintenance expenses -- including capital repairs and improvements -- totaling more than $5,000 that are directly charged to the System; and (2) a document showing the trial balances of direct charges to the active system (this document shall not include allocations by account).

In addition, on an annual basis, CAW shall provide LPWC with a summary of annual operating expenses, operating revenue, depreciation, and general and income taxes which are allocated to the active wastewater systems (collectively, Las Palmas, Indian Springs, Carmel Valley Ranch, Pasadera) and passive wastewater systems (collectively, White Oaks, Spreckels, Village Green, Oak Hills) in CAW's Monterey Wastewater Division. CAW shall provide this document in April of each of the years at issue in this General Rate Case.

REFERENCES: CAW Revised Exh. A, Chapters 1 & 2, pp. 1-4 and 1-2.

20.1 CUSTOMER SERVICE

20.2 Overview

CAW REQUEST:

CAW submitted a number of requests for billing and tariff changes. Among them were the requests to change billing for residential services with two or more adjacent land parcels, billing on parcels where there is no service to a residential structure (both contained in Special Request # 20), billing of compound meters or master battery meter set ups (Special Request #21) and tariff related changes to update outdated tariff language or make minor modifications to tariff language for consistency purpose amongst all district areas Please see Section 21.20 and 21.21 of the Settlement for further information on these Special Requests . In addition, CAW requested additional funding in its Monterey district to offset the increase in incurred costs for implementing additional outreach efforts as proposed by ORA, provide highest levels of local customer service, improve response time to customer inquiries and appropriately staff both the Customer Service and Conservation department according to the workload present.

ORA POSITION:

ORA addressed CAW's proposed changes and furthermore submitted a number of recommendations beyond CAW's request.
ORA opposed CAW's requests contained in Special Request #20 as unnecessary and potentially being perceived as discriminatory. ORA does not oppose CAW's request to clarify how compound meters or master battery meter set ups are being described, as proposed in Special Request # 21, but only approves new language describing three of the five proposed multiple meter set ups; ORA strongly disagrees with the other two of five proposed multiple meter set ups. ORA did not oppose the request for updating outdated tariff language and minor modifications to tariff language for consistency purpose. Please see Section 21.20 and 21.21 for further clarification of the ORA position.
In addition, ORA proposed a number of initiatives that CAW should undertake to improve its outreach in Monterey particularly to Limited English Proficiency ("LEP") customers and areas that had bill spikes. Among those proposed initiatives from ORA are using GIS and census data to identify areas for targeted outreach such as LEP and low income customer areas, developing more Spanish language outreach materials, tracking language preferences of customers, developing and publishing a typical bill translated in Spanish, suspending collection activities until a set of outreach initiatives take place, circulating customer satisfaction surveys in Spanish and using community based organizations to increase outreach efforts.

MPWMD POSITION:

MPWMD opposed CAW's request for billing changes contained in Special Request #20. MPWMD does not oppose clarification of CAW's tariff language for compound and master battery meter set ups proposed in Special Request #21, however, MPWMD concurs with ORA and only approves proposed language for three of the five multiple meter set ups.

RESOLUTION:

Please see Section 21.21 and 21.22 of the settlement for the Resolution of Special Requests 20 and 21. ORA, CAW, and MPWMD agree on some of the proposed Customer outreach initiatives while finding other proposed initiatives not feasible or cost effective to implement at this point. In particular, ORA, CAW, and MPWMD agree that CAW should increase the number of outreach materials that are printed in both English and Spanish. ORA, CAW, and MPWMD further agree to CAW developing GIS and Census data analysis capabilities to better understand areas of increased complaint and customer inquiry levels in a district.
Lastly, ORA, CAW, and MPWMD agree on CAW developing a Spanish translated bill and investigating conducting customer satisfaction surveys in Spanish for such customers.

Both, CAW and ORA agree, however, to not implement ORA's proposed changes to CAW's collection and shut off process, Monterey's high bill threshold amount, and changes proposed to tracking language preferences of customers.
ORA, CAW, and MPWMD agree on an additional $200,000 revenue requirement increment for CAW's Monterey District to offset the increase in costs for implementing some of the ORA proposed outreach initiatives and the additional staffing in the Monterey district office, as set forth below.

20.3 Additional Outreach Initiatives Proposed by ORA

ORA POSITION:

ORA proposed a number of initiatives that CAW should undertake to improve its outreach in Monterey particularly to Limited English Proficiency ("LEP") customers and areas that had bill spikes. Among those proposed initiatives from ORA are, using GIS and census data to identify areas for targeted outreach such as LEP and low income customer areas, developing more Spanish language outreach materials, tracking language preferences of customers, develop and publish a typical bill translated in Spanish, suspending collection activities until a set of outreach initiatives take place, circulate customer satisfaction surveys in Spanish and using community based organizations to increase outreach efforts.

CAW POSITION:

CAW agreed to a number of proposed initiatives but opposed the following initiatives for the reasons mentioned:

- System wide customer language preference tracking: CAW currently does not request such customer preference when an account is opened. Its current Customer Information

System ("CIS") is not set up for tracking language preference for customers. Accounts for all states within American Water are being set up via Customer Service Reps ("CSR") located at two centralized call centers. This proposed system feature would require nationwide implementation at significant costs due to standardized system platforms. CAW therefore opposes this initiative.

- Revising CAW's Collection and Shut off Procedures: CAW opposes this request due to its current collection and shut off process having received previous Commission approval plus requiring significant implementation costs and increase in accounts receivable levels.
- ORA's proposed change to bill amount thresholds for high bill alerts in Monterey: CAW opposes the request due to the current Monterey high bill process already being highly labor intensive and employing significant resources.
- ORA's proposed request for additional reporting requirements for Service Shut off and Collection activity: CAW opposes this request due to its implementation requiring substantial individual manual account research that cannot be automated and thus would require additional resources to be implemented.

RESOLUTION:

CAW and ORA agree on the following initiatives on the condition that CAW is authorized an additional $200,000 increase in revenue requirement in its Monterey District as detailed in the paragraph below:

- CAW to increase the number of outreach material that is printed in both English and Spanish beginning in Q3 and Q4 of 2014
- CAW to develop GIS and Census data analysis capabilities to better understand areas of increased complaint and customer inquiry levels in a district. This effort is to collect data and evaluate if high complaint and inquiry areas exist in a district and to evaluate if targeted outreach can be done more cost effectively than providing outreach to all customers in a district.
- CAW to develop a Spanish translated bill to be posted on its Company website by July 31, 2014
- CAW to investigate conducting customer satisfaction surveys in Spanish if a Spanish speaking customer is being selected for a survey.

To offset the costs of the additional requirements that would be imposed as a result of the agreed upon initiatives, CAW shall be authorized an additional $200,000 increase in revenue requirement for Monterey that may be used to offset the increase in staffing and other costs in Monterey. This increase will not only allow for recovery of costs related to the implementation of the agreed-upon additional outreach initiatives, it will partially compensate for the creation of three new positions in Monterey to appropriately staff the Customer Service and Conservation department according to the workload needs, provide highest levels of local customer service and to improve response time to customer inquiries. CAW compliance with the above conditions and the associated costs incurred in achieving compliance should be reviewed in CAW's next GRC.

REFERENCES: Exh. 8, *Direct Testimony of Richard Rauschmeier, dated March 28, 2014.*

21.1 SPECIAL REQUESTS

21.2 Special Request #1: Recover Balance in Interim Rate Memo Account Using Either the Proposed Rates requested in Application or Modified Surcharge that Accounts for Collection Lag.

CAW REQUEST:

CAW requests authorization to recover the balance in the Interim Rate Memo Account either using the proposed rates requested in this filing or a modified surcharge that takes into account the collection lag. Edward J. Grubb's testimony supports this special request.

ORA POSITION:

ORA contends that this proposal would be a deviation from the law as articulated in section 455.2(b) of the California Public Utilities Code. CAW's first option would have the Commission reverse this procedural process and allow CAW's entire proposed increase to take effect immediately. Additionally, CAW's second option would have the same effect as allowing the interim rate memorandum account to accrue interest at CAW's full rate of return, which ORA contends is inconsistent with the Commission's standard practice. ORA recommends the Commission deny CAW's Special Request #1.

RESOLUTION:

Based on the resolution as agreed to in Section 4.5, CAW agrees to withdraw the request in this case.

REFERENCES: Exh. 22, CAW Grubb Direct, pp. 21-30; Exh. 10. ORA Row Direct, ORA Report No. 8, Ch. 2;, Exh. 21, CAW Dana Direct, pp. 46-48; Exh. 14- and 14-A, ORA Rauschmeier Direct, ORA Report No. 4, Ch. 6.

21.3 Special Request #2: Accrue interest in the WRAM/MCBA Balancing Account using the Approved Cost of Long-Term Debt.

CAW REQUEST:

CAW requests authorization to accrue interest in the Water Adjustment Mechanism/Modified Cost Balancing Accounts ("WRAM/MCBA") Balancing Accounts using the approved cost of long-term debt. Edward J. Grubb's testimony supports this special request.

ORA POSITION: ORA did not address this Special Request in its report, as the Commission had already ruled that this request was outside the scope of this proceeding.

RESOLUTION:

The Commission has determined that CAW's Special Request #2 is outside the scope of this (A.13-07-002) proceeding.

REFERENCES: Exh. 22, CAW Grubb Direct, pp. 21-30; Exh. 10. ORA Row Direct, ORA Report No. 8, Ch. 3.

21.4 Special Request #3: MTBE Contamination Proceeds.

CAW REQUEST:

CAW requests to share 25% of the currently held net proceeds related to Methyl-tert-butyl-ether (commonly referred to as MTBE) contamination of $4,131,694 with customers and provide the balance to shareholders. David P. Stephenson's testimony supports this special request.

ORA POSITION:

Properly accounting for the settlement proceeds results in no net proceeds available to allocate. ORA recommends that settlement proceeds related to contaminated water supplies be used to partially offset the new investment in water supplies in the affected districts. As a result of CAW's proposed new investment for the district significantly exceeding the entire settlement value, ORA contends no proceeds should be allocated between customers and shareholders. All net proceeds should be considered as contributions-in-aid-of-construction.

RESOLUTION:

CAW and ORA agree that the requested recovery of the net proceeds of $4,131,694 shall be shared between customers and shareholders. Customers shall receive $2,000,000 as a reduction to expenses in the authorized revenue requirements, while $2,131,694 shall be apportioned to shareholders. The $2,000,000 shall be allocated as $1,000,000 to the Los Angeles district and $1,000,000 to the Monterey District. The reductions shall be a non-inflatable expenses reduction of $333,333 in each year of this GRC to each district and recorded as reduction in Miscellaneous General Expense. The amounts so recorded in the 2015-2017 period shall not be used for future forecasting purposes in any subsequent GRC. The amount of $333,333 recorded for each district in 2015 shall not be inflated in 2016 or 2017 for the purposes of the authorized step rate calculations in those years.

REFERENCES: Exh. 30, CAW Stephenson Direct, pp. 8-13; Exh. 14 and 14-A, ORA Rauschmeier Direct, ORA Report No. 4, Ch. 3.

21.5 Special Request #4: Recovery of the Low Income Program Costs.

CAW REQUEST:

CAW requests Commission authorization to recover low income program costs on a company-wide ongoing basis through a uniform prospective customer surcharge and the tracking of program costs and collections in a balancing account instead of a memorandum account.

ORA POSITION

ORA recommends that the Commission approve CAW's Special Request #4 subject to the following following three requirements:

1. CAW's Low Income Customer Data Sharing Memorandum Account ("LICDS MA") will remain open through December 31, 2014. CAW's LICDS MA will be closed at the end of the rate case cycle ending December 31, 2014. Thereafter, "ongoing data sharing costs billed by Accenture" should be forecasted in the revenue requirement for the rate cycle beginning January 1, 2015. See ORA's testimony on the LICDS MA in Special Request #29 for the amounts to be incorporated into the revenue requirement for the rate cycle beginning January 1, 2015.
2. CAW's Low Income Ratepayer Assistance Program Memorandum Account ("LIRAP MA") will remain open through December 31, 2014. This account shall be closed after review of the account's December 31, 2014 outstanding balance in the next GRC.
3. CAW's Low Income Ratepayer Assistance Program Balancing Account ("LIRAP BA") applicable to all of CAW's districts shall be established for the rate cycle beginning January 1, 2015 and will only track LIRAP discounts provided to customers and the LIRAP surcharges collected from the customers not qualified to participate in the LIRA program.

RESOLUTION:

ORA and CAW agree to the request subject to the above three conditions that are also set forth in the ORA Report. Additionally, in regards to this program, ORA and CAW further agree:

1. The program will be a Company-wide program,

2. A surcharge will be based on the parameters and calculations as detailed in the above Rate Design Section 10 of this document,

3. The surcharge will be applicable to all non-low Income water and wastewater customers,

4. The surcharge will be evaluated and adjusted annually in the annual Step rate filings to ensure appropriate collection, and

5. The annual adjustment will be based on calculations as provided in Attachment E-7 to this Settlement wherein actual data for discounts, Low Income customers and total customers are inserted into the calculation to replace estimates that are currently shown. Actual data should be through September 30, of the latest recorded period.

REFERENCES: Exh. 30. CAW Stephenson Direct, pp. 25-30; Exh. 10, ORA Report No. 8, Ch. 4.

21.6 Special Request #5: Establish a Connection Fee for All Areas in All Districts.

CAW REQUEST:

CAW requests authorization to establish a connection fee for all areas in all districts where a special facilities fee or connection fee does not currently exist. David P. Stephenson's testimony supports this special request.

ORA POSITION:

ORA does not support CAW's request to establish a connection fee tariff for all Districts except those that already have a Special Facilities Fee because the language of the request is unclear. CAW is requesting a connection fee where a special facilities fee does not currently exist. A special facilities fee serves a different purpose and is based on a different cost analysis than that of a connection fee, therefore, the two fees should not be substituted for one another. ORA recommends that the Commission require CAW to submit additional cost analysis to ensure the connection fee covers only CAW's cost of hooking a new customer into an already existing main for each of its service districts.

MPWMD POSITION:

MPWMD was not able to support the request as originally drafted.

RESOLUTION:

As per the testimony of CAW, ORA, CAW, and MPWMD argree the following proposal as requested by CAW will be approved subject to the following conditions.

4. A connection fee as shown in the Attachment E-9 shall now be applicable to all new non-contributed water services in all areas of CAW, except for Placer County (which has a required fee already in place by Placer County Water Agency).

5. The current fee called a Special Facilities Fee ("SFF") in the Larkfield district will be renamed more appropriately as a connection fee.

6. A new SFF would be instituted in the Monterey District in all areas that are to be served water produced by the proposed Monterey Peninsula Water Supply Project ("MPWSP")[8].

[8] All service areas except those in the Toro, Garrapata, Ambler Park, Ralph Lane and Chualar, new connections in Sand City, new customers in the Pebble Beach area who have purchased

7. The SFF adopted in the Monterey District shall be based on the cost of the additional facilities at the MPWSP necessary to serve new customers divided by the AF of additional capacity yield of the new facilities. The fee is agreed to be established at $24,000 per acre foot of annual water use. The fee can be charged in increments of less than an acre foot depending on the projected annual needs. Please see Attachment E-5 for the recommended proposed tariff.

CAW, ORA, and MPWMD further agree that the fees shall all be recorded as contributions-in-aid-of-construction and that the estimate of fees in this case, for rate base purposes, shall be based on the expected customer growth in each service area times $2,000. The fee will only be assessed on new customers.

REFERENCES: Exh. 30, CAW Stephenson Direct, pp. 17-20; Exh. 12 and 12-A, ORA Report No. 6, Ch. 3; Exh. 4, MPWMD Stoldt Direct, pp. 7-8.

21.7 Special Request #6: New Tariff with List of all "Special Fees".

CAW REQUEST:

CAW requests authorization for a new tariff which will list all "Special Fees" (e.g. turn on - Late payment charge, etc.). David P. Stephenson's testimony supports this special request.

ORA POSITION:

ORA does not oppose CAW's request for a single tariff sheet listing all the fees.

RESOLUTION:

ORA and CAW agree that the proposed single tariff sheet listing of all Special Fees shall be approved. A copy of the recommended tariff is provided as Attachment E-5.

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water rights through the Pebble Beach Company, MPWMD Public Allocation water, and properties with existing MPWMD documented on-site water credits.

REFERENCES: Exh. 30, CAW Stephenson Direct, pp. 16-17; Exh. 12 and 12-A, ORA Report No. 6, Ch. 4.

21.8 Special Request #7: Memorandum Account to Track Costs related to Limiting Chromium 6 in Drinking Water.

CAW REQUEST:

CAW requests authorization for a memorandum account to track costs related to limiting Chromium 6 in drinking water. David P. Stephenson's testimony supports this special request.

ORA POSITION:

ORA recommends the Commission dismiss this special request as CAW has already filed and received approval for Advice Letter 1020 to establish a memorandum account for the final Chromium 6 MCL.

RESOLUTION:

CAW and ORA agree that this Special Request is no longer necessary as the requested memorandum account has already been approved by the Commission through Advice Letter 1020.

REFERENCES: Exh. 30, CAW Stephenson Direct, pp. 30-31; Exh. 11. Direct Testimony of Alex Lau, dated March 28, 2014, ("ORA Lau Direct"), ORA Analysis and Recommendations on Special Requests7, 22, 32, and 33, dated March 28, 2014, ("ORA Report No. 7"), Ch. 1.

21.9 Special Request #8: After-Hours Activation Charge Increase.

CAW REQUEST:

CAW requests authorization to increase the after-hours activation charge. David P. Stephenson's testimony supports this special request.

ORA POSITION:

ORA does not oppose the request for an increase in the after-hours activation charge.

RESOLUTION:

CAW and ORA agree that an after-hours reconnection fee of $175 is equitable and shall be charged in all cases where the after-hours service is requested by customers. The fee will better align costs with cost causation. CAW and ORA agree that the present rate revenue requirements need to be increased by $29,675 to accommodate the expected increase in fees billed to customers. The fee and conditions are as set forth inAttachment E-5 for Rule 11 and Special Fees.

REFERENCES: Exh. 30. CAW Stephenson Direct, pp. 24-25; Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report No. 6, Ch. 5.

21.10 Special Request #9: Authorization for a New Late Payment Fee.

CAW REQUEST:

CAW requests authorization for a new late payment fee. David P. Stephenson's testimony supports this special request.

ORA POSITION:

ORA does not oppose the request for a new late payment fee for all Districts, however ORA recommends the Commission adopt ORA's proposed tariff language, which is that CAW clarify the language to ensure the customer understands that 1.5% is a late payment fee of the entire amount past due but does not compound.

RESOLUTION:

CAW and ORA agree that customers will be notified on the monthly issued bill that a late fee of 1.5% will be applied to any account that is not paid before the past due date shown on the bill. The fee shall be applied at the time a late payment notice is issued. If the customer pays the balance on the date the late payment notice is mailed, then that assessed fee will be forgiven. CAW and ORA agree that the fee shall be assessed on all upaid balances regardless of whether it is an initial or subsequent bill when a total balance has not been paid or there should have been a shut off for non-payment. CAW and ORA agree that the fee shall be compounded on all balances that are past due, unless they are under payment agreement or over 180 days old. CAW and ORA agree that for purposes of establishing the expected revenues received as a result of implementation of the fee that $418,280 shall be reflected in the present rate revenues for water customers, and $11,396 for wastewater customers. Please see Attachment E-5 for Rule 9 and Special Fees for copies of the proposed tariffs.

REFERENCES: Exh. 30, CAW Stephenson Direct, p. 17; Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report No. 6, Ch. 6.

21.11 Special Request #10: Authorization to Consolidate Private Fire Hydrant and Private Fire Service Tariffs into a Single Tariff.

CAW REQUEST:

CAW requests authorization to consolidate private fire hydrant and private fire service tariffs into a single tariff, ultimately with consolidated rates. David P. Stephenson's testimony supports this special request.

ORA POSITION:

ORA does not oppose establishing a process to achieve uniform Private Fire Service ("PFS") and Private Fire Hydrant ("PFH") rates across all ratemaking districts. However, an arbitrary process where the highest rates of all CAW's districts serve as the targets for setting the remaining districts' PFS and PFH rates should not be approved. If the Commission is to allow uniform rates

for PFS and PFH services across all ratemaking districts, ORA recommends a process by which PFS and PFH rates converge towards a system wide average.

RESOLUTION:

CAW and ORA agree with the ORA recommendations as shown in its Report. Those recommendations are:

1. The Commission should adopt an approach that allows PFS and PFH rates to gradually converge towards the company-wide average,

2. The Commission should utilize a pricing approach similar to that currently utilized in the San Diego, Los Angeles, Sacramento, and Ventura Districts, where all service sizes less than 4" are assigned the same uniform PFS rate,

3. The Commission should target uniform PFS and PHF rates that can be achieved in four rate case cycles and the rates for each district in the current rate case that would be consistent with uniformly achieving these targets over four cycles, and

4. The Commission should adopt the PFS and PFH rates recommended by ORA for CAW's 2015 test year and not be adjusted until the first test year of the next rate case cycle.

Rates will be established as shown on the appended Attachment E-4.

REFERENCES: Exh. 30. CAW Stephenson Direct, pp. 21-24; Exh. 14 and 14-A, ORA Rauschmeier Direct, ORA Report No.4, Ch. 4..

21.12 Special Request #11: Establish a Group Insurance Balancing Account.

CAW REQUEST:

CAW requests authorization to establish a Group Insurance Balancing Account. David P. Stephenson's testimony supports this special request.

ORA POSITION:

ORA does not agree with CAW on the need for a balancing account to cover increases in group insurance expenses.

RESOLUTION:

CAW and ORA agree that based on the allowance for higher inflation rates for 2013 and 2014, that the balancing account is not necessary.

REFERENCES: Exh. 30. CAW Stephenson Direct, pp.31-33; Exh. 9, Direct Testimony of Josefina Montero, dated March 28, 2014, ("ORA Montero Direct"), ORA Analysis and

Recommendations on Non-Tariffed Products & Services and Special Request 11 dated March 28, 2014 ("ORA Report No. 11"),ORA Report No. 1, Ch. 2.

21.13 Special Request #12: Authorization to Recover Leak Adjustments as Part of General Metered Rates.

CAW REQUEST:

CAW requests authorization to recover leak adjustments as part of general metered rates. Jeffrey M. Dana's testimony supports this special request.

ORA POSITION:

ORA recommends that CAW's Special Request #12 be approved to allow recovery in general metered rates of a reasonable forecast of customer billing adjustments on a prospective basis.

MPWMD POSITION:

MPWMD supports billing adjustments for atypical water use.

RESOLUTION:

CAW, ORA, and MPWMD agree to the request as proposed by CAW to include an estimate of future leak adjustments in proposed expenses of each district. CAW shall continue to separately identify billing adjustments in workpapers for all WRAM and GRC filings.

REFERENCES: Exh. 21, CAW Dana Direct, p. 44; Exh. 14 and 14-A, ORA Rauschmeier Direct, ORA Report No. 4 Ch. 5. ; Exh. 34-A, MPWMD Locke Supplemental Direct, p. 4.

21.14 Special Request #13: Authorization to Increase the Authorized per Acre Foot of Delivered Water Produced at the Sand City Desalination Plant.

CAW REQUEST:

CAW requests authorization to increase the authorized cost per acre foot of delivered water produced at the Sand City Desalination Plant, as authorized by D.13-04-015. The testimony of Jeffrey M. Dana supports this request.

ORA POSITION:

ORA supports CAW's request.

MPWMD POSITION:

MPWMD supports CAW's request.

RESOLUTION:

CAW, ORA, and MPWMD agree to the request of CAW to authorize an increase in the cost per acre foot of delivered water produced at the Sand City Desalination Plant, as authorized by D.13-04-015, from $2,599 to $3,164.

REFERENCES: Exh. 21, CAW Dana Direct, pp. 46-48; Exh. 14 and 14-A, ORA Rauschmeier Direct, ORA Report No. 4 , Ch. 6. Exh. 4, MPWMD Stoldt Direct, p.8.

21.15 Special Request #14: Authorization to Consolidate the Larkfield and Sacramento Districts for Ratemaking Purposes.

CAW REQUEST:

CAW requests authorization to consolidate the Larkfield and Sacramento Districts for ratemaking purposes. David P. Stephenson's testimony supports this special request.

ORA POSITION:

ORA did not address this Special Request in its report, as the Commission had already ruled that this request was outside the scope of this proceeding.

RESOLUTION:

The Commission has determined that CAW's Special Request #14 is outside the scope of this (A.13-07-002) proceeding.

REFERENCES: Ex. 30, CAW Stephenson Direct, pp. 33-44; A.13-07-002, *Scoping Memo of the Assigned Commissioner and Administrative Law Judge*, dated November 22, 2013, p. 5.

21.16 Special Request #15: Authorization to Consolidate the Fixed Costs for the Los Angeles County, San Diego County, and Ventura County Districts for Ratemaking Purposes.

CAW REQUEST:

CAW requests authorization to consolidate the fixed costs for the Los Angeles County, San Diego County, and Ventura County Districts for ratemaking purposes. David P. Stephenson's testimony supports this special request.

ORA POSITION:

ORA did not address this Special Request in its report, as the Commission had already ruled that this request was outside the scope of this proceeding.

RESOLUTION:

The Commission has determined that CAW's Special Request #15 is outside the scope of this (A.13-07-002) proceeding.

REFERENCES: Ex. 30, CAW Stephenson Direct, pp. 47-51; A.13-07-002, *Scoping Memo of the Assigned Commissioner and Administrative Law Judge*, dated November 22, 2013, p. 5.

21.17 Special Request #16: Authorization to Implement a Consumption Adjustment Mechanism.

CAW REQUEST:

CAW requests authorization to implement a Consumption Adjustment Mechanism. David P. Stephenson's testimony supports this special request.

ORA POSITION:

ORA continues to oppose the request of CAW in A.12-07-007 and recommends against approval of CAW's revised Special Request #16 in this proceeding.

MPWMD POSITION:

MPWMD did not provide testimony on this special request.

RESOLUTION:

CAW modified its original request to mirror that requested by Cal Water in A.12-07-007. CAW, ORA, and MPWMD agree that, if Cal Water's request in A.12-07-007 is successful, CAW may implement, through a Tier 1 advice letter filing, a Consumption Adjustment Mechanism consistent with Commission approval of Cal Water's request in A.12-07-007. If Cal Water's request in A.12-07-007 is not approved, then CAW will not implement Special Request #16. Nothing in resolution of this issue should prevent CAW from being able to make a similar request in a subsequent proceeding.

REFERENCES: Exh. 30, CAW Stephenson Direct, pp.54-55; Exh. 14 and 14-A, ORA Rauschmeier Direct, ORA Report No. 4, Ch. 7.

21.18 Special Request #17: Authorization to Recover Rate Case Expense on a Specific Annual Amount.

CAW REQUEST:

CAW requests authorization to recover rate case expense on a specific annual amount to better match the recovery in the revenue requirement with the expense incurred. David P. Stephenson's testimony supports this special request.

ORA POSITION:

ORA recommends against this request as unnecessary and unsupported.

RESOLUTION:

CAW agrees to withdraw this request and continue to forecast rate case expense for the Test Year based on one-third of the total Settlement agreed-upon costs.

REFERENCES: Ex. 30, CAW Stephenson Direct, pp. 55-57; Exh. 16 and 16-A, ORA Roberts/Montero Direct, ORA Report No. 1, Ch. 17.

21.19 Special Request #18: Authorization to Establish State Water Resources Control Board Cease and Desist Order Memorandum Account.

CAW REQUEST:

CAW requests authorization to file for the establishment of a memorandum account to track all penalties and fines that could be assessed as a result of a violation of the State Water Resources Control Board ("SWRCB") Cease and Desist Order ("CDO"), should such an account be necessary. David P. Stephenson's testimony supports this special request.

ORA POSITION:

ORA recommends that CAW's request for establishing a SWRCB CDO Memo Account be approved only as a subaccount within CAW's existing Cease and Desist Order Memorandum Account (CDOMA), which currently captures any and all activities related to the CDO.

RESOLUTION:

CAW and ORA agree that a subaccount within CAW's existing Cease and Desist Order Memorandum Account (CDOMA) be established to track any penalties or fines that may be assessed as a result of a violation of the SWRCB Cease and Desist Order.

REFERENCES: Exh. 30, CAW Stephenson Direct, pp. 60-62; Exh. 7, ORA Shia Direct, ORA Report No. 2, Ch. 2.

21.20 Special Request #19: Authorization to Continue Monterey County District Rationing Memorandum Account.

CAW REQUEST:

CAW requests authorization to continue its Monterey County District Rationing memorandum account. Patrick Pilz's testimony supports this special request.

ORA POSITION:

ORA does not oppose CAW's request.

MPWMD POSITION:

MPWMD did not oppose CAW's request but requested establishment of a similar account to cover MPWMD emergency rationing costs. Based on previous rationing enforcement experience, MPWMD anticipates rationing costs associated with additional personnel, training, hardware and software, programming, rent, furniture and equipment, office supplies, utilities, insurance, transportation, legal fees and legal notices.

RESOLUTION:

CAW, ORA, and MPWMD agree to the request as proposed by CAW. The account authorizes CAW to continue its Monterey County District Rationing memorandum account to track extraordinary expenses in the event that advanced stage rationing is necessary. This account was previously authorized under D.03-02-030, D.08-07-010, and D.09-05-029. Additionally, based on a request by MPWMD to have its own memorandum account for rationing related marginal costs, CAW and ORA agree that CAW shall be authorized to pay and recover from customers Commission-authorized, reasonable, and prudent costs incurred by MPWMD approved in the rationing memo account.

REFERENCES: Exh. 1, *Direct Testimony of Patrick Pilz, dated July 1, 2013*, ("CAW Pilz Direct"), p. 16; Exh. 14 and 14-A, ORA Rauschmeier Direct, ORA Report No. 4, Ch. 8. . Exh. 34, MPWMD Locke Pintar Direct, p. 13.

21.21 Special Request #20: Authorization to Combine Multiple General Metered Services to a Single Residential Structure into a Single Consolidated Bill.

CAW REQUEST:

CAW requests authorization to combine multiple general metered services to a single residential structure into a single consolidated bill. Patrick Pilz's testimony supports this request.

ORA POSITION:

ORA does not support this request because. the tariff changes that CAW proposes in Special Request #20 are unnecessary and could be perceived as discriminatory.

MPWMD POSITION:

MPWMD opposes this request if the effect is to discourage separate metering.

RESOLUTION:

CAW, ORA, and MPWMD agree that the request made by CAW shall be withdrawn.

REFERENCES: Exh. 1, CAW Pilz Direct, p. 25; Exh. 14 and 14-A, ORA Rauschmeier Direct, ORA Report No. 4, Ch. 9. . Exh. 34-A, MPWMD Locke Supplemental Direct, pp. 5 - 6.

21.22 Special Request #21: Clarify how Compound and Multiple Meters Should be Billed.

CAW REQUEST:

CAW requests authorization to clarify how compound and multiple meters should be billed. Patrick Pilz's testimony supports this special request.

ORA POSITION:

ORA does not oppose the request to clarify how compound and multiple meters are billed; however, ORA only approves the new language used to describe Compound Meter Set up with one meter body and two registers (setup a); Compound Meter Set up with two meters in a manifold set-up, both meters are open and active (setup b); Compound Meter Set up with two meter in a manifold set-up, only one meter is open and active (setup c).

MPWMD POSITION:

Based on responses to data requests, MPWMD supports this special request.

RESOLUTION:

CAW, ORA, and MPWMD agree that there shall be a separate tariff for multiple meter set-ups and that the billing shall be based on the following:

1. For compound meters in a single meter body - the billing meter size shall be based on the larger meter in the setup.

2. For installations where there are two meters in a manifold set-up and one is used solely for testing purposes, the billing meter size shall be based on the meter size of the meter used for continuous flow purposes.

3. For installations where there are two or more meters in a manifold set-up and all meters are used for continuous billing purposes, the billing meter size shall be based on the flow capabilities of the combined flow of all meters. CAW, ORA, and MPWMD agree that CAW shall bill these meters in accordance with the billing sizes as shown in Attachment E-8.

REFERENCES: Exh. 1, CAW Pilz Direct, pp. 25-26; Exh. 12 and 12-A, ORA Korthamar Direct, ORA Report No. 6, Ch. 7,;Exh. 34-A, MPWMD Locke Supplemental Direct, p. 6.

21.23 Special Request #22: Increase the Net Salvage Factor for Los Padres Dam Removal.

CAW REQUEST:

CAW requests that the Commission increase the net salvage factor to negative 25% in order to gradually accumulate funds to remove the Los Padres Dam. F. Mark Schubert's testimony supports this special request.

ORA POSITION:

ORA recommends the Commission approve this request. The Commission is recommended to order a review of the status of the Dam and the appropriateness of the net salvage factor in each GRC going forward.

MPWMD POSITION:

MPWMD did not support CAW's request initially because the request appeared premature, no comprehensive study of the dam's future had been undertaken, and sediment accumulation was only in the context of dam removal.

RESOLUTION:

CAW, ORA, and MPWMD agree that the net salvage factor for Los Padres Dam Removal shall be increased to negative 25% in order to gradually accumulate funds to remove the Los Padres Dam and/or the accumulated sediments. CAW and ORA further agree that ORA shall have continuing review of this factor in future rate cases.

REFERENCES: Exh. 2, CAW Schubert Direct, p. 152; Exh. 11, ORA Lau Direct, ORA Report No. 7, Ch. 2. . Exh. 4. MPWMD Stoldt Direct, pp. 9 - 10.

21.24 Reserved

21.25 Special Request #24: Authorization of a Metered Construction Tariff for All Districts.

CAW REQUEST:

CAW requests authorization of a metered construction tariff for all districts. David P. Stephenson's testimony supports this special request.

ORA POSITION:

ORA does not oppose the request for a metered construction tariff in all Districts similar to the existing Ventura County District tariff.

MPMD POSITION:

MPWMD did not provide testimony on this special request.

RESOLUTION:

CAW, ORA, and MPWMD agree to this request as proposed by CAW. The result of the implementation of this request is that present rate revenue is reduced by $49,923 mostly in the Monterey District. The tariff rates related to this implementation are attached to this Settlement as referenced in the Rate Design Portion of this Settlement, Section 10.

REFERENCES: Exh. 30, CAW Stephenson Direct, pp. 14-16, Attachment 2; Exh. 12 and 12-A, Korthamar Direct.; ORA Report No. 6, Ch. 8,

21.26 Special Request #25: Authorization to Eliminate the Duarte Irrigation Tariff and Transfer Irrigation Customers to Commercial Tariffs.

CAW REQUEST:

CAW requests authorization to eliminate, in Duarte, irrigation tariffs and transfer irrigation customers to commercial tariffs. David P. Stephenson's testimony supports this special request.

ORA POSITION:

ORA recommends approval of CAW's request to eliminate the Duarte Irrigation Tariff and transfer the customers to the Commercial Tariff in this GRC.

RESOLUTION:

CAW and ORA agree to this request as proposed by CAW. As customers' current irrigation service is terminated and the service is transferred to the domestic system, their service will then be considered as a commercial customer service on the domestic system for billing purposes.

REFERENCES: Exh. 30. CAW Stephenson Direct, pp. 20-21; Exh. 12 and 12-A, Korthamar Direct.;ORA Report No. 6, Ch. 9.

21.27 Special Request #26: Remove the "Pilot" Designation for CAW's Conservation Programs.

CAW REQUEST:

CAW requests authorization to remove the "Pilot" designation from its Conservation Programs. David P. Stephenson's testimony supports this special request.

ORA POSITION:

ORA recommends that the "pilot" designation that is currently applied to CAW's conservation programs remain in place until integration of the pilot program's decoupling mechanisms can be achieved with a revised Rate Case Plan for Class A Water Utilities.

MPWMD POSITION:

MPWMD supports this special request.

RESOLUTION:

Settling Parties agree to remove the "Pilot" designation from the Conservation Programs title for all districts. This resolution extends to all prior settlement agreements between ORA (and its predecessor, DRA) and CAW to the extent that those agreements establish or continue conservation programs for CAW districts: those settlement agreements are also modified to remove the "pilot" designation.[9]

REFERENCES: Exh. 30, CAW Stephenson Direct, pp. 53-54; Exh. 14 ad 14-A, Rauschmeier Direct.; ORA Report No. 4, Ch. 10. Exh. 34-A, Exh. 34-A, MPWMD Locke Supplemental Direct, p. 6.

21.28 Special Request #27: Authorization to Move All Wastewater Customers to Monthly Billing.

CAW REQUEST:

CAW requests authorization to move all wastewater customers to monthly billing. David P. Stephenson's testimony supports this special request.

ORA POSITION:

ORA agrees with CAW's request to bill all of its wastewater customers in the Monterey County District on a monthly basis.

RESOLUTION:

CAW and ORA agree to the request as proposed by CAW.

REFERENCES: Exh. 30, CAW Stephenson Direct, pp. 52-53; Exh. 3, ORA Shia Direct, ORA Report No. 2, Ch. 3..

21.29 Special Request #28: Authorization to Consolidate all Monterey Small Water Systems for Ratemaking and Billing Purposes.

CAW REQUEST:

CAW requests authorization to consolidate all Monterey small water systems for ratemaking and billing purposes. David P. Stephenson's testimony supports this special request.

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[9] *See, e.g.*, July 28, 2011 Partial Settlement Agreement between DRA, TURN, and CAW on Revenue Requirement Issues in A.10-07-007 at 136 (discussing the Operational Energy Efficiency pilot project), 305 (discussing Distribution System Improvement Charge Pilot program).

ORA POSITION: The Commission determined that Special Request # 28 was outside the scope of this proceeding. Thus, ORA did not address this Special Request in its report.

RESOLUTION:

The Commission has determined that CAW's Special Request #28 is outside the scope of this (A.13-07-002) proceeding.

REFERENCES: Exh. 30, CAW Stephenson Direct, pp. 44-47; A.13-07-002, *Scoping Memo of the Assigned Commissioner and Administrative Law Judge*, dated November 22, 2013, p. 5.

21.30 Special Request #29: Authorization to Recover All Current Memorandum and Balancing Accounts.

21.29.1 Special Request 29-1: Global Agreement

CAW and ORA agree the following global terms shall apply to the balancing and memorandum accounts:

1. ORA and CAW agree that it is reasonable for customer notices to indicate the percentage bill impacts of the amortization schedule for these accounts. CAW shall include as part of the customer notice of the next general rate case (2016) an estimated percent bill impact of proposed surcharges, in addition to requested base rate impacts, subject to Public Advisor's Office review and approval.

2. CAW's preliminary statements shall be updated to reflect all current individual memorandum and balancing accounts, with an alpha-numerical reference to those accounts. CAW shall also provide a summary table listing each account, the accounts corresponding alphabetical label, and the CPUC Sheet Number referencing the accounts preliminary statement. This summary table along with the updated preliminary statements shall be uploaded to CAW's website.

3. Unless otherwise noted, recovery of memorandum and balancing accounts shall be recovered through the Consolidated Expense Balancing Account (CEBA). If the net CEBA balance after the transfers is under collected, the account will be amortized by applying a uniform volumetric surcharge. If the net CEBA balance after the transfers is over collected, the net over collection shall be amortized and credited to the service charge of all customers, based upon the meter equivalent size of the service connection.

4. Recovery of all agreed-upon accounts shall cover balances through May 31, 2013 unless otherwise noted.

5. Recovery of all agreed-upon accounts shall also include interest which accrues at the 90-day commercial paper rate (per Standard Practice U-27-W) and from May 31, 2013 (the date at which the account's balance was reviewed) up until the

balance is requested for recovery or refund to customers and transferred to the district CEBA. Interest will still be allowed to accrue at the 90-day commercial paper rate on the balances of the district CEBAs.

21.29.2 Special Request 29-2: National Oceanic and Atmospheric Endangered Species Act (NOAA/ESA)

CAW REQUEST:

The NOAA/ESA memorandum account tracks compliance payments made by CAW to NOAA or its designated payee for ESA mitigation in CAW's Monterey County District. CAW seeks to continue the current memorandum account authorized by the Commission on July 11, 2009, in D.09-07-021 and again in D.12-06-016. Additionally, CAW requests authorization to continue the ability to seek annual recovery of the annual payments as established in Advice Letter 652, so long as they are required to be paid.

ORA POSITION:

ORA does not oppose CAW's request to continue the NOAA/ESA MA and to continue seeking recovery (via Tier 3 Advice Letter) of annual payments made to NOAA per Advice Letter 652.

RESOLUTION:

CAW and ORA agree to continue the account and that the approved balances will be transferred to the Monterey CEBA. Recovery of annual payments shall be through a Tier 2 advice letter. Balances in this account shall be recovered from customers in the Monterey main system through a uniform volumetric-based surcharge. In the event the NOAA agreement is extended beyond 2016 due to delays in the MPWSP, CAW may file a Tier 3 advice letter to request such costs be included in the NOAA/ESA memorandum account.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
National Oceanic & Atmospheric Endangered Species Act (NOAA/ESA) Memorandum Account	Monterey	90-day	(8,441,046)	(8,441,046)	(8,441,046)

REFERENCES: Exh. 28, Direct Testimony of Todd Pray, dated July 1, 2013, ("CAW Pray Direct"), pp. 2-3; Exh. 10, ORA Row Direct, ("ORA Report 8"), Chapter 5, pp. 41-45.

21.29.3 Special Request 29-3: Credit Card Memorandum Account

CAW REQUEST:

The Credit Card Memorandum Account ("CCMA") is applicable to all of CAW's Districts. It tracks avoided costs of check processing fees when customers pay by credit card instead of check. CAW requests approval to transfer the remaining outstanding balances that occurred between May 31, 2010 and memorandum account closure (in accordance with the settlement terms adopted in D.12-06-016). The balances for each District would be transferred to the expense balancing account for refund or recovery.

ORA POSITION:

ORA is not opposed to CAW's request to transfer the amounts to each district CEBA and to fully close the CCMA in each of CAW's districts.

RESOLUTION:

Parties agree to transfer the remaining outstanding balances in the Credit Card Memorandum Account (CCMA) for each District that occurred between May 31, 2010 and closure of the CCMAs to the respective district CEBAs for refund through a Tier 1 Advice Letter. CAW shall fully close the CCMAs.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Credit Card Memorandum Account	Coronado	90-day	69,253	69,253	28,870
	Larkfield	90-day	8,091	8,091	4,043
	Los Angeles - Baldwin Hills	90-day	31,126	31,126	13,855
	Los Angeles - Duarte	90-day	21,230	21,230	9,331
	Los Angeles - San Marino	90-day	20,449	20,449	8,542
	Monterey	90-day	100,521	100,521	45,449
	Monterey WW	90-day	-	-	-
	Ventura	90-day	49,434	49,434	22,215
	Sacramento	90-day	196,114	196,114	83,564

REFERENCES: Exh. 28, CAW Pray Direct, pp. 3-4; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 91-93.

21.29.4 Special Request 29-4: Endangered Species Act ("ESA") Memorandum Account

CAW REQUEST:

The ESA Memorandum Account tracks costs incurred complying with ESA requirements, except for ESA compliance costs associated with the San Clemente Dam. CAW seeks continued approval of this account for tracking unforeseen requirements by governmental agencies. CAW remains under the restriction of State Water Resources Control Board's ("SWRCB") Order WR 95-10, as well as the Cease and Desist Order issued by SWRCB in October 2009. Continuance of this account allows CAW to comply with ESA-related requirements issued by agencies and potentially recover the expenditures at a later time. CAW also requests authorization to transfer the outstanding balances in this account at the end of 2014 to plant for recovery in rate base.

ORA POSITION:

ORA recommends the Commission authorize the following: CAW shall be allowed to continue the ESA memorandum account to track all future ESA compliance costs. 1) CAW should not

transfer any and all ESA compliance costs to plant for recovery in rate base. 2) CAW should remove from its recorded 2012 Monterey CWIP end of year balance $1,018,090. In addition, $355,425 in ESA compliance costs shall be transferred to the Monterey CEBA for recovery. 3) CAW shall be allowed to transfer costs associated with ESA compliance and recorded to the ESA MA from June 1, 2010 through May 31, 2013 in the amount of ($807,966) to the Monterey CEBA for recovery.

RESOLUTION:

CAW and ORA agree to retain the account and transfer the $889,797 balance (recorded from June 1, 2010 to May 31, 2013) to the Monterey CEBA. The $1,018,090 that was transferred to Monterey CWIP as part of the prior rate case settlement in D.12-06-016, for expenditures prior to December 1, 2006 up until May 31, 2010, shall also be transferred to the Monterey CEBA for recovery. Both balance transfers to the CEBA shall occur through a Tier 1 Advice Letter. Balances in this account shall be recovered from customers in the Monterey main system through a quantity based surcharge.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Endangered Species Act (ESA) Memorandum Account	Monterey	90-day	(1,907,887)	(807,966)	(1,907,887)

REFERENCES: Exh. 28, CAW Pray Direct, pp. 5-6; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 46-48.

21.29.5 Special Request 29-5: Monterey Peninsula Water Management District (MPWMD) Conservation Balancing Account

CAW REQUEST:

The MPWMD Conservation Balancing Account is a one-way balancing account granted in D.09-05-029 to track conservation-related expenses and surcharges, with a cap of $1,156,000. CAW requests the continuance of the balancing account and the related latest Commission authorized volumetric surcharge in order to readily track all expenses and surcharges connected to MPWMD's conservation program. CAW also requests authorization to transfer the outstanding balances as of December 31, 2014 to the expense balancing account for refund or recovery.

ORA POSITION:

ORA recommends the Commission allow CAW to file a Tier 1 Advice Letter to transfer the May 31, 2013 net balance in this account, $110,740, to the Monterey CEBA. ORA does not oppose CAW's request to continue this account and the related, latest Commission-authorized, volumetric-based surcharge in order to readily track all expenses and surcharges connected to MPWMD's conservation program.

RESOLUTION:

Parties agree that CAW shall continue the account and the related, latest Commission-authorized, volumetric-based surcharge in order to readily track all expenses and surcharges connected to MPWMD's conservation program. CAW shall use the ending balance at December 31, 2014. CAW shall file a Tier 2 Advice Letter after this date to transfer any over-/under collections to the Monterey CEBA. The service charge credit will be applicable to customers in the Monterey County District, excluding the Ambler, Ralph Lane, Chualar, and Toro service areas, which are outside MPWMD's jurisdiction.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Monterey Peninsula Water Management District (MPWMD) Conservation Balancing Account	Monterey	90-day	December 31, 2014 balance	110,740	December 31, 2014 balance

REFERENCES: Exh. 28, CAW Pray Direct, pp. 6-7; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 49-52.

21.29.6 Special Request 29-6: Low-Income Ratepayer Assistance (LIRA) Program Memorandum Account

CAW REQUEST:

The LIRA Program Memorandum Account tracks revenues lost as a result of customer usage of the LIRA Program, incurred costs as a result of mailings and other program setup requirements, and recoveries associated with the LIRA Program offered in each District. CAW requests the continuance of the memorandum account through at least December 31, 2014 and authorization to transfer any outstanding balance to the expense balancing account for refund or recovery.

ORA POSITION:

ORA recommends the Commission authorize CAW to transfer the Company's reported May 31, 2013 net balance in the LIRAP MAs as presented in Table 3 to each district CEBA and to continue this account through the rate cycle ending on December 31, 2014.

Note that CAW in Special Request #4 in the current proceeding is requesting Commission authorization to recover LIRAP costs on an ongoing basis through a customer surcharge and the tracking of program costs and collections in a BA instead of the MA (currently in place). ORA, subject to three requirements, which are identified in ORA's testimony on Special Request #4, does not oppose CAW's request. Should the Commission approve CAW's Special Request #4, subject to ORA's three requirements, which are identified in Special Request #4, the LIRAP MA should be closed beginning January 1, 2015 and the LIRAP MA December 31, 2014 outstanding balance would be reviewed in the next GRC or in an advice letter if the balance is greater than 2% of the latest authorized revenue requirement per Standard Practice U-27.

RESOLUTION:

CAW shall continue the LIRAP Memorandum Account through at least December 31, 2014 and transfer the reported May 31, 2013 net balances in said account to each district's CEBA through

a Tier 1 Advice Letter. ORA and CAW agree to retain this account until the effective date of the decision in this general rate case and until the approval of LIRA balancing account through the advice letter process.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Low-Income Ratepayer Assistance (LIRA) Program Memorandum Account	Coronado	90-day	(185,864)	(185,864)	(185,864)
	Larkfield	90-day	(31,464)	(31,464)	(31,464)
	Los Angeles - Baldwin Hills	90-day	(296,718)	(296,718)	(296,718)
	Los Angeles - Duarte	90-day	(161,128)	(161,128)	(161,128)
	Los Angeles - San Marino	90-day	(21,444)	(21,444)	(21,444)
	Sacramento	90-day	(741,845)	(741,845)	(741,845)
	Ventura	90-day	(188,004)	(188,004)	(188,004)
	Monterey	90-day	(1,086)	(1,086)	(1,086)

REFERENCES: Exh. 28, CAW Pray Direct, p. 7; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 53-55.

21.29.7 Special Request 29-7: Low-Income Customer Data Sharing Memorandum Account

CAW REQUEST:

This memorandum account tracks one-time and ongoing data sharing costs not already included in rates in accordance with Ordering Paragraph 7 of D.11-05-020. CAW requests authorization to recover the balance as of December 31, 2014 by transferring it to the Expense Balancing Account, then to close the memorandum account and recover further costs in the proposed Low Income balancing account discussed in the direct testimony of Mr. Stephenson.

ORA POSITION:

ORA recommends the Commission authorize the following: 1.) CAW should be allowed to recover the Company's reported May 31, 2013 net balance of ($98,983) in the LICDS MA. Recovery of this balance would be apportioned to each district based on the number of customers in each district. 2) CAW's LICDS MA will be closed at the end of the rate case cycle ending December 31, 2014. 3.) Ongoing data sharing costs billed by Accenture should be forecasted into the revenue requirement for the rate cycle beginning January 1, 2015. The forecasted cost in the amount of $60,552 would be included as an additional line item- "Ongoing data sharing costs billed by Accenture"- in CAW's A&G PUC Account #798. The $60,552 should be apportioned to each district based on the number of customers in each district for Test Year 2015.

RESOLUTION:

Parties agree that CAW may transfer $98,983 and distribute the balance to each district's CEBA based upon the number of customer service connections in each district from this rate case through a Tier 1 Advice Letter. Forecasted costs for the rate cycle beginning January 1, 2015 of $60,552 will be moved to base rates. The balance between May 31, 2013 and December 31, 2014 shall be recovered subject to review in the next general rate case or through the advice letter process. ORA and CAW agree to close the account once all balances have been transferred.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Low-Income Customer Data Sharing Memorandum Account	All CA	90-day	(98,983)	(98,983)	(98,983)

REFERENCES: Exh. 28, CAW Pray Direct, pp. 7-8; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 93-98.

21.29.8 Special Request 29-8: CAW Conservation Surcharge ("CAWCS")

CAW REQUEST:

The CAWCS Balancing Account is a one-way balancing account approved to track conservation-related expenses and surcharges associated with CAW's conservation efforts. The CAWCS is currently in effect for all Districts. CAW requests that the one-way conservation program dollars remain funded through a separate surcharge and tracked, along with related expenses, in the balancing accounts. This will ensure that dollars collected for conservation are applied directly to conservation programs. CAW requests authorization for the outstanding balances in all accounts as of December 31, 2014 to be transferred to the expense balancing account for refund or recovery.

ORA POSITION:

ORA recommends that CAW should be allowed to transfer $557,011 in the CAWCS BAs to the district CEBAs. ORA is not opposed to CAW's request to retain this account.

RESOLUTION:

Parties agree that CAW shall continue the account and the related, latest Commission-authorized, volumetric-based surcharge in order to readily track all expenses and surcharges connected to CAW's conservation program. CAW shall use the ending balance at December 31, 2014. CAW shall file a Tier 2 Advice Letter after this date to transfer any over/(under) -collection to each district's CEBA

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
California American Water Conservation Surcharge (CAWCS)	Monterey	90-day	December 31, 2014 balance	292,665	December 31, 2014 balance
	Coronado	90-day	December 31, 2014 balance	1,881	December 31, 2014 balance
	Larkfield	90-day	December 31, 2014 balance	6,299	December 31, 2014 balance
	Sacramento	90-day	December 31, 2014 balance	286,801	December 31, 2014 balance
	Ventura	90-day	December 31, 2014 balance	17,924	December 31, 2014 balance
	Los Angeles	90-day	December 31, 2014 balance	48,559	December 31, 2014 balance

REFERENCES: Exh. 28, CAW Pray Direct, p. 8; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 56-58.

21.29.9 Special Request 29-9: Water Contamination Litigation Expense Memorandum Account

CAW REQUEST:

The WCLE Memorandum Account tracks costs associated with litigating water contamination legal cases in CAW's districts. In accordance with Resolution W-4084, CAW requests continuance of this memorandum account and authorization to transfer outstanding balances to the expense balancing account for refund or recovery, should further costs be incurred.

ORA POSITION:

ORA is not opposed to CAW's request to retain the WCLE MA for Los Angeles. However, because no costs have ever been recorded to the WCLE MA for Sacramento, ORA recommends the Commission order CAW to close the WCLE MA for Sacramento. ORA also recommends that the Commission should deny CAW's request to transfer outstanding balances in this account to the expense BA, should further costs be incurred. In addition, ORA recommends that should CAW seek recovery of any costs to be booked to the WCLE MA, CAW must provide in the future GRC Application the documentation specified in OP 3 of Resolution No. W-4925.

RESOLUTION:

Parties agree that CAW may continue the account for the Los Angeles and Sacramento districts. Balances as of December 31, 2013 shall be transferred to the district CEBA through a Tier 1 Advice Letter. Should CAW seek recovery of any additional costs booked to the WCLE MA, CAW must provide the documentation specified in Ordering Paragraph 3 of Res. No.W-4925.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Water Contamination Litigation Memorandum Account	Los Angeles	90-day	(459,972)	(459,972)	(207,054)
	Sacramento	90-day	-	-	-

REFERENCES: Exh. 28, CAW Pray Direct, pp. 8-9; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 58-61.

21.29.10 Special Request 29-10: Catastrophic Event Memorandum Account (CEMA)

CAW REQUEST:

The purpose of the Catastrophic Event Memorandum Account ("CEMA") is to recover costs associated with the restoration of service and CAW facilities affected by a catastrophic event declared a disaster or state of emergency by competent federal or state authorities. The balance in the CEMA will be recovered in rates after Commission review and audit of the recorded CEMA balance. The authority to establish this account was granted in CPUC Resolution E-3228, dated July 24, 1991.

At the time of this filing, there are no balances to report in the CEMA. CAW requests that CEMA be retained for future use.

ORA POSITION:

ORA is not opposed to CAW's request to retain the CEMA.

RESOLUTION:

ORA and CAW agree that there is no balance to report as of May 31, 2013 and that this account shall be retained for future use in all districts.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Catastrophic Event Memorandum Account (CEMA)	All CA	90-day	-	-	-

REFERENCES: Exh. 28, CAW Pray Direct, pp. 9-10; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 61-62.

21.29.11 Special Request 29-11: Temporary Interest Rate Balancing Account (TIRBA)

CAW REQUEST:

The purpose of the TIRBA is to record any difference between the actual and forecast incremental cost of debt included in the cost of capital. Specifically, the TIRBA records the difference in interest expense between the actual interest cost for long-term debt for debt issued after May 7, 2009, and the interest cost included in the adopted cost of capital for issuances in 2009 or later subject to a standard reasonableness review.

TIRBA balances are currently being recovered through a surcharge authorized in Advice Letter 960. CAW requests that any remaining balances be transferred to the general expense recovery

balancing account for refund or recovery. The account will be closed once the balances are fully recovered.

ORA POSITION:

CAW is currently recovering the balance in the TIRBA through a meter-based surcharge authorized in Advice Letter 960. It is unclear at this time what the remaining balance in the TIRBA will be on the date at which the meter-based surcharge authorized in Advice Letter 960 ceases. Therefore, ORA recommends the Commission should not authorize CAW's request to transfer any remaining balance, after the meter-based surcharge authorized in Advice Letter 960 ceases, to the district CEBA. ORA also recommends the Commission deny CAW's request in this proceeding to close the TIRBA. After the meter-based surcharge authorized in Advice Letter 960 ceases CAW may submit a request to the Commission in an Advice Letter filing or in the next GRC to close the TIRBA and to recover any outstanding balance in the TIRBA.

RESOLUTION:

Parties agree that the TIRBA balance as of April 30, 2014 is $43,279 and that this balance shall be transferred to the respective district CEBA's for refund to ratepayers.. The distribution of the balance to each district CEBA will be based upon the number of customer service connections in each district from this rate case. The TIRBA shall be closed after the balance in the account has been transferred to each district CEBA.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Temporary Interest Rate Balancing Account (TIRBA)	All CA	90-day	(349,647)	(349,647)	43,279

REFERENCES: Exh. 28, CAW Pray Direct, p. 11; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 98-100.

21.29.12 Special Request 29-12: Seaside Basin Adjudication Balancing Account

CAW REQUEST:

The Seaside Basin Adjudication Balancing Account tracks the amortization of costs and related interest on the unamortized balance of costs incurred to litigate and secure Seaside Basin water rights in the Monterey County District as granted in D.09-07-021. In accordance with Advice Letter 778, effective July 19, 2009, a meter surcharge is assessed on customers in the Monterey Main, Hidden Hills, Ryan Ranch, and Bishop areas to recover $2,755,960 over a ten-year period. This account accrues interest at the 90-day commercial rate. CAW requests this account remain open to continue tracking the interest and surcharge collections.

ORA POSITION:

ORA recommends the Commission approve CAW's request to keep its Seaside Basin Adjudication Balancing Account open to continue tracking the interest and surcharge collections associated with the $2,755,960 approved for recovery in Advice Letter 778.

RESOLUTION:

Parties agree that the Seaside Basin Adjudication Balancing Account shall remain open to continue tracking the interest and surcharge collections associated with the $2,755,960 approved for recovery in Advice Letter 778.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Seaside Basin Adjudication	Monterey	90-day	(1,559,529)	(1,559,529)	(1,559,529)

REFERENCES: Exh. 28, CAW Pray Direct, pp. 11-12; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 62-63.

21.29.13 Special Request 29-13: Seaside Groundwater Basin Memorandum Account

CAW REQUEST:

In this account, CAW tracks payments made to the Seaside Basin Water Master for replenishment water. CAW is requesting that the account remain open since the offsets are an annual determination and assessments could be required to be paid annually in any given year.

ORA POSITION:

ORA recommends that the Commission authorize CAW to retain the Seaside Groundwater Basin Memorandum Account, which is currently authorized by the Commission, through the rate cycle ending December 2017, and that the memorandum account be closed at that time if no further costs are recorded.

RESOLUTION:

Parties agree that there is a current balance of zero in the account. Parties agree the account shall remain open to track payments associated with the replenishment fees assessed by the Seaside Basin Water Master. ORA and CAW agree that this account will be reviewed in the next general rate case.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Seaside Groundwater Basin Memorandum Account	Monterey	90-day	-	-	-

REFERENCES: Exh. 28, CAW Pray Direct, p. 12; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 63-66.

21.29.14 Special Request 29-14: Seaside Groundwater Basin Balancing Account ("SGBA")

CAW REQUEST:

The SGBA tracks costs associated with Administrative and other payments made to the Seaside Basin Water Master, as well as recovery of such payments from customers in the Monterey County District. The SGBA was authorized in D.09-07-021. In accordance with the settlement terms adopted in D.12-06-016, CAW transferred balances up to May 31, 2010, to the consolidated expense balancing account. CAW also agreed to incorporate adjudication expenses, such as administrative fees, in its O&M expense forecasts for this rate case cycle. CAW requests authorization to transfer outstanding balances incurred after May 31, 2010 to the expense balancing account for refund or recovery.

ORA POSITION:

ORA recommends that the Commission deny CAW's request to transfer outstanding balances incurred after May 31, 2010 in its SGB BA to the expense BA for refund or recovery. CAW has not presented a balance in its SGB BA in A.13-07-002. ORA recommends that the Commission authorize CAW to retain the account, which is currently authorized by the Commission, through the rate cycle ending December 2017, and that the account be closed at that time if no further costs are recorded.

RESOLUTION:

Parties agree that there is a current balance of zero in the account. Parties agree the account shall remain open to track payments associated with administrative and other payments to the Seaside Basin Water Master. ORA and CAW agree that this account will be reviewed in the next general rate case.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Seaside Groundwater Basin Balancing Account	Monterey	90-day	-	-	-

REFERENCES: Exh. 28, CAW Pray Direct, p. 12; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 63-66.

21.29.15 Special Request 29-15: Monterey Peninsula Water Management District (MPWMD) Balancing Account

CAW REQUEST:

The MPWMD Balancing Account contains the balance of previously recorded and transferred costs from the MPWMD User Fee Memorandum Account as outlined in Advice Letter 935. It also tracks annual billings from the District to CAW for the Interim Implementation Agreement for the 2011-2012 Carmel River Mitigation Program. The annual billings shall not exceed $1.6 million for 2012, $1.76 million for 2013, and $1.94 million for 2014. Additionally, Advice Letter 967 authorized the transfer of prior MPWMD billings recorded in the Cease and Desist Order ("CDO") Memorandum Account.

CAW requests permission to leave the account open until no further payments under the prior settlement are necessary and to transfer any outstanding balances to the expense balancing account for recovery.

ORA POSITION:

ORA recommends that the Commission deny CAW's request "to transfer any outstanding balances to the expense balancing account for recovery." ORA also recommends the Commission approve CAW's request to continue the MPWMD BA through the rate cycle ending December 2017. After the surcharge authorized in Advice Letter 967 ceases, CAW may submit a request to the Commission in an Advice Letter filing or in the next GRC to close the MPWMD BA and to recover any outstanding balance in the MPWMD BA. In addition, the Commission should order CAW to implement and submit to the DWA a draft copy of the preliminary statement tariff applicable to the MPWMD BA.

RESOLUTION:

Parties agree that the account shall remain open and re-titled the Carmel River Mitigation Program Balancing Account (also discussed in Section 18 of this Settlement). After the surcharge authorized in Advice Letter 967 ceases, CAW can request in a Tier 2 Advice Letter filing or in the next GRC to recover any outstanding balance in the Balancing Account. CAW agrees to include the preliminary statement tariff as part of its updated tariff sheets.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Monterey Peninsula Water Management District (MPWMD) Balancing Account	Monterey	90-day	(1,825,367)	(1,825,367)	(1,825,367)

REFERENCES: Exh. 28, CAW Pray Direct, pp. 12-13; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 66-68.

21.29.16 Special Request 29-16: Pension Balancing Account ("PBA")

CAW REQUEST:

The Pension Balancing Account tracks the difference between Commission-authorized pensions and actual required ERISA payments - including payments to avoid at risk status - for all Districts served by CAW. CAW requests authority to transfer all balances to the expense balancing account. CAW further recommends retaining this account through 2017 in order to ensure minimum funding levels are not over or under recovered.

ORA POSITION:

ORA recommends that the Commission deny CAW's request in this proceeding to recover the May 31, 2013 outstanding balance in the Pension Balancing Account (PBA). Prior to seeking amortization of any outstanding balance in the PBA, CAW should provide to the Commission

and to ORA the updated balance in the PBA without incorporating any inflationary factors and the accompanying workpapers reflecting the updated calculation. Additionally, the Commission should order CAW to seek recovery of the December 31, 2013 net balance in the PBA. CAW should retain the PBA for all districts through December 31, 2017.

RESOLUTION:

ORA and CAW agree to transfer the ending balance at December 31, 2013 to the respective district CEBA's through a Tier 1 Advice Letter. Prospectively, CAW shall not apply any inflationary factor to authorized pension levels. Parties agree to retain the account.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Pension Balancing Account	San Diego	90-day			61,000
	Monterey	90-day			(1,731,456)
	Monterey WW	90-day			10,982
	LA	90-day			(357,657)
	Ventura	90-day			68,611
	Sacramento	90-day			(403,091)
	Larkfield	90-day			(85,020)
	Toro	90-day			13,225

REFERENCES: Exh. 28, CAW Pray Direct, p. 13; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 68-71.

21.29.17 Special Request 29-17: Other Post-Employment Benefits (OPEB) Balancing Account

CAW REQUEST:

The OPEB Balancing Account tracks the difference between Commission-authorized OPEB costs and actual OPEB payments for all CAW Districts. CAW requests to transfer balances to the expense balancing account for refund or recovery as part of this proceeding. CAW further recommends retaining this account through 2017.

ORA POSITION:

ORA recommends that the Commission deny CAW's request in this proceeding to recover the May 31, 2013 outstanding balance in the OPEB balancing account. Prior to seeking amortization of any outstanding balance in the OPEB balancing account, CAW should provide to the Commission and to ORA the updated balance (and the accompanying workpapers) in the OPEB balancing account reflecting no inflationary factors incorporated into the calculation of OPEB balancing account. Additionally, the Commission should order CAW to seek recovery of the December 31, 2013 net balance in the OPEB balancing account. CAW should be allowed to retain the OPEB balancing account for all districts through December 31, 2017.

RESOLUTION:

ORA and CAW agree to transfer the ending balance at December 31, 2013 to the respective district CEBA's through a Tier 1 Advice Letter. Prospectively, CAW shall not apply any inflationary factor to authorized pension levels. Parties agree to retain the account

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Other Post-Employment Benefits (OPEB) Balancing Account	San Diego	90-day			(75,215)
	Monterey	90-day			(404,974)
	Monterey WW	90-day			(43,876)
	LA	90-day			(134,354)
	Ventura	90-day			(63,122)
	Sacramento	90-day			(141,997)
	Larkfield	90-day			(2,191)
	Toro	90-day			(1,945)

REFERENCES: Exh. 28, CAW Pray Direct, pp. 13-14; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 71-74.

21.29.18 Special Request 29-18: Operational Energy Efficiency Program ("OEEP") Memorandum Account

CAW REQUEST:

The OEEP Memorandum Account tracks the OEEP project expenditures incurred by CAW until the Commission issued D.10-04-030 in response to the Joint Petition for Modification of D.08- 11-057 filed by the California Water Association ("CWA"), Pacific Gas and Electric Company ("PG&E"), and Southern California Edison Company ("SoCal Edison"). The Commission approved the OEEP in Advice Letter 814 for the Los Angeles County and Monterey County Districts. D.10-04-030 allowed CAW to file an advice letter to establish an OEEP Memorandum Account to track its costs and payments from SoCal Edison, and PG&E associated with OEEPs approved in D.08-11-057.

CAW requests authorization for the OEEP Memorandum Account balance as follows: 1) allow into rate base all unreimbursed amounts related to capital investments, and 2) transfer all other costs in the OEEP memorandum account to the expense balancing account for refund or recovery. The account will then close once all transfers have been completed.

ORA POSITION:

ORA recommends the Commission approve CAW's requested treatment of the May 31, 2013 net balance reported in the OEEPMA for Los Angeles and Monterey.

RESOLUTION:

CAW has filed Advice Letter 1044 for recovery of the balance of the OEEP MA for the Monterey County District. The residual balance for the Los Angeles District may be transferred to the Los Angeles CEBA. Parties agree that CAW shall close the OEEP Memorandum Accounts for the Los Angeles District and Monterey County District after the costs in AL 1044 are moved into rate base and the residual balance for Los Angeles is transferred to CEBA.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Operational Energy Efficiency Program (OEEP)	Los Angeles	90-day	(2,909)	(2,909)	(2,909)
Memorandum Acct	Monterey	90-day	(317,472)	(317,472)	(317,472)

REFERENCES: : Exh. 28, CAW Pray Direct, pp. 14-15; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 100-102.

21.29.19 Special Request 29-19: Old Monterey Style Water Revenue Adjustment Mechanism ("Old WRAM") Balancing Account

CAW REQUEST:

The Old Monterey Style Water Revenue Adjustment Mechanism Balancing Account was first approved in D.96-12-050 in conjunction with the rate design effective in Monterey at that time. This Old WRAM account differs from the new WRAM account adopted in D.09-07-021, in that its purpose was to track the difference between revenues that would have been collected under the Commission's standard rate design and the tiered conservation rate design actually implemented in Monterey.

Advice Letter 987 authorized recovery of the balances through a volumetric surcharge. The Old WRAM account will be closed once the balances are fully recovered. CAW requests that any remaining Old WRAM balance be transferred to the general expense recovery balancing account for recovery.

ORA POSITION:

ORA recommends that the Commission not authorize CAW's request to transfer any remaining balance, after the volumetric surcharge authorized in Advice Letter 987 ceases, to the district CEBA. ORA also recommends that the Commission deny CAW's request to close the account after any remaining balance, after the volumetric surcharge authorized in Advice Letter 987 ceases, is transferred to the district CEBA. After the volumetric surcharge authorized in Advice Letter 987 ceases CAW may submit a request to the Commission in an Advice Letter filing or in the next GRC to close the Old WRAM balancing account and to recover any outstanding balance in the Old WRAM balancing account.

RESOLUTION:

Parties agree that the account shall remain open. Any existing balance at the time the surcharge expires on December 31, 2014 shall be reviewed in the next general rate case or through a Tier 2 advice letter filing. Interest will continue to accrue at the 90-day commercial paper rate until the balance is fully recovered.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Old Monterey Style Water Revenue Adjustment Mechanism (WRAM)	Monterey	90-day	(2,315,659)	(2,315,659)	(2,315,659)

REFERENCES: Exh. 28, CAW Pray Direct, p. 15; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 102-104.

21.29.20 Special Request 29-20: Emergency Rationing Costs Incurred by CAW Memorandum Account

CAW REQUEST:

The Emergency Rationing Costs Memorandum Account tracks increased expenses that CAW would incur in its Monterey County District in the event that rationing is implemented under MPWMD's Ordinance No. 92. Ordinance No. 92 is an expanded water conservation and standby water-rationing plan, the implementation of which requires both CAW and MPWMD to engage in activities to promote, monitor and enforce its terms. No costs have been incurred in this account. CAW requests this account remain open in the event emergency rationing is implemented and Stage 2 or higher of the Expanded Conservation and Rationing Plan is implemented.

ORA POSITION:

Given the current drought California is experiencing along with the State Water Resources Control Board ordered cutbacks from the Carmel River, ORA understands the need for the account. ORA recommends the Commission approve CAW's request to retain the memorandum account for the rate case cycle ending in December 2017. In addition, the Commission should order CAW to implement and submit to the DWA a draft copy of the preliminary statement tariff applicable to the memorandum account.

RESOLUTION:

Parties agree that there is a zero balance in the account and that the account shall remain open to track costs in the event Stage 4 or higher emergency rationing is implemented. CAW agrees to include the preliminary statement tariff as part of its updated tariff sheets.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Emergency Rationing Costs Incurred by California American Water	Monterey	90-day	-	-	-

REFERENCES: Exh. 28, CAW Pray Direct, pp. 15-16; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 74-76. .

21.29.21 Special Request 29-21: Purchased Water, Purchased Power and Pump Tax Expense Balancing Account

CAW REQUEST:

The balancing accounts track certain production expense-related items that could severely deter utilities from achieving their authorized earnings. CAW recommends transferring to the expense balancing account all balances for refund or recovery as part of this proceeding unless the

balance exceeds 2% of a district's authorized revenue requirement before a decision in this case is issued. If the 2% threshold is reached prior to the decision, CAW may file a separate advice letter to recover or refund the balance. CAW also requests continuance of the account since changes in certain production costs are beyond its control.

ORA POSITION:

ORA recommends the Commission authorize CAW to transfer ($1,755,801) in the Balancing Account to the Sacramento CEBA and to retain the account for Sacramento District through the rate case cycle ending in December 2017. ORA recommends the Commission order CAW to close the Monterey Wastewater Purchased Water, Purchased Power and Pump Expense Balancing Account.

RESOLUTION:

ORA and CAW agree to transfer the Sacramento district's May 31, 2013 balance to the district CEBA through a Tier 1 Advice Letter. Recording of balances to the Incremental Cost Balancing Account ("ICBA") for the Sacramento District will continue from June 1, 2013 through closure of the account effective December 31, 2014, and a MCBA shall be opened for Sacramento for the rate case cycle beginning in 2015. The WRAM/MCBA shall be retroactive to January 1, 2015 should a decision in the case be delayed. Balances between May 31, 2013 and December 31, 2014 shall be recovered subject to review in the next general rate case or through the advice letter process. CAW shall maintain the balancing account for the Sacramento District to collect interest costs through the rate case cycle ending in December 2017 or once all balances have been transferred.

Parties also agree that the Monterey Waste Water account has a zero balance as of May 31, 2013, and this account shall remain open to track costs. The account shall be reviewed in the next general rate case and CAW may seek recovery of balances in its next general rate case or through the advice letter process. CAW agrees to include the preliminary statement tariff as part of its updated tariff sheets.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Purchased Water, Purchased Power and Pump Expense Balancing Account	Sacramento	90-day	(1,756,322)	(1,755,801)	(1,755,801)
	Monterey WW	90-day	(36,897)	-	-

REFERENCES: : Exh. 28, CAW Pray Direct, pp. 16-18; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 76-78.

21.29.22 Special Request 29-22: Cease and Desist Order ("CDO") Memorandum Account

CAW REQUEST:

In Resolution W-4824, the Commission granted CAW a memorandum account to track the costs it incurs to address the State Water Resources Control Board ("SWRCB") CDO for unauthorized diversion of water from the Carmel River in the Monterey County District and any other such costs. If the SWRCB orders CAW to comply with new conditions in a CDO, the Monterey County District will incur significant costs until the SWRCB deems it in compliance or some other resolution is achieved.

CAW is requesting that this account remain open, effective, and with the same provisions as authorized by Resolution W-4824. CAW also requests authorization to transfer all balances in the account to either capital or to the expense balancing account for refund or recovery.

ORA POSITION:

ORA recommends the Commission should authorize CAW to transfer the CDO Memorandum Account May 31, 2013 net balance, ($394,612), to the Monterey CEBA for recovery. The deadline for CAW to comply with the SWRCB CDO is December 31, 2016. Therefore, CAW should be allowed to retain the CDO Memorandum Account for Monterey through the rate case cycle ending in December 2017.

RESOLUTION:

Parties agree that CAW shall continue to use the CDO Memorandum Account to track costs it incurs to address the SWRCB's CDO until the CDO is removed. The May 31, 2013 balance shall be transferred to the Monterey CEBA. Recovery will be through a quantity charge from customers in the Monterey main system via a Tier 1 Advice Letter.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Cease and Desist Memorandum Account (CDO)	Monterey	90-day	(394,612)	(394,612)	(394,612)

REFERENCES: Exh. 28, CAW Pray Direct, p. 18; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 80-81.

21.29.23 Special Request 29-23: Water Quality Memorandum Account ("WQMA")

CAW REQUEST:

The Commission granted the WQMA in D.10-06-038 to track incremental costs to comply with the Federal Ground Water Rules ("GWR"). CAW requests authorization to transfer outstanding balances to the expense balancing account for refund or recovery. CAW also requests continuing this account since costs related to the Federal GWR remain uncertain at this time and could become substantial.

ORA POSITION:

There are no costs that have ever been recorded to the WQMA and CAW has not provided any indication of any new Federal Ground Water rules coming out in the near future. ORA recommends the Commission order CAW to close the WQMA.

RESOLUTION:

There are no costs currently in the account. ORA and CAW agree to close the memorandum account.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Water Quality Memorandum Account	All CA	90-day	-	-	-

REFERENCES: Exh. 28, CAW Pray Direct, pp. 18-19; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, p. 82.

21.29.24 Special Request 29-24: Pressure Reducing Valve Modernization and Energy Recovery Memorandum Account ("PRVMA")

CAW REQUEST:

In Resolution W-4854, CAW was granted a memorandum account to track all of the costs associated with the Research, Development and Demonstration of electrical regenerative flow control valve projects. CAW requests it be allowed to continue the current memorandum account through the rate case period ending in 2017 to explore opportunities in other CAW systems.

ORA POSITION:

For the reasons stated in ORA's testimony on the San Diego PRV Modernization Program (I15-300006), ORA recommends that the Commission deny CAW's request to continue the current PRVMA through the rate case period ending in 2017 since the project is expected to be placed into service before the beginning of the rate case cycle.. CAW should close its PRVMA and remove this Memorandum Account from its preliminary statements.

RESOLUTION:

Parties agree that the balance in this account shall be recovered as a part of rate base in this GRC. The balance in the PRVMA will be transferred to plant in service and the account should subsequently be closed.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Pressure Reducing Valve Modernization and Energy Recovery (PRVMA)	All CA	90-day	236,434	-	-

REFERENCES: Exh. 28, CAW Pray Direct, p. 19; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, p. 83.

21.29.25 Special Request 29-25: Affiliate Transaction Memorandum Account

CAW REQUEST:

The Affiliate Transaction Memorandum Account was established in Ordering Paragraph 8 of D.10-10-019. The purpose of the account is to track fees paid to CAW for the transfer, assignment, or employment of an employee by an affiliate, in accordance with Affiliate Transaction Rule IV.D.2. CAW requests authorization to transfer any outstanding balance to the expense balancing account for refund. CAW further recommends retaining this account through the rate case period ending in 2017.

ORA POSITION:

The ATRMA is required by the Commission per Affiliate Transaction Rule IV.E.2. ORA recommends that the Commission authorize CAW to retain the ATRMA for the rate case cycle ending in December 2017.

RESOLUTION:

ORA and CAW agree that the account account has a balance of zero as of May 31, 2013 and that this account shall remain open to track costs.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Affiliate Transaction Memorandum Account	All CA	90-day	-	-	-

REFERENCES: Exh. 28, CAW Pray Direct, pp. 19-20; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 84-85.

21.29.26 Special Request 29-26: Main San Gabriel Contamination Memorandum Account

CAW REQUEST:

The purpose of this memorandum account is to track all costs incurred by CAW to respond to, mitigate, or control contamination in the Main San Gabriel Groundwater Basin, including but not limited to, additional sampling, pumping modifications, engineering consultant fees, permitting costs, treatment facilities, government agency coordination, and legal fees. CAW requests authorization to transfer any outstanding balance to the expense balancing account for refund or recovery. CAW also requests continuance of this account since costs related to contamination remain uncertain and could become substantial.

ORA POSITION:

There are no costs that have ever been recorded to the Main San Gabriel Contamination Memorandum Account and CAW is not a party to any ongoing litigation relating to

contamination in the Main San Gabriel Groundwater Basin. Therefore, ORA recommends the Commission order CAW to close the account.

RESOLUTION:

ORA and CAW agree that the account has a balance of zero as of May 31, 2013 and that this account shall remain open to track potential costs.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Main San Gabriel Contamination Memorandum Account	Los Angeles	90-day	-		-

REFERENCES: : Exh. 28, CAW Pray Direct, p. 20; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 85-86.

21.29.27 Special Request 29-27: Aquifer Storage and Recovery (ASR) Well 4 Memorandum Account

CAW REQUEST:

The ASR Well 4 memorandum account records the costs for well ASR-4 to be constructed at the Seaside Middle school site, not to exceed $4.7 million. When complete, those costs will be recorded to the Monterey rate base with a Tier 2 advice letter. Any costs for well ASR-4 that exceed the cap of $4.7 million may be presented to the Commission for reasonableness review and ratemaking consideration in a Tier 3 advice letter or in the next general rate case. CAW requests that it be allowed to continue the current memorandum account authorized by the Commission in D.12-06-020, and, upon project completion, to close the account once all costs have been properly accounted for and moved to plant in service.

ORA POSITION:

CAW has been ordered by the Commission to request amortization of the ASR Well 4 MA via a Tier 2, and if applicable Tier 3, Advice Letter only after ASR Well 4 is completely constructed and placed in service. Accordingly, ORA did not audit the May 31, 2013 net balance in the ASR Well 4 MA. ORA recommends the Commission approve CAW's request to continue the ASR Well 4 MA through project completion. ORA reserves it right to review the balances requested at that time.

RESOLUTION:

Parties agree that in accordance with Ordering Paragraph 2 of D.12-06-020, CAW may seek to recover the costs for well ASR-4 upon completion through a Tier 2 advice letter filing for up to $4.7 million in costs for the project, and through a Tier 3 advice letter filing for costs exceeding $4.7 million.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Aquifer Storage and Recovery (ASR) Well 4 Memorandum Account	Monterey	90-day	(3,827,202)	TBD	TBD

REFERENCES: Exh. 28, CAW Pray Direct, pp. 20-21; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 104-105.

21.29.28 Special Request 29-28: Consolidated Expense Balancing Account

CAW REQUEST:

The purpose of the expense balancing account is to consolidate the amortization of Commission approved balancing and memorandum accounts where appropriate. CAW requests that it be allowed to continue the current balancing account authorized by the Commission in D.12-06-016 and recover any additional incremental balances added.

ORA POSITION:

ORA recommends CAW be allowed to retain its CEBA for each district through the 2015-2017 rate cycle. Any additional incremental balances added will be reviewed in any future Advice Letter (AL) filed by CAW to modify the current CEBA Commission authorized surcharge. CAW should submit to the Division of Water and Audits ("DWA") a draft of the preliminary statement applicable to its CEBAs. The "Purpose" section of the CEBA preliminary statement should, at a minimum, include the phrase "The consolidated expense balancing account is to consolidate the amortization of Commission approved balancing and memorandum accounts."

RESOLUTION:

ORA and CAW agree that it is reasonable for CAW to identify all current and authorized memorandum and balancing accounts for which CAW includes in a district CEBA. The CEBA surcharge will include all agreed to incremental transfers along with recorded balances at the time of the Advice Letter filing. To the extent that CAW does not transfer amounts from any memorandum or balancing account to the district CEBA, it will provide an explanation as to the recovery. CAW shall use descriptive language to identify all incremental balances added into the CEBA. This will be reviewed in the next general rate case and on an ongoing basis. Parties agree that the CEBA shall remain open for each district.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Consolidated Expense Balancing Account (Balances reflected as of May 31, 2013)	Sacramento	90-day	(3,618,698)	(3,618,698)	(3,618,698)
	Larkfield	90-day	(759,340)	(759,340)	(759,340)
	Monterey	90-day	(934,602)	(934,602)	(934,602)
	Monterey WW	90-day	-	-	-
	Los Angeles	90-day	(5,754,467)	(5,754,467)	(5,754,467)
	Ventura	90-day	(6,105,167)	(6,105,167)	(6,105,167)
	Coronado	90-day	(3,507,739)	(3,507,739)	(3,507,739)
	Toro	90-day	(407,930)	(407,930)	(407,930)

REFERENCES: Exh. 28. CAW Pray Direct, pp. 21; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 34-41.

21.29.29 Special Request 29-29: 2012 General Rate Case Interim Rate True-Up Memorandum Account

CAW REQUEST:

CAW tracks the difference between interim rates and final rates adopted by the Commission pursuant to the Rate Case Plan in D.07-05-062. CAW is in the process of filing advice letters for the General Rate Case balances and, pending Commission approval, requests them to be transferred to the expense balancing account for refund or recovery.

ORA POSITION:

ORA recommends the Commission order CAW to close and remove from its preliminary statements the 2012 General Rate Case Interim Rate True-Up Memorandum Account for both Monterey and for Monterey Wastewater.

RESOLUTION:

ORA and CAW agree that there is a current balance of zero in the account and that the account shall be closed. Nothing in this agreement shall preclude CAW from seeking interim rate recovery of the difference between interim rates and final rates adopted by the Commission in this general rate case pursuant to the Rate Case Plan in D.07-05-062.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
2012 General Rate Case Interim Rate True-Up Memorandum Account	Monterey	90-day	(7,372,825)	(7,372,825)	-
	Monterey WW	90-day	(29,058)	(29,058)	-

REFERENCES: Exh. 28, CAW Pray Direct, pp. 21-22; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 105-107.

21.29.30 Special Request 29-30: 2012 Cost of Capital Interim Rate Memorandum Account

CAW REQUEST:

CAW tracks the difference between interim rates and final rates adopted by the Commission pursuant to the Rate Case Plan in D.07-05-062. CAW is in the process of filing advice letters for the Cost of Capital balances and, pending Commission approval, requests them to be transferred to the expense balancing account for refund or recovery.

ORA POSITION:

ORA recommends the Commission order CAW to remove from its current preliminary statement tariffs the 2012 Cost of Capital Interim Rate Memorandum Account.

RESOLUTION:

ORA and CAW agree that there is a current balance of zero in the account and that the account shall be closed. Nothing in this agreement shall preclude CAW from seeking interim rate recovery difference between interim rates and final rates adopted by the Commission in this general rate case pursuant to the Rate Case Plan in D.07-05-062.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
2012 Cost of Capital Interim Rate Memorandum Account	All CA	90-day	-	-	-

REFERENCES: Exh. 28, CAW Pray Direct, p. 22; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, p. 107.

21.29.31 Special Request 29-31: Statewide Non Revenue Water Action Plan Memorandum Account

CAW REQUEST:

The purpose of the account is to track engineering, financial evaluation, and studies of measures costs to reduce non-revenue water in each district. CAW requests authorization to transfer any

outstanding balance to the expense balancing account for refund or recovery and that this account stay open since costs remain uncertain at this time and could become substantial.

ORA POSITION:

ORA recommends the Commission authorize CAW to transfer the May 31, 2013 net balance of ($22,740) in the Non Revenue Water Action Plan Memorandum Account proportionately to each district CEBA and to keep the account open through the rate cycle ending in December 2017.

RESOLUTION:

Parties agree that CAW shall transfer the balance in the account, proportionately to each district CEBA (based on the number of customer service connections in each district from this rate case), and shall keep the account open through the rate case cycle ending in December 2017.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Statewide Non Revenue Water Action Plan Memorandum Account	All CA	90-day	(22,740)	(22,740)	(22,740)

REFERENCES: Exh. 28, CAW Pray Direct, pp. 22-23; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 86-87.

21.29.32 Special Request 29-32: Monterey Leak Adjustments Memorandum Account ("LAMA")

CAW REQUEST:

CAW filed Advice Letter 991 requesting approval to track revenue collection shortfalls attributable to Company-provided customer billing adjustments. Per Resolution W-4951, the advice letter was approved to track revenue collection shortfalls attributable to CAW's customer billing adjustment program beginning February 26, 2013 and ending December 31, 2014. CAW requests authorization to transfer any outstanding balance to the expense balancing account for refund or recovery. If the Commission authorizes collection through the uncollectible rate in this rate case cycle, then CAW recommends closing this account. Otherwise, it requests the account remain open and allow for an annual review and amortization since the balances are likely to be substantial.

ORA POSITION:

ORA recommends the Commission deny CAW's request to transfer any outstanding balance in the LAMA to the expense balancing account and to continue the LAMA beyond December 31, 2014. CAW should follow the Commission's orders outlined in Resolution No. W-4951.

RESOLUTION:

Parties agree that the account shall be closed as of December 31, 2014 and that CAW may seek recovery of the December 31, 2014 balance in its next general rate case or through an advice letter filing.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Monterey Leak Adjustments Memorandum Account	Monterey	90-day	(434,765)	(434,765)	December 31, 2014 balance

REFERENCES: Exh. 28, CAW Pray Direct, p. 23; Exh. 10, ORA Row Direct, pp._____.; ORA Report 8, Chapter 5, pp. 88-89.

21.29.33 Special Request 29-33: Sand City Desalination Plant Purchased Water Balancing Account

CAW REQUEST:

CAW was authorized to establish the Sand City Desalination Plant Purchased Water Balancing Account in D.13-04-015. The Balancing Account shall reflect a forecasted amount of water to be delivered from the Sand City Desalination Plant, subject to annual adjustment to reflect actual water delivered. CAW may include in the balancing account all water delivered from and after the date of the decision where the Commission has determined that the price for such water deliveries is just and reasonable. CAW will follow the recommendations outlined in Commission orders.

ORA POSITION:

CAW did not request amortization of the May 31, 2013 net balance in this account in its testimony. Therefore, the Commission, in this proceeding, should not need to make a determination on the amounts that have been booked to this account as of May 31, 2013. CAW should be allowed to continue the Sand City Desalination Plant Purchased Water Balancing Account through the rate cycle ending December 2017.

RESOLUTION:

CAW and ORA agree that CAW shall follow the recommendations outlined in Commission order D.13-04-015 at 50-51 with respect to the balancing account for Sand City Desalination Plant Purchased Water. That decision provides that CAW shall file Tier 2 Advice Letters creating the Sand City Desalination Plant Purchased Water Surcharge and incorporate into its tariffs the Sand City Desalination Plant Purchased Water Balancing Account. Such filings shall be in accordance with Standard Practice U-27-W.

Account Name	District	Interest	Over/(Under) Collection		
			Cal Am	ORA	Settlement
Sand City Desalination Plant Purchased Water Balancing Account	Monterey	90-day	(1,787,925)	(1,787,925)	(1,787,925)

REFERENCES: Exh. 28, CAW Pray Direct, p. 23; Exh. 10, ORA Row Direct, ORA Report 8, Chapter 5, pp. 89-90.

21.31 Reserved

21.32 Special Request #31: Authorization to Establish Memorandum Account to track Certain Purchased Water Costs

CAW REQUEST:

CAW requests authorization to establish a memorandum account to track all increased purchased water costs and the costs of capital investment related to changes in modifications in the Placer County Water Agency purchased water agreement that expires on December 31, 2015. The testimony of David P. Stephenson supports this special request.

ORA POSITION: ORA recommends that CAW's Special Request # 31be denied because it is duplicative of CAW's existing incremental cost balancing account in Sacramento for purchased water.

RESOLUTION:

This request was an inadvertent duplication of Special Request #23, and should be withdrawn.

REFERENCES: 30-B and 30-C**,** CAW Stephenson Rebuttal Q&A 41, pp. 29; ORA Shia Direct.; ORA Report #2, Chapter 5, pp. 5-1.

21.33 Special Request #32: Authorization to Track Lost Revenues Associated with Loss of Sales to Pacific Grove Properties

CAW REQUEST:

CAW requests that it be authorized to track in the Monterey County District's WRAM/MCBA all lost revenues associated with the loss of sales to certain City of Pacific Grove properties as the City plans to build, own, operate, and distribute water to these properties from a yet to be constructed water reclamation facility which will be located on City property. The testimony of David P. Stephenson supports this request.

ORA POSITION:

ORA recommends that the Commission deny this request as the Monterey District already has a WRAM/MCBA mechanism to recover costs associated with conservation.

MPWMD POSITION:

MPWMD opposed this request.

CITY OF PACIFIC GROVE POSITION:

City of Pacific Grove opposed this request.

RESOLUTION:

CAW and ORA agree that the existing WRAM/MCBA mechanism is the proper place to track all lost revenue due to any consumption variation resulting from the City of Pacific Grove projects. MPWMD and City of Pacific Grove also support this resolution.

REFERENCES: Exh. 30. CAW, Stephenson Direct, pp. 73-74; Exh. 11, ORA Lau Direct, ORA Report 7, Chapter 3, pp. 3-1 - 3-6.; Exh. 4, MPWMD Stoldt Direct, pp. 10 - 11; Exh. 5, PG Frutchey Direct Testimony at 6-7.

21.34 Special Request #33: Authorization to Establish Memo Account to Track Re: Larkfield Well

CAW REQUEST:

CAW requests that it be authorized to establish a memorandum account to track all costs incurred to explore and possibly develop a well in the Larkfield District on the Fulton Processing Plant property. F. Mark Schubert's testimony supports this request.

ORA POSITION:

ORA recommends that the Commission not allow the establishment of a new memorandum account relating to the Fulton Well.

RESOLUTION: Based on other resolutions in this Application, CAW agrees to withdraw the request in this case.

REFERENCES: Exh. 2, CAW, Schubert Direct, pp. 142-143; Exh. 11, ORA Lau Direct, ORA Report 7, Chapter 4, pp. 4-1 - 4-3.

22.1 PLANT

22.2 PLANT Recurring Projects (R15-Xxxx) - Total State-Wide

CAW REQUEST: The total estimated cost of the Recurring Projects for 2015 of $14,455,898 and for 2016 of $14,598,069 is reasonable (state-wide).

ORA POSITION: Agreed with the need for the Recurring Projects, but recommended a reduced total cost for the Recurring Projects for 2015 of $10,517,642 and for 2016 of $10,594,396 (state-wide).

RESOLUTION: In the spirit of compromise, ORA and CAW agree to the following total recurring project capital amounts on a state-wide basis: 2015 - $12,460,664; and 2016 -

$12,610,107. ORA and CAW also agree that these annual amounts shall be reflected in each respective year's UPIS. Finally, ORA agrees to allow CAW to manage the overall bottom-line recurring project budget by district, with flexibility to allocate different spending levels to specific recurring project line items, consistent with the 2010 GRC settlement between ORA and CAW. The total recurring project capital amounts for each individual district are discussed in each district summary below.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 23-29; Exh. 2-A, Rebuttal Testimony of F. Mark Schubert, P.E., dated June 2, 2014, ("CAW Schubert Rebuttal"), pp. 7-9; Exh. 15 and 15-A, Direct Testimony of Justin Menda and Alex Lau, dated March 28, 2014, ("ORA Menda/Lau Direct Testimony"), ("ORA Report No. _"), pp. 1-7 to 1-10.

22.3 Los Angeles County District

22.2.1 Richardson Well Rehabilitation Project (I15-500004)

CAW REQUEST: Project is under construction and should be recognized in rate base for a total estimated cost of $2,128,000, since the project now has an expected completion date of year end 2014.

ORA POSITION: ORA recommended removal of this project and its associated cost because of historical project scheduling delays.

RESOLUTION: After review of supplemental information provided by CAW relative to the total expected capital expenditures to complete this project by the end of 2014, ORA now agrees that this project will be placed into service in 2014. The parties agree that the total capital expenditure for this capital project shall be $2,128,000, and this capital expenditure amount shall be placed into 2014 UPIS.

REFERENCES: Exh. 2-A, CAW Schubert Rebuttal, pp. 12-17; Exh. 15 and 15-A, ORA Menda/Lau Direct.; ORA Report No. 3, p. 2-2.

22.2.2 Redrill Lamanda Well Project (I15-500006)

CAW REQUEST: The original estimated cost of $1,700,000 for this project is reasonable.

ORA POSITION: ORA agrees with the need for this project, but recommends a lower project cost of $1,500,464.

RESOLUTION: In the spirit of compromise, ORA and CAW agree to a total capital expenditure for this project of $1,600,000. Both parties also agree that the $1,600,000 shall be reflected in rate base as 2016 UPIS.

REFERENCES: Exh. 2, CAW Schubert Direct, p. 32; Exh. 2-A. CAW Schubert Rebuttal, pp. 18-19; Exh. 15 and 15-A; ORA Menda/Lau Direct, ORA Report No. _, p. 2-7.

22.2.3 Rosemead Reservoir Reconstruction (I15-500021)

CAW REQUEST: The original estimated cost of $3,155,000 for this project is reasonable.

ORA POSITION:
ORA agrees with the need for this project, but recommends a lower project cost of $2,936,640.

RESOLUTION: In the spirit of compromise, ORA and CAW agree to a total capital expenditure for this project of $3,045,820. Both parties also agree that the $3,045,820 shall be reflected in rate base as 2016 UPIS.

REFERENCES: Exh. 2, CAW Schubert Direct, p. 33; Exh. 2-A, CAW Schubert Rebuttal, p. 20; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 2-8 to 2-9.

22.2.4 Duarte Main Relocation – Metro Gold Line project (I15-500026)

CAW REQUEST: The original estimated cost of $3,290,299 reflected two capital projects being fast-tracked for this type of work at the time the Strategic Capital Expenditure Plan ("SCEP") was prepared in March 2013.

ORA POSITION: ORA agrees with the need for this project, but recommends a lower project cost of $2,126,043.

RESOLUTION: Upon further review of this project and the completed recorded costs, CAW agrees with ORA's recommended total capital expenditure amount for this project of $2,126,043 in 2013 UPIS. The difference in the capital project costs occurred because only one capital project was completed, while the other capital project was deferred by the light rail agency.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 42-43; Exh. 2-ACAW Schubert Rebuttal, p. 23; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 2-10.

22.2.5 Baldwin Avenue Light Rail Line Main Relocation Project (I15-500044)

CAW REQUEST: The original estimated cost of $536,132 for this project is reasonable.

ORA POSITION: Agreed with the need for this project, but reduced the total cost for the project to $503,809.

RESOLUTION: In the spirit of compromise, ORA and CAW agree to a total capital expenditure for this project of $519,970. Both parties also agree that the $519,970 shall be reflected in rate base as 2014 UPIS.

REFERENCES: : Exh. 2, CAW Schubert Direct, p. 44; Exh. 2-A, CAW Schubert Rebuttal, p. 24; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 2-10 to 2-11.

22.2.6 Combine Domestic/Irrigation System in Duarte Project (I15-500037)

CAW REQUEST: The original estimated cost of $3,890,000 for this project is reasonable, and the justification for the additional well supply is well documented in direct testimony and in the capital investment project workpapers.

ORA POSITION: ORA recommends a lower total project cost of $1,117,601, which reflects removing the proposed source of supply component of the project and a lower project development phase project cost.

RESOLUTION: After review of supplemental information provided by CAW in rebuttal testimony on the need for an additional well to supply the Duarte system upon completion of the consolidation of the domestic and irrigation systems, ORA now agrees that this capital project shall include the additional well supply. In addition, ORA and CAW agree on a total capital expenditure for this capital project of $3,890,000, and that this capital expenditure amount shall be placed into 2016 UPIS.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 76-78; Exh. 2-A, CAW Schubert Rebuttal, pp. 25-26; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 2-11 to 2-13.

22.2.7 Purchase Groundwater Rights Annually Project (I15-500042)

CAW REQUEST: The original estimated total cost for this project of $4,312,000 is reasonable ($1,395,000 in 2015, $1,437,000 in 2016, and $1,480,000 in 2017), and the justification for having funding to purchase groundwater rights is well documented in direct testimony and in the capital investment project workpapers.

ORA POSITION: ORA recommends disallowing the project and associated cost due to uncertainty of the project and the feasibility in obtaining water rights.

RESOLUTION: After review of supplemental information provided by CAW in rebuttal testimony relative to a recent bid offering to purchase water rights, ORA now agrees with providing CAW with the flexibility to pursue opportunities to purchase water rights. In the spirit

of compromise, ORA and CAW agree that the annual capital expenditure for this on-going capital project shall be $697,500 in 2015 and $718,500 in 2016. Both parties also agree that the $697,500 shall be reflected in rate base as 2015 UPIS and $718,500 shall be reflected in rate base as 2016 UPIS.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 82-86; Exh. 2-A, CAW Schubert Rebuttal, pp. 28-34; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 2-16 to 2-17.

22.2.8 Tier 4 Compliance/Standby Power Project (I15-500047)

CAW REQUEST: The original estimated total cost for this project of $1,689,000 is reasonable ($546,000 in 2015, $563,000 in 2016, and $580,000 in 2017), and the justification for this capital project is well documented in direct testimony and in the capital investment project workpapers.

ORA POSITION: ORA recommends disallowing this project and associated cost.

RESOLUTION: In the spirit of compromise, ORA and CAW agree to an annual capital expenditure for this on-going capital project of $0 in 2015; $0 in 2016; and $0 in 2017. CAW reserves the right to request this capital project in the next GRC.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 88-89; Exh. 2-A, CAW Schubert Rebuttal, pp. 35-37; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 2-17 to 2-19.

22.2.9 Retire Fairfax Tank Project (I15-500052)

CAW REQUEST: The original estimated cost of $135,000 for this project is reasonable.

ORA POSITION:
ORA agrees with the need for this project, but recommends a lower total project cost of $97,984.

RESOLUTION: In the spirit of compromise, ORA and CAW agree that the total capital expenditure for this project shall be $116,492. Both parties also agree that the $116,492 shall be reflected in rate base as 2016 UPIS.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 92-93; Exh. 2-A, CAW Schubert Rebuttal, pp. 38-39; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 2-13 to 2-15.

22.2.10 Recurring Projects (R15-50xx)

CAW REQUEST: The total estimated cost of the Recurring Projects for 2015 of $3,830,365 and for 2016 of $3,893,665 is reasonable.

ORA POSITION: ORA agreed with the need for the Recurring Projects, but recommended a reduced total cost for the Recurring Projects for 2015 of $2,812,049 and for 2016 of $2,820,320.

RESOLUTION: In the spirit of compromise, ORA and CAW agree with the following total recurring project capital amounts: 2015 - $3,300,000; and 2016 - $3,366,000. ORA and CAW also agree that these annual amounts shall be reflected in each respective year's UPIS. Finally, ORA agrees to allow CAW to manage the overall bottom-line recurring project budget by district, with flexibility to allocate different spending levels to specific recurring project line items, consistent with the 2010 GRC settlement between ORA and CAW.

REFERENCES: Exh. 2, CAW Schubert Direct, p. 27, Attachment 7; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 2-19 to 2-20.

22.2.11 Olympiad Booster Station Replacement Project (I15-500010)

CAW REQUEST: This previously approved project is currently under construction, and is expected to be completed by the end of 2014. The total estimated project cost is $2,365,000.

ORA POSITION: ORA agreed with the need for this project, the estimated timeframe, and the total estimated cost of $2,365,000.

RESOLUTION: ORA and CAW agree that this project shall be reflected in rate base as 2014 UPIS at a total estimated cost of $2,365,000.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 31-32; Exh. 2-A, CAW Schubert Rebuttal, pp. 17-18; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3 , p. 2-3.

22.2.12 Santa Fe Well Replacement (IP-0550-118)

CAW REQUEST: This previously approved project is planned for construction to commence in 2015 and be completed in 2016. The total estimated project cost is $1,777,658.

ORA POSITION: ORA agreed with the need for this project, the estimated timeframe, and the total estimated cost of $1,777,658.

RESOLUTION: ORA and CAW agree that this project shall be reflected in rate base as 2016 UPIS at a total estimated cost of $1,777,658.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 33-34; Exh. 2-A, CAW Schubert Rebuttal, p. 21; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 2-4.

22.2.13 2,800 Ft of 8-Inch Main in Armijo, Rock Rose, Graydon, Monrovia and Spanner (I15-500019)

CAW REQUEST: This project was approved in the 2010 GRC in the amount of $915,000. This project is currently under construction and is expected to be completed by the end of August 2014. The total estimated project completion cost from the current 2013 GRC application is $784,885.

ORA POSITION: ORA agreed with the need for this project, the estimated timeframe, and the total estimated cost of $784,885.

RESOLUTION: ORA and CAW agree that this project shall be reflected in rate base as 2014 UPIS at a total estimated cost of $784,885. CAW notes that the current estimated cost to complete this project is projected to be $865,246, and requests the incremental increase in cost be reviewed as part of the next GRC.

REFERENCES: Exh. 2, CAW Schubert Direct, p. 34; Exh. 2-A, CAW Schubert Rebuttal, pp. 22-23; Exh. 15 and 15-A, ORA Menda/Lau Direct,ORA Report No. 3, p. 2-3.

22.2.14 Spinks Reservoir Booster Station Improvements (I15-500020)

CAW REQUEST: This previously approved project is currently is expected to be completed by the end of 2014. The total estimated project cost is $532,000.

ORA POSITION: ORA agreed with the need for this project, the estimated timeframe, and the total estimated cost of $532,000.

RESOLUTION: ORA and CAW agree that this project shall be reflected in rate base as 2014 UPIS at a total estimated cost of $532,000.

REFERENCES: Exh. 15 and 15-A, ORA Menda/Lau Direct ORA Report No. 3, p. 2-2.

22.2.15 San Gabriel Boulevard Light Rail Mains Relocation Project (I15-500045)

CAW REQUEST: This investment project is expected to be completed by the end of 2015. The total estimated project cost is $1,000,000.

ORA POSITION: ORA agreed with the need for this project, the estimated timeframe, and the total estimated cost of $1,000,000.

RESOLUTION: ORA and CAW agree that this project shall be reflected in rate base as 2015 UPIS at a total estimated cost of $1,000,000.

REFERENCES: : Exh. 2, CAW Schubert Direct, p. 34; Exh., 2-A, CAW Schubert Rebuttal, pp. 22-23; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 2-3.

22.2.16 Main Replacement Program (I15-500039) – Project A-6, Baldwin Hills; Project A-3, Duarte; and Project A-4, Duarte

CAW REQUEST: This annual investment project is planned for construction and completion in each year of the GRC cycle. The total estimated dollars in 2015 are $656,000 and the total estimated dollars in 2016 are $900,000.

ORA POSITION: ORA agreed with the need for this project, the estimated annual timeframe, and the total estimated cost of $656,000 in 2015 and $900,000 in 2016.

RESOLUTION: ORA and CAW agree that this project shall be reflected in rate base as 2015 UPIS at a total estimated cost of $656,000 and in rate base as 2016 UPIS at a total estimated cost of $900,000.

REFERENCES: Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 2-2.

22.2.17 San Gabriel Boulevard Light Rail Mains Relocation Project (I15-500045)

CAW REQUEST: This investment project is expected to be completed by the end of 2015. The total estimated project cost is $1,000,000.

ORA POSITION: ORA agreed with the need for this project, the estimated timeframe, and the total estimated cost of $1,000,000.

RESOLUTION: ORA and CAW agree that this project shall be reflected in rate base as 2015 UPIS at a total estimated cost of $1,000,000.

REFERENCES: . Exh. 2, CAW Schubert Direct, pp. 86-87; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 2-3.

22.2.18 Main Replacement Program (I15-500039) – Project A-6, Baldwin Hills; Project A-3, Duarte; and Project A-4, Duarte)

CAW REQUEST This annual investment project is planned for construction and completion in each year of the GRC cycle. The total estimated dollars in 2015 are $656,000 and the total estimated dollars in 2016 are $900,000.

ORA POSITION: . ORA agreed with the need for this project, the estimated annual timeframe, and the total estimated cost of $656,000 in 2015 and $900,000 in 2016.

RESOLUTION: ORA and CAW agree that this project shall be reflected in rate base as 2015 UPIS at a total estimated cost of $656,000 and in rate base as 2016 UPIS at a total estimated cost of $900,000.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 79-81; Exh. 2-A, CAW Schubert Rebuttal, pp. 27-28.

22.4 San Diego County District

22.3.1 Leasehold Improvements for new San Diego County Operations Building (R15-30N1)

CAW REQUEST: In its application, CAW requests $420,000 for leasehold improvements for the new operations building on Palm Avenue for the San Diego district. In CAW's rebuttal testimony, the company mentioned that there were additional costs mandated by the City of Imperial Beach that increased to the total project cost for CAW to $569,694. CAW believes the additional cost to complete this project is reasonable.

ORA POSITION: ORA agreed with the need for this project and its associated cost proposed in the original applicaton.

RESOLUTION: After review of supplemental information provided by CAW in rebuttal testimony relative to the additional capital expenditures to complete this project in March 2014, ORA agrees that the total capital expenditure for this capital project shall be $569,694 (an increase of $150,000), and this total capital expenditure amount of $569,694 shall be recognized in 2014 UPIS.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 46-50; Exh. 2-A, CAW Schubert Rebuttal, pp. 40-43; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 3-5 to 3-6

22.3.2 San Diego PRV Modernization Program (I15-300006)

CAW REQUEST: This investment project has a total estimated cost of $1,250,000, and is expected to be completed in 2014.

ORA POSITION: ORA agreed with the need for this project and the estimated cost.

RESOLUTION: The parties agree that the total estimated cost of this investment project of $1,250,000 shall be reflected in 2014 UPIS. Refer to Special Request 29 relating to how the cost of the project shall be recovered.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 44-46; Exh. 2-A, CAW Schubert Rebuttal, p. 39; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 3-4 to 3-5.

22.3.3 Small Main Replacement Program (I15-300002)

CAW REQUEST: The original estimated cost of $554,000 for this project ($273,000 in 2015 and $281,000 in 2016) is reasonable.

ORA POSITION: ORA agreed with the need for this project, but recommends a lower total cost for the project to $485,213 ($242,250 in 2015 and $242,963 in 2016).

RESOLUTION: In the spirit of compromise, CAW agrees with ORA's recommended total capital expenditure amount for this project of $485,213, or $242,250 in 2015 and $242,963 in 2016. Both parties agree that the $242,250 shall be reflected in 2015 UPIS, and that the $242,963 shall be reflected in rate base as 2016 UPIS.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 93-94; Exh. 2-A, CAW Schubert Rebuttal, p. 44; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 3-6.

22.3.4 Replace 500 Ft of 20-inch Main in Palm Avenue project (I15-300009)

CAW REQUEST: At the time the GRC application was prepared, it appeared this project (and its associated estimated cost of $546,000) was reasonable and would be completed in 2015.

ORA POSITION:

ORA recommends removing this project and associated cost from this rate case cycle since the project would not be completed during this rate cycle.

RESOLUTION: CAW agrees with ORA's removal of this capital project from this GRC. CAW and ORA agree that this capital project will not be completed during this rate cycle (2015-2017), since the City of Imperial Beach has placed a paving moratorium on Palm Avenue until October 2018. Accordingly, CAW and ORA agree that CAW shall have the opportunity to request this project as part of the next GRC application should it determine the project is necessary.

REFERENCES: : Exh. 2, CAW Schubert Direct, pp. 95-96; Exh. 2-A, CAW Schubert Rebuttal, p. 45; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 3-7.

22.3.5 Phase 2 Hollister Street Transmission Main Project (I15-300007)

CAW REQUEST: This previously approved project is currently expected to be completed by the end of 2014. The total estimated project cost is $1,364,485.

ORA POSITION: ORA agreed with the need for this project, the estimated timeframe, and the total estimated cost of $1,364,485.

RESOLUTION: ORA and CAW agree that this project shall be reflected in rate base as 2014 UPIS at a total estimated cost of $1,364,485.

REFERENCES: Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. _, p. 3-2.

22.3.6 Phase 3 Hollister Street Transmission Main Project (I15-300004)

CAW REQUEST: This previously approved project is currently is expected to be completed by the end of 2014. The total estimated project cost is $2,759,750.

ORA POSITION: ORA agreed with the need for this project, the estimated timeframe, and the total estimated cost of $2,759,750.

RESOLUTION: ORA and CAW agree that this project shall be reflected in rate base as 2014 UPIS at a total estimated cost of $2,759,750.

REFERENCES: Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 3-2.

22.3.7 Recurring Projects (R15-30xx)

CAW: The total estimated cost of the Recurring Projects for 2015 of $1,341,069 and for 2016 of $1,252,000 is reasonable.

ORA POSITION: ORA agreed with the need for the Recurring Projects, but recommended a reduced total cost for the Recurring Projects for 2015 of $834,575 and for 2016 of $837,030.

RESOLUTION: In the spirit of compromise, ORA and CAW agree to the following total recurring project capital amounts: 2015 - $1,087,822; and 2016 - $1,044,515. ORA and CAW also agree that these annual amounts shall be reflected in each respective year's UPIS. Finally, ORA agrees to allow CAW to manage the overall bottom-line RP budget by district, with flexibility to allocate different spending levels to specific recurring project line items, consistent with the 2010 GRC settlement between ORA and CAW.

REFERENCES: Exh. 2, CAW Schubert Direct, p. 29, Attachment 7; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 3-8 to 3-9.

22.5 Ventura County District

22.4.1 Replace Los Robles Tank # 1 project (I15-510003)

CAW REQUEST: This project was initially approved in the 2010 GRC with a total estimated project cost of $1,282,500. In this rate case application, the company estimated that the cost of the project would be $1,031,369 and be placed into service in 2014. In CAW's rebuttal testimony, the company requested a revised estimated project cost of $1,481,569 to account for the updated scope of the project.

ORA POSITION:
ORA agrees with the need for this project, at the estimated total project cost of $1,031,369 proposed in this rate case application.

RESOLUTION: In the spirit of compromise, CAW agrees with ORA's recommended total capital expenditure amount for this project of $1,031,369, and this amount shall be reflected in rate base as 2014 UPIS. ORA agrees that the incremental increase in cost for this project shall be reviewed in CAW's next GRC application.

REFERENCES: Exh. 2-A, CAW Schubert Rebuttal, pp. 46-48; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 4-2.

22.4.2 Upsize White Stallion Transmission Booster project (I15-510015)

CAW REQUEST: This project was initially approved in the 2010 GRC with a total estimated cost for this project of $593,750. In this rate case application, the company estimated that the cost of the project would be $590,096 and be placed into service in 2014. In CAW's rebuttal testimony, the company requested a revised estimated project cost of $934,153 to account for the updated scope of the project.

ORA POSITION: ORA agrees with the need for this project, at the estimated total project cost of $590,096 proposed in this rate case application.

RESOLUTION: In the spirit of compromise, CAW agrees to ORA's recommended total capital expenditure amount for this project of $590,096, and this amount shall be reflected in rate base as 2014 UPIS. ORA agrees that a variance in actual cost for this project shall be reviewed in CAW's next GRC application.

REFERENCES: Exh. 2-A, CAW Schubert Rebuttal, pp. 48-50; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 4-2.

22.4.3 Moorpark Reservoir Rehabilitation project (I15-510006)

CAW REQUEST: The revised original estimated cost of $2,372,676 for this project is reasonable. Additionally, the 2010 GRC approved a total estimated cost for this project of $2,287,579.

ORA POSITION: Agreed with the need for this project, but recommended the previously estimated total cost for the project of $2,287,579 be retained.

RESOLUTION: In the spirit of compromise, CAW agrees with ORA's recommended total capital expenditure amount for this project of $2,287,579, and ORA and CAW agree that this amount shall be reflected in rate base as 2015 UPIS. ORA agrees that a variance in actual cost for this project shall be reviewed in CAW's next GRC application.

REFERENCES: : Exh. 2, CAW Schubert Direct, pp. 34-35; Exh. 2-A, CAW Schubert Rebuttal, pp. 51-53; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 4-5.

22.4.4 Pace Reservoir Rehabilitation project (I15-510016)

CAW REQUEST: This project was initially approved in the 2010 GRC with a total estimated cost for this project of $2,497,500. In CAW's rebuttal testimony, the company requested a revised estimated project cost of $2,873,172 to account for the updated scope of the project.

ORA POSITION: ORA agrees with the need for this project, at the estimated total project cost of $2,497,500 proposed in this rate case application.

RESOLUTION: In the spirit of compromise, CAW agrees with ORA's recommended total capital expenditure amount for this project of $2,497,500, and ORA and CAW agree that this amount shall be reflected in rate base as 2015 UPIS. ORA states there was insufficient time to review the supplemental information provided by CAW in rebuttal testimony relative to the total expected capital expenditures to complete this project of $2,873,172. ORA agrees that a variance in actual cost for this project shall be reviewed in CAW's next GRC application.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 35-36; Exh. 2-A, CAW Schubert Rebuttal, pp. 53-54; ORA Report No. 3, p. 4-3.

22.4.5 Potrero Reservoir Rehabilitation project (I15-510020)

CAW REQUEST: In this rate case application, the company requested a revised total estimated project cost of $2,497,500. In CAW's rebuttal testimony, the company requested a revised estimated project cost of $2,820,500 to account for the updated scope of the project.

ORA POSITION:ORA agrees with the need for this project, at the estimated total project cost of $2,497,500 proposed in this rate case application.

RESOLUTION: In the spirit of compromise, CAW agrees with ORA's recommended total capital expenditure amount for this project of $2,497,500, and ORA and CAW agree that this amount shall be reflected in rate base as 2015 UPIS. ORA states there was insufficient time to review the supplemental information provided by CAW in rebuttal testimony relative to the total expected capital expenditures to complete this project of $2,820,500. ORA agrees that a variance in actual cost for this project shall be reviewed in CAW's next GRC application.

REFERENCES: : Exh. 2, CAW Schubert Direct, p. 36; Exh. 2-A, CAW Schubert Rebuttal, pp. 55-57; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 4-3.

22.4.6 Replace Moorpark Booster Station project (I15-510025)

CAW REQUEST: The total estimated cost of $1,381,590 for this project is reasonable.

ORA POSITION: ORA agrees with the need for this project, but recommends a lower estimated cost of $1,177,831

RESOLUTION: In the spirit of compromise, ORA and CAW agree to a total capital expenditure for this project of $1,248,110. Both parties also agree that the $1,248,110 shall be reflected in rate base as 2014 UPIS.

REFERENCES: Exh. 2, CAW Schubert Direct, p. 51; Exh. 2-A, CAW Schubert Rebuttal, pp. 57-59; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 4-6 to 4-7.

22.4.7 Wildwood Tank Rehab project (I15-510019)

CAW REQUEST: In this rate case application, the company requested a revised total estimated project cost of $184,371. In CAW's rebuttal testimony, the company requested a revised estimated project cost of $195,000 to account for the updated scope of the project.

ORA POSITION:
ORA agrees with the need for this project, at the estimated total project cost of $184,371 proposed in this rate case application.

RESOLUTION: In the spirit of compromise, CAW agrees with ORA's recommended total capital expenditure amount for this project of $184,371, and ORA and CAW agree that this

amount shall be reflected in rate base as 2014 UPIS. ORA states there was insufficient time to review the supplemental information provided by CAW in rebuttal testimony relative to the total expected capital expenditures to complete this project of $195,000. ORA agrees that a variance in actual cost for this project shall be reviewed in CAW's next GRC application.

REFERENCES: Exh. 2-A, CAW Schubert Rebuttal, pp. 50-51; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 4-2.

22.4.8 Improve Low Pressure in Gainsborough Zone (I15-510002)

CAW REQUEST: This previously approved project is currently expected to be completed by the end of 2015. The total estimated project cost is now $2,850,000.

ORA POSITION: ORA agreed with the need for this project, the estimated timeframe, and the total estimated cost of $2,850,000.

RESOLUTION: ORA and CAW agree that this project shall be reflected in rate base as 2015 UPIS at a total estimated cost of $2,850,000.

REFERENCES: : Exh. 2, CAW Schubert Direct, pp. 36-38; Exh, 2-A, CAW Schubert Rebuttal, p. 55; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 4-5 to 4-6.

22.4.9 Install 1,200 Feet of Main in Rolling Oaks & Los Padres Drive (I15-510021)

CAW REQUEST: This previously approved project is currently expected to be completed by the end of 2015. The total estimated project cost is $477,000.

ORA POSITION: ORA agreed with the need for this project, the estimated timeframe, and the total estimated cost of $477,000.

RESOLUTION: ORA and CAW agree that this project shall be reflected in rate base as 2015 UPIS at a total estimated cost of $477,000.

REFERENCES: Exh. 2, CAW Schubert Direct, p. 38; Exh. 2-A, CAW Schubert Rebuttal, p. 57; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 4-3.

22.4.10 Calle Yucca Turnout – 14 Inch Main (I15-510018)

CAW REQUEST: This previously approved project is currently is expected to be completed by the end of 2015. The total estimated project cost is $475,000.

ORA POSITION: ORA agreed with the need for this project, the estimated timeframe, and the total estimated cost of $475,000.

RESOLUTION: ORA and CAW agree that this project shall be reflected in rate base as 2015 UPIS at a total estimated cost of $475,000.

REFERENCES: Exh. 2-A, CAW Schubert Rebuttal, p. 50; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 4-2..

22.4.11 Upgrade Mayfield Booster Station Project (I15-510027)

CAW REQUEST: This investment project is currently expected to be completed by the end of 2016. The total estimated project cost is $788,000.

ORA POSITION: ORA agreed with the need for this project, the estimated timeframe, and the total estimated cost of $788,000.

RESOLUTION: ORA and CAW agree that this project shall be reflected in rate base as 2016 UPIS at a total estimated cost of $788,000.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 99-100; Exh. 2-A, CAW Schubert Rebuttal, pp. 59-60; ORA Report No. 3, p. 4-3.

22.4.12 Replace 1,400 Feet of 10-inch Main to Los Posas Tanks (I15-510028)

CAW REQUEST: This investment project is currently expected to be completed by the end of 2016. The total estimated project cost is $900,000.

ORA POSITION: ORA agreed with the need for this project, the estimated timeframe, and the total estimated cost of $900,000.

RESOLUTION: ORA and CAW agree that this project shall be reflected in rate base as 2016 UPIS at a total estimated cost of $900,000.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 100-101; Exh. 2-A, CAW Schubert Rebuttal, p. 60; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. _, p. 4-3.

22.4.13 Replace Los Robles Booster Station Project (I15-510026)

CAW REQUEST: The original estimated cost of $1,150,000 for this project is reasonable.

ORA POSITION: ORA takes no position on the need for this project since this project is expected to be placed into service in 2017.

RESOLUTION: In the spirit of compromise, ORA and CAW agree to a total capital expenditure for this project of $1,150,000. Both parties also agree that the $281,000 shall be reflected in rate base as 2016 UPIS, and $869,000 shall be reflected in 2017 UPIS.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 98-99; Exh. 2-A, CAW Schubert Rebuttal, p. 6.

22.4.14 Recurring Projects (R15-51xx)

CAW REQUEST: The total estimated cost of the Recurring Projects for 2015 of $2,599,256 and for 2016 of $2,600,096 is reasonable.

ORA POSITION: ORA agreed with the need for the Recurring Projects, but recommended a reduced total cost for the Recurring Projects for 2015 of $1,931,750 and for 2016 of $1,937,431.

RESOLUTION: In the spirit of compromise, ORA and CAW agree to the following total RP capital amounts: 2015 - $2,265,503; and 2016 - $2,268,764. ORA and CAW also agree that these annual amounts shall be reflected in each respective year's UPIS. Finally, ORA agrees to allow CAW to manage the overall bottom-line RP budget by district, with flexibility to allocate different spending levels to specific RP line items, consistent with the 2010 GRC settlement between ORA and CAW.

REFERENCES: Exh. 2, CAW Schubert Direct, p. 29; Exh. 15 and 15-A, ORA Menda/Lau Direct; ORA Report No. 3, pp. 4-8 to 4-9.

22.6 Monterey County Water District

22.5.1 Seaside Mains Replacement Phase 2 project (IP-0540-249)

CAW REQUEST: The recorded UPIS additions for 2012 ($2,974,959), 2013 ($1,921,479) and 2014 ($509,562) are reasonable.

ORA POSITION: ORA agreed with the need for this project, but recommended an adjustment to UPIS for 2012 ($0), 2013 ($4,969,712) and 2014 ($436,288).

RESOLUTION: After review of supplemental information provided by CAW relative to the historical capital expenditure level on this project, ORA agrees to UPIS additions of: $2,974,959 in 2012; $1,921,479 in 2013; and the 2014 forecast additions of $509,562 for the Seaside Mains

Replacement Phase 2 project. ORA and CAW agree that these amounts shall be reflected in each respective year's UPIS.

REFERENCES: Exh. 2-A, CAW Schubert Rebuttal, pp. 62-63; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 5-14 to 5-15.

22.5.2 Bishop Wells # 1 and #2 Rehab and 2012 Well Rehab projects (IP-0540-107, IP-0540-131)

CAW REQUEST: The recorded UPIS additions for 2012, 2013 and 2014 were the actual recorded capital expenditures for this project, and were reflected in the SCEP. CAW indicated this approach was based on the assumption that accounting treatment would be performed later to accurately reflect the split of costs between 70 percent for expense and 30 percent for capital, consistent with the terms of the 2010 GRC settlement agreement.

ORA POSITION: ORA agreed with the need for this project, but recommended an adjustment to UPIS for 2012 ($59,500), 2013 ($59,500) and 2014 ($58,918).

RESOLUTION: After review of the information in ORA's report, CAW agrees to the UPIS additions as shown by ORA of: $59,500 in 2012; $59,500 in 2013; and the 2014 forecast additions of $58,918. ORA and CAW agree that these amounts shall be reflected in each respective year's UPIS.

REFERENCES Exh. 2-A, CAW Schubert Rebuttal, pp. 63-64; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 5-15 to 5-16.

22.5.3 Valley Greens Flow Control Valve project (I15-400022)

CAW REQUEST: The total estimated cost of $342,000 for this project is reasonable, and this capital project needs to be installed now to help with current system operations.

ORA POSITION: ORA disallowed this project and the forecasted cost from rate base, since ORA stated this project is really part of the Monterey Peninsula Water Supply Project.

MPWMD POSITION: MPWMD included no testimony on this specific project.

RESOLUTION: CAW, ORA, and MPWMD agree to the removal of this capital project from this GRC, as it will not be completed during this rate cycle (2015-2017). The parties also agree that this capital project may be requested as part of the next GRC application for work to be implemented in 2018 at an approximate cost of $342,000. The parties also agree with the capital project as presented and the value of the project moving forward in conjunction with the implementation of the Monterey Peninsula Water Supply Project facilities.

REFERENCES: : Exh. 2, CAW Schubert Direct, p. 39; Exh. 2-A, CAW Schubert Rebuttal, pp. 64-66; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 5-16 to 5-17.

22.5.4 Carmel Valley Endangered Species Act (ESA) projects – 2013, 2014, 2015, 2016, 2017 (I15-400098, 99, 100)

CAW REQUEST: The treatment of the estimated annual costs for this project as capital is reasonable.

ORA POSITION: ORA agreed with the need for this project, but disagrees with the recovery of these expenditures (i.e., expense versus capital).

RESOLUTION: CAW now agrees with ORA's treatment of the expenditures associated with this project as expense. CAW and ORA agree that CAW shall be allowed to recover the ESA compliance expenses incurred and tracked in the ESA Memorandum Account for each year (2013, 2014, 2015, 2016 and 2017).

REFERENCES: : Exh. 2, CAW Schubert Direct, pp. 51-56; Exh. 2-A, CAW Schubert Rebuttal, p. 68; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 5-20.

22.5.5 Service Line Replacement Program (I15-400091)

CAW REQUEST: CAW requested to continue its polybutylene service line replacement program in its Monterey District for a total amount of $1,950,000 over the three year GRC cycle. As a result of further analysis and reassessment by CAW, the number of necessary future replacements was reduced to 49. CAW has also agreed to certain write-offs based on its assessment of work completed.

ORA POSITION: ORA agreed with the need for this program to continue, and recommended continued annual expenditure amounts of $648,000 over each year of the three year GRC cycle. ORA also recommended that CAW institute a "catch-up" program to accelerate replacements and be funded by shareholders.

MPWMD POSITION: MPWMD included no testimony on this specific program.

RESOLUTION: CAW expects to complete the replacement of the estimated remaining 49 polybutylene services in 2015 in the amount of $150,000 (or approximately $3,000 per service). This amount is fairly close to the recent average historical cost to replace a polybutlene service of $2,945. ORA has supported the service line replacement program in several GRCs, and CAW, ORA, and MPWMD agree that this pro-active program to replace service lines should continue for other types of problematic service line materials, in particular, galvanized service lines typically installed between the 1920s and 1940s. CAW respectfully submits that such work continue in 2016 and 2017 also in the amount of $150,000 per year. Finally, CAW submits that due to its further analysis and assessment of work undertaken and completed, it will reduce rate

base by $384,000 in the Monterey District. Accordingly, CAW, ORA, and MPWMD agree that the amount of $384,000 shall be a one-time reduction to rate base in 2014.

REFERENCES Exh. 2, CAW Schubert Direct, pp. 106-107; Exh. 2-A, CAW Schubert Rebuttal, pp. 76-77; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 5-22 to 5-25.

22.5.6 Regional Desal Project – CAW only facilities (IP-0540-305)

CAW REQUEST: The total estimated cost of $2,663,816 is reasonable, has an in-service completion date of 2015, and should be considered part of this GRC.

ORA POSITION: ORA disallowed this project and the forecasted cost from rate base, since ORA stated this project is being considered as part of another proceeding (i.e., the Monterey Peninsula Water Supply Project).

MPWMD POSITION: MPWMD did not testify on this issue.

RESOLUTION: CAW, ORA, and MPWMD agree to the removal of this capital project from this GRC, and that this capital project should be considered as part of the proceeding addressing the MPWSP. This action results in the removal of $2,663,816 from 2015 rate base.

REFERENCES: : Exh. 2-A, CAW Schubert Rebuttal, p. 77; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 5-33 to 5-35.

22.5.7 Well Rehabilitation Program (I15-400093)

CAW REQUEST: The original estimated total annual expenditures for this project of $880,000 in 2015, $872,000 in 2016, and $689,000 in 2017 are reasonable, and the justification for this funding is well documented in direct testimony and in the capital investment project workpapers.

ORA POSITION: ORA agreed with the need for this project, but recommended total annual expenditure dollars of $275,141 in 2015 and $275,827 in 2016.

MPWMD POSITION: MPWMD supports CAW's request and suggests that even more funding may be needed for this program.

RESOLUTION: After review of supplemental information provided by CAW in rebuttal testimony relative to the historical average cost to rehabilitate wells in the 2012 to 2013 time period, ORA and MPWMD now agree to the following amounts for expense and capital expenditures for 2015 and 2016 as follows. For 2015, expense shall be $616,000 and capital shall be $264,000; for a total of $880,000 in expenditures for 2015. In 2016, the expense amount shall be $610,400 and the capital amount shall be $261,600. CAW, ORA, and MPWMD agree that the capital expenditures shown above for 2015 and 2016 shall be reflected in rate base as

2015 UPIS and 2016 UPIS, respectively. For reference, in 2017 the total expenditure amount would be $689,000, with the expense amount at $482,300 and the capital amount at $206,700.

REFERENCES: Hearing Exh. 2, CAW Schubert Direct, pp. 107-108; Hearing Exh. 2-A, CAW Schubert Rebuttal, pp. 77-80; Hearing Exh. 4, *Direct Testimony of David J. Stoldt* (MPWMD Stoldt Direct"), dated May 15, 2014, p. 11; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 5-38 to 5-41.

22.5.8 Booster Station Rehabilitation Program (I15-400090)

CAW REQUEST: The original estimated cost of $1,000,000 for this project over the 2015-2016 time period ($500,000 per year) is reasonable.

ORA POSITION: ORA agreed with the need for this project, but reduced the total cost for the project over the 2015-2016 time period to $949,146.

RESOLUTION: In the spirit of compromise, CAW agrees with ORA's recommended total capital expenditure amount for this project of $949,146, or $473,982 in 2015 and $475,164 in 2016. Both parties agree that the $473,982 shall be reflected in 2015 UPIS, and that the $475,164 shall be reflected in rate base as 2016 UPIS.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 108-109; Exh. 2-A, CAW Schubert Rebuttal, pp. 80-81; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 5-35 to 5-37.

22.5.9 Interconnect Ryan Ranch, Hidden Hills and Bishop Satellite Systems to Main Monterey System project (I15-400097)

CAW REQUEST: The original estimated cost of $3,650,000 for this project is reasonable, as well as its recommended designation as an Advice Letter project.

ORA POSITION: ORA disagreed with the need for this project, and its associated cost.

MPWMD POSITION: MPWMD supports CAW's request.

RESOLUTION: After review of supplemental information provided by CAW during settlement discussions, ORA and MPWMD now agree with the need for this project. CAW shall be permitted to request recovery of all reasonable and prudent costs in its next GRC as the planned completion date for this project is 2017, at an estimated capital cost of $3,650,000. MPWMD and CAW also agree that only water from the Seaside Basin Coastal Subarea or other non-Carmel River sources may flow through this interconnection. MPWMD's approval of this project in this Commission proceeding in no way restricts its legislative permitting authority when processing CAW's application to amend its water distribution system permit.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 110-112; Exh 2-A, CAW Schubert Rebuttal, pp. 81-87; Hearing Exh. 4, MPWMD Stoldt Direct, p. 13, Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 5-25 to 5-33.

22.5.10 Main Replacement Program (I15-400089)

CAW REQUEST: The original estimated cost of $5,400,000 for this annual project over the 2015-2017 time period is reasonable.

ORA POSITION: ORA agreed with the need for this annual investment project, but reduced the total cost for the project to $1,725,227 per year or $3,450,817 for the 2015-2016 time period.

MPWMD POSITION: MPWMD has supported the main replacement program over several GRCs and continues its support in this proceeding.

RESOLUTION: In the spirit of compromise, CAW, ORA, and MPWMD agree to the following adjusted total capital expenditure amount for this project of $4,067,192 over the 2015-2016 time period, with $1,767,192 in 2015 and $2,300,000 in 2016. They agree that the $1,767,192 shall be reflected in 2015 UPIS, and that the $2,300,000 shall be reflected in rate base as 2016 UPIS. For reference, in 2017 the total expenditure amount would be $1,400,000, thereby totaling to CAW's original requested amount of $5,400,000 for the three-year time period of this GRC.

REFERENCES: Hearing Exh. 2, CAW Schubert Direct, pp. 112-113; Hearing Exh. 2-A, CAW Schubert Rebuttal, pp. 87-90; Hearing Exh. 4, MPWMD Stoldt Direct, p. 11, Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 5-37 to 5-38.

22.5.11 Redrill Ralph Lane Well project (I15-400094)

CAW REQUEST: The original estimated cost of $750,000 for this project is reasonable.

ORA POSITION: ORA had no position on this capital project.

RESOLUTION: In the spirit of compromise, ORA agrees with the project and the total capital expenditure amount of $750,000. ORA also agrees with the $750,000 being reflected in 2016 UPIS.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 113-115; Exh. 2-A, CAW Schubert Rebuttal, p. 90.

22.5.12 Valve and PRV Replacement Program (I15-400092)

CAW REQUEST: The original estimated cost of $650,000 for this project over the 2015-2016 time period ($325,000 per year) is reasonable.

ORA POSITION: ORA agreed with the need for this project, but reduced the total cost for the project over the 2015-2016 time period to $600,000.

RESOLUTION: In the spirit of compromise, CAW agrees to ORA's recommended total capital expenditure amount for this project of $600,000, or $300,000 in 2015 and $300,000 in 2016. Both parties agree that the $300,000 shall be reflected in 2015 UPIS, and that the $300,000 shall be reflected in rate base as 2016 UPIS.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 115-116; Exh. 2-A, CAW Schubert Rebuttal, p. 91; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 5-41 to 5-42.

22.5.13 Upgrade SCADA System project (I15-400096)

CAW REQUEST: The original estimated cost of $500,000 for this project over the 2015-2016 time period is reasonable.

ORA POSITION: ORA agreed with the need for this project, but reduced the total cost for the project over the 2015-2016 time period to $433,334.

RESOLUTION: In the spirit of compromise, CAW agrees to ORA's recommended total capital expenditure amount for this project of $433,334, or $216,667 in 2015 and $216,667 in 2016. Both parties agree that the $216,667 shall be reflected in 2015 UPIS, and that the $216,667 shall be reflected in rate base as 2016 UPIS.

REFERENCES: : Exh. 2, CAW Schubert Direct, pp. 120-121; Exh. 2-A, CAW Schubert Rebuttal, pp. 91-92; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 5-41 to 5-42.

22.5.14 Fire Flow Improvement Program (I15-400095)

CAW REQUEST: The original estimated cost of $650,000 for this project over the 2015-2016 time period is reasonable.
ORA POSITION: ORA agreed with the need for this project, but reduced the total cost for the project over the 2015-2016 time period to $515,582.

RESOLUTION: In the spirit of compromise, CAW agrees to ORA's recommended total capital expenditure amount for this project of $515,582, or $257,470 in 2015 and $258,112 in 2016. Both parties agree that the $257,470 shall be reflected in 2015 UPIS, and that the $258,112 shall be reflected in rate base as 2016 UPIS.

REFERENCES: Exh. 2, CAW Schubert Direct, p. 119; Exh. 2-ACAW Schubert Rebuttal, pp. 92-93; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 5-35 to 5-37..

22.5.15 Monterey Billing SAP Modifications project

CAW REQUEST: CAW originally wanted to ensure recognition of costly improvements in the SAP billing program, should implementation of a new rate design be delayed for the Monterey District. However, since the new rate design has been approved and is in effect in Monterey, these estimated expenditures are no longer necessary.

ORA POSITION: Disallowed this project and the forecasted cost from rate base due to lack of support for the request.

RESOLUTION: CAW agrees with the disallowance by ORA of this capital project and the removal of its associated expenditures of $500,000 from 2014 rate base.

REFERENCES: : Exh. 2-A, CAW Schubert Rebuttal, pp. 93-94; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 5-42.

22.5.16 Ryan Ranch – Bishop Intertie (I15-400006)

CAW REQUEST: This project will provide an interconnection between the Ryan Ranch service area and the Bishop service area to meet demands and supplement the supply when necessary.

ORA POSITION: ORA takes no position on this advice letter project in this GRC.

MPWMD POSITION: MPWMD has repeatedly opposed this project since the 2008 GRC.

RESOLUTION: ORA and CAW agree to continue this project as an Advice Letter project with a planned completion date in early 2015 with a budget of $277,000 plus interest. MPWMD's approval of this project in this Commission proceeding in no way restricts its legislative permitting authority when processing CAW's application to amend its water distribution system permit.

REFERENCES: Hearing Exh. 2, CAW Schubert Direct, p. 62; Hearing Exh. 2-A, CAW Schubert Rebuttal, pp. 72-73, pp. 151-152; Hearing Exh. 4, MPWMD Stoldt Direct, p. 12, Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 5-20 to 5-21.

22.5.17 Los Padres Dam Fish Passage Project (05400049)

CAW REQUEST: $4,200,000 to complete a downstream fish passage facility at Los Padres Dam. This capital project would remain an Advice Letter project, subject to review and approval once the project is complete.

ORA POSITION: ORA takes no position on this capital project.

MPWMD POSITION: MPWMD generally supports improvements to fish passage at Los Padres Dam but has various concerns about CAW's proposal.

RESOLUTION: After review of supplemental information provided by CAW during settlement discussions, ORA now agrees that this capital project may be added to rate base once it is completed and in service, after ORA has completed a reasonableness review of this project in the next GRC. CAW represents that this capital project has a planned completion date of 2016, and that the current total estimated cost is approximately $4,200,000. CAW has also represented that this project has regulatory agency support, including from the Monterey Peninsula Water Management District (MPWMD), California Department of Fish and Wildlife and NOAA Fisheries. CAW and MPWMD also agree to include the cost of a camera to record the number of steelhead passing downstream as part of this project's scope. The cost of the camera equipment is about $30,000, and does not include the cost of personnel to process the data. MPWMD will work with CAW to provide funding or personnel to process data acquired with the monitoring camera. The cost of the camera equipment shall be included as part of the total estimated cost of $4,200,000 for this project. CAW agrees to pursue this project as a long term solution for the passage of steelhead trout to the best of its abilities.

REFERENCES: Hearing Exh. 2, CAW Schubert Direct, pp62-66; Hearing Exh. 2-A, CAW Schubert Rebuttal, pp. 75-76, pp. 152-156, Hearing Exh. 33, *Direct Testimony of Larry Hampson* ("MPWMD Hampson Direct"), dated May 15, 2014, p.6.

22.5.18 Los Padres Dam Long-Term Plan Project (I15-400101)

CAW REQUEST: $200,000 in 2015, $350,000 in 2016, and $450,000 in 2017 to conduct a detailed feasibility study "to determine the ultimate fate of the Los Padres Dam."

ORA POSITION: ORA takes no position on this project.

MPWMD POSITION: MPWMD basically believes that CAW's question of "Is the Carmel River better with or without the Los Padres Dam?" is overly simplified and proposes that it is in a better position to conduct the study rather than CAW.

RESOLUTION: After review of supplemental information provided by MPWMD during settlement discussions, the parties agree that CAW will co-fund MPWMD so they may pursue

on-going efforts and studies as described below to determine the best overall fate for the Los Padres Dam and Carmel River. CAW will contribute up to $1,000,000 minus CAW staff time of $24,000 per year to assist MPWMD. Furthermore, the parties also agree that this study should not be capitalized, but that it shall be expensed as follows: $200,000 in 2015; $350,000 in 2016; and $450,000 in 2017**.** Studies will include evaluating upstream steelhead passage at Los Padres Dam, whether the Carmel River is better or worse with surface storage at Los Padres Dam, and what options exist to maintain physical existing surface storage in Los Padres Reservoir (i.e., manage annual sediment inflow to the reservoir). Also included in the studies would be an analysis of the potential geomorphic effects of a resumption or increase of the natural flow of sediment.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 117-119; Exh. 2-A, CAW Schubert Rebuttal, p. 94, pp. 156-158; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 5-43; MPWMD Stoldt Direct, p. 10, lines 3 - 9; Ex. 33, MPWMD Hampson Direct, p. 12 - 18.

22.5.19 Recurring Projects (R15-40xx)

CAW REQUEST: The total estimated cost of the Recurring Projects for 2015 of $3,272,000 and for 2016 of $3,393,500 is reasonable.

ORA POSITION: ORA agreed with the need for the Recurring Projects, but recommended a reduced total cost for the Recurring Projects for 2015 of $2,163,878 and for 2016 of $2,170,242.

RESOLUTION: In the spirit of compromise, ORA and CAW agree with to following total RP capital amounts: 2015 - $2,717,939; and 2016 - $2,781,821. ORA and CAW also agree that these annual amounts shall be reflected in each respective year's UPIS. Finally, ORA agrees to allow CAW to manage the overall bottom-line RP budget by district, with flexibility to allocate different spending levels to specific RP line items, consistent with the 2010 GRC settlement between ORA and CAW.

REFERENCES Exh. 2, CAW Schubert Direct, p. 29, Attachment 7; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 5-13 to 5-14.

22.7 Toro District

22.6.1 Vista Dorado Tank project (I15-480006)

CAW REQUEST: The original estimated cost of $110,000 for this project is reasonable.

ORA POSITION: ORA agreed with the need for this project, but reduced the total cost for the project to $94,556.

RESOLUTION: In the spirit of compromise, CAW agrees to ORA's recommended total capital expenditure amount for this project of $94,556. Both parties agree that the $94,556 shall be reflected in rate base as 2015 UPIS.

REFERENCES: Exh. 2, CAW Schubert Direct, p. 122; Exh. 2-A, CAW Schubert Rebuttal, pp. 95-96; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 6-7 to 6-8.

22.6.2 Corte Cordillera Tank project (I15-480007)

CAW REQUEST: The original estimated cost of $200,000 for this project is reasonable.

ORA POSITION: Agreed with the need for this project, but reduced the total cost for the project to $158,710.

RESOLUTION: In the spirit of compromise, ORA and CAW agree to a total capital expenditure for this project of $174,554. Both parties also agree that the $174,554 shall be reflected in rate base as 2016 UPIS.

REFERENCES Exh. 2, CAW Schubert Direct, pp. 122-123; Exh. 2-A, CAW Schubert Rebuttal, pp. 96-97; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 6-8 to 6-9.

22.6.3 Recurring Projects (R15-48xx)

CAW REQUEST: The total estimated cost of the Recurring Projects for 2015 of $167,000 and for 2016 of $167,000 is reasonable.

ORA POSITION: ORA agreed with the need for the Recurring Projects, but recommended a reduced total cost for the Recurring Projects for 2015 of $81,793 and for 2016 of $82,033.

RESOLUTION: In the spirit of compromise, ORA and CAW agree to the following total RP capital amounts: 2015 - $124,397 and 2016 - $124,397. ORA and CAW also agree that these annual amounts shall be reflected in each respective year's UPIS. Finally, ORA agrees to allow CAW to manage the overall bottom-line RP budget by district, with flexibility to allocate different spending levels to specific RP line items, consistent with the 2010 GRC settlement between ORA and CAW.

REFERENCES: Exh. 2, CAW Schubert Direct, p. 29, Attachment 7; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 6-5 to 6-7.

22.8 Monterey County Wastewater District

22.7.1 Recurring Projects (R15-49xx)

CAW REQUEST: The total estimated cost of the Recurring Projects for 2015 of $192,000 and for 2016 of $192,000 is reasonable.

ORA POSITION: ORA agreed with the need for the Recurring Projects, but recommended a reduced total cost for the Recurring Projects for 2015 of $150,917 and for 2016 of $151,361.

RESOLUTION: In the spirit of compromise, ORA and CAW agree to the following total RP capital amounts: 2015 - $171,459; and 2016 - $171,816. ORA and CAW also agree that these annual amounts shall be reflected in each respective year's UPIS. Finally, ORA agrees to allow CAW to manage the overall bottom-line RP budget by district, with flexibility to allocate different spending levels to specific RP line items, consistent with the 2010 GRC settlement between ORA and CAW.

REFERENCES: Exh. 2, CAW Schubert Direct, p. 29, Attachment 7; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No.3, p. 8-4.

22.9 Sacramento County District

22.8.1 Pumping Efficiency Studies Project (no ID number)

CAW REQUEST: This project will provide extremely useful direction and information to help identify the wells in the Sacramento District that will need to be replaced based on age, condition and pumping capacity. CAW states that the total estimated cost of $750,000 is reasonable.

ORA POSITION: ORA disallowed this project and the forecasted cost from rate base in 2015 and 2016 based on insufficient support for prudency of project.

RESOLUTION: CAW proposes to designate the funds for this study as expense instead of capital. Accordingly, CAW reduced capital expenditures by $500,000 in 2015 (from $500,000 to $0) and by $250,000 in 2016 (from $250,000 to $0) as related to this specific project. Instead, CAW recommends that this project cost be treated as an expense and be included as part of the CPS budget in 2015 and 2016. As a compromise, CAW further requests that $250,000 be added to the overall CPS expense budget for the Sacramento County District in 2015, and that $125,000 be added to the overall CPS expense budget for the Sacramento County District in 2016. Accordingly, CAW and ORA agree that the Sacramento County District CPS expense budget shall increase from $257,500 to $507,500 in 2015; and from $265,225 to $390,225 in 2016, and a pump efficiency study report will be completed in 2016.

REFERENCES: Exh. 2-A, CAW Schubert Rebuttal, pp. 99-100; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 9-12.

22.8.2 Walnut Grove Permanent Sewer Connection project (IP-0560-42, 187)

CAW REQUEST: The original estimated cost of $414,774 for this project is reasonable.

ORA POSITION: ORA agreed with the need for this project, but reduced the total cost for the project to $348,000.

RESOLUTION: In the spirit of compromise, CAW agrees to ORA's recommended total capital expenditure amount for this project of $348,000, and both parties agree that the $348,000 shall be reflected in 2014 UPIS.

REFERENCES: Exh. 2, CAW Schubert Rebuttal, p. 101; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 9-12 to 9-13

22.8.3 Elverta Road Bridge Water Main Relocation project (I15-600007)

CAW REQUEST: The original estimated cost of $348,000 for this project is reasonable, and the estimated completion date of 2014 was reasonable at the time this project was included in the GRC application.

ORA POSITION: ORA disallowed this project because of the continued delay in the project schedule, and recommended the current recorded expenditures in CWIP be carried forward.

RESOLUTION: CAW reports that the latest information from Sacramento County indicates that this capital project has no funding for the foreseeable future, which is on the order of six years. CAW and ORA agree that CAW shall be permitted to request this project within the 2016 GRC, if there are new indications from Sacramento County that construction of the new bridge will occur in the 2019-2020 time period. ORA and CAW also agree to allow the current recorded expenditures in CWIP to be carried forwarded.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 39-41; Exh 2-A, CAW Schubert Rebuttal, pp. 101-102; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 9-13 to 9-14.

22.8.4 Arden Intertie project (I15-600051)

CAW REQUEST: The original estimated cost of $2,398,034 for this project is reasonable, as well as a completion date of 2014.

ORA POSITION: ORA disallowed this project and its associated previously approved capital expenditures, because of the continued delay in the project schedule.

RESOLUTION: After review of supplemental "real-time" information provided by CAW regarding the pending purchase of land, and the importance of insuring an adequate source of supply to meet demands in the Arden service area through the purchase of City of Sacramento surface water, ORA agrees to the continued need for this project. ORA and CAW agree that the $2,398,034 shall continue to be reflected in rate base as 2014 UPIS, since CAW still expects the project be in service by the end of 2014.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 41-42; CAW Schubert Rebuttal, pp. 102-105; ORA Report No. 3, pp. 9-14 to 9-15.

22.8.5 Walnut Grove Tank project (I15-600063)

CAW REQUEST: The original estimated cost of $2,800,000 for this project is reasonable.

ORA POSITION: ORA agreed with the need for this project, but reduced the total cost for the project to $2,701,355.

RESOLUTION: In the spirit of compromise, ORA and CAW agree to a total capital expenditure for this project of $2,750,000. Both parties also agree that this project will be completed in 2015 and the $2,750,000 shall be reflected in rate base as 2015 UPIS.

REFERENCES: : Exh. 2, CAW Schubert Direct, pp. 125-126; CAW Schubert Rebuttal, pp. 112-113; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 9-26 to 9-28.

22.8.6 Isleton Distribution System Improvement project (I15-600067)

CAW REQUEST: The original estimated cost of $870,000 for this project is reasonable.

ORA POSITION: ORA agreed with the need for this project, but reduced the total cost for the project to $793,440.

RESOLUTION: In the spirit of compromise, ORA and CAW agree to a total capital expenditure for this project of $831,720. Both parties also agree that the $831,720 shall be reflected in rate base as 2016 UPIS.

REFERENCES: . Exh. 2, CAW Schubert Direct, pp. 127-128; Exh. 2-A, CAW Schubert Rebuttal, pp. 114-115; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 9-28 to 9-29.

22.8.7 Lincoln Oaks Wellhead Treatment project (I15-600064)

CAW REQUEST: The original estimated cost of $1,500,000 for this project is reasonable, and the reasons provided for this project were well documented and supported in direct testimony and in the capital investment project workpapers

ORA POSITION: ORA disagreed with the need for this project and its associated cost. ORA stated there was sufficient capacity from existing wells.

RESOLUTION: After review of supplemental information provided by CAW in rebuttal testimony relative to the need for treatment of the groundwater contamination in the Lincoln Oaks service area, ORA now agrees that this capital project is necessary. In addition, ORA and CAW agree that the total capital expenditure for this capital project shall remain at $1,500,000, and this capital expenditure amount shall be placed into 2016 UPIS.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 130-131; Exh. 2-A, CAW Schubert Rebuttal, pp. 116-117; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 9-17 to 9-20.

22.8.8 Antelope 1MG Tank, Booster Station and Well project (I15-600073)

CAW REQUEST: The original estimated cost of $500,000 for this project is reasonable. This cost was to capture work related to design, permitting and land acquisition.

ORA POSITION:ORA disagreed with the need for this project and its associated cost. ORA concluded the project was not needed until after 2020.

RESOLUTION: In the spirit of compromise, ORA and CAW agree to a reduced capital expenditure for this project that reflects only the cost to acquire the additional land. Both parties agree that the cost shall not exceed $150,000, unless CAW provides documentation supporting the additional cost above the $150,000 threshold. However, the recovery of any additional costs over the $150,000 threshold shall only occur upon review in the 2016 GRC. Both parties also agree that $150,000 shall be reflected in rate base as 2015 UPIS with the expectation that the design, permitting, and land acquisition will be completed in 2015.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 133-134; Exh. 2-A, CAW Schubert Rebuttal, pp. 119-122; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 9-20 to 9-22.

22.8.9 Well Rehabilitation Program (I15-600071)

CAW REQUEST: The original estimated total expenditures for this project of $1,700,000 in 2015 and $1,600,000 in 2016 are reasonable, and the justification for this funding is well documented in direct testimony and in the capital investment project workpapers.

ORA POSITION: ORA agreed with the need for this project, but recommended the total expenditure dollars be reduced to $275,141 in 2015 and $275,827 in 2016 based on a 70/30 split between expenses and capital expenditures similar to the accounting in the Monterey District.

RESOLUTION: ORA recognizes the importance of this long-term, on-going program that has been in place since 2004. CAW also acknowledges the support ORA has provided the combined program in the 2004 GRC, the 2007 GRC, the 2009 GRC, the 2010 GRC, as well as the current GRC. After review of additional information provided by CAW regarding the combined program of expenditures for "below the ground" facilities and "above the ground" facilities at CAW well stations across the Sacramento District, and in the spirit of compromise, ORA concurs on the budget for this project in this GRC. As a compromise, CAW agrees to adjust the previously requested capital expenditure amounts for 2015 and 2016 in this GRC. ORA now agrees to the adjusted proposed capital expenditure amounts of $1,500,000 in 2015 and $1,500,000 in 2016. ORA and CAW also agree that the $1,500,000 shall be reflected in rate base as 2015 UPIS and that the $1,500,000 shall be reflected in rate base as 2016 UPIS.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 134-135; Exh. 2-A, CAW Schubert Rebuttal, pp. 122-126; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 9-29 to 9-32.

22.8.10 Annual Generator Program (I15-600069)

CAW REQUEST: The original estimated total cost for this project of $700,000 is reasonable ($300,000 in 2015, and $400,000 in 2016), and the justification for this capital project is well documented in direct testimony and in the capital investment project workpapers.

ORA POSITION: ORA agreed for expenditures of $100,000 in 2015 but disagreed with the need to replace existing generators prior to 2019 due to premature replacement of currently compliant equipment and sufficient existing capacity in the system
RESOLUTION: In the spirit of compromise, ORA and CAW agree to an annual capital expenditure for this on-going capital project of $0 in 2015 and $0 in 2016. Based upon additional information provided by CAW in rebuttal testimony, ORA also agrees that CAW shall be permitted to request this project in its next GRC should it determine the project prudent and reasonable.

REFERENCES: : Exh. 2, CAW Schubert Direct, pp. 136-137; Exh. 2-A, CAW Schubert Rebuttal, pp. 127-129; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 9-22 to 9-26.

22.8.11 Recurring Projects (R15-60xx)

CAW REQUEST: The total estimated cost of the Recurring Projects for 2015 of $2,664,141 and for 2016 of $2,723,141 is reasonable.

ORA POSITION: ORA agreed with the need for the Recurring Projects, but recommended a reduced total cost for the Recurring Projects for 2015 of $2,213,965 and for 2016 of $2,264,887.

RESOLUTION: In the spirit of compromise, ORA and CAW agree to the following total RP capital amounts: 2015 - $2,439,053; and 2016 - $2,494,014. ORA and CAW also agree that these annual amounts shall be reflected in each respective year's UPIS. Finally, ORA agrees to allow CAW to manage the overall bottom-line RP budget by district, with flexibility to allocate different spending levels to specific RP line items, consistent with the 2010 GRC settlement between ORA and CAW.

REFERENCES: : Exh. 2, CAW Schubert Direct, p. 29, Attachment 7; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 9-11 to 9-12.

22.8.12 SCADA Maintenance Program (I15-600068)

CAW REQUEST: This investment project is currently expected to be completed annually through the end of 2017. The total estimated project cost is $360,000.

ORA POSITION: ORA agreed with the need for this project, the estimated timeframe, but spread the total estimated dollars evenly between 2015 and 2016 ($120,000 in each year).

RESOLUTION: ORA and CAW agree that this annual investment project shall have $120,000 reflected in rate base as 2015 UPIS, and also have $120,000 reflected in rate base as 2016 UPIS.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 135-136; Exh. 2-A, CAW Schubert Rebuttal, pp. 126-127; ORA Report No. 3, p. 9-29.

22.8.13 Main Replacement Program (I15-600072)

CAW REQUEST: This annual investment program is continuing in every year of the GRC cycle, and has an annual total estimated cost of $1,500,000. The total estimated program cost is $4,500,000.

ORA POSITION: ORA agreed with the need for this project, the estimated timeframe, and the total estimated dollars for 2015 and 2016 ($1,500,000 in each year).

RESOLUTION: ORA and CAW agree that this annual investment project shall have $1,500,000 reflected in rate base as 2015 UPIS, and shall also have $1,500,000 reflected in rate base as 2016 UPIS.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 137-138; Exh. 2-A, CAW Schubert Rebuttal, pp. 129-130; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 9-29.

22.8.14 Security Park Pump Station Rehabilitation (I15-600065)

CAW REQUEST: This investment project is currently expected to be completed by the end of 2016. The total estimated project cost is $490,000.

ORA POSITION: ORA agreed with the need for this project, the estimated timeframe, and the total estimated cost of $490,000.

RESOLUTION: The parties agree that this project will be completed in 2016 and shall be reflected in rate base as 2016 UPIS at a total estimated cost of $490,000.

REFERENCES: Exh. 2, CAW Schubert Direct, p. 131; Exh. 2-A, CAW Schubert Rebuttal, p. 118; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 9-10.

22.8.15 Suburban/Rosemont Route 50 Pipe Crossing (I15-600066)

CAW REQUEST: This investment project is currently expected to be completed by the end of 2016. The total estimated project cost is $1,425,000.

ORA POSITION: ORA agreed with the need for this project, the estimated timeframe, and the total estimated cost of $1,425,000.

RESOLUTION: The parties agree that this project will be completed in 2016 and shall be reflected in rate base as 2016 UPIS at a total estimated cost of $1,425,000.

REFERENCES: Exh. 2, CAW Schubert Direct, p. 132; Exh. 2-A, CAW Schubert Rebuttal, pp. 118-119; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 9-10.

22.8.16 Sacramento Office Solar Project (I15-600074)

CAW REQUEST: This investment project is currently expected to be completed by the end of 2016. The total estimated project cost is $164,000.

ORA POSITION: ORA agreed with the need for this project, the estimated timeframe, and the total estimated cost of $164,000.

RESOLUTION: The parties agree that this project will be completed in 2016 and reflected in rate base as 2016 UPIS at a total estimated cost of $164,000.

REFERENCES: CAW Schubert Direct, p. 138; CAW Schubert Rebuttal, pp. 130-131; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 9-10.

22.8.17 Antelope Backyard Main Replacement Project (I15-600075)

CAW REQUEST: This investment project is currently expected to be completed by the end of 2016. The total estimated project cost is $375,000.

ORA POSITION: ORA agreed with the need for this project, the estimated timeframe, and the total estimated cost of $375,000.

RESOLUTION: The parties agree that this project will be completed in 2016 and shall be reflected in rate base as 2016 UPIS at a total estimated cost of $375,000.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 132-133; Exh. 2-A, CAW Schubert Rebuttal, p. 119; ORA Report No. 3, p. 9-10.

22.8.18 Isleton Chemical Feed Building Improvements Project (I15-600076)

CAW REQUEST: This investment project is currently expected to be completed by the end of 2016. The total estimated project cost is $262,000.

ORA POSITION: ORA agreed with the need for this project, the estimated timeframe, and the total estimated cost of $262,000.

RESOLUTION: The parties agree that this project will be completed in 2016 and shall be reflected in rate base as 2016 UPIS at a total estimated cost of $262,000.

REFERENCES: Exh 2, CAW Schubert Direct, pp. 126-127; Exh. 2-A, CAW Schubert Rebuttal, p. 113; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 9-10.

22.8.19 Isleton Pumped Storage Tank and Booster Station Project (I15-600077)

CAW REQUEST: The original estimated cost of $1,700,000 for this project is reasonable.

ORA POSITION:
ORA took no position on this project to be completed outside of the test years 2015 and 2016. ORA recommended CAW exercise its managerial diligence to determine the necessity and reasonableness of this project and for CAW to seek recovery in a future GRC after a prudency and cost review by ORA.

RESOLUTION: In the spirit of compromise, ORA and CAW agree to a total capital expenditure for this project of $1,700,000. Both parties also agree that this project will be completed in 2016 and the $1,700,000 shall be reflected in rate base as 2016 UPIS.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 128-129; Exh. 2-A, CAW Schubert Rebuttal, p. 115; ORA Report No. 3, p. 9-32..

22.8.20 Lincoln Oaks SCADA Improvements at SSWS Interconnection Project (I15-600070)

CAW REQUEST: The original estimated cost of $280,000 for this project is reasonable.

ORA POSITION: ORA took no position on this project. ORA recommended CAW exercise its managerial diligence to determine the necessity and reasonableness of this project and for CAW to seek recovery in a future GRC after a prudency and cost review by ORA

RESOLUTION: In the spirit of compromise, ORA and CAW agree to a total capital expenditure for this project of $280,000. Both parties also agree that the project will be completed in 2016 and $280,000 shall be reflected in rate base as 2016 UPIS.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 129-130; Exh. 2-A, CAW Schubert Rebuttal, pp. 115-116; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 9-32.

22.10 Sonoma County (Larkfield)

22.9.1 Faught Road Well and Transmission Main project (I15-610002)

CAW REQUEST: This important source of supply project has been fully vetted in previous GRCs and approved by the Commission in related decisions. The complete justification for this capital project is also well documented in direct testimony, the capital investment project workpapers and in rebuttal testimony.

ORA POSITION: ORA disagreed with the need for this project and its associated cost, because ORA concluded that this source of supply project is not necessary because of declining system demand and a sufficient source of supply.

RESOLUTION: In the spirit of compromise, ORA and CAW agree to this capital project and its continued designation as an Advice Letter project, and the previous GRC settlement agreement maximum cost amount of $2,390,000, plus interest and including $212,230 in CWIP. CAW continues to agree that the total estimated cost will be subject to a reasonableness and prudency review at the time this investment project is completed, placed into service, and an Advice Letter application is submitted to the Commission for review and approval into rate base.

REFERENCES: Exh. 2, CAW Schubert Direct, p. 73-74; Exh. 2-A, CAW Schubert Rebuttal, pp. 131-135, 158-159; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 10-10 to 10-12.

22.9.2 Well Rehab 2012-2014 project (IP-0561-7)

CAW REQUEST: The current estimated total expenditures for this project of $307,598 to complete this capital project in 2014 is reasonable, and the justification for this funding is documented in direct testimony and in the capital investment project workpapers.

ORA POSITION: ORA agreed with the need for this project, but recommended the total expenditure dollars be reduced to the previously approved GRC amount of $296,400.

RESOLUTION: After review of supplemental information provided by CAW on the increased cost of $11,198 for this project (from $296,400 to $307,598), ORA agrees to the requested new amount of $307,598 to complete this project in 2014. Both parties agree that the $307,598 shall be reflected in rate base as 2014 UPIS.

REFERENCES: : Exh. 2-A, CAW Schubert Rebuttal, pp. 135-136; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 10-9.

22.9.3 Londonberry Drive Creek Crossing project (I15-610009)

CAW REQUEST: The original estimated total expenditures for this project of $558,000 in 2016 is reasonable.

ORA POSITION: ORA agreed with the need for this project, but recommended the total expenditure dollars be reduced to $444,000 in 2016.

RESOLUTION: In the spirit of compromise, ORA and CAW agree to a total capital expenditure for this project of $444,000. Both parties also agree that this project will be

completed in 2016 and the $444,000 shall be reflected in rate base as 2016 UPIS. Both parties agree on the budget dollars of $82,500 for 2015 and $361,500 for 2016.

REFERENCES: Exh. 2, CAW Schubert Direct, p. 139; Exh. 2-A, CAW Schubert Rebuttal, pp. 136-137; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 10-13.

22.9.4 Fulton Well project (I15-6100xx)

CAW REQUEST: The Larkfield District still needs a new source of supply in the intermediate future, and this project is considered an optional source of supply should the Faught Road Well and Transmission Main project discussed previously not come to fruition.

ORA POSITION: ORA disallowed this project and its associated cost, since demand in the system is declining, and it is not needed from a source of supply basis.

RESOLUTION: CAW and ORA agree that with the continued support of the Faught Road Well and Transmission Main project, this project is no longer necessary.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 141-143; Exh. 2-A, CAW Schubert Rebuttal, pp. 140-141; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, p. 10-12.

22.9.5 Tank Replacement Study (I15-610008)

CAW REQUEST: This project would analyze and identify an operational plan for the various tanks located within the Larkfield District. CAW states that the total estimated cost of $150,000 is reasonable.

ORA POSITION: ORA disagreed with the need for this project and the forecasted cost from rate base in 2015 and 2016.

RESOLUTION: CAW proposes to designate the funds for this study as expense instead of capital. Accordingly, CAW reduces capital expenditures by $50,000 in 2015 (from $50,000 to $0) and by $100,000 in 2016 (from $100,000 to $0) as related to this specific project. Instead, CAW recommends that this project cost be treated as an expense and be included as part of the CPS expense budget in 2015 and 2016. As a compromise, CAW further requests that $25,000 be added to the overall CPS expense budget for the Sonoma County District in 2015, and $50,000 be added to the overall CPS expense budget for the Sonoma County District in 2016. Accordingly, the parties agree that the Sonoma County District CPS expense budget shall increase from $20,600 to $45,600 in 2015; and from $21,200 to $71,200 in 2016 and that a Tank Replacement Study report will be completed in 2016.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 140-141; Exh. 2-A, CAW Schubert Rebuttal, pp. 137-140; ORA Report No. 3, pp. 10-14 to 10-16.

22.9.6 Larkfield Well # 6 (05610202)

CAW REQUEST: This project was approved as part of a previous Commission decision, and capital dollars were approved to be recorded in UPIS in the amount of $169,878.

ORA POSITION: ORA disagrees with this project and the amount shown in CWIP.

RESOLUTION: After review of supplemental information provided by CAW on this project, ORA agrees that CAW may retain the current amount of $169,878 in UPIS. ORA understood that the SCEP document provided by CAW mistakenly showed these dollars as CWIP, which was incorrect.

REFERENCES: Exh. 2-A, CAW Schubert Rebuttal, pp. 141-143; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 10-16 to 10-17..

22.9.7 Recurring Projects (R15-61xx)

CAW REQUEST: The total estimated cost of the Recurring Projects for 2015 of $377,667 and for 2016 of $369,167 is reasonable.

ORA POSITION: Agreed with the need for the Recurring Projects, but recommended a reduced total cost for the Recurring Projects for 2015 of $316,315 and for 2016 of $323,592.

RESOLUTION: In the spirit of compromise, ORA and CAW agree to the following total RP capital amounts: 2015 - $346,991; and 2016 - $346,380. ORA and CAW also agree that these annual amounts shall be reflected in each respective year's UPIS. Finally, ORA agrees to allow CAW to manage the overall bottom-line RP budget by district, with flexibility to allocate different spending levels to specific RP line items, consistent with the 2010 GRC settlement between ORA and CAW.

REFERENCES: Exh. 2, CAW Schubert Direct, p. 29, Attachment 7; Exh. 15 and 15-A, ORA Menda/Lau Direct, ORA Report No. 3, pp. 10-8 to 10-9..

22.9.8 SCWA Interconnection Improvement (IP-0561-23)

CAW REQUEST: This investment project is currently expected to be completed by the end of 2016. The total estimated project cost is $50,000.

ORA POSITION: Agreed with the need for this project, the estimated timeframe, and the total estimated cost of $50,000.

RESOLUTION: ORA and CAW agree that this project will be completed in 2016 and shall be reflected in rate base as 2016 UPIS at a total estimated cost of $50,000.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 139-140; Exh. 2-A, CAW Schubert Rebuttal, p. 137.

22.9.9 ADVICE LETTER PROJECTS – Monterey County and Sacramento County Districts

CAW REQUEST: CAW (through the Commission's rate case plan) has reflected the capital expenditures for those previously authorized advice letter projects that have been completed and placed into service during the year prior to the test year of a GRC (which in this case is 2015).

ORA POSITION: ORA is not opposed to the need for previously authorized advice letter projects, but states that "if the projects are necessary and actually constructed, CAW has the ability to seek full recovery of all reasonable and prudent costs (including interest or carrying charges) in a future GRC application." ORA is concerned about the appearance of a potential double recovery of capital expenditures, and how CAW forecasted these capital expenditures in rate base for completed advice letter projects.

RESOLUTION: As a result of supplemental information provided during settlement discussions and rebuttal testimony, ORA agrees that CAW can include those capital advice letter projects in 2014, but only to the extent the rates to cover these capital advice letter projects are in current rates and present rate revenues. ORA remains concerned about a mismatch between what is authorized in this GRC versus previous GRCs. CAW and ORA agree that if the capital projects are not included in present rate revenue, then the respective capital projects shall continue to be designated advice letter projects and accrue interest in the same manner as the prior settlement. CAW and ORA further agree that these capital advice letter projects would have to be filed after a decision is reached in this GRC. Accordingly, CAW provides the latest completion date information for the various advice letter projects. In summary, CAW represents that the following projects are complete, or they will be completed in 2014, or they will be completed in 2015:

Monterey County
Ambler Tank (05400509) - scheduled for completion in March 2015.
Upper Rimrock Tanks (15400090) - scheduled for completion in October 2014.
Ryan Ranch/Bishop Intertie (I15400101) - scheduled for completion in early 2015.
Chualar Tank (I15400155) - scheduled for completion in March 2015.
Carmel Woods Tank (05400034) - completed in December 2013, AL filed.

ASR Well # 4 (05400307) - scheduled for completion in fall 2014.
ASR Well # 3 (05400301) - scheduled for completion in fall 2014.

Sacramento County
Walnut Grove Tank (05600038) - scheduled for completion in early 2015.
Lincoln Oaks Tank, Booster and Well (05600074) – scheduled for completion in 2015
Crowder Lane Controls (05600088) – scheduled for completion in 2015
Security Park Interconnection (05600127) - completed in spring 2014.
Walnut Grove System Improvements (05600100) scheduled for completion in fall 2014.

In addition, the parties reached an agreement regarding advice letter treatment for the following project:

Monterey County - Los Padres Dam Fish Passage project (05400049)
After review of supplemental information provided by CAW during settlement discussions, ORA now agrees that this capital project may be added to base rates once it is completed and in service, after ORA has completed a reasonableness review of this project in the next GRC. CAW represents this capital project has a planned completion date of 2016, and that the current total estimated cost is approximately $4,200,000. CAW has also represented that this project has regulatory agency support, including from the Monterey Peninsula Water Management District, California Department of Fish and Wildlife and NOAA Fisheries.

REFERENCES: Exh. 2, CAW Schubert Direct, pp. 58-68; Exh. 2-a, CAW Schubert Rebuttal, pp. 68-76, 105-111; Exh. 15 and 15-a, ORA Menda/Lau Direct, ORA Report No. 3, pp. 5-20 to 5-22, 9-16 to 9-17.

23.0 RULE 1 ISSUE

BACKGROUND:

Over the course of this proceeding, issues arose between CAW and ORA regarding whether CAW provided accurate information in response to Minimum Data Requirement ("MDR") II.D.5 and the interpretation of MDR II.D.5.

MDR II.D.5 requires a "list of the plant improvements authorized in the test years but not built." ORA alleged that CAW provided inaccurate information in response to this MDR in violaton of Rule 1. CAW responded that the information provided was accurate at the time the MDR responses were prepared, based on its interpretation of the MDR. CAW and ORA differed as to which were the "test years" for reporting purposes, whether "not built" included projects that were temporarily on hold, projects that CAW expected to complete by the end of 2013, projects that were still in progress at the time the MDR response was prepared, and whether the MDR applied to advice letter projects and multi-year projects.

RESOLUTION:

In the interest of compromise, CAW and ORA agree that future MDR II.D.5 reports will include the information set forth below, which CAW will use in subsequent general rate case filings, unless and until the reporting requirements of MDR II.D.5 are modified by Commission decision. CAW will further ensure that all MDR responses are complete and accurate in future general rate case filings in compliance with this interpretation of the MDR II.D.5 requirement.

In providing information subject to MDR II.D.5, CAW will include the status of all projects authorized by the Commission in the last general rate case, including:

1. advice letter projects,
2. multi-year projects,
3. projects authorized in the test years but not built for whatever reason, even if the project is temporarily on hold and CAW expects to the complete the project, and
4. projects authorized in all test years, even if the reporting occurs during a particular test year,
5. projects authorized in all test years, even if the project is currently in progress, and
6. projects authorized in all test years, even if CAW expects the project to be complete during the years in which the GRC is filed and decided.

The MDR shall include the status on both a recorded and forecast basis through the end of the prior GRC cycle. CAW will update the status as close to the application date as reasonably possible, and any further updates will be provided in response to data requests issued in the general rate case. This compromise interpretation applies going forward, but not retroactively. Neither CAW nor ORA admit to any fault in interpretation of the MDR II.D.5 reporting requirements for the current proceeding and neither party concedes any issues with respect to the current Order to Show Cause. Because it is part of the overall Settlement Agreement, CAW and ORA agree that the compromise interpretation cannot be used as precedent or for the purposes of the current Order to Show Cause.

REFERENCES: *Motion of The Office of Ratepayer Advocates for a Companion Order Jnstituting an Jnvestigation Regarding California-American Water Company's Responses to Minimum Data Requirements and Whether The Company Violated Rule 1.1*, filed November 12, 2013 ("ORA Motion"), p. 2.

July

CALIFORNIA-AMERICAN WATER COMPANY

By £4&

Kevin Tilden

for R. MacLean

July 25, 2014 CITY OF PACIFIC GROVE

By _____ _____
Thomas Frutchey

sara senr;er (707) 822 1756 p.2

JulyiJ0'2014

LAS PALMAS WASTEWATER COMMI1TEE

By: .Jua.

Sara Senger

July z.t:;, 2014

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

By: _____
David J. Stoldt

July 2s-: 2014

OFFICE OF RATEPAYER ADVOCATES

By _____
Joseph P. Como
For Joseph P. Como

CALIFORNIA-AMERICAN WATER COMPANY
APPLICATION 13-07-002
2013 GENERAL RATE CASE
SETTLEMENT TABLES

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*Additional tables and updates will be provided as needed prior to the issuance of the final decision.

CALIFORNIA-AMERICAN WATER COMPANY
APPLICATION 13-07-002
2013 GENERAL RATE CASE
SETTLEMENT TABLES

Los Angeles F-10

1. Tariffs are subject to change based on final decision and additional approvals/changes that may happen outside of this proceeding.

*Additional tables and updates will be provided as needed prior to the issuance of the final decision.

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

ATTACHMENT A For Settlement

Customers, Consumption, System Delivery and Monterey Rate Design

California American Water
A.13-07-002, 2013 General Rate Case
Adopted Quantities - Average # Customers by Class

Attachment A-1

	Sacramento			Larkfield		
2013 GRC Northern Division Average # Customers	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**
General Metered						
Residential	52,711	52,751	52,791	2,042	2,044	2,046
Commercial	4,839	4,845	4,851	329	330	331
Public Authority	372	374	376	4	4	4
Industrial	1	1	1	0	0	0
Total General Metered	57,923	57,971	58,019	2,375	2,378	2,381
Private Fire Service	855	865	875	57	58	59
Grand Total	58,778	58,836	58,894	2,432	2,436	2,440

California American Water
A.13-07-002, 2013 General Rate Case
Adopted Quantities - Average # Customers by Class

Attachment A-1

	MONTEREY MAIN			Bishop			Hidden Hills			Ryan Ranch		
2013 GRC CENTRAL DIVISION Average # Customers	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**
General Metered												
Residential	32,262	32,262	32,262	327	327	327	441	441	441			
Multi-Residential	1,478	1,478	1,478									
Commercial & Irrigation	3,272	3,272	3,272	47	47	47				152	152	152
Industrial	7	7	7									
Public Authority	575	575	575							4	4	4
Golf Courses	4	4	4	2	2	2						
Construction	22	22	22									
Sale for Resale	1	1	1									
Other												
Total General Metered	37,621	37,621	37,621	376	376	376	441	441	441	156	156	156
Private Fire Service												
Fire Hydrant												
Grand Total	37,621	37,621	37,621	376	376	376	441	441	441	156	156	156

	AMBLER			Ralph Lane			Chualar			Monterey County Total		
2013 GRC CENTRAL DIVISION Average # Customers	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**
General Metered												
Residential	385	385	385	26	26	26	176	176	176	33,617	33,617	33,617
Multi-Residential							2	2	2	1,480	1,480	1,480
Commercial & Irrigation	15	15	15				4	4	4	3,490	3,490	3,490
Industrial										7	7	7
Public Authority	2	2	2				2	2	2	583	583	583
Golf Courses										6	6	6
Construction										22	22	22
Sale for Resale										1	1	1
Other										0	0	0
										0	0	0
Total General Metered	402	402	402	26	26	26	184	184	184	39,206	39,206	39,206
Private Fire Service										803	803	803
Fire Hydrant										276	276	276
Grand Total	402	402	402	26	26	26	184	184	184	40,285	40,285	40,285

California American Water
A.13-07-002, 2013 General Rate Case
Adopted Quantities - Average # Customers by Class

Attachment A-1

	TORO		
2013 GRC CENTRAL DIVISION Average # Customers	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**
General Metered			
Residential	405	405	405
Multi-Residential			
Commercial & Irrigation	7	7	7
Industrial			
Public Authority			
Golf Courses			
Construction			
Sale for Resale			
Other			
Total General Metered	412	412	412
Private Fire Service			
Fire Hydrant			
Grand Total	412	412	412

California American Water
A.13-07-002, 2013 General Rate Case
Adopted Quantities - Average # Customers by Class

	SAN DIEGO			VENTURA		
2013 GRC Southern Division Average # Customers	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**
General Metered						
Residential	18,220	18,235	18,250	19,347	19,374	19,401
Commercial	2,100	2,117	2,134	1,078	1,091	1,104
Public Authority	320	320	320	194	194	194
Industrial				167	167	167
Other	9	8	7			
Total General Metered	20,649	20,680	20,711	20,796	20,836	20,876
Irrigation						
Gravity						
Pressure						
Total Irrigation						
Metered Construction				10	10	10
Private Fire Service	451	461	471	354	367	381
Grand Total	21,100	21,141	21,182	21,150	21,203	21,257

	LA - BALDWIN HILLS			LA - DUARTE			LA - SAN MARINO			LA TOTAL		
2013 GRC Southern Division Average # Customers	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**
General Metered												
Residential	5,553	5,553	5,553	6,539	6,545	6,551	12,382	12,396	12,410	24,474	24,494	24,514
Commercial	601	598	595	596	595	594	1,368	1,362	1,356	2,565	2,555	2,545
Public Authority	27	27	27	122	122	122	140	140	140	289	289	289
Industrial	3	3	3	16	16	16	45	45	45	64	64	64
Other	4	4	4	5	5	5	3	3	3	12	12	12
Total General Metered	6,188	6,185	6,182	7,278	7,283	7,288	13,938	13,946	13,954	27,404	27,414	27,424
Irrigation												
Gravity				2	2	2				2	2	
Pressure				55	55	55				55	55	
Total Irrigation				57	57	57				57	57	57
Metered Construction												
Private Fire Service	36	36	36	145	148	151	187	187	186	368	371	373
Grand Total	6,224	6,221	6,218	7,480	7,488	7,496	14,125	14,133	14,140	27,829	27,842	27,854

California American Water
A.13-07-002, 2013 General Rate Case
Adopted Quantities - Average # Customers by Class

ATTACHMENT A-1

2013 GRC Monterey Wastewater Average # Customers	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	2,563	2,519	44	2,519	2,514	2,509
Commercial	44	67	(23)	67	67	67
Public Authority	4	4	0	4	4	4
Industrial	3	3	0	3	3	3
Golf Course	1	1	0	1	1	1
Hotel	1	1	0	1	1	1
Total Customers	2,616	2,595	21	2,595	2,590	2,585

California American Water
A.13-07-002, 2013 General Rate Case
Adopted Quantities - Average # Customers by Meter Size

Attachment A-2

	Sacramento			Larkfield		
2013 GRC Northern Division Average # Customers	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**
General Metered						
5/8 x 3/4 - inch	52,900	52,948	52,992	1,722	1,725	1,727
3/4 - inch	151	151	151	407	407	408
1-inch	2,143	2,143	2,145	154	154	154
1-1/2 - inch	745	745	746	52	52	52
2 - inch	1,856	1,856	1,858	31	31	31
3 - inch	13	13	13	4	4	4
4 - inch	82	82	82	4	4	4
6 - inch	23	23	23	1	1	1
8 - inch	9	9	9			
10 - inch	1	1	1			
12 - inch						
Total General Metered	57,923	57,971	58,019	2,375	2,378	2,381
Private Fire Service						
1 1/2" - inch connection				1	1	1
4 - inch connection	111	113	114	14	14	14
6 - inch connection	287	290	293	33	34	35
8 - inch connection	411	415	420	8	8	8
10 - inch connection	34	34	34	1	1	1
12 - inch connection	12	13	14			
Hydrants						
Total PFS	855	865	875	57	58	59
Grand Total	58,778	58,836	58,894	2,432	2,436	2,440

California American Water
A.13-07-002, 2013 General Rate Case
Adopted Quantities - Average # Customers by Meter Size

Attachment A-2

2013 GRC CENTRAL DIVISION Average # Customers	MONTEREY Main			Bishop			Hidden Hills			Ryan Ranch		
	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
General Metered												
5/8 x 3/4 - inch	31,189	31,189	31,189	64	64	64	195	195	195	68	68	68
3/4 - inch	262	262	262	1	1	1	1	1	1	0	0	0
1-inch	4,550	4,550	4,550	248	248	248	205	205	205	27	27	27
1-1/2 - inch	834	834	834	49	49	49	38	38	38	23	23	23
2 - inch	659	659	659	12	12	12	2	2	2	36	36	36
3 - inch	59	59	59	1	1	1	0	0	0	2	2	2
4 - inch	32	32	32	1	1	1	0	0	0	0	0	0
6 - inch	17	17	17	0	0	0	0	0	0	0	0	0
8 - inch	19	19	19	0	0	0	0	0	0	0	0	0
10 - inch	0	0	0	0	0	0	0	0	0			
12 - inch												
Total General Metered	37,621	37,621	37,621	376	376	376	441	441	441	156	156	156
Private Fire Service												
4 - inch connection												
6 - inch connection												
8 - inch connection												
10 - inch connection												
12 - inch connection												
Hydrants												
Total PFS	0	0	0	0	0	0	0	0	0	0	0	0
Grand Total	37,621	37,621	37,621	376	376	376	441	441	441	156	156	156

2013 GRC CENTRAL DIVISION Average # Customers	AMBLER			Ralph Lane			Chular			Monterey County Total		
	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
General Metered												
5/8 x 3/4 - inch	215	215	215	26	26	26	4	4	4	31,761	31,761	31,761
3/4 - inch	14	14	14	0	0	0	0	0	0	278	278	278
1-inch	155	155	155	0	0	0	161	161	161	5,346	5,346	5,346
1-1/2 - inch	2	2	2	0	0	0	14	14	14	960	960	960
2 - inch	12	12	12	0	0	0	4	4	4	725	725	725
3 - inch	1	1	1	0	0	0	1	1	1	64	64	64
4 - inch	3	3	3	0	0	0	0	0	0	36	36	36
6 - inch	0	0	0	0	0	0	0	0	0	17	17	17
8 - inch	0	0	0	0	0	0	0	0	0	19	19	19
10 - inch										0	0	0
12 - inch												
Total General Metered	402	402	402	26	26	26	184	184	184	39,206	39,206	39,206
Special Use??												
Private Fire Service												
4 - inch connection										428	428	428
6 - inch connection										263	263	263
8 - inch connection										111	111	111
10 - inch connection										1	1	1
12 - inch connection												
Hydrants										276	276	276
Total PFS	0	0	0	0	0	0	0	0	0	1,079	1,079	1,079
Grand Total	402	402	402	26	26	26	184	184	184	40,285	40,285	40,285

California American Water
A.13-07-002, 2013 General Rate Case
Adopted Quantities - Average # Customers by Meter Size

Attachment A-2

	TORO		
2013 GRC CENTRAL DIVISION Average # Customers	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**
General Metered			
5/8 x 3/4 - inch	7	7	7
3/4 - inch	0	0	0
1-inch	247	247	247
1-1/2 - inch	134	134	134
2 - inch	24	24	24
3 - inch	0	0	0
4 - inch	0	0	0
6 - inch	0	0	0
8 - inch	0	0	0
10 - inch	0	0	0
12 - inch			
Total General Metered	412	412	412
Private Fire Service			
4 - inch connection			
6 - inch connection			
8 - inch connection			
10 - inch connection			
12 - inch connection			
Hydrants			
Total PFS	0	0	0
Grand Total	412	412	412

California American Water
A.13-07-002, 2013 General Rate Case
Adopted Quantities - Average # Customers by Meter Size

Attachment A-2

	SAN DIEGO			VENTURA		
2013 GRC Southern Division Average # Customers	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**
General Metered						
5/8 x 3/4 - inch	17,549	17,580	17,606	17,114	17,154	17,187
3/4 - inch	8	8	8	41	41	41
1-inch	1,894	1,894	1,897	2,545	2,545	2,550
1-1/2 - inch	506	506	507	260	260	261
2 - inch	663	663	664	690	690	691
3 - inch	4	4	4	48	48	48
4 - inch	7	7	7	66	66	66
6 - inch	13	13	13	18	18	18
8 - inch	5	5	5	3	3	3
10 - inch				1	1	1
12 - inch						
Total General Metered	20,649	20,680	20,711	20,786	20,826	20,866
Irrigation - Gravity						
2 - inch						
4 - inch						
Irrigation - Pressure						
1-inch						
1-1/2 - inch						
2 - inch						
3 - inch						
4 - inch						
Total Irrigation						
Metered Construction				10	10	10
Total Metered Construction						
Private Fire Service						
4 - inch connection	150	153	156	87	91	94
6 - inch connection	77	83	85	113	117	121
8 - inch connection	21	22	22	127	132	137
10 - inch connection	5	5	5	28	29	30
12 - inch connection			0			
Hydrants	198	198	202			
Total PFS	451	461	471	354	368	382
Grand Total	21,100	21,141	21,182	21,150	21,204	21,258

California American Water
A.13-07-002, 2013 General Rate Case
Adopted Quantities - Average # Customers by Meter Size

Attachment A-2

	LA - BALDWIN HILLS			LA - DUARTE			LA - SAN MARINO			LA TOTAL		
2013 GRC Southern Division Average # Customers	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Attrition Year 2017 Settlement**
General Metered												
5/8 x 3/4 - inch	4,080	4,080	4,078	5,999	6,005	6,010	7,549	7,563	7,567	10,080	17,648	17,655
3/4 - inch	0	0	0	0	0	0	1	1	1	7,549	1	1
1-inch	1,955	1,952	1,951	626	625	625	4,852	4,846	4,849	7,432	7,422	7,425
1-1/2 - inch	64	64	64	247	247	247	939	939	940	1,250	1,250	1,251
2 - inch	77	77	77	358	358	358	559	559	559	994	994	994
3 - inch	8	8	8	29	29	29	15	15	15	52	52	52
4 - inch	4	4	4	10	10	10	14	14	14	28	28	28
6 - inch	0	0	0	4	4	4	7	7	7	11	11	11
8 - inch	1	1	1	5	5	5			0	6	6	6
10 - inch							2	2	2	2	2	2
12 - inch										0	0	0
Total General Metered	6,189	6,186	6,183	7,278	7,283	7,288	13,938	13,946	13,954	27,404	27,414	27,425
Irrigation - Gravity												
2 - inch				2	2	2				2	2	2
4 - inch				0	0	0				0	0	0
Irrigation - Pressure												
1-inch				7	7	7				7	7	7
1-1/2 - inch				3	3	3				3	3	3
2 - inch				35	35	35				35	35	35
3 - inch				9	9	9				9	9	9
4 - inch				1	1	1				1	1	1
Total Irrigation				57	57	57				57	57	57
Metered Construction										10	10	10
Total Metered Construction												
Private Fire Service												
4 - inch connection	6	6	6	28	29	30	49	49	49	83	84	85
6 - inch connection	23	23	23	76	77	79	80	80	80	179	180	182
8 - inch connection	7	7	7	39	40	41	51	51	51	97	98	99
10 - inch connection	0	0	0	2	2	2	8	8	8	10	10	10
12 - inch connection										0	0	0
Hydrants										0	0	0
Total PFS	36	36	36	145	148	151	188	188	188	369	372	376
Grand Total	6,225	6,222	6,219	7,480	7,488	7,496	14,126	14,134	14,142	27,840	27,853	27,868

California American Water
A.13-07-002, 2013 General Rate Case
Settlement Charts for Consumption / Customer

ATTACHMENT A-3

2013 GRC Sacramento Consumption / Customer (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	164.3	176.9	(12.6)	165.7	162.4	159.1
Commercial	825.5	885.0	(59.5)	834.9	834.9	834.9
Public Authority	2,748.8	2,983.6	(234.8)	2,898.7	2,898.7	2,898.7
Industrial	157,262.7	99,723.0	57,539.7	150,855.3	150,855.3	150,855.3

2013 GRC Larkfield Consumption / Customer (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	121.7	134.9	(13.2)	122.6	122.6	122.6
Commercial	378.5	385.5	(7.0)	382.0	382.0	382.0
Public Authority	839.2	839.2	0.0	857.7	857.7	857.7
Industrial	0.0	0.0	0.0	0.0	0.0	0.0

2013 GRC San Diego County Consumption / Customer (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	120.3	129.5	(9.2)	120.8	120.8	120.8
Commercial	797.2	851.0	(53.8)	797.4	797.4	797.4
Public Authority	2,072.7	2,218.1	(145.4)	2,121.7	2,121.7	2,121.7
Other	1,404.1	1,326.3	77.8	1,466.4	1,466.4	1,466.4

2013 GRC Ventura County Consumption / Customer (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	228.5	248.9	(20.4)	232.8	232.8	232.8
Commercial	1,267.0	1,426.8	(159.8)	1,263.3	1,263.3	1,263.3
Public Authority	2,375.3	2,672.5	(297.2)	2,397.1	2,397.1	2,397.1
Industrial	3,944.7	3,812.8	131.9	4,009.9	4,009.9	4,009.9
Metered Construction	429.2	521.8	(92.6)	470.2	470.2	470.2

California American Water
A.13-07-002, 2013 General Rate Case **ATTACHMENT A-3**
Settlement Charts for Consumption / Customer

2013 GRC Baldwin Hills Consumption / Customer (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	184.5	196.4	(11.9)	186.2	186.2	186.2
Commercial	363.1	390.0	(26.9)	368.0	368.0	368.0
Public Authority	1,581.0	1,632.8	(51.8)	1,607.5	1,607.5	1,607.5
Industrial	32,415.3	37,909.0	(5,493.7)	29,564.1	29,564.1	29,564.1
Other	13.0	10.0	3.0	9.8	9.8	9.8

2013 GRC Duarte Consumption / Customer (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	216.2	231.2	(15.0)	218.5	218.5	218.5
Commercial	1,107.3	1,168.4	(61.1)	1,105.5	1,105.5	1,105.5
Public Authority	1,071.0	1,166.6	(95.6)	1,144.5	1,144.5	1,144.5
Industrial	1,533.0	1,428.0	105.0	1,526.6	1,526.6	1,526.6
Irrigation	2,400.3	2,400.7	(0.4)	2,530.0	2,530.0	2,530.0
Other	906.3	632.0	274.3	1,062.0	1,062.0	1,062.0

2013 GRC San Marino Consumption / Customer (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	262.7	280.2	(17.5)	268.5	268.5	268.5
Commercial	672.9	706.6	(33.7)	671.0	671.0	671.0
Public Authority	1,286.3	1,342.8	(56.5)	1,292.9	1,292.9	1,292.9
Industrial	1,172.0	1,275.4	(103.4)	1,167.7	1,167.7	1,167.7
Other	98.0	309.4	(211.4)	89.6	89.6	89.6

California American Water
A.13-07-002, 2013 General Rate Case **ATTACHMENT A-3**
Settlement Charts for Consumption / Customer

2013 GRC Monterey County Consumption / Customer (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Monterey Base						
Residential	73.4	77.5	(4.1)	72.3	72.3	72.3
Multi-Residential	478.3	446.3	32.0	465.3	465.3	465.3
Commercial & Irrigation	354.9	365.9	(11.0)	348.8	348.8	348.8
Industrial	5,798.0	6,119.6	(321.6)	5,141.0	5,141.0	5,141.0
Public Authority	474.3	647.2	(172.9)	472.9	472.9	472.9
Golf Courses	14,021.7	14,676.8	(655.1)	14,128.4	14,128.4	14,128.4
Construction	196.7	190.0	6.7	222.5	222.5	222.5
Sale for Resale	0.0	0.0	0.0	0.0	0.0	0.0
Ambler Park	0.0	0.0	0.0	0.0	0.0	0.0
Residential	151.9	162.4	(10.5)	148.9	148.9	148.9
Commercial	1,144.7	1,202.6	(57.9)	1,213.6	1,213.6	1,213.6
Public Authority	368.0	464.0	(96.0)	570.9	570.9	570.9
Bishop	0.0	0.0	0.0	0.0	0.0	0.0
Residential	167.1	192.2	(25.1)	165.6	165.6	165.6
Commercial	358.8	387.8	(29.0)	365.3	365.3	365.3
Golf Courses	50.3	78.8	(28.5)	58.8	58.8	58.8
Other	64.3	117.6	(53.3)	48.3	48.3	48.3
Hidden Hills	0.0	0.0	0.0	0.0	0.0	0.0
Residential	130.7	151.2	(20.5)	129.5	129.5	129.5
Ryan Ranch	0.0	0.0	0.0	0.0	0.0	0.0
Commercial	165.9	198.2	(32.3)	168.2	168.2	168.2
Public Authority	76.0	82.6	(6.6)	77.6	77.6	77.6
Other	14.3	63.2	(48.9)	10.8	10.8	10.8
Ralph Lane	0.0	0.0	0.0	0.0	0.0	0.0
Residential	136.8	130.8	6.0	138.0	138.0	138.0
Chualar	0.0	0.0	0.0	0.0	0.0	0.0
Residential	247.8	296.2	(48.4)	241.7	241.7	241.7
Multi-Residential	327.2	312.6	14.6	397.3	397.3	397.3
Commercial	303.0	661.4	(358.4)	448.9	448.9	448.9
Public Authority	950.0	570.0	380.0	936.1	936.1	936.1

2013 GRC Garrapata Consumption / Customer (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential and Commercial	183.4	183.4	0.0	183.4	183.4	183.4

2013 GRC Toro Consumption / Customer (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	209.2	229.0	(19.8)	209.2	209.2	209.2
Commercial	263.5	239.0	24.5	263.9	263.9	263.9

California American Water
A.13-07-002, 2013 General Rate Case **ATTACHMENT A-4**
Settlement Charts for Consumption

2013 GRC Sacramento Total Consumption (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	8,661,387	9,374,381	(712,994)	8,732,579	8,564,421	8,399,497
Commercial	3,994,359	4,409,163	(414,804)	4,040,081	4,045,091	4,050,100
Public Authority	1,022,550	1,169,574	(147,024)	1,078,316	1,084,114	1,089,911
Industrial	157,263	99,723	57,540	150,855	150,855	150,855
Total Consumption	13,835,559	15,052,841	(1,217,282)	14,001,831	13,844,481	13,690,364

2013 GRC Larkfield Total Consumption (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	248,546	273,895	(25,349)	250,349	250,594	250,840
Commercial	124,531	136,455	(11,924)	125,678	126,060	126,442
Public Authority	3,357	3,357	0	3,431	3,431	3,431
Total Consumption	376,434	413,707	(37,273)	379,458	380,085	380,712

2013 GRC San Diego County Total Consumption (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	2,191,463	2,358,807	(167,344)	2,200,976	2,202,788	2,204,600
Commercial	1,643,927	1,787,197	(143,270)	1,674,540	1,688,096	1,701,652
Public Authority	663,251	709,795	(46,544)	678,944	678,944	678,944
Other	15,445	11,937	3,508	13,198	11,731	10,265
Total Consumption	4,514,086	4,867,736	(353,650)	4,567,658	4,581,559	4,595,460

2013 GRC Ventura County Total Consumption (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	4,400,011	4,744,325	(344,314)	4,503,982	4,510,267	4,516,553
Commercial	1,332,889	1,707,908	(375,019)	1,361,837	1,378,260	1,394,683
Public Authority	460,810	545,193	(84,383)	465,037	465,037	465,037
Industrial	658,763	621,492	37,271	669,653	669,653	669,653
Metered Construction	4,292	3,863	429	4,702	4,702	4,702
Total Consumption	6,856,765	7,622,781	(766,016)	7,005,212	7,027,920	7,050,629

2013 GRC Baldwin Hills Total Consumption (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	1,024,438	1,090,609	(66,171)	1,033,969	1,033,969	1,033,969
Commercial	218,600	234,780	(16,180)	221,536	220,432	219,328
Public Authority	42,687	48,984	(6,297)	43,403	43,403	43,403
Industrial	97,246	113,727	(16,481)	88,692	88,692	88,692
Other	52	40	12	39	39	39
Total Consumption	1,383,023	1,488,140	(105,117)	1,387,639	1,386,535	1,385,431

California American Water
A.13-07-002, 2013 General Rate Case **ATTACHMENT A-4**
Settlement Charts for Consumption

2013 GRC Duarte Total Consumption (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	1,413,459	1,515,285	(101,826)	1,428,772	1,430,083	1,431,394
Commercial	659,928	696,366	(36,438)	658,878	657,773	656,667
Public Authority	130,662	134,159	(3,497)	139,629	139,629	139,629
Industrial	24,528	22,848	1,680	24,426	24,426	24,426
Irrigation	134,897	132,039	2,858	144,210	144,210	144,210
Other	4,532	0	4,532	5,310	5,310	5,310
Total Consumption	2,368,006	2,500,697	(132,691)	2,401,224	2,401,430	2,401,635

2013 GRC San Marino Total Consumption (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	3,253,079	3,469,436	(216,357)	3,324,567	3,328,326	3,332,085
Commercial	920,519	966,629	(46,110)	917,928	913,902	909,876
Public Authority	127,507	187,992	(60,485)	181,006	181,006	181,006
Industrial	52,740	57,393	(4,653)	52,547	52,547	52,547
Other	294	(619)	913	269	269	269
Total Consumption	4,354,139	4,680,831	(326,692)	4,476,316	4,476,049	4,475,782

2013 GRC Monterey County Total Consumption (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Monterey Base						
Residential	2,368,888	2,498,910	(130,022)	2,332,543	2,332,543	2,332,543
Multi-Residential	706,923	659,641	47,282	687,713	687,713	687,713
Commercial & Irrigation	1,161,104	1,197,142	(36,038)	1,141,274	1,141,274	1,141,274
Industrial	40,586	42,837	(2,251)	35,987	35,987	35,987
Public Authority	272,742	372,140	(99,398)	271,918	271,918	271,918
Golf Courses	56,087	58,707	(2,620)	56,514	56,514	56,514
Construction	4,327	4,180	147	4,895	4,895	4,895
Sale for Resale	-	-	-	-	-	-
Ambler Park						
Residential	58,486	62,370	(3,884)	57,327	57,327	57,327
Commercial	17,170	18,039	(869)	18,204	18,204	18,204
Public Authority	736	928	(192)	1,142	1,142	1,142
Bishop						
Residential	54,655	62,849	(8,194)	54,151	54,151	54,151
Commercial	16,865	18,227	(1,362)	17,169	17,169	17,169
Golf Courses	101	158	(57)	118	118	118
Other	-	-	-	-	-	-
Hidden Hills						
Residential	57,639	66,679	(9,040)	57,110	57,110	57,110
Ryan Ranch						
Commercial	25,221	30,126	(4,905)	25,566	25,566	25,566
Public Authority	304	330	(26)	310	310	310
Other	-	-	-	-	-	-
Ralph Lane						
Residential	3,557	3,401	156	3,588	3,588	3,588
Chualar						
Residential	43,615	52,131	(8,516)	42,539	42,539	42,539
Multi-Residential	654	625	29	795	795	795
Commercial	1,212	2,646	(1,434)	1,796	1,796	1,796
Public Authority	1,900	1,140	760	1,872	1,872	1,872
Total Consumption	4,892,772	5,153,206	(260,434)	4,812,529	4,812,529	4,812,529

California American Water
A.13-07-002, 2013 General Rate Case **ATTACHMENT A-4**
Settlement Charts for Consumption

2013 GRC Garrapata Total Consumption (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential and Commercial	8,987.0	8,987.0	-	8,987.0	8,987.0	8,987.0

2013 GRC Toro Total Consumption (CCF)	2015 CAW Direct	2015 ORA Report	Difference	Test Year 2015 Settlement	Escalation Year 2016 Settlement	Attrition Year 2017 Settlement
Residential	84,726	92,745	(8,019)	84,726	84,726	84,726
Commercial	1,845	1,673	172	1,847	1,847	1,847
Total Consumption	86,571	94,418	(7,848)	86,573	86,573	86,573

CALIFORNIA AMERICAN WATER COMPANY
A. 13-07-002, 2013 GENERAL RATE CASE **Attachment A-5**
ADOPTED SYSTEM DELIVERY BY SOURCE

	System	2015	2016
Monterey ASR Water	ASR Injection	238,856	238,856
Monterey ASR Water	ASR Recovery	235,936	235,936
Los Angeles County District	Duarte Irrigation	144,212	144,212
System Delivery (CCF)			
	San Diego County	4,736,643	4,750,544
	Larkfield	410,739	411,366
	Los Angeles County	9,017,362	9,016,196
	Monterey Peninsula	5,854,378	5,855,437
	Sacramento	15,185,517	15,028,166
	Toro	99,257	99,257
	Ventura County	7,226,488	7,249,197
	Total CCFs	42,530,384	42,410,163
Total Purchased Water			
	San Diego County	4,736,643	4,750,544
	Larkfield	155,588	155,825
	Los Angeles County	1,397,144	1,396,040
	Monterey Peninsula	0	0
	Sacramento	2,249,963	2,226,649
	Toro	0	0
	Ventura County	7,226,488	7,249,197
	Total CCFs	15,765,826	15,778,256
Total Pumped Water			
	San Diego County	0	0
	Larkfield	255,151	255,541
	Los Angeles County	7,620,217	7,620,156
	Monterey Peninsula	5,854,378	5,855,437
	Sacramento	12,935,554	12,801,517
	Toro	99,257	99,257
	Ventura County	0	0
	Total CCFs	26,764,557	26,631,907
Total Treated Water			
	San Diego County	4,736,643	4,750,544
	Larkfield	410,739	411,366
	Los Angeles County	8,873,150	8,871,985
	Monterey Peninsula	5,854,378	5,855,437
	Sacramento	15,185,517	15,028,166
	Toro	99,257	99,257
	Ventura County	7,226,488	7,249,197
	Total CCFs	42,386,172	42,265,951
Total Surface Water			
	San Diego County	0	0
	Larkfield	0	0
	Los Angeles County	0	0
	Monterey Peninsula	0	0
	Sacramento	0	0
	Toro	0	0
	Ventura County	0	0
	Total CCFs	0	0

CALIFORNIA AMERICAN WATER COMPANY
A. 13-07-002, 2013 GENERAL RATE CASE **Attachment A-5**
ADOPTED SYSTEM DELIVERY BY SOURCE

	System	2015	2016
Total Raw Water			
	San Diego County	0	0
	Larkfield	0	0
	Los Angeles County	144,212	144,212
	Monterey Peninsula	0	0
	Sacramento	0	0
	Toro	0	0
	Ventura County	0	0
	Total CCFs	144,212	144,212
Total Recycled Water			
	San Diego County	0	0
	Larkfield	0	0
	Los Angeles County	0	0
	Monterey Peninsula	0	0
	Sacramento	0	0
	Toro	0	0
	Ventura County	0	0
	Total CCFs	0	0

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY COUNTY DISTRICT
COST OF SERVICE ALLOCATION UNDER STANDARD RATE DESIGN

ATTACHMENT A-6

					2015 GRC Mont Co.	Reference
1	Total Water Service Revenue Requirement				$54,187.37	
2	Less Fixed Costs:					
3	Operation Expense (Not volume related & Uncollectibles)				$4,811.2	
4	Payroll & Payroll Taxes				$5,923.6	
5	Administrative and General & General Office				$12,884.8	
6	Depreciation				$6,745.0	
7	Property tax expense				$1,507.0	
8	Income tax expense				$4,494.4	
9	Gross Return on Investment				$11,844.5	
10		RDP Adj to Fixed Cost [1]		TOTAL FIXED COSTS	$48,327.29	Ln2 - Ln 9
11		RDP Adjustment 1	$51,327.4			
12		RDP Adjustment 2	$65,434.9			
13	Balance: Variable Costs	Total	$116,762.3		$5,860.1	Ln 1 - Ln 10
14						
15	Purchase Water Offset (including related uncollectibles)					
16						
17						
18	FIXED COST RECOVERABLE FROM FIRE SERVICES & METER CONSTRUCTION					
19	Private Fire Protection Service & Hydrants			Current	2015 GRC	
20	Proposed Rates					
21	1-inch			$10.22	$17.71	
22	1 1/2-inch			$15.34	$21.51	(1+%) Factors
23	2-inch			$20.47	$25.31	**Step & BT**
24	3-inch			$30.70	$32.89	**Increase**
25	4-inch			$40.93	$40.48	101.17989085322200%
26	6-inch			$82.84	$78.62	
27	8-inch			$131.06	$121.70	
28	10-inch			$185.50	$169.73	
29	12-inch					
30	Hydrants			$39.53	$35.99	
31						
32	Projected Number of Units					
33	1-inch				0	
34	1 1/2-inch				0	
35	2-inch				0	
36	3-inch					
37	4-inch				428	
38	6-inch				263	
39	8-inch				111	
40	10-inch				1	
40	12-inch					
41	Hydrants				276	
42	Total PFP & Hydrants				1,079	
43	Months Per Year				12	
44	Private Fire Protection Service & Hydrants Revenue				$739.7	
45						
46	TOTAL PRIVATE FIRE SERVICE REVENUES				$739.7	Ln 44
47						
48						
49	Other/Misc Service Revenue				$256.3	
50						
51	**BALANCE, FIXED COSTS LESS PFS, CONSTR, IRR**				**$47,331.3**	Ln 10 - Ln 46 - Ln 49
52						
53						
54	**CALCULATION OF STANDARD RATE**					
55	50 % OF FIXED COSTS - ALLOWED SERVICE CHARGE REVENUE				$23,665.7	Ln 51 * 0.5
56						
57	REMAINING 50% OF FIXED COSTS TO BE RECOVERED IN QUANTITY RATES				$23,665.7	Ln 51 - Ln 55
58						
59	TOTAL REVENUE TO BE RECOVERED IN QUANTITY RATES				$29,525.7	Ln 1 - Ln 46 - Ln 49 - Ln 55
60						
61	TOTAL WATER SALES - GENERAL METERED SERVICE				4,685.3	
62						
63	STANDARD QUANTITY RATES (PER CCFS) ALLOWED				$6.3018	Ln 59 / Ln 61
64						
65	**CONSERVATION RATES**					
	Phase 2 Monterey Rate Design includes an Adjusted Quantity Rate Calculation (row 76 below).					
	Conservation rates are built by designating a fraction of Fixed Costs (less than Standard 50%) to meter charges.					
	Under Phase 2, a different fixed charge recovery % (through meter charge) is established for residential and comm./non-res.					
	Monterey Phase 2 uses a 15% fixed charge recovery rate (through the meter charge) for					
	Residential, and a 30% fixed charge recovery rate for non-Residential. Shown in separate workpaper.					
76	**CALCULATION OF STANDARD BASE RATE FOR RESIDENTIAL AND NON RESIDENTIAL**					
77	TOTAL REVENUE TO BE RECOVERED (row 51)				$47,331.3	Ln 51
78	Less:					
79	Ambler Revenue				$554.7	
80	Ralph Lane & Chualar Revenue				$101.2	
81	Other Water Utility - Permanent				$56.4	
82	Other Water Utility - Temporary				$0.0	
83	Other Miscellaneous Service				$187.0	
84	TOTAL REVENUE TO BE RECOVERED IN PROPOSED				$46,432.1	Ln 77 - sum(ln 79: Ln 83)
85	50 % OF FIXED COSTS - ALLOWED SERVICE CHARGE REVENUE				$23,216.1	Ln 84*.5
86	REMAINING 50% OF FIXED COSTS TO BE RECOVERED IN QUANTITY RATES				$23,216.1	Ln 84- Ln 85
87	TOTAL REVENUE TO BE RECOVERED IN QUANTITY RATES				$29,076.1	ln 86 + Ln13
88	WATER SALES - GENERAL METERED SERVICE				4,685.3	
89	STANDARD BASE QUANTITY RATES (PER CCFS) -- SBR				**$6.2059**	Ln 87 / Ln 88

CALIFORNIA-AMERICAN WATER COMPANY
APPLICATION 13-07-002
2013 GENERAL RATE CASE
ATTACHMENT A-6
GENERAL GUIDELINES FOR MONTEREY RATE DESIGN & COST OF SERVICE

Cost of Service Description – Monterey system, excluding Toro & Garrapata[1]

- To calculate 2015 rates, California American Water starts with the authorized base revenue requirement for Monterey. This includes the following systems; Main, Bishop, Hidden Hills, Ryan Ranch, Ambler, Ralph Lane and Chualar.
- Prior authorized costs related to the Regional Desalination Project are added to the base revenue requirement to reach a total revenue requirement and rate base for the Monterey water system, less Garrapata and Toro.
- To develop a revenue requirement – and rate design - for the Monterey Main System (including Bishop, Hidden Hills & Ryan Ranch) – you would need to exclude the following revenues from the calculation;
    - Revenues for private fire service and hydrants,
    - Other miscellaneous service revenue items such as returned check fees, reconnection fees and other non-direct water service fees, and
    - Revenues for Ambler, Ralph Lane, Chualar, and Other Water Utilities

- After the elimination of the revenues as noted above - the remaining revenue is the final revenue requirement that is distributed across the Monterey Main (including Bishop, Hidden Hills & Ryan Ranch) customers in accordance with the rate design parameters approved in D.13-07-041, adjusted for consumption and other factors from this proceeding.
- As footnoted below - the revenue requirements for Toro and Garrapata are calculated separately and kept independent of each other and the rest of Monterey.
- There was no separate cost of service done that fully identifies operating revenue, expenses and rate base by system – except for Garrapata and Toro. The 2015 revenue requirement for Ralph Lane and Chualar were calculated by taking the 2014 present rates agreed to in this proceeding and increasing them by the overall revenue percentage increase 2015 for Monterey.
- The Step rate increases for Chualar in 2016 and 2017 are developed by simply adding inflation (based on CPI) to rates adopted in the previous year. The Step rates for Ralph will be calculated by increasing the base rates by the overall step percentage increase in 2016 and 2017.

[1] The cost of service and revenues are held completely separate for Garrapata and Toro

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

ATTACHMENT B For Settlement

Purchased Water, Purchased Power, Labor Count, Tank Painting, Uncollectibles and Tax Rates

CALIFORNIA AMERICAN WATER COMPANY
A. 13-07-002, 2013 GENERAL RATE CASE
ADOPTED QUANTITIES - PURCHASED WATER

ATTACHMENT B-1

SACRAMENTO DISTRICT					**2015**		**2016**
Adopted Purchased Water Quantities (ccf)							
City of Sacramento					1,000,627		990,259
Citrus Heights					-		-
Placer County Water Agency					475,956		471,024
Sac Suburban					773,380		765,367
Total Purchased Wtr in KCcf					2,249,963		2,226,649
Total Water Production in KCcf					15,185,517		15,028,166
Ratio Purch Wtr to Water Prod.					14.82%		14.82%
Adopted Purchased Water Rates	Rate[1]	Unit of Measure	Monthly Fee				
City of Sacramento	$ 0.7939	per ccf	$ 2,706.59	$	826,877	$	818,646
Citrus Heights	-	per ccf					
Placer County Water Agency	(see below)	per ccf	(see below)	$	639,408	$	633,180
Sac Suburban	$ 115.79	per AF		$	205,578	$	203,448
Purchased Water Expense				**$**	**1,671,863**	**$**	**1,655,273**
Placer County Water Agency	2015	2016					
Inflation Adjustment per PCWA	1.0204	1.0228					
Monthly Fee	$ 3,125.00	$ 3,196.25					
per ccf	$ 1.2347	$ 1.2628					

(1) effective rates as of (insert date)

LARKFIELD DISTRICT		**2015**		**2016**
Adopted Purchase Water Quantities (AF)				
Sonoma County		357		358
Adopted Purchased Water Rates ($/AF)				
Sonoma County	$	922.49	$	922.49
Purchased Water Expense	**$**	**329,496**	**$**	**329,999**

CALIFORNIA AMERICAN WATER COMPANY
A. 13-07-002, 2013 GENERAL RATE CASE **ATTACHMENT B-1**
ADOPTED QUANTITIES - PURCHASED WATER

SAN DIEGO DISTRICT		**2015**		**2016**
Adopted Purchase Water Quantities (AF)				
City of San Diego		10,874		10,906
Adopted Purchased Water Rates ($/AF)				
City of San Diego		$1,489.55		$1,489.55
Purchased Water Expense	**$**	**16,197,091**	**$**	**16,244,627**
Rate in ccf		$3.42		$3.42

VENTURA DISTRICT		**2015**		**2016**
Adopted Purchase Water Quantities (AF)		16,590		16,642
Quantity Charge (AF):				
Quantity - 90% of Base (18286*.90=16457.4)		16,457		16,457
Rate		1,173		1,173
Charges		19,304,530		19,304,530
Quantity - 10% of Base		132		184
Rate		1,315		1,315
Charges		174,019		242,572
Annual Meter Charge		1,401,840		1,401,840
Purchased Water Expense	**$**	**20,880,389**	**$**	**20,948,942**

CALIFORNIA AMERICAN WATER COMPANY
A. 13-07-002, 2013 GENERAL RATE CASE **ATTACHMENT B-1**
ADOPTED QUANTITIES - PURCHASED WATER

Los Angeles DISTRICT	**2015**	**2016**
Baldwin Hills		
Water Production in ccf		
Pumping Rights (AF)	2,067.00	2,067.00
Purchased Water	1,229.40	1,226.87
Total Production (AF)	3,296.40	3,293.87
Purchased Water Rates		
Cost per AF (West Basin Municipal Water District)	$1,106	$1,106
Annual Meter Charge ($38*20*12)	$11,040	$11,040
Monthly CRC Charge ($6,500 per month)	$66,000	$66,000
Replenish Cost per AF	$182	$182
Central Basin Assessment Fees	$0.30	$0.30
Member Fees	$50.00	$50.00
Purchased Water Costs		
Costs (West Basin Municipal Water District)	1,359,719	1,356,916
Meter Charge	11,040	11,040
Monthly CRC Charge	66,000	66,000
Replenish Cost (based on pumping right)	376,194	376,194
Central Basin Management Fees	620	620
Member Fees	-	50
TOTAL BALDWIN HILLS COSTS	**1,813,573**	**1,810,820**

Duarte		
Water Production ccf		
Main San Gabriel Basin Safe Yield	210000	210000
Duarte Safe Yield Percentage	1.85%	1.85%
Duarte Safe Yield (AF)	3,877.31	3,877.31
Surface Diversion Rights (AF)	1,672.00	1,672.00
Total Pumping Rights (AF)	5,549.31	5,549.31
Replenishment Water (AF)	887.11	887.59
Total Production	6,436.43	6,436.90
Prescriptive Pumping Rights	0	0
Purchased Water Rates		
Water Master - Admin Fees (all production from Basin)	$13.00	$13.00
Water Master - In-Lieu Assessment (all production from Basin)	$1.00	$1.00
Main San Gabriel Basin Water Quality Authority	$7.25	$0.00
San Gabriel Valley Water Assoc Assessment per AF	$0.45	$0.45
Replenishment Water Assessment	$696.00	$696.00
San Gabriel River Water Committee of Nine Assessment $2342.39/monthly	$28,108.68	$0.00
Purchased Water Costs		
Water Master Administrative Fees	$83,674	$83,680
Water Master In-Lieu Assessment	$6,436	$6,437
Replenishment Costs	$617,431	$617,760
Main San Gabriel Basin H2O Quality - Administrative (prescrip rts)	$0	$0
San Gabriel Valley Water Association Assessment per AF	$2,896	$2,897
Committee of Nine Assessment $2342.39/monthly	$28,108.68	$0.00
TOTAL DUARTE COSTS	**$738,546**	**$710,773**

CALIFORNIA AMERICAN WATER COMPANY
A. 13-07-002, 2013 GENERAL RATE CASE **ATTACHMENT B-1**
ADOPTED QUANTITIES - PURCHASED WATER

San Marino		
Water Production (AF)		
Main San Gabriel Basin Safe Yield	210000	210000
San Marino Safe Yield Percentage	3.98%	3.98%
San Marino Safe Yield (AF)	8361.024	8361.024
Replensihment Water OR Transfer to Duarte	0	0
Total Purchased Water in AF		
MWD Via City of San Marino Tier 1	1,199	1,199
MWD Via City of San Marino Tier 2	780	780
City of Pasadena - East	0	0
City of Pasadena - West	0	0
City of South Pasadena	0	0
Total AF Purchased	1,978	1,978
Total Well Production in AF		
Raymond Basin	1,903	1,903
Main San Gabriel Basin		
El Monte Cemetery	0	0
Upper San Gabriel Basin	7,087	7,087
Adams Ranch	0	0
Sub-Total	7,087	7,087
Total Well	8,990	8,990
Safe Yield	8,361	8,361
Replenishment Water	0	0
Total Well Production	8,361	8,361
Safe Yield + Purchase	12,242	12,242
Pre Purchased Replenishment	0	0
Replenishment	0	0
Total Production	1,978	1,978
Total Purchased AF		
Well Production	7,087	7,087
Total Main San Gabriel Basin AF	1,903	1,903
Total Raymond Basin AF	8,990	8,990
Total Well Production AF		

CALIFORNIA AMERICAN WATER COMPANY
A. 13-07-002, 2013 GENERAL RATE CASE **ATTACHMENT B-1**
ADOPTED QUANTITIES - PURCHASED WATER

San Marino		
Purchased Water Rates	$45,558.00	$45,558.00
Raymond Basin Management Fee (Annual)	$17.43	$17.43
Raymond Basin per $17 AF		
City of Pasadena		
Annual Lease Agreement	$64,941.00	$63,668.00
Water Rate (per AF)	$2,139.00	$2,139.00
City of South Pasadena		
Meter Charge	$588.00	$0.00
Capital Improvement Surcharge	$1,511.78	$0.00
Annual Fee	$400.00	$0.00
Water Rate (per AF)	$462.00	$0.00
*El Monte Cemetery Purchased Water Rights (90% * 587.00)*	$528.30	$528.30
MWD		
Capacity Charge ($7,400 * 12)	$88,800.00	$88,800.00
Readiness to Serve Charge ($1,884 * 12)	$22,608.00	$22,608.00
Tier 1 Rate (per AF)	$794.00	$794.00
Tier 2 Rate (per AF)	$920.00	$920.00
Main San Gabriel Basin Water Master Fees		
Administrative & Assessment Fees		
Long Beach Make-Up Water Assessment Fees	$0.00	$0.00
Water Master Administrative Fees	$13.00	$13.00
Water Master In-Lieu Assessment	$1.00	$1.00
Replenishment Water Assessment	$696.00	$696.00
San Gabriel River Water Committee (Co9)	$28,107.00	$28,107.36
MSGB H2O Quality - Administrative	$7.25	$7.25
SG Valley Water Association	$0.45	$0.45
SG Valley Water Association Annual Dues	$25.00	$25.00

CALIFORNIA AMERICAN WATER COMPANY
A. 13-07-002, 2013 GENERAL RATE CASE **ATTACHMENT B-1**
ADOPTED QUANTITIES - PURCHASED WATER

San Marino		
Purchased Water Costs		
City of Pasadena		
Annual Lease Agreement	$64,941.00	$63,668.00
Total	$64,941.00	$63,668.00
City of South Pasadena		
Meter Charge	$588.00	$0.00
Capital Improvement Surcharge	$1,511.78	$0.00
Annual Fee	$400.00	$0.00
Water Rate (per AF)	$0.00	$0.00
Total	$2,499.78	$0.00
El Monte Cemetery Rental	$0.00	$0.00
MWD		
Capacity Charge	$88,800.00	$88,800.00
Readiness to Serve Charge	$22,608.00	$22,608.00
Tier 1 Rate (per AF)	$951,609.00	$951,609.00
Tier 2 Rate (per AF)	$717,140.00	$717,140.00
Total	$1,780,157.00	$1,780,157.00
Main San Gabriel Basin Water Master Fees		
Administrative & Assessment Fees		
Long Beach Make-Up Water Assessment Fees	$0.00	$0.00
Water Master Administrative Fees	$92,133.60	$92,125.80
Water Master In-Lieu Assessment	$7,087.20	$7,086.60
Replenishment Water Assessment	$0.00	$0.00
Raymond Basin Management	$45,558.00	$45,558.00
Raymond Basin Management Long Term Shortage	$585.00	$585.00
Raymond Basin $/af	$0.00	$0.00
San Gabriel River Water Committee (Co9)	$28,107.00	$28,107.36
MSGB H2O Quality - Administrative	$60,617.42	$60,617.42
SG Valley Water Association	$3,762.46	$3,762.46
SG Valley Water Association Annual Dues	$25	$25
Total	$237,876	$237,868
TOTAL SAN MARINO COSTS	**$2,085,473**	**$2,081,693**
Total Los Angeles Costs	**$4,637,593**	**$4,603,285**

CALIFORNIA AMERICAN WATER COMPANY
A. 13-07-002, 2013 GENERAL RATE CASE
ADOPTED QUANTITIES - PURCHASED POWER

ATTACHMENT B-2

	Sacramento		Larkfield	
2013 GRC Northern Division Purchased Power	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**
Cost per KWH	0.1283	0.1283	0.2676	0.2676
KWH/CCF	1.2483	1.2483	0.8314	0.8314
System Delivery (ccf)	15,185,517	15,028,166	410,739	411,366
Forecasted kwh	18,956,080	18,759,660	341,488	342,010
Power Expense	2,432,065	2,406,864	91,382	91,522

	Monterey		Toro		Monterey WW	Monterey WW
2013 GRC Central Division Purchased Power	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**
Cost per KWH	0.1501	0.1501	0.1886	0.1886	0.0900	0.09207
KWH/CCF	2.6206	2.6206	2.7349	2.7349		
System Delivery (ccf)	5,854,378	5,855,437	99,257	99,257		
Forecasted kwh	15,341,984	15,344,757	271,458	271,458	1,365,557	1,365,557
Power Expense	2,302,832	2,303,248	51,197	51,197	122,927	125,730

	Ventura		LA-Baldwin Hills		LA-Duarte		LA-San Marino		LA Total	
2013 GRC Southern Division Purchased Power	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**	**Test Year 2015 Settlement**	**Escalation Year 2016 Settlement**
Cost per KWH	0.1370	0.1370	0.1358	0.1358	0.1006	0.1006	0.0981	0.0981		
KWH/CCF	0.2566	0.2566	1.4302	1.4302	1.8707	1.8707	2.1107	2.1107		
System Delivery (ccf)	7,226,488	7,249,197	1,435,913	1,434,809	2,803,708	2,803,914	4,777,741	4,777,474	9,017,362	9,016,196
Forecasted kwh	1,854,317	1,860,144	2,053,643	2,052,064	5,244,897	5,245,281	10,084,320	10,083,756	17,382,859	17,381,101
Power Expense	254,041	254,840	278,885	278,670	527,637	527,675	989,272	989,216	1,795,793	1,795,562

CALIFORNIA AMERICAN WATER COMPANY
A. 13-07-002, 2013 GENERAL RATE CASE **ATTACHMENT B-3**
LABOR HEAD COUNT

	Position Title	District	Union/ Non-Union	Full/Part Time
1	Admin Asst - Staff Supp (N)	Cal Corp	Non-Union	Full time
2	Construction Inspector NER (N)	Cal Corp	Non-Union	Full time
3	Coord Engrg (N)	Cal Corp	Non-Union	Full time
4	Corp Counsel III	Cal Corp	Non-Union	Full time
5	Corp Counsel III	Cal Corp	Non-Union	Full time
6	Dir Wtr Qlty & Envrn Cmpl (Lg)	Cal Corp	Non-Union	Full time
7	Dir Engineering (Large)	Cal Corp	Non-Union	Full time
8	Dir Rates	Cal Corp	Non-Union	Full time
9	Program Mgr Supplier Diversity	Cal Corp	Non-Union	Full time
10	Drafter CAD (N)	Cal Corp	Non-Union	Full time
11	Engr Opns	Cal Corp	Non-Union	Full time
12	Engineering Tech (N)	Cal Corp	Non-Union	Full time
13	Exec Asst to EMT (N)	Cal Corp	Non-Union	Full time
14	Financial Analyst II (Rates)	Cal Corp	Non-Union	Full time
15	Financial Analyst II (FP&A)	Cal Corp	Non-Union	Full time
16	Financial Analyst II (Rates)	Cal Corp	Non-Union	Full time
17	Financial Analyst II (Rates)	Cal Corp	Non-Union	Full time
18	Financial Analyst III (FP&A)	Cal Corp	Non-Union	Full time
19	Financial Analyst III (Rates)	Cal Corp	Non-Union	Full time
20	Sr HR Generalist	Cal Corp	Non-Union	Full time
21	Mgr Engrg-Asset/Capital Plng	Cal Corp	Non-Union	Full time
22	Project Mgr Engr	Cal Corp	Non-Union	Full time
23	Mgr Business Performance	Cal Corp	Non-Union	Full time
24	Financial Analyst I	Cal Corp	Non-Union	Full time
25	Mgr Engrg - Project Delivery	Cal Corp	Non-Union	Full time
26	Mgr Engrg - Project Delivery	Cal Corp	Non-Union	Full time
27	Mgr Ext Affairs (State)	Cal Corp	Non-Union	Full time
28	Mgr External Affairs (Corp)	Cal Corp	Non-Union	Full time
29	Mgr Human Resources	Cal Corp	Non-Union	Full time
30	Mgr Loss Control	Cal Corp	Non-Union	Full time
31	Mgr Wtr Efficiency & Cnsrvtn	Cal Corp	Non-Union	Full time
32	Specialist Operations (N)	Cal Corp	Non-Union	Full time
33	Engr Opns	Cal Corp	Non-Union	Full time
34	Paralegal (N)	Cal Corp	Non-Union	Full time
35	President (Large States)	Cal Corp	Non-Union	Full time
36	Sr Mgr Rates	Cal Corp	Non-Union	Full time
37	Analyst Project	Cal Corp	Non-Union	Full time
38	Sr Engineering Tech	Cal Corp	Non-Union	Full time
39	Specialist Operations (N)	Cal Corp	Non-Union	Full time
40	Sr Administrator Captl Prgm	Cal Corp	Non-Union	Full time
41	Sr Project Mgr Engr	Cal Corp	Non-Union	Full time
42	Sr Project Mgr Engr	Cal Corp	Non-Union	Full time
43	Sr Project Mgr Engr	Cal Corp	Non-Union	Full time
44	Sr Mgr FP&A	Cal Corp	Non-Union	Full time
45	Sr Mgr Rates	Cal Corp	Non-Union	Full time
46	Sr Engineering Tech	Cal Corp	Non-Union	Full time
47	Analyst Project	Cal Corp	Non-Union	Full time
48	Project Mgr Engr	Cal Corp	Non-Union	Full time
49	Sr Project Mgr Engr	Cal Corp	Non-Union	Full time
50	Sr Project Mgr Engr	Cal Corp	Non-Union	Full time
51	Lead Specialist Support ITS	Cal Corp	Non-Union	Full time
52	Sr Specialist Maint Service(N)	Cal Corp	Non-Union	Full time
53	Sr Specialist Maint Service(N)	Cal Corp	Non-Union	Full time
54	Sr Specialist ORM Training	Cal Corp	Non-Union	Full time
55	Supvr Opns I	Cal Corp	Non-Union	Full time
56	VP Operations (Large)	Cal Corp	Non-Union	Full time
57	Mgr Maint	Cal Corp	Non-Union	Full time
58	Mgr Procurement	Cal Corp	Non-Union	Full time
59	Paralegal (N)	Cal Corp	Non-Union	Full time
60	Corp Counsel III Regional	Cal Corp	Non-Union	Full time
61	Sr Mgr Business Dev	Cal Corp	Non-Union	Full time
62	Spec Ext Affairs (State)	Cal Corp	Non-Union	Full time
63	Mgr Ext Affairs (State)	Cal Corp	Non-Union	Full time
64	Tech, Client Technology ITS	Cal Corp	Non-Union	Full time
65	Sr.Procurement Transaction Analyst	Cal Corp	Non-Union	Full time
66	Coord Engrg (N)	Cal Corp	Non-Union	Full time
67	Corp Counsel II	Cal Corp	Non-Union	Full time
68	Manager of Engineering Project Delivery	Cal Corp	Non-Union	Full time
69	External Affairs Assistant - Intern	Cal Corp	Non-Union	Full time
70	Corp Counsel III	Cal Corp	Non-Union	Full time
71	Specialist Human Resources (N)	Cal Corp	Non-Union	Full time
72	Project Engineer Sac	Cal Corp	Non-Union	Full time
73	Ops Eng Specialist - Southern	Cal Corp	Non-Union	Full time
74	Financial Analyst II	Cal Corp	Non-Union	Full time
75	Dir of Bus Perf	Cal Corp	Non-Union	Full time
76	Corp Counsel III	Cal Corp	Non-Union	Full time
77	Draftsperson	Cal Corp	Union	Full time
78	Engineering Tech	Cal Corp	Union	Full time
79	Admin Assistant	Cal Corp	Union	Full time
80	Customer Service Clerk/Teller	Cal Corp	Union	Full time
81	Customer Service	Cal Corp	Non-Union	Full time

CALIFORNIA AMERICAN WATER COMPANY
A. 13-07-002, 2013 GENERAL RATE CASE **ATTACHMENT B-3**
LABOR HEAD COUNT

	Position Title	District	Union/ Non-Union	Full/Part Time
1	Specialist Operations (N)	San Diego	Non-Union	Full time
2	Laborer	San Diego	Non-Union	Full time
3	Foreman	San Diego	Non-Union	Full time
4	Admin Asst (N)	San Diego	Non-Union	Full time
5	Admin Asst (N)	San Diego	Non-Union	Full time
6	Meter Reader	San Diego	Non-Union	Full time
7	Utility Worker	San Diego	Non-Union	Full time
8	Supvr Opns I	San Diego	Non-Union	Full time
9	Utility Worker	San Diego	Non-Union	Full time
10	Mgr Ops	San Diego	Non-Union	Full time
11	Customer Field Representative	San Diego	Non-Union	Full time
12	Foreman	San Diego	Non-Union	Full time
13	Laborer	San Diego	Non-Union	Full time
14	Utility Worker	San Diego	Non-Union	Full time
15	Laborer	San Diego	Non-Union	Full time
16	Utility Worker	San Diego	Non-Union	Full time
17	Sr. Utility Worker	San Diego	Non-Union	Full time
18	Meter Reader	San Diego	Non-Union	Full time
19	Utility Worker	San Diego	Non-Union	Full time
20	Laborer	San Diego	Non-Union	Full time
21	Laborer	San Diego	Non-Union	Full time
22	Meter Reader	San Diego	Non-Union	Full time
1	Dir Operations State	LA	Non-Union	Full time
2	Mgr Opns	LA	Non-Union	Full time
3	Foreman	LA	Non-Union	Full time
4	Supvr Opns I	LA	Non-Union	Full time
5	Admin Asst - Staff Supp (N)	LA	Non-Union	Full time
6	Specialist Water Conservation	LA	Non-Union	Full time
7	Supvr Opns I (N)	LA	Non-Union	Full time
8	Specialist Opns	LA	Non-Union	Full time
9	Foreman	LA	Non-Union	Full time
10	Summer Intern	LA	Non-Union	Temp
11	Summer Intern	LA	Non-Union	Temp
12	Water Quality Specialist	LA	Non-Union	Full time
13	Sr. Customer Service Rep.	LA	Union	Full time
14	Meter Reader	LA	Union	Full time
15	Meter Reader	LA	Union	Full time
16	Meter Reader	LA	Union	Full time
17	Meter Reader	LA	Union	Full time
18	Utility Worker I	LA	Union	Full time
19	Utility Worker II	LA	Union	Full time
20	Utility Worker II	LA	Union	Full time
21	Utility Worker II	LA	Union	Full time
22	Pump Operator	LA	Union	Full time
23	Pump Operator	LA	Union	Full time
24	Pump Operator	LA	Union	Full time
25	Pump Operator	LA	Union	Full time
26	Field Clerk/Utilityperson	LA	Union	Full time
27	Laborer	LA	Union	Full time
28	Laborer	LA	Union	Full time
29	Laborer	LA	Union	Full time
30	Customer Service Representativ	LA	Union	Full time
31	Equipment Operator	LA	Union	Full time
32	Equipment Operator	LA	Union	Full time
1	Specialist Operations (N)	Larkfield	Non-Union	Full time
2	Water System Operator	Larkfield	Non-Union	Full time
3	Water System Operator	Larkfield	Non-Union	Full time
4	Supt Operations II	Larkfield	Non-Union	Full time
5	Water System Operator	Larkfield	Non-Union	Full time

CALIFORNIA AMERICAN WATER COMPANY
A. 13-07-002, 2013 GENERAL RATE CASE **ATTACHMENT B-3**
LABOR HEAD COUNT

	Position Title	District	Union/ Non-Union	Full/Part Time
1	Dir Operations State	Monterey	Non-Union	Full time
2	Engr Controls (SCADA)	Monterey	Non-Union	Full time
3	Mgr Business Performance	Monterey	Non-Union	Full time
4	Mgr Wtr Qlty & Envrn Cmpl	Monterey	Non-Union	Full time
5	Supvr Opns I	Monterey	Non-Union	Full time
6	Supvr Opns I	Monterey	Non-Union	Full time
7	Supvr Opns I	Monterey	Non-Union	Full time
8	Supvr Opns I	Monterey	Non-Union	Full time
9	Supvr Opns I	Monterey	Non-Union	Full time
10	Admin Asst (N)	Monterey	Non-Union	Full time
11	Admin Asst (N)	Monterey	Non-Union	Full time
12	Spec Wtr Qlty & Env Compl II	Monterey	Non-Union	Full time
13	Watershed Caretaker	Monterey	Non-Union	Full time
14	Manager of Field Ops	Monterey	Non-Union	Full time
15	Backhoe Operator	Monterey	Union	Full time
16	Customer Serviceperson	Monterey	Union	Full time
17	Customer Serviceperson	Monterey	Union	Full time
18	Customer Serviceperson	Monterey	Union	Full time
19	Customer Serviceperson	Monterey	Union	Full time
20	Production Specialist	Monterey	Union	Full time
21	Field Services Representative	Monterey	Union	Full time
22	Laboratory Technician Grade I	Monterey	Union	Full time
23	Landscape Maintenance	Monterey	Union	Full time
24	Lead Water Conservation Spec	Monterey	Union	Full time
25	Meter Reader	Monterey	Union	Full time
26	Meter Reader	Monterey	Union	Full time
27	Meter Reader	Monterey	Union	Full time
28	Meter Reader	Monterey	Union	Full time
29	Meter Reader	Monterey	Union	Full time
30	Meter Reader Coordinator	Monterey	Union	Full time
31	Pump Operator Gr. 1	Monterey	Union	Full time
32	Pump Operator Gr. 1	Monterey	Union	Full time
33	Pump Operator Gr. 1	Monterey	Union	Full time
34	Pump Operator Gr. 2	Monterey	Union	Full time
35	Pump Operator Gr. 2	Monterey	Union	Full time
36	Pump Operator Gr. 3	Monterey	Union	Full time
37	Production Foreman Grade IV	Monterey	Union	Full time
38	Small Crew Foreman Grade II	Monterey	Union	Full time
39	Small Crew Foreman Grade III	Monterey	Union	Full time
40	Small Crew Foreman Grade III	Monterey	Union	Full time
41	Small Crew Foreman Grade III	Monterey	Union	Full time
42	Small Crew Foreman Grade III	Monterey	Union	Full time
43	Treatment Plant Op (Grade II)	Monterey	Union	Full time
44	Customer Service Rep/Teller	Monterey	Union	Full time
45	Customer Service Rep/Teller	Monterey	Union	Full time
46	Meter Repair Technician	Monterey	Union	Full time
47	Meter Repair Technician	Monterey	Union	Full time
48	Treatment Plant Op (Grade II)	Monterey	Union	Full time
49	Treatment Plant Op (Grade II)	Monterey	Union	Full time
50	Treatment Plant Op (Grade II)	Monterey	Union	Full time
51	Treatment Plant Op (Grade IV)	Monterey	Union	Full time
52	Treatment Plant Oper Foreman	Monterey	Union	Full time
53	Utility Worker II-Grade II	Monterey	Union	Full time
54	Utility Worker II-Grade II	Monterey	Union	Full time
55	Utility Worker II-Grade II	Monterey	Union	Full time
56	Utility Worker II-Grade II	Monterey	Union	Full time
57	Utility Worker II-Grade II	Monterey	Union	Full time
58	Utility Worker II-Grade III	Monterey	Union	Full time
59	Utility Worker II-Grade III	Monterey	Union	Full time
60	Utility Worker II-Grade III	Monterey	Union	Full time
61	Utility Worker I Grade I	Monterey	Union	Full time
62	Utility Worker I Grade I	Monterey	Union	Full time
63	Utility Worker I Grade I	Monterey	Union	Full time
64	Water Conservation Specialist	Monterey	Union	Full time
65	Water Conservation Specialist	Monterey	Union	Full time
66	Warehouse Technician	Monterey	Union	Full time
67	Landscape Maintenance	Monterey	Union	Full time
68	Laboratory Technician Grade III	Monterey	Union	Full time
69	Maintenance Mechanic	Monterey	Union	Full time
70	0	Monterey	Union	Full time

CALIFORNIA AMERICAN WATER COMPANY
A. 13-07-002, 2013 GENERAL RATE CASE **ATTACHMENT B-3**
LABOR HEAD COUNT

	Position Title	District	Union/ Non-Union	Full/Part Time
1	Wastewater Foreman	Monterey WW	Union	Full time
2	W/WW Plant Operator II	Monterey WW	Union	Full time
3	Wastewater Operator OIT	Monterey WW	Union	Full time
4	W/WW Plant Operator III	Monterey WW	Union	Full time
5	W/WW Plant Operator	Monterey WW	Union	Full time
6	W/WW Plant Operator II	Monterey WW	Union	Full time
7	W/WW Plant Operator III	Monterey WW	Union	Full time
8	W/WW Plant Operator II	Monterey WW	Union	Full time
9	W/WW Plant Operator III	Monterey WW	Union	Full time
10	Lab Tech	Monterey WW	Union	Full time
1	Supt Wtr Qlty & Envrn Cmpl	Sacramento	Non-Union	Full time
2	Electrician	Sacramento	Non-Union	Full time
3	Specialist Operations (N)	Sacramento	Non-Union	Full time
4	Supvr Opns I	Sacramento	Non-Union	Full time
5	Admin Asst (N)	Sacramento	Non-Union	Full time
6	Supvr Opns I	Sacramento	Non-Union	Full time
7	Specialist Operations (N)	Sacramento	Non-Union	Full time
8	Supvr Opns I	Sacramento	Non-Union	Full time
9	Electrician	Sacramento	Non-Union	Full time
10	Specialist Operations (N)	Sacramento	Non-Union	Full time
11	Supvr Opns I	Sacramento	Non-Union	Full time
12	Specialist Water Quality	Sacramento	Non-Union	Full time
13	Admin Asst (N)	Sacramento	Non-Union	Full time
14	Specialist Water Quality	Sacramento	Non-Union	Full time
15	Dir Operations State	Sacramento	Non-Union	Full time
16	Mgr Ops	Sacramento	Non-Union	Full time
17	Specialist Operations (N)	Sacramento	Non-Union	Full time
18	Sr Specialist Maint Service(N)	Sacramento	Non-Union	Full time
19	Distribution System Operator	Sacramento	Union	Full time
20	Production Foreman	Sacramento	Union	Full time
21	Water Treatment Operator III	Sacramento	Union	Full time
22	Distribution System Operator	Sacramento	Union	Full time
23	Sr. Distribution System Op	Sacramento	Union	Full time
24	Sr. Distribution System Op	Sacramento	Union	Full time
25	Sr. Serviceperson	Sacramento	Union	Full time
26	Sr. Field Ser Cross Conn	Sacramento	Union	Full time
27	Water Treatment Operator III	Sacramento	Union	Full time
28	Water Treatment Operator III	Sacramento	Union	Full time
29	Distribution System Operator	Sacramento	Union	Full time
30	Water Treatment Operator III	Sacramento	Union	Full time
31	Water Treatment Operator III	Sacramento	Union	Full time
32	Serviceperson Foreman	Sacramento	Union	Full time
33	Serviceperson	Sacramento	Union	Full time
34	Water Treatment Operator III	Sacramento	Union	Full time
35	Field Services Rep (meter conversion program)	Sacramento	Union	Full time
36	Distribution System Operator	Sacramento	Union	Full time
37	Serviceperson	Sacramento	Union	Full time
38	Distribution Foreman	Sacramento	Union	Full time
39	Distribution System Operator	Sacramento	Union	Full time
40	Distribution System Operator	Sacramento	Union	Full time
41	Distribution System Operator	Sacramento	Union	Full time
42	Water Treatment Operator II	Sacramento	Union	Full time
43	Distribution Foreman	Sacramento	Union	Full time
44	Sr. Distribution System Operator	Sacramento	Union	Full time
45	Water Treatment Operator II	Sacramento	Union	Full time
46	Water Treatment Operator II	Sacramento	Union	Full time
47	Water Treatment Operator II	Sacramento	Union	Full time
48	Water Treatment Operator III	Sacramento	Union	Full time
49	Water Treatment Operator III	Sacramento	Union	Full time
50	Water Treatment Operator III	Sacramento	Union	Full time
51	Distribution System Operator	Sacramento	Union	Full time
52	Serviceperson	Sacramento	Union	Full time
53	Serviceperson	Sacramento	Union	Full time
54	2012 Meter Reader	Sacramento	Union	Full time
55	Water Treatment Operator III	Sacramento	Union	Full time
56	Distribution System Operator	Sacramento	Union	Full time

CALIFORNIA AMERICAN WATER COMPANY
A. 13-07-002, 2013 GENERAL RATE CASE **ATTACHMENT B-3**
LABOR HEAD COUNT

	Position Title	District	Union/ Non-Union	Full/Part Time
1	Supvr Opns I	Ventura	Non-Union	Full time
2	Admin Asst (N)	Ventura	Non-Union	Full time
3	Specialist Operations (N)	Ventura	Non-Union	Full time
4	Supvr Opns I	Ventura	Non-Union	Full time
5	Mgr Opns	Ventura	Non-Union	Full time
6	Utility Worker	Ventura	Union	Full time
7	Utility Worker	Ventura	Union	Full time
8	Utility Worker	Ventura	Union	Full time
9	Utility Worker	Ventura	Union	Full time
10	Utility Worker	Ventura	Union	Full time
11	Utility Worker	Ventura	Union	Full time
12	Utility Worker	Ventura	Union	Full time
13	Utility Worker	Ventura	Union	Full time
14	Pump Operator Gr 1	Ventura	Union	Full time
15	Utility Worker	Ventura	Union	Full time
16	Utility Worker	Ventura	Union	Full time
	TOTAL CA HEADCOUNT	292		

Note: Does not include conservation specialists that are part of the conservation budget.

CALIFORNIA AMERICAN WATER COMPANY
A.13-07-002, 2013 GENERAL RATE CASE **ATTACHMENT B-4**
TANK PAINTING SCHEDULE

District	Tank Name	Amortization Period		Amount ($)	Amortization Period (in Months)	Monthly Amortization ($)	2015
Sacramento	Carbon Changeout Sky Parkway	9/1/2003	8/31/2013	15,310.00	120	127.58	0
Sacramento	Countryside Backwash Tank - Update Inspection	7/1/2017	7/1/2027	4,101.00	120	34.18	0
Sacramento	Countryside BW Tank	2/1/2011	1/31/2021	227,252.08	120	1,893.77	22,725
Sacramento	Countryside Treatment Plant - Anniversary Inspection	7/1/2017	7/1/2022	2,578.00	60	42.97	0
Sacramento	Countryside Treatment Plant - Engineering	7/1/2015	6/30/2020	4,775.00	60	79.58	477
Sacramento	Countryside Treatment Plant - Tank Painting	7/1/2017	7/1/2027	937,430.00	120	7,811.92	0
Sacramento	Insp Rose Parade Tanks	5/1/2011	4/30/2016	5,443.00	60	90.72	1,089
Sacramento	Isleton Backwash - Update Inspection	7/1/2014	7/1/2019	3,714.00	60	61.90	743
Sacramento	Isleton Elevated - Update Inspection	7/1/2014	7/1/2019	3,714.00	60	61.90	743
Sacramento	Isleton Recovery - Update Inspection	7/1/2014	7/1/2019	3,714.00	60	61.90	743
Sacramento	Isleton Tank Reahab (minor)	8/1/2008	7/31/2018	22,933.29	120	191.11	2,293
Sacramento	Mather - Anniversary Inspection	7/1/2016	7/1/2021	2,527.00	60	42.12	0
Sacramento	Mather - Engineering	7/1/2015	6/30/2020	8,490.00	60	141.50	849
Sacramento	Mather - Tank Painting	7/1/2015	6/30/2025	855,944.00	120	7,132.87	42,797
Sacramento	Paint Vessel Sky Parkway	8/1/2003	7/31/2013	13,350.00	120	111.25	0
Sacramento	Parksite Backwash No. 1 - Update Inspection	7/1/2017	7/1/2027	4,101.00	120	34.18	0
Sacramento	Parksite Backwash No. 2 - Update Inspection	7/1/2017	7/1/2027	4,101.00	120	34.18	0
Sacramento	Parksite Tanks - Anniversary Inspection	7/1/2016	7/1/2026	4,101.00	120	34.18	0
Sacramento	Parksite TP BW #1 Tank	4/1/2011	3/31/2021	112,316.66	120	935.97	11,232
Sacramento	Parksite Treatment Plant 1 - Tank Painting	7/1/2015	6/30/2025	138,010.00	120	1,150.08	6,900
Sacramento	Parksite Treatment Plant 2 - Tank Painting	7/1/2016	7/1/2026	390,845.00	120	3,257.04	0
Sacramento	Parksite Treatment Plant 2 - Update Inspection	2/1/2013	1/31/2018	3,119.04	60	51.98	624
Sacramento	Roseville Road - Update Inspection	7/1/2014	7/1/2019	3,714.00	60	61.90	743
Sacramento	Sac Parkside- 1M Gal STL	7/1/2007	6/30/2017	2,720.68	120	22.67	272
Sacramento	Sac Vintage South- $1.5M STL	5/1/2008	4/30/2017	346,278.50	108	3,206.28	38,475
Sacramento	Sac-District Tank Inspection	1/1/2009	12/31/2013	9,339.23	60	155.65	0
Sacramento	Sac-Vintage North Backwash Tank	3/1/2008	2/28/2018	2,992.00	120	24.93	299
Sacramento	Security Park No. 1 - Update Inspection	7/1/2017	7/1/2027	4,101.00	120	34.18	0
Sacramento	Security Park Tank #1	3/1/2011	2/28/2021	114,450.18	120	953.75	11,445
Sacramento	Tank Maint & Paint - Parksite Concrete	1/1/2006	12/31/2015	30,468.58	120	253.90	3,047
Sacramento	Tank Maint & Paint - Parksite Steel	1/1/2006	12/31/2015	188,480.95	120	1,570.67	18,848
Sacramento	Tank Maint & Paint-Elevated Tank in Isleton	1/1/2006	12/31/2015	225,478.05	120	1,878.98	22,548
Sacramento	Tank Maint & Paint-Isleton 100,000.00 GAL Elevated	1/1/2006	12/31/2015	8,411.75	120	70.10	841
Sacramento	Tank Maint & Paint-North Tank Vintage SAC	11/1/2006	10/31/2016	7,795.00	120	64.96	780
Sacramento	Tank Maint & Paint-Parksite Concrete Tank	12/1/2006	11/30/2016	8,434.26	120	70.29	843
Sacramento	Tank Maint & Paint-Parksite Mgal Steel Tank	11/1/2006	10/31/2016	10,771.09	120	89.76	1,077
Sacramento	Tank Maint & Paint-South Tank Vintage SAC	11/1/2006	10/31/2016	9,942.00	120	82.85	994
Sacramento	Tank Maint & Paint-Sunrise #1 Steel Tank	9/1/2006	8/31/2016	14,229.18	120	118.58	1,423
Sacramento	Tank Maint & Paint-Sunrise #2 230 K Gal Steel Tank	12/1/2006	11/30/2016	9,086.70	120	75.72	909
Sacramento	Vintage Backwash Tank - Update Inspection	7/1/2017	7/1/2027	4,101.00	120	34.18	0
Sacramento	Vintage South/Isleton/Walnut Grove Tank Evaluation	4/1/2009	3/31/2014	4,460.00	60	74.33	0
Sacramento	Vintage Treatment Plant - Update Inspection	7/1/2014	7/1/2019	3,789.00	60	63.15	758
Sacramento	Walnut Grove Islandview TP - Update Inspection	7/1/2014	7/1/2019	3,714.00	60	61.90	743
Sacramento	Walnut Grove Tank Rehab-2007	8/1/2008	7/31/2018	14,884.33	120	124.04	1,488
	Sacramento Total Amortization						**196,748**
Larkfield	Backwash/Sludge Tank - Anniversary Inspection	7/1/2015	6/30/2020	1,987.00	60	33.12	199
Larkfield	Backwash/Sludge Tank - Engineering	2/1/2013	1/31/2018	2,797.05	60	46.62	559
Larkfield	Backwash/Sludge Tank - Tank Painting	7/1/2014	6/30/2024	135,845.00	120	1,132.04	13,584
Larkfield	Larkfield District Tank Inspections	9/1/2007	8/31/2012	9,930.48	60	165.51	0
Larkfield	Larkfield Tank Inspection	12/1/2007	11/30/2012	596.00	60	9.93	0
Larkfield	Lower Wikiup (1) - Engineering	2/1/2013	1/31/2018	3,460.43	60	57.67	692
Larkfield	Lower Wikiup (1) - Update Inspection	7/1/2017	7/1/2027	4,020.00	120	33.50	0
Larkfield	Lower Wikiup (2) - Update Inspection	7/1/2014	7/1/2019	3,789.00	60	63.15	758
Larkfield	Lower Wikiup Tank Recoating	8/1/2004	7/31/2014	47,440.44	120	395.34	0
Larkfield	N Wikiup #2 1st Anniv Inspection	8/1/2008	7/31/2013	3,628.85	60	60.48	0
Larkfield	North Wikiup (1) - Engineering	2/1/2013	1/31/2018	8,828.39	60	147.14	1,766
Larkfield	North Wikiup (1) - Tank Painting	7/1/2014	6/30/2024	231,857.00	120	1,932.14	23,186
Larkfield	North Wikiup (2) - Update Inspection	7/1/2014	7/1/2019	3,789.00	60	63.15	758
Larkfield	North Wikiup Tank #1	8/1/2008	7/31/2013	2,850.00	60	47.50	0
Larkfield	Upper Wikiup (1) - Tank Painting	7/1/2015	6/30/2025	47,167.00	120	393.06	2,358
Larkfield	Upper Wikiup Tank #2	5/1/2011	4/30/2021	88,371.10	120	736.43	8,837
	Larkfield Total Amortization						**52,697**

CALIFORNIA AMERICAN WATER COMPANY
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TANK PAINTING SCHEDULE

District	Tank Name	Amortization Period		Amount ($)	Amortization Period (in Months)	Monthly Amortization ($)	2015
Monterey	Amort Other Deferred Maint	9/1/1997	8/31/2017	7,500.00	240	31.25	375
Monterey	Tank Painting Quail Medows	10/1/2002	9/30/2012	16,962.42	120	141.35	0
Monterey		5/1/2012	4/30/2017	4,491.09	60	74.85	898
Monterey	Aguajito 1 Tank Rehab	2/1/2013	1/31/2023	179,184.55	120	1,493.20	17,918
Monterey	Airways Lower - tank painting	7/1/2014	6/30/2024	105,000.00	120	875.00	10,500
Monterey	Airways Lower - Update Inspection	12/27/2013	12/27/2018	3,476.34	60	57.94	695
Monterey	Airways Upper	7/1/2015	6/30/2025	105,021.00	120	875.18	5,251
Monterey	Airways Upper	7/1/2016	7/1/2021	2,369.00	60	39.48	0
Monterey	Airways Upper - Engineering	7/1/2014	7/1/2019	4,258.00	60	70.97	852
Monterey	Begonia 6 Small Filter Renovtn	1/1/1999	12/31/2013	43,594.00	180	242.19	0
Monterey	Begonia BIRP Filter Renovtn	1/1/1999	12/31/2013	22,638.49	180	125.77	0
Monterey	Begonia BIRP Filter Renovtn	1/1/2000	12/31/2014	95,133.97	180	528.52	0
Monterey	Boots Road	7/1/2016	7/1/2021	4,606.00	60	76.77	0
Monterey	Carmel View - Engineering	7/1/2014	7/1/2019	3,042.00	60	50.70	608
Monterey	Carmel Woods #1	7/1/2015	6/30/2025	63,500.00	120	529.17	3,175
Monterey	Carmel Woods #2	7/1/2015	6/30/2025	63,500.00	120	529.17	3,175
Monterey	Carola	7/1/2015	6/30/2020	4,429.00	60	73.82	443
Monterey	Carola #1 - Engineering	7/1/2014	7/1/2019	4,095.00	60	68.25	819
Monterey	Carola 1 - Tank Painting	7/1/2014	6/30/2024	170,000.00	120	1,416.67	17,000
Monterey	Carola 2	7/1/2016	7/1/2026	155,280.00	120	1,294.00	0
Monterey	Chular Tank inspecition	12/1/2012	11/30/2017	3,110.51	60	51.84	622
Monterey	Cypress 2 - Anniversary Inspection	7/1/2014	7/1/2019	2,106.00	60	35.10	421
Monterey	Cypress 2 Tank Inspection	9/1/2011	8/31/2016	13,765.44	60	229.42	2,753
Monterey	Cypress 2 Tank Painting	9/1/2011	8/31/2021	189,625.34	120	1,580.21	18,963
Monterey	Cypress 2 Tank Painting AS	4/1/2013	3/31/2018	759.78	60	12.66	152
Monterey	Fairways	7/1/2015	6/30/2025	113,000.00	120	941.67	5,650
Monterey	Fairways 1 Tank Inspection	9/1/2011	8/31/2016	3,512.00	60	58.53	702
Monterey	Filter -CVFP No.13,14,16 Paint	2/1/2003	1/31/2013	177,517.62	120	1,479.31	0
Monterey	Forest Lak 2 Tank Inspection	5/1/2013	4/30/2018	4,775.00	60	79.58	955
Monterey	Forest Lake #1	7/1/2016	7/1/2026	1,040,092.00	120	8,667.43	0
Monterey	Forest Lake #1	7/1/2016	7/1/2021	2,369.00	60	39.48	0
Monterey	Forest Lake #1 - Engineering	7/1/2014	7/1/2019	5,475.00	60	91.25	1,095
Monterey	Forrest Lake #2-Deferred Maint portion	5/15/2006	5/15/2016	413,778.54	120	3,448.15	41,378
Monterey	Garrapata Tank Inspection	5/1/2013	4/30/2018	23,099.99	60	385.00	4,620
Monterey	Garrapata Tank Painting	5/1/2013	4/30/2023	29,044.00	120	242.03	2,904
Monterey	High Meadows	7/1/2015	6/30/2020	4,429.00	60	73.82	443
Monterey	High Meadows	7/1/2016	7/1/2026	282,925.00	120	2,357.71	0
Monterey	Hillby 1	7/1/2015	6/30/2025	492,744.00	120	4,106.20	24,637
Monterey	Hillby 1	7/1/2016	7/1/2021	2,278.00	60	37.97	0
Monterey	Hillby 1 - Engineering	7/1/2014	7/1/2019	8,189.00	60	136.48	1,638
Monterey	Hillby 2	7/1/2015	6/30/2020	9,490.00	60	158.17	949
Monterey	Hillby 2	7/1/2017	7/1/2027	473,735.00	120	3,947.79	0
Monterey	Huckleberry 2	7/1/2015	6/30/2020	4,429.00	60	73.82	443
Monterey	Huckleberry 2	7/1/2017	7/1/2027	484,000.00	120	4,033.33	0
Monterey	La Rancheria 2	7/1/2015	6/30/2020	9,490.00	60	158.17	949
Monterey	La Rancheria 2	7/1/2016	7/1/2026	240,816.00	120	2,006.80	0
Monterey	Los Tulares Lower - Anniversary Inspection	7/1/2014	7/1/2019	2,190.00	60	36.50	438
Monterey	Los Tulares Lower - tank painting	1/1/2014	1/1/2024	106,115.93	120	884.30	10,612
Monterey	Lower Toron Tank	1/1/2006	12/31/2015	8,970.00	120	74.75	897
Monterey	Monterey Carel Woods #3 DTS	2/1/2008	1/31/2013	1,091.90	60	18.20	0
Monterey	Monterey District Tank Inspections	1/1/2009	12/31/2013	1,930.00	60	32.17	0
Monterey	Mt Devon Tank Painting	9/1/2011	8/31/2021	155,281.13	120	1,294.01	15,528
Monterey	Mt Devon Tank Painting	12/1/2012	11/30/2022	20,748.40	120	172.90	2,075
Monterey	Mt. Devon - Anniversary Inspection	7/1/2014	7/1/2019	2,106.00	60	35.10	421
Monterey	Mt. Devon Tank Inspection	9/1/2011	8/31/2016	13,765.44	60	229.42	2,753
Monterey	Paint Interior & Exterior	9/30/2012	9/29/2017	241.31	60	4.02	48
Monterey	Paseo Pravada Upper	7/1/2016	7/1/2021	4,606.00	60	76.77	0
Monterey	Pebble Beach #2	7/1/2015	6/30/2020	4,469.00	60	74.48	447
Monterey	Pebble Beach #2	7/1/2016	7/1/2026	132,000.00	120	1,100.00	0
Monterey	Pebble Beach 3 - Anniversary Inspection	7/1/2014	7/1/2019	2,190.00	60	36.50	438
Monterey	Pebble Beach 3 - Tank Painting	12/1/2013	12/1/2023	102,807.64	120	856.73	10,281
Monterey	Pesidio 2 Tank Inspection	9/1/2011	8/31/2016	13,946.45	60	232.44	2,789
Monterey	Presidio #2 Tank Rehab	12/1/2012	11/30/2022	110,460.50	120	920.50	11,046
Monterey	Presidio 1	7/1/2016	7/1/2026	260,656.00	120	2,172.13	0
Monterey	Presidio 1	7/1/2016	7/1/2021	2,369.00	60	39.48	0

CALIFORNIA AMERICAN WATER COMPANY
A.13-07-002, 2013 GENERAL RATE CASE **ATTACHMENT B-4**
TANK PAINTING SCHEDULE

District	Tank Name	Amortization Period		Amount ($)	Amortization Period (in Months)	Monthly Amortization ($)	2015
Monterey	Presidio 1 - Engineering	7/1/2014	7/1/2019	4,258.00	60	70.97	852
Monterey	Presidio 2 Tank Rehab	5/1/2013	4/30/2023	148,883.57	120	1,240.70	14,888
Monterey	Ralph Lane Tank Inspection	12/1/2012	11/30/2017	3,110.51	60	51.84	622
Monterey	Rancho Fiesta Tank Inspection	4/1/2012	3/31/2017	2,322.25	60	38.70	464
Monterey	Rio Vista #1	7/1/2007	6/30/2017	103,763.30	120	864.69	10,376
Monterey	Rio Vista 1	7/1/2016	7/1/2021	9,212.00	60	153.53	0
Monterey	Rio Vista 2	7/1/2015	6/30/2020	4,790.00	60	79.83	479
Monterey	Rio Vista 2	7/1/2016	7/1/2026	170,797.00	120	1,423.31	0
Monterey	Rio Vista Tank No# 1 1st	9/1/2008	8/31/2013	1,353.75	60	22.56	0
Monterey	Ryan Ranch	7/1/2016	7/1/2021	4,700.00	60	78.33	0
Monterey	Ryan Ranch BIRP Filter Renovtn	1/1/1999	12/31/2013	30,556.00	180	169.76	0
Monterey	Segunda Tank 1.5MG Painting	7/1/2011	6/30/2021	385,366.38	120	3,211.39	38,537
Monterey	Stirup	7/1/2016	7/1/2021	4,790.00	60	79.83	0
Monterey	Tank Inspection-Forest Lake #2 Tank	5/15/2006	5/15/2016	10,610.02	120	88.42	1,061
Monterey	Tank Inspection-Lower Robles	1/1/2006	12/31/2015	102,166.91	120	851.39	10,217
Monterey	Tank Inspection-Mercurio Tank	1/1/2006	12/31/2015	160,846.77	120	1,340.39	16,085
Monterey	Tank Inspection-Old Grove 400K Gal	8/1/2008	7/31/2018	285,025.29	120	2,375.21	28,503
Monterey	Tank Inspection-Pacific Meadows	1/1/2006	12/31/2015	96,381.30	120	803.18	9,638
Monterey	Tank Inspection-Rio Vista #3	1/1/2006	12/31/2015	143,211.00	120	1,193.43	14,321
Monterey	Tank Inspection-Viejo (750 K)	1/1/2008	12/31/2017	494,474.56	120	4,120.62	49,447
Monterey	Tank Inspection-Withers #2 100 Gal	7/1/2007	6/30/2017	151,132.44	120	1,259.44	15,113
Monterey	Tank Inspection-Withers #3 350K Gal	7/1/2007	6/30/2017	182,407.96	120	1,520.07	18,241
Monterey	Tank Inspection-Withers #4 Tank	7/1/2007	6/30/2017	96,022.30	120	800.19	9,602
Monterey	Tierra Granda Middle	7/1/2016	7/1/2021	4,000.00	60	66.67	0
Monterey	Tierra Grande Lower	7/1/2016	7/1/2021	4,790.00	60	79.83	0
Monterey	Tierra Grande Upper	7/1/2016	7/1/2021	9,212.00	60	153.53	0
Monterey	Toyon Lower #1	7/1/2016	7/1/2021	2,369.00	60	39.48	0
Monterey	Toyon Lower - Engineering	7/1/2014	7/1/2019	4,258.00	60	70.97	852
Monterey	Toyon Lower #1	7/1/2016	7/1/2026	217,635.00	120	1,813.63	0
Monterey	Walden Lower	7/2/2015	7/1/2020	4,429.00	60	73.82	443
Monterey	Walden Lower	7/1/2016	7/1/2026	36,846.00	120	307.05	0
Monterey	Withers #2 1st Anniversary	8/1/2008	7/31/2013	1,805.00	60	30.08	0
Monterey	Withers #3 1st Anniversary	8/1/2008	7/31/2013	1,353.75	60	22.56	0
Monterey	Withers #4 1st Anniversary	8/1/2008	7/31/2013	1,353.75	60	22.56	0
	Monterey Total Amortization						**468,498**

CALIFORNIA AMERICAN WATER COMPANY
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TANK PAINTING SCHEDULE

District	Tank Name	Amortization Period		Amount ($)	Amortization Period (in Months)	Monthly Amortization ($)	2015
San Diego	Coronado District Tank Inspection - 2007	12/1/2007	11/30/2012	4,803.24	60	80.05	0
San Diego	Coronado Montgomery DTS	12/1/2007	11/30/2012	6,378.66	60	106.31	0
San Diego	Highland Inspection	3/1/2013	2/28/2018	5,157.00	60	85.95	1,031
San Diego	Highland Tank - Clean and paint exterior	7/1/2015	6/30/2020	19,301.85	60	321.70	1,930
San Diego	Highland Tank - Clean and paint interior	7/1/2015	6/30/2025	402,770.15	120	3,356.42	20,139
San Diego	Highland Tank - Engineering and inspections	7/1/2015	6/30/2025	58,116.52	120	484.30	2,906
San Diego	Highland Tank Pre-Painting Engineering	7/1/2014	7/1/2019	4,416.08	60	73.60	883
San Diego	Montgomery Tank	7/1/2009 -	6/30/2019	122,395.12	120	1,019.96	12,240
San Diego	Montgomery Tank - Engineering and Inspections	7/1/2015	6/30/2020	5,827.50	60	97.13	583
	San Diego Total Amortization						**39,711**
Ventura	Deer Ridge	7/1/2015	6/30/2020	4,503.49	60	75.06	450
Ventura	Dos Vientos IIA	3/1/2013	2/28/2018	4,429.00	60	73.82	886
Ventura	Dos Vientos IIB	3/1/2013	2/28/2018	4,429.00	60	73.82	886
Ventura	Dos Vientos III	3/1/2013	2/28/2018	3,886.13	60	64.77	777
Ventura	Greenridge	7/1/2017	7/1/2022	5,643.35	60	94.06	0
Ventura	Industrial Park # 1-DTS	10/1/2007	9/30/2012	5,170.46	60	86.17	0
Ventura	Industrial Park # 2 DTS	9/1/2007	8/31/2012	10,672.21	60	177.87	0
Ventura	Industrial Park #1	7/1/2014	7/1/2019	5,046.62	60	84.11	1,009
Ventura	Industrial Park #2	7/1/2014	7/1/2019	5,046.62	60	84.11	1,009
Ventura	Janss	3/1/2013	2/28/2018	6,209.20	60	103.49	1,242
Ventura	Janss	7/1/2015	6/30/2020	2,831.00	60	47.18	283
Ventura	Janss	7/1/2016	7/1/2026	1,024,399.15	120	8,536.66	0
Ventura	Janss Tank	3/1/2012	2/28/2022	25,403.11	120	211.69	2,540
Ventura	Las Posas #1	7/1/2017	7/1/2022	5,355.47	60	89.26	0
Ventura	Las Posas #2	7/1/2014	7/1/2019	4,328.67	60	72.14	866
Ventura	Las Posas #2 Inspection	6/1/2009	5/30/2014	2,615.00	60	43.58	0
Ventura	Las Posas #2 Tank 400K Gal	8/1/2008	7/31/2018	168,363.35	120	1,403.03	16,836
Ventura	Las Posas #2 Tank 585K Gal	1/1/2011	11/30/2020	11,915.80	119	100.13	1,202
Ventura	Los Posas #1 Rehab	3/1/2012	2/28/2022	198,329.20	120	1,652.74	19,833
Ventura	Los Posas #1 Tank	4/1/2012	3/31/2017	3,430.00	60	57.17	686
Ventura	Los Robles #2	9/1/2011	8/31/2021	250,837.66	120	2,090.31	25,084
Ventura	Los Robles #2	3/1/2013	2/28/2018	3,886.13	60	64.77	777
Ventura	Orbis Tank Interior Paintin	9/1/2011	8/31/2021	272,747.31	120	2,272.89	27,275
Ventura	Orbis Tank Rehab	4/1/2012	3/31/2022	236,900.00	120	1,974.17	23,690
Ventura	Potrero #2	7/1/2017	7/1/2022	2,945.22	60	49.09	0
Ventura	Shopping Center #2	7/1/2016	7/1/2021	4,328.67	60	72.14	0
Ventura	Shopping Center #3	7/1/2017	7/1/2022	2,677.15	60	44.62	0
Ventura	Thousand Oaks Tank Annual Inspection	5/1/2009	4/30/2014	2,615.00	60	43.58	0
Ventura	Vil- District Tank Inspection	1/1/2009	12/31/2018	283.58	120	2.36	28
Ventura	Vil-Ind Tank #2 Paint/Rehab	6/1/2009	5/31/2019	630,999.41	120	5,258.33	63,100
Ventura	Vill- Deer Ridge-300K Tank	5/1/2009	4/30/2019	85,128.70	120	709.41	8,513
Ventura	Village- Ind Tank #1 Paint/Rehab	9/1/2008	8/31/2018	424,930.25	120	3,541.09	42,493
Ventura	White Stallion	7/1/2017	7/1/2022	4,685.31	60	78.09	0
Ventura	White Stallion Repaint	9/1/2011	8/31/2021	178,447.32	120	1,487.06	17,845
Ventura	Wildwood	3/1/2014	2/29/2024	225,722.48	120	1,881.02	22,572
Ventura	Wildwood	7/1/2014	7/1/2019	2,270.39	60	37.84	454
Ventura	Wildwood	7/1/2017	7/1/2022	4,685.31	60	78.09	0
Ventura	Wildwood Tank Rehab	4/1/2012	3/31/2022	30,016.29	120	250.14	3,002
	Ventura Total Amortization						**283,338**

CALIFORNIA AMERICAN WATER COMPANY
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TANK PAINTING SCHEDULE

District	Tank Name	Amortization Period		Amount ($)	Amortization Period (in Months)	Monthly Amortization ($)	2015
LA	Angeles Mesa (Baldwin Hills) 3.5MG	1/1/2013	12/31/2022	42,500.00	120	354.17	4,250
LA	Angeles Mesa (Baldwin Hills) 3.5MG	7/1/2014	7/1/2019	2,315.85	60	38.60	463
LA	Bliss Canyon (Duarte) .3MG	7/1/2014	7/1/2019	2,315.85	60	38.60	463
LA	Bliss Cyn Reservoir	5/1/2013	4/30/2023	16,192.09	120	134.93	1,619
LA	Danford (San Marino – Upper) 2.01MG	3/1/2013	2/28/2018	5,204.75	60	86.75	1,041
LA	Danford (San Marino – Upper) 2.01MG	7/1/2015	6/30/2020	13,125.87	60	218.76	1,313
LA	Danford (San Marino – Upper) 2.01MG	7/2/2015	7/1/2020	2,458.04	60	40.97	246
LA	Fairfax (Baldwin Hills) .15MG	7/1/2017	7/1/2022	5,720.28	60	95.34	0
LA	Fish Canyon (Duarte) .5MG	1/1/2013	12/31/2022	18,179.86	120	151.50	1,818
LA	Fish Canyon (Duarte) .5MG	7/1/2017	7/1/2022	5,188.81	60	86.48	0
LA	Garth (Baldwin Hills) 1MG	7/1/2015	6/30/2020	2,362.47	60	39.37	236
LA	Garth Program Maintenance	5/1/2013	4/30/2023	35,085.10	120	292.38	3,509
LA	High Mesa (Duarte) .2MG	1/1/2013	12/31/2022	76,439.27	120	636.99	7,644
LA	Homeland (Baldwin Hills) .5MG	1/1/2013	12/31/2022	18,240.00	120	152.00	1,824
LA	Homeland (Baldwin Hills) .5MG	7/1/2014	7/1/2019	2,315.85	60	38.60	463
LA	LA District Inspections	5/1/2009	4/30/2014	87,200.29	60	1,453.34	0
LA	LaManda (San Marino – Upper) 1.6MG	3/1/2013	2/28/2018	4,490.80	60	74.85	898
LA	LaManda (San Marino – Upper) 1.6MG	7/1/2015	6/30/2025	315,010.30	120	2,625.09	15,751
LA	LaManda (San Marino – Upper) 1.6MG	7/1/2017	7/1/2022	2,458.04	60	40.97	0
LA	Lemon (Duarte) 1.5MG	3/1/2013	2/28/2018	4,490.80	60	74.85	898
LA	Lemon (Duarte) 1.5MG	7/1/2017	7/1/2022	2,458.04	60	40.97	0
LA	Longden (San Marino -Lower) 1.2MG	7/1/2014	7/1/2019	2,315.85	60	38.60	463
LA	Mt Vernon (Baldwin Hills) 1.25MG	3/1/2013	2/28/2018	4,490.80	60	74.85	898
LA	Mt Vernon (Baldwin Hills) 1.25MG	7/1/2015	6/30/2020	2,362.47	60	39.37	236
LA	Oak Knoll (San Marino – Upper) 2.5MG	4/1/2014	3/31/2024	256,730.62	120	2,139.42	25,673
LA	Oak Knoll (San Marino – Upper) 2.5MG	7/1/2015	6/30/2020	2,362.47	60	39.37	236
LA	Olympiad (Baldwin Hills) 1.25MG	3/1/2013	2/28/2023	4,490.80	120	37.42	449
LA	Olympiad (Baldwin Hills) 1.25MG	7/1/2016	7/1/2021	2,410.25	60	40.17	0
LA	Patton (San Marino)	7/1/2016	7/1/2026	16,065.26	120	133.88	0
LA	Patton (San Marino)	7/1/2017	7/1/2022	2,458.04	60	40.97	0
LA	Patton Tank Inspection	3/1/2013	2/28/2018	4,215.03	60	70.25	843
LA	Rosemead	3/1/2013	2/28/2018	4,216.03	60	70.27	843
LA	Scott (Duarte) 1.5MG	3/1/2013	2/28/2018	4,490.80	60	74.85	898
LA	Scott (Duarte) 1.5MG	7/1/2015	6/30/2020	2,362.47	60	39.37	236
LA	Spinks (Duarte) 1MG	3/1/2013	2/28/2018	4,215.03	60	70.25	843
LA	Spinks (Duarte) 1MG	7/1/2014	6/30/2024	38,603.71	120	321.70	3,860
LA	Spinks (Duarte) 1MG	7/1/2016	7/1/2021	2,410.25	60	40.17	0
LA	Starpine (Duarte) .34MG	1/1/2013	12/31/2022	111,776.42	120	931.47	11,178
LA	Tank Maintenace Vineyard 350T Gal	5/1/2008	4/30/2018	257,297.25	120	2,144.14	25,730
LA	Tank Maintenance Fairfax Tank	1/1/2006	12/31/2015	8,181.75	120	68.18	818
LA	Tank Maintenance Fairfax Tank	1/1/2006	12/31/2015	109,494.40	120	912.45	10,949
LA	Tank Maintenance High Mesa Tank	1/1/2006	12/31/2015	7,031.75	120	58.60	703
LA	Tank Maintenance New High Messa Tank	1/1/2006	12/31/2015	36,951.89	120	307.93	3,695
LA	Vineyard (Duarte) .35MG	7/1/2014	7/1/2019	4,503.49	60	75.06	901
LA	Vineyard Tank Annual Inspection	5/1/2009	4/30/2014	2,615.00	60	43.58	0
	LA Total Amortization						**131,890**

CALIFORNIA AMERICAN WATER COMPANY
A. 13-07-002, 2013 GENERAL RATE CASE
ADOPTED QUANTITIES - UNCOLLECTIBLES & TAX RATES

ATTACHMENT B-5

	NORTHERN DIVISION		CENTRAL DIVISION				SOUTHERN DIVISION		
Description	**Sacramento**	**Larkfield**	**Monterey**	**Monterey WW**	**Toro**	**Garrapata**	**San Diego**	**Ventura**	**LA**
County Franchise Tax	0.2327%			1.60%					
Ad Valorem	1.2114%	1.8544%	1.1794%	0.9867%	1.0000%	1.0000%	1.0985%	1.1877%	1.2426%
Uncollectible Accounts	0.5972%	0.5972%	0.5972%	0.5972%	0.5972%	0.5972%	0.5972%	0.5972%	0.5972%
Water Loss Factor			5.9822%						
State Corporate Franchise Tax	8.84%	8.84%	8.84%	8.84%	8.84%	8.84%	8.84%	8.84%	8.84%
Federal Income Tax	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

ATTACHMENT C For Settlement

Strategic Capital Expenditure Plan (SCEP) and Plant & Depreciation Weighting Factors

California American Water
SCEP Settlement Tables

ATTACHMENT C-1

District	FP #	FP Description	FP Type	Estimated In Svc Yr	CWIP Balance ($) 2012	Plant Expenditures ($) 2013	2014	2015	2016	2012-2016 Total Spend ($)
Larkfield	RP-0561-A	Mains - New	RP	Annual	-	170,380	47,048	59,720	60,988	338,136
Larkfield	RP-0561-B	Mains - Replaced/Restored	RP	Annual	-	-	15,390	-	-	15,390
Larkfield	RP-0561-C	Mains - Unscheduled	RP	Annual	-	3,104	24,964	17,964	18,346	64,378
Larkfield	RP-0561-D	Mains - Relocated	RP	Annual	-	-	-	-	-	-
Larkfield	RP-0561-E	Hydrants, Valves, and Manholes - New	RP	Annual	-	-	5,761	4,709	4,809	15,279
Larkfield	RP-0561-F	Hydrants, Valves, and Manholes - Replaced	RP	Annual	-	5,134	21,124	18,376	18,765	63,399
Larkfield	RP-0561-G	Services and Laterals - New	RP	Annual	2,358	-	5,761	3,170	3,237	14,526
Larkfield	RP-0561-H	Services and Laterals - Replaced	RP	Annual	-	16,204	42,247	18,376	18,765	95,592
Larkfield	RP-0561-I	Meters - New	RP	Annual	-	-	8,550	1,378	1,407	11,336
Larkfield	RP-0561-J	Meters - Replaced	RP	Annual	-	13,697	4,801	1,838	3,284	23,619
Larkfield	RP-0561-K	ITS Equipment and Systems	RP	Annual	-	-	-	5,513	5,630	11,142
Larkfield	RP-0561-L	SCADA Equipment and Systems	RP	Annual	25,527	(10,087)	16,323	8,305	8,481	48,549
Larkfield	RP-0561-M	Security Equipment and Systems	RP	Annual	-	-	9,000	20,213	39,408	68,621
Larkfield	RP-0561-N	Offices and Operations Centers	RP	Annual	-	-	4,801	3,675	3,753	12,229
Larkfield	RP-0561-O	Vehicles	RP	Annual	-	-	-	-	-	-
Larkfield	RP-0561-P	Tools and Equipment	RP	Annual	-	53,730	10,562	4,594	4,691	73,577
Larkfield	RP-0561-Q	Process Plant Facilities and Equipment	RP	Annual	30,298	19,765	133,463	151,598	154,815	489,939
Larkfield	RP-0561-R	Capitalized Tank Rehabilitation/Painting	RP	Annual	1,869	61,330	82,574	27,563	-	173,337
Larkfield	RP-0561-S	Engineering Studies	RP	Annual	-	-	-	-	-	-
		LARKFIELD RECURRING PROJECT TOTAL			**60,052**	**333,257**	**432,369**	**346,991**	**346,380**	**1,519,049**
Larkfield	IP-0561-7	Larkfield- Well Rehab 2012-2014	IP/CS	2014	93,847	114,261	99,490	-	-	307,598
Larkfield	IP-0561-22	Londonberry Drive Creek Crossing	IP/CS	2016	-	-	-	82,500	361,500	444,000
Larkfield	IP-0561-23	SCWA Interconnection Improvement	IP/CS	2016	-	-	-	-	50,000	50,000
Larkfield	05610202	LRK-Well #6 (see note below)	IP/CS	TBD	169,878	-	-	-	-	169,878
		LARKFIELD INVESTMENT PROJECT TOTAL			**263,725**	**114,261**	**99,490**	**82,500**	**411,500**	**971,476**
Larkfield	DV-0561	PROJECTS FUNDED BY OTHERS	DV	Annual	55,145	7,196	120,000	120,000	120,000	422,341
Larkfield	05610702	Faught Road Well (see note below)	AL	2016	-	-	-	-	-	-
		LARKFIELD GRAND TOTAL			**378,922**	**454,714**	**651,859**	**549,491**	**877,880**	**2,912,866**
		LARKFIELD GRAND TOTAL (excl. DV & ALs)			323,777	447,518	531,859	429,491	757,880	2,490,525

Notes on Larkfield

1) Amount shown in Well #6 represents the monitoring well that was agreed to as part of the settlement in D.10-06-038. Dollars associated with the land that the monitoring well sits on is included in PUC plant account 306 Land & Land rights for $41,359. Any other dollars for this project are currently not part of rate base.

2) Faught Road Well - Approximately $212k in CWIP, project estimated to cost $2,390,000 plus interest.

California American Water
SCEP Settlement Tables

ATTACHMENT C-1

District	FP #	FP Description	FP Type	Estimated In Svc Yr	CWIP Balance ($) 2012	Plant Expenditures ($) 2013	2014	2015	2016	2012-2016 Total Spend ($)
Sacramento	RP-0560-A	Mains - New	RP	Annual	-	95,215	78,576	183,102	137,379	494,272
Sacramento	RP-0560-C	Mains - Unscheduled	RP	Annual	400	90,066	178,688	137,327	137,379	543,860
Sacramento	RP-0560-D	Mains - Relocated	RP	Annual	-	(559)	16,697	-	-	16,138
Sacramento	RP-0560-E	Hydrants, Valves, and Manholes - New	RP	Annual	61,133	11,152	9,822	10,973	10,977	104,058
Sacramento	RP-0560-F	Hydrants, Valves, and Manholes - Replaced	RP	Annual	14,550	265,312	110,301	73,241	73,269	536,673
Sacramento	RP-0560-G	Services and Laterals - New	RP	Annual	3,099	1,541	53,039	43,395	43,412	144,486
Sacramento	RP-0560-H	Services and Laterals - Replaced	RP	Annual	22,089	577,717	261,652	320,429	320,551	1,502,438
Sacramento	RP-0560-I	Meters - New	RP	Annual	-	41,013	28,678	3,662	4,579	77,933
Sacramento	RP-0560-J	Meters - Replaced	RP	Annual	(5,606)	258,214	273,547	92,467	95,249	713,871
Sacramento	RP-0560-K	ITS Equipment and Systems	RP	Annual	(8,983)	-	-	36,620	36,634	64,272
Sacramento	RP-0560-L	SCADA Equipment and Systems	RP	Annual	-	32,452	-	31,818	31,830	96,101
Sacramento	RP-0560-M	Security Equipment and Systems	RP	Annual	-	26,070	82,505	137,327	160,275	406,177
Sacramento	RP-0560-N	Offices and Operations Centers	RP	Annual	-	363,507	5,515	13,733	13,738	396,493
Sacramento	RP-0560-P	Tools and Equipment	RP	Annual	9,274	-	80,520	27,465	27,476	144,735
Sacramento	RP-0560-Q	Process Plant Facilities and Equipment	RP	Annual	181,310	1,558,321	1,235,221	1,235,941	1,282,203	5,492,996
Sacramento	RP-0560-R	Capitalized Tank Rehabilitation/Painting	RP	Annual	-	-	452,234	91,551	119,062	662,847
Sacramento	RP-0560-S2	Preliminary Survey Investigations	RP	Annual	61,023	(42)	-	-	-	60,981
		SACRAMENTO RECURRING PROJECT TOTAL			**338,290**	**3,319,979**	**2,866,994**	**2,439,053**	**2,494,014**	**11,458,329**
Sacramento	05600713	SAC-Elverta Road Bridge Water Main	IP/CS	2014	53,728	-	-	-	-	53,728
Sacramento	IP-0560-53	Arden Intertie	IP/CS	2015	78,034	30,311	2,289,689	-	-	2,398,034
Sacramento	IP-0560-71	SAC-Add'l Pump Equipment (Mather)	IP/CS	2014	36,816	-	-	-	-	36,816
Sacramento	IP-0560-102	SAC-Meter Conversion 2012-2013	IP/CS	2014	4,015,079	844,175	-	-	-	4,859,254
Sacramento	IP-0560-109	SAC-Well Rehabs 2012	IP/CS	2014	118,530	286,950	-	-	-	405,480
Sacramento	IP-0560-132	SAC-Rehab Wells 2013	IP/CS	2014	163,024	284,749	724,939	-	-	1,172,712
Sacramento	IP-0560-133	SAC-Water Trtmt Improvs 2013	IP/CS	2014	-	-	800,000	-	-	800,000
Sacramento	IP-0560-139	SAC-Antelope Road Interconnect	IP/CS	2014	-	-	300,000	-	-	300,000
Sacramento	IP-0560-144	Parkway - Emergency Generators	IP/CS	2013	103,484	83,917	-	-	-	187,401
Sacramento	IP-0560-154	Parkway - Franklin/Florin Main Repl	IP/CS	2013	2,774,026	(12,476)	-	-	-	2,761,550
Sacramento	IP-0560-155	Parkway - Circle Main Replacement	IP/CS	2013	237,698	1,589,022	-	-	-	1,826,720
Sacramento	IP-0560-156	Parkway - Center Parkway Main Repla	IP/CS	2013	2,845,078	300,603	-	-	-	3,145,681
Sacramento	IP-0560-165	SAC-Water Trtmnt Improv 2012-13	IP/CS	2014	1,226,557	134,061	665,939	-	-	2,026,557
Sacramento	IP-0560-166	SAC-Wtr Trtmnt Improvs 2013-14	IP/CS	2014	-	53,741	920,000	-	-	973,741
Sacramento	IP-0560-170	SAC-Lincoln Oaks PCE/VOC Study	IP/CS	2014	76,043	75,578	-	-	-	151,621
Sacramento	IP-0560-176	SAC-Mapping Improvement Project	IP/CS	2013	-	-	250,000	-	-	250,000
Sacramento	IP-0560-179	SAC-SCADA Upgrades 2012-13	IP/CS	2014	60,728	525,010	400,000	-	-	985,738
Sacramento	IP-0560-187	Walnut Grove - Permanent Sewer Conn	IP/CS	2014	34,774	121,106	192,120	-	-	348,000
Sacramento	IP-0560-188	Sacramento Standby Generators 2013	IP/CS	2014	-	307,552	182,448	-	-	490,000
Sacramento	IP-0560-190	Sacramento Sewer Connection Fee	IP/CS	2014	-	-	76,000	-	-	76,000
Sacramento	IP-0560-198	Walnut Grove Tank- Construction	IP/CS	2015	-	-	-	2,750,000	-	2,750,000
Sacramento	IP-0560-199	Lincoln Oaks Wellhead Treatment	IP/CS	2015	-	-	-	-	1,500,000	1,500,000
Sacramento	IP-0560-200	Security Park Pump Station Rehab	IP/CS	2016	-	-	-	-	490,000	490,000
Sacramento	IP-0560-201	Suburban/Rosemont Rte 50 Pipe Crossing	IP/CS	2016	-	-	-	125,000	1,300,000	1,425,000
Sacramento	IP-0560-203	Isleton Levee Pipe Relocation	IP/CS	2016	-	-	-	131,720	700,000	831,720
Sacramento	IP-0560-204	SCADA Maintenance Program	IP/CS	2016	-	-	-	120,000	120,000	240,000
Sacramento	IP-0560-205	Sacramento - Standby Generators 2015-17	IP/CS	2017	-	-	-	-	-	-
Sacramento	IP-0560-206	Lincoln Oaks Interconnection SCADA	IP/CS	2017	-	-	-	80,000	200,000	280,000
Sacramento	IP-0560-207	Well Rehab 2015-17	IP/CS	Annual	-	-	-	1,500,000	1,500,000	3,000,000
Sacramento	IP-0560-208	Main Improvement Program	IP/CS	Annual	-	-	-	1,500,000	1,500,000	3,000,000
Sacramento	IP-0560-209	Antelope Storage Tank- Design/Permitting/Land	IP/CS	2020	-	-	-	150,000	-	150,000
Sacramento	IP-0560-210	Sacramento Office Solar Project- Design	IP/CS	2016	-	-	-	-	164,000	164,000
Sacramento	IP-0560-211	Antelope Backyard Main Replacement	IP/CS	2016	-	-	-	75,000	300,000	375,000
Sacramento	IP-0560-213	Isleton Chemical Feed Building	IP/CS	2016	-	-	-	-	262,000	262,000
Sacramento	IP-0560-215	Isleton Tank	IP/CS	2016	-	-	-	300,000	1,400,000	1,700,000
		SACRAMENTO INVESTMENT PRPOJECT TOTAL			**11,823,599**	**4,624,299**	**6,801,135**	**6,731,720**	**9,436,000**	**39,416,753**

California American Water
SCEP Settlement Tables

ATTACHMENT C-1

District	FP #	FP Description	FP Type	Estimated In Svc Yr	CWIP Balance ($) 2012	Plant Expenditures ($) 2013	2014	2015	2016	2012-2016 Total Spend ($)
Sacramento	DV-0560	PROJECTS FUNDED BY OTHERS 1.7M in 15/16	DV	Annual	179,947	106,507	1,300,000	1,700,000	1,700,000	4,986,454
					-	-	-	-	-	-
Sacramento	IP-0560-38	Walnut Grove- 120,000 Gal Ground ST	AL	2015	-	-	-	-	-	-
Sacramento	IP-0560-74	Lincoln Oaks-1.5MG Tank, BPS & Well	AL	2015	-	-	-	-	-	-
Sacramento	IP-0560-88	Crowder Lane Controls	AL	2014	-	-	-	-	-	-
Sacramento	IP-0560-100	Walnut Grove - Well 1 Rehab & Raw W	AL	2014	118,965	66,572	229,237	-	-	414,774
Sacramento	IP-0560-127	Security Prk-Interconnection w/SCWA	AL	2014	31,681	449,022	198,297	-	-	679,000
Sacramento	IP-0560-160	Walerga Road Bridge Pipeline Relocation	AL	2016	-	-	-	-	-	-
		SACRAMENTO ADVICE LETTER TOTAL			**150,646**	**515,594**	**427,534**	**-**	**-**	**1,093,774**
		SACRAMENTO GRAND TOTAL			**12,492,482**	**8,566,379**	**11,395,663**	**10,870,773**	**13,630,014**	**56,955,310**
		SAC GRAND TOTAL MINUS DV AND AL			**12,161,889**	**7,944,278**	**9,668,129**	**9,170,773**	**11,930,014**	**50,875,082**

Notes on Sacramento

1) Dollars for pump efficiency studies are part of expense.
2) West Placer - Walerga Rd Tank & Booster are being discussed/treated as a separate item in this case.
3) Dollars for Walnut Grove Tank, Lincoln Oaks, and Crowder Lane are listed here for reference, but are excluded from rate base because of their AL status.

Walnut Grove- 120,000 Gal Ground ST - Estimated project spend of $409,382
Lincoln Oaks-1.5MG Tank, BPS & Well - Estimated project spend of $8,354,508
Crowder Lane Controls - Estimated project spend of $54,849

California American Water
SCEP Settlement Tables

ATTACHMENT C-1

District	FP #	FP Description	FP Type	Estimated In Svc Yr	CWIP Balance ($) 2012	Plant Expenditures ($) 2013	2014	2015	2016	2012-2016 Total Spend ($)
Monterey	RP-0540-A	Mains - New	RP	Annual	-	2,310	55,083	-	-	**57,393**
Monterey	RP-0540-B	Mains - Replaced/Restored	RP	Annual	340,574	734,961	172,761	222,664	227,898	**1,698,858**
Monterey	RP-0540-C	Mains - Unscheduled	RP	Annual	251	333,050	19,529	25,171	25,762	**403,764**
Monterey	RP-0540-D	Mains - Relocated	RP	Annual	-	-	21,032	27,107	27,744	**75,883**
Monterey	RP-0540-E	Hydrants, Valves, and Manholes - New	RP	Annual	(481)	19,063	50,076	64,540	66,057	**199,255**
Monterey	RP-0540-F	Hydrants, Valves, and Manholes - Replaced	RP	Annual	(1,901)	210,921	67,602	87,129	89,177	**452,929**
Monterey	RP-0540-G	Services and Laterals - New	RP	Annual	(25)	3,647	101,153	130,372	133,436	**368,582**
Monterey	RP-0540-H	Services and Laterals - Replaced	RP	Annual	(1,036)	402,529	242,366	312,375	319,717	**1,275,952**
Monterey	RP-0540-I	Meters - New	RP	Annual	-	-	13,520	17,426	17,835	**48,782**
Monterey	RP-0540-J	Meters - Replaced	RP	Annual	(1,002)	372,692	412,507	531,663	544,159	**1,860,019**
Monterey	RP-0540-L	SCADA Equipment and Systems	RP	Annual	-	57,798	20,030	25,816	26,423	**130,067**
Monterey	RP-0540-M	Security Equipment and Systems	RP	Annual	148,628	205,679	88,356	113,878	116,555	**673,096**
Monterey	RP-0540-N	Offices and Operations Centers	RP	Annual	-	19,873	31,047	40,015	40,956	**131,890**
Monterey	RP-0540-O	Vehicles	RP	Annual	-	-	-	-	-	**-**
Monterey	RP-0540-P	Tools and Equipment (Distribution)	RP	Annual	8,943	73,236	39,560	50,987	52,185	**224,911**
Monterey	RP-0540-Q	Process Plant Facilities and Equipment	RP	Annual	1,134,362	1,086,548	538,814	694,454	710,777	**4,164,955**
Monterey	RP-0540-R	Capitalized Tank Rehabilitation	RP	Annual	301,665	240,625	290,444	374,340	383,139	**1,590,213**
		MNY RP TOTAL			**1,929,978**	**3,762,932**	**2,163,880**	**2,717,939**	**2,781,821**	**13,356,550**
Monterey	I15-400089	MTRY - Main Replacement Program 2015-2017	IP/CS	Annual	-	-	-	1,767,192	2,300,000	**4,067,192**
Monterey	I15-400090	MTRY - Booster Station Rehabilitaion Program 2015-2017	IP/CS	Annual	-	-	-	473,982	475,164	**949,146**
Monterey	I15-400091	MTRY - Service Line Replacement Program 2015-2017	IP/CS	Annual	-	-	-	150,000	150,000	**300,000**
Monterey	I15-400092	MTRY - Valve and PRV Replacement Program 2015-2017	IP/CS	Annual	-	-	-	300,000	300,000	**600,000**
Monterey	I15-400093	MTRY - Well Rehabilitation Program 2015-2017	IP/CS	Annual	-	-	-	264,000	261,600	**525,600**
Monterey	I15-400094	MTRY - Redrill Ralph Lane project	IP/CS	2016	-	-	-	50,000	700,000	**750,000**
Monterey	I15-400095	MTRY - Fire Flow Improvement Program 2015-2017	IP/CS	Annual	-	-	-	257,470	258,112	**515,582**
Monterey	I15-400096	MTRY - SCADA Upgrade Program 2015-2017	IP/CS	Annual	-	-	-	216,667	216,667	**433,334**
Monterey	IP-0540-32	MRY-ESA 2008	IP/CS	2013	-	-	-	-	-	**-**
Monterey	IP-0540-33	MRY ESA 2010	IP/CS	2013	-	-	-	-	-	**-**
Monterey	IP-0540-62	MRY ESA 2009	IP/CS	2013	-	-	-	-	-	**-**
Monterey	IP-0540-81	ESA 2011 Project	IP/CS	2013	-	-	-	-	-	**-**
Monterey	IP-0540-93	Fire Protection Upgrades - 2009-11	IP/CS	2013	(17,213)	17,229	-	-	-	**16**
Monterey	IP-0540-107	MRY-Bishop Well #1 & #2 Rehab	IP/CS	2013	171,642	148,154	-	-	-	**319,796**
Monterey	IP-0540-131	Well Rehab 2012	IP/CS	Annual	406,814	168,441	22,745	-	-	**598,000**
Monterey	IP-0540-135	Hidden Hills Tank @ WTP	IP/CS	2013	461,342	42,999	-	-	-	**504,341**
Monterey	IP-0540-154	MRY-Mainline&Dia Valve Repl - 2012	IP/CS	Annual	535,780	(212,399)	144,992	-	-	**468,373**
Monterey	IP-0540-180	MRY-Booster Station Rehab - 2011	IP/CS	2013	(3,000)	-	-	-	-	**(3,000)**
Monterey	IP-0540-181	MRY-Booster Station Rehab 2012	IP/CS	Annual	175,063	299,118	157,882	-	-	**632,063**
Monterey	IP-0540-201	Replace Poly Serv Prgm 2012-14	IP/CS	Annual	813,915	589,243	649,940	-	-	**2,053,097**
Monterey	IP-0540-247	Seaside Main Replacement	IP/CS	2012	13,561	-	-	-	-	**13,561**
Monterey	IP-0540-249	Seaside Main Replacement Phase II	IP/CS	Annual	2,974,959	1,921,479	509,562	-	-	**5,406,000**
Monterey	IP-0540-277	MRY-PRV Stations & Valves Rep 2012	IP/CS	Annual	-	78,206	21,794	-	-	**100,000**
Monterey	IP-0540-283	Carmel Valley Trans Main Repl	IP/CS	2013	1,251,267	(320,596)	-	-	-	**930,671**
Monterey	IP-0540-305	Regional Desal Project - CAW Fac	IP/CS	2015	-	-	-	-	-	**-**
Monterey	None	Monterey Billing SAP modifications	IP/CS	Annual	-	-	-	-	-	**-**
		MNY IP TOTAL			**6,784,129**	**2,731,874**	**1,506,914**	**3,479,311**	**4,661,543**	**19,163,771**

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District	FP #	FP Description	FP Type	Estimated In Svc Yr	CWIP Balance ($) 2012	Plant Expenditures ($) 2013	2014	2015	2016	2012-2016 Total Spend ($)
Monterey	RP-0540-DV	PROJECTS FUNDED BY OTHERS	DV	Annual	423	740,315	50,000	375,000	375,000	**1,540,738**
Monterey	I15-400097	MTRY - Interconnect RR, HH, Bishop to Main	AL	2017	-	-	-	-	-	**-**
Monterey	05400509	Ambler Tank (see note below)	AL	2015	-	-	-	-	-	**-**
Monterey	IP-0540-90	Upper Rimrock Tanks	AL	2014	176,503	292,516	462,981	-	-	**932,000**
Monterey	IP-0540-101	Ryan Ranch - Bishop Intertie (see note below)	AL	2015	-	-	-	-	-	**-**
Monterey	IP-0540-155	Chualar 150K Gal Tank (see note below)	AL	2015	-	-	-	-	-	**-**
Monterey	IP-0540-194	Replace Carmel Woods Tank	AL	2014	752,741	20,968	-	-	-	**773,709**
Monterey	IP-0540-195	OEEP (took amt requested in AL 1044)	AL	2014	-	-	316,825	-	-	**316,825**
Monterey	IP-0540-301	CDO - Seaside Middle School ASR Well #3 (in reg asset CDO memc	AL	2014	-	-	-	-	-	**-**
Monterey	IP-0540-307	ASR #4 Seaside Middle School	AL	2014	1,256,191	2,049,289	894,520	-	-	**4,200,000**
Monterey	IP-0540-82	MRY ESA 2012	AL	2013	-	-	-	-	-	**-**
Monterey	IP-0540-256	MRY ESA 2013	AL	2013	-	-	-	-	-	**-**
Monterey	IP-0540-258	MRY ESA 2014	AL	2014	-	-	-	-	-	**-**
Monterey	I15-400098	MRY ESA 2015	AL	2015	-	-	-	-	-	**-**
Monterey	I15-400099	MRY ESA 2016	AL	2016	-	-	-	-	-	**-**
Monterey	IP-0540-250	Los Padres Dam Fish Passage (see note below)	AL	2016	-	-	-	-	-	**-**
		MNY AL TOTAL			**2,185,436**	**2,362,773**	**1,674,326**	**-**	**-**	**6,222,534**
		MNY GRAND TOTAL			**10,899,966**	**9,597,894**	**5,395,120**	**6,572,250**	**7,818,364**	**40,283,593**

Notes on Monterey

1) Dollars for Ambler Tank, Ryan Ranch-Bishop Intertie, Chualar Tank, Los Padres Dam Fish Passage and ASR #3 are listed here for reference, but are excluded from rate base because of their AL status.

Ambler Tank - Estimated spend of $817,000 in 2014 and $725,000 in 2015.
Ryan Ranch-Bishop Intertie - Estimated spend of $40,000 in 2014 and $207,000 in 2015.
Chualar 150k Gal Tank - Estimated spend of $550,000 in 2014 and $375,000 in 2015.
Los Padres Dam Fish Passage - Estimated spend of $4,200,000 by 2016.
ASR #3 - Estimated spend of $4,098,900 by 2014

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District	FP #	FP Description	FP Type	Estimated In Svc Yr	CWIP Balance ($) 2012	Plant Expenditures ($) 2013	2014	2015	2016	2012-2016 Total Spend ($)
Monterey WW	RP-0549-B	Mains - Replaced/Restored	RP	Annual	-	-	21,664	26,790	26,846	**75,300**
Monterey WW	RP-0549-L	SCADA Equipment and Systems	RP	Annual	-	-	8,384	6,251	6,264	**20,899**
Monterey WW	RP-0549-O1	Vehicles	RP	Annual	336,978	-	-	-	-	**336,978**
Monterey WW	RP-0549-P	Tools and Equipment	RP	Annual	-	-	13,382	13,395	13,423	**40,201**
Monterey WW	RP-0549-Q	Process Plant Facilities and Equipment	RP	Annual	37,877	245,891	107,487	125,022	125,283	**641,560**
		MNY WW RP TOTAL			**374,855**	**245,891**	**150,917**	**171,459**	**171,816**	**1,114,938**
Toro	RP-0548-B	Mains -Replaced/Restored	RP	Annual	-	133,053	7,504	22,347	22,347	185,250
Toro	RP-0548-F	Hydrants, Valves, and Manholes - Replaced	RP	Annual	-	4,139	9,755	18,622	18,622	51,139
Toro	RP-0548-H	Services and Laterals - Replaced	RP	Annual	-	-	24,013	16,388	16,388	56,788
Toro	RP-0548-J	Meters - Replaced	RP	Annual	-	-	-	-	-	-
Toro	RP-0548-Q	Process Plant Facilities and Equipment	RP	Annual	-	194,071	40,521	67,040	67,040	368,673
		TORO RP TOTAL			**-**	**331,263**	**81,793**	**124,397**	**124,397**	**661,850**
Toro	IP-0548-10	MON-Hydropneumatic Tank Repl	IP/CS	2014	44,533	45,842	-	-	-	90,375
Toro	IP-0548-11	TOR-PRV Improvement	IP/CS	2013	-	-	-	-	-	-
Toro	IP-0548-9	TOR-Booster Station Upgrades	IP/CS	2013	-	-	-	-	-	-
Toro	I15-480006	TORO - Access Road (Vista Dorado Tank)	IP/CS	2015	-	-	-	94,556	-	94,556
Toro	I15-480007	TORO - Altitude Valve (Corte Cordillera Tank)	IP/CS	2016	-	-	-	-	174,554	174,554
		TORO IP TOTAL			**44,533**	**45,842**	**-**	**94,556**	**174,554**	**359,485**
		TORO GRAND TOTAL			**44,533**	**377,105**	**81,793**	**218,953**	**298,951**	**1,021,335**
Garrapata		Meter Replacements						7,500		7,500
Garrapata		Process Plant Facilities and Equipment					25,000		12,400	37,400
Garrapata		**GARRAPATA TOTAL**			**-**	**-**	**25,000**	**7,500**	**12,400**	**44,900**

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District	FP #	FP Description	FP Type	Estimated In Svc Yr	CWIP Balance ($) 2012	Plant Expenditures ($) 2013	2014	2015	2016	2012-2016 Total Spend ($)
San Diego	RP-0530-A	Mains - New	RP	Annual	-	-	23,523	35,691	38,377	97,591
San Diego	RP-0530-B	Mains - Replaced/Restored	RP	Annual	-	-	35,571	54,348	58,399	148,319
San Diego	RP-0530-C	Mains - Unscheduled	RP	Annual	359,708	209,897	84,297	127,352	135,153	916,407
San Diego	RP-0530-D	Mains - Relocated	RP	Annual	-	-	7,663	12,167	13,348	33,179
San Diego	RP-0530-E	Hydrants, Valves, and Manholes - New	RP	Annual	-	359	6,131	9,734	10,846	27,069
San Diego	RP-0530-F	Hydrants, Valves, and Manholes - Replaced	RP	Annual	9,690	152,553	6,131	9,734	10,846	188,953
San Diego	RP-0530-G	Services and Laterals - New	RP	Annual	2,552	5,212	5,164	8,112	9,177	30,216
San Diego	RP-0530-H	Services and Laterals - Replaced	RP	Annual	(1,219)	305,033	158,923	240,103	254,455	957,295
San Diego	RP-0530-I	Meters - New	RP	Annual	(129)	620	4,087	6,489	7,508	18,576
San Diego	RP-0530-J	Meters - Replaced	RP	Annual	(5,297)	408,122	212,853	321,219	340,385	1,277,283
San Diego	RP-0530-K	ITS Equipment and Systems	RP	Annual	-	-	-	-	-	-
San Diego	RP-0530-L	SCADA Equipment and Systems	RP	Annual	-	4,228	5,109	8,112	9,177	26,626
San Diego	RP-0530-M	Security Equipment and Systems	RP	Annual	-	56,848	42,350	73,816	34,205	207,219
San Diego	RP-0530-N	Offices and Operations Centers	RP	Annual	7,987	242,707	172,062	16,223	17,520	456,499
San Diego	RP-0530-P	Tools and Equipment	RP	Annual	35,258	18,877	51,089	77,871	82,593	265,689
San Diego	RP-0530-Q	Process Plant Facilities and Equipment	RP	Annual	-	-	13,794	21,090	22,525	57,410
San Diego	RP-0530-R	Capitalized Tank Rehabilitation/Painting	RP	Annual	-	-	12,772	65,760	-	78,532
		SD RP TOTAL			**408,550**	**1,404,456**	**841,519**	**1,087,822**	**1,044,515**	**4,786,862**
San Diego	05300504	Hollister St 20 in Main Replac	IP/CS	2013	-	-	-	-	-	-
San Diego	IP-0530-1	Small Main Repl Prgm 2012-2013, (2015 - 2017)	IP/CS	2014	57,378	(6,100)	375,212	242,250	242,963	911,703
San Diego	IP-0530-27	Construct New Operations Center	IP/CS	2014	-	-	150,000	-	-	150,000
San Diego	IP-0530-29	Phase 3 Hollister Street Main	IP/CS	2014	122,508	49,884	2,587,358	-	-	2,759,750
San Diego	IP-0530-33	SD PRV Modernization Program	IP/CS	2014	202,221	224,796	822,983	-	-	1,250,000
San Diego	IP-0530-6	Hollister St. 20" Main Repl - Ph 2	IP/CS	2014	115,172	13,682	1,235,631	-	-	1,364,485
San Diego	IP-0530-34	Replace 2,450 Ft of 18" Main- Elm Ave (A-2, CPS)	IP/CS	2017	-	-	-	-	-	-
San Diego	IP-0530-35	Replace 500 Ft of 20" Main- Palm Ave (A-4, CPS)	IP/CS	2015	-	-	-	-	-	-
San Diego	IP-0530-37	Upgrade SCADA System	IP/CS	2017	-	-	-	-	-	-
		SD IP TOTAL			**497,279**	**282,262**	**5,171,184**	**242,250**	**242,963**	**6,435,938**
San Diego	DV-0530	PROJECTS FUNDED BY OTHERS	DV	Annual	67,913	80,414	20,460	21,120	22,000	211,907
San Diego	Item N	IB Office Retirement		Annual	-	-	-	-	-	-
		SAN DIEGO GRAND TOTAL			**973,742**	**1,767,132**	**6,033,163**	**1,351,192**	**1,309,478**	**11,434,707**

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District	FP #	FP Description	FP Type	Estimated In Svc Yr	CWIP Balance ($) 2012	Plant Expenditures ($) 2013	2014	2015	2016	2012-2016 Total Spend ($)
Ventura	RP-0551-A	Mains - New	RP	Annual	-	-	6,292	6,973	7,853	21,118
Ventura	RP-0551-B	Mains - Replaced/Restored	RP	Annual	-	-	59,775	63,627	66,315	189,717
Ventura	RP-0551-C	Mains - Unscheduled	RP	Annual	-	57,352	80,376	85,416	88,130	311,274
Ventura	RP-0551-D	Mains - Relocated	RP	Annual	-	33,527	68,427	72,343	75,041	249,338
Ventura	RP-0551-E	Hydrants, Valves, and Manholes - New	RP	Annual	4	765	19,663	20,918	21,814	63,165
Ventura	RP-0551-F	Hydrants, Valves, and Manholes - Replaced	RP	Annual	(93)	62,401	86,517	91,518	95,110	335,453
Ventura	RP-0551-G	Services and Laterals - New	RP	Annual	-	-	22,965	24,405	25,305	72,674
Ventura	RP-0551-H	Services and Laterals - Replaced	RP	Annual	(7,464)	581,331	610,918	871,597	898,746	2,955,128
Ventura	RP-0551-I	Meters - New	RP	Annual	(3)	46,005	33,564	35,735	37,520	152,822
Ventura	RP-0551-J	Meters - Replaced	RP	Annual	(9,592)	372,238	493,696	520,343	536,630	1,913,315
Ventura	RP-0551-K	ITS Equipment and Systems	RP	Annual	-	-	-	-	-	-
Ventura	RP-0551-L	SCADA Equipment and Systems	RP	Annual	-	-	62,921	67,113	69,806	199,840
Ventura	RP-0551-M	Security Equipment and Systems	RP	Annual	22,757	86,206	45,784	76,701	115,179	346,626
Ventura	RP-0551-N	Offices and Operations Centers	RP	Annual	-	25,801	41,513	44,451	46,246	158,012
Ventura	RP-0551-O	Vehicles	RP	Annual	-	-	-	-	-	-
Ventura	RP-0551-P	Tools and Equipment	RP	Annual	-	18,606	37,981	40,093	41,883	138,563
Ventura	RP-0551-Q	Process Plant Facilities and Equipment	RP	Annual	8,732	237,968	95,392	101,105	104,708	547,906
Ventura	RP-0551-R	Capitalized Tank Rehabilitation/Painting	RP	Annual	-	-	179,326	143,165	38,477	360,968
		VT RP TOTAL			**14,341**	**1,522,200**	**1,945,110**	**2,265,503**	**2,268,764**	**8,015,918**
Ventura	05510509	Shopping Center Reservoir I	IP/CS	Annual	-	-	-	-	-	-
Ventura	IP-0551-18	Ventura-Retrofit Moorpark Tank (CARRY-OVER)	IP/CS	Annual	154,689	111,119	450,919	1,570,852	-	2,287,579
Ventura	IP-0551-79	VEN-Improv to CMWD Interconnections	IP/CS	Annual	-	-	392,000	-	-	392,000
Ventura	IP-0551-84	Upsize White Stallion Trans BPS	IP/CS	Annual	163,287	12,441	414,368	-	-	590,096
Ventura	IP-0551-86	Pace Reservoir Rehab (CARRY-OVER)	IP/CS	Annual	-	165,753	276,747	2,055,000	-	2,497,500
Ventura	IP-0551-88	Connect 12" Main Between Hillcrest	IP/CS	Annual	-	-	169,000	-	-	169,000
Ventura	IP-0551-92	Calle Yucca Turnout 14" Main Improv	IP/CS	Annual	-	1,711	473,289	-	-	475,000
Ventura	IP-0551-93	Wildwood Tank Rehab	IP/CS	Annual	91,371	(13,553)	106,553	-	-	184,371
Ventura	IP-0551-94	Potrero Tank Rehab	IP/CS	Annual	-	165,066	145,786	2,186,648	-	2,497,500
Ventura	IP-0551-96	1200' of main Rolling Oaks & LP (CARRY-OVER)	IP/CS	Annual	-	-	70,000	407,000	-	477,000
Ventura	IP-0551-98	Const 1.0MG tnk @ Potrero & Dwy BPS	IP/CS	Annual	-	-	1,815,825	-	-	1,815,825
Ventura	IP-0551-100	Imp Low Pressure in Gainsboroug Zn (CARRY-OVER)	IP/CS	Annual	-	-	750,000	2,100,000	-	2,850,000
Ventura	IP-0551-101	Repl Los Robles Tank#1	IP/CS	Annual	86,343	137,564	807,462	-	-	1,031,369
Ventura	IP-0551-102	300-ft of 12" Main in Borchard Rd	IP/CS	Annual	78,493	124,162	-	-	-	202,655
Ventura	IP-0551-200	Replace Moorpark Booster Station (A-1, CPS)	IP/CS	Annual	-	119,568	1,128,542	-	-	1,248,110
Ventura	IP-0551-201	Replace Los Robles Booster Station (A-2, CPS)	IP/CS	Annual	-	-	-	-	281,000	281,000
Ventura	IP-0551-202	Upgrade Mayfield Booster Station (A-3, CPS)	IP/CS	Annual	-	-	-	-	788,000	788,000
Ventura	IP-0551-203	Replace 1,400 Ft of 10" Main to Las Posas Tanks	IP/CS	Annual	-	-	-	-	900,000	900,000
Ventura	05510505	Las Posas #1		2013	-	228,739	-	-	-	228,739
Ventura	IP-0551-205	Upgrade Springwood Booster Station	IP/CS	Annual	-	-	-	-	-	-
Ventura	IP-0551-206	Upgrade Wildwood Hydro Booster Station	IP/CS	Annual	-	-	-	-	-	-
Ventura	IP-0551-207	Replace White Stallion Domestic Booster Station	IP/CS	Annual	-	-	-	-	-	-
Ventura	IP-0551-208	Upgrade Wildwood Booster Station	IP/CS	Annual	-	-	-	-	-	-
Ventura	IP-0551-209	Upgrade SCADA System	IP/CS	Annual	-	-	-	-	-	-
		VT IP TOTAL			**574,183**	**1,052,570**	**7,000,491**	**8,319,500**	**1,969,000**	**18,915,744**
Ventura	DV-0551	PROJECTS FUNDED BY OTHERS	DV	Annual	672,252	169,976	21,120	22,000	23,000	908,348
		VT GRAND TOTAL			**1,260,776**	**2,744,746**	**8,966,721**	**10,607,003**	**4,260,764**	**27,840,010**

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District	FP #	FP Description	FP Type	Estimated In Svc Yr	CWIP Balance ($) 2012	Plant Expenditures ($) 2013	2014	2015	2016	2012-2016 Total Spend ($)
Los Angeles	RP-0550-A	Mains - New	RP	Annual	-	-	35,474	34,461	31,121	101,057
Los Angeles	RP-0550-B	Mains - Replaced/Restored	RP	Annual	-	-	421,863	404,922	361,353	1,188,138
Los Angeles	RP-0550-C	Mains - Unscheduled	RP	Annual	299	70,428	105,013	100,800	89,906	366,446
Los Angeles	RP-0550-D	Mains - Relocated	RP	Annual	34,175	(3,180)	180,251	173,169	154,742	539,157
Los Angeles	RP-0550-E	Hydrants, Valves, and Manholes - New	RP	Annual	(4)	24,949	11,505	11,200	10,374	58,024
Los Angeles	RP-0550-F	Hydrants, Valves, and Manholes - Replaced	RP	Annual	(436)	172,333	66,156	63,754	57,056	358,863
Los Angeles	RP-0550-G	Services and Laterals - New	RP	Annual	(4)	10,162	11,099	11,200	10,374	42,831
Los Angeles	RP-0550-H	Services and Laterals - Replaced	RP	Annual	(6,310)	815,504	511,988	491,076	437,427	2,249,686
Los Angeles	RP-0550-I	Meters - New	RP	Annual	-	-	5,123	5,169	5,187	15,479
Los Angeles	RP-0550-J	Meters - Replaced	RP	Annual	(5,914)	634,969	767,023	735,752	655,277	2,787,108
Los Angeles	RP-0550-K	ITS Equipment and Systems	RP	Annual	-	-	-	-	-	-
Los Angeles	RP-0550-L	SCADA Equipment and Systems	RP	Annual	78,782	30,446	76,702	74,092	66,565	326,588
Los Angeles	RP-0550-N	Offices and Operations Centers	RP	Annual	-	69,704	23,052	22,400	20,748	135,903
Los Angeles	RP-0550-P	Tools and Equipment	RP	Annual	(1,352)	9,154	66,594	64,615	57,920	196,931
Los Angeles	RP-0550-R	Capitalized Tank Rehabilitation/Painting	RP	Annual	-	-	-	560,313	902,228	1,462,542
Los Angeles	RP-0550-M	Security Equipment and Systems	RP	Annual	2,042	15,050	106,676	124,061	128,808	376,637
Los Angeles	RP-0550-Q	Process Plant Facilities and Equipment	RP	Annual	171,299	652,574	441,039	423,015	376,914	2,064,840
Los Angeles	RP-0550-O	Vehicles	RP	Annual	(7,144)	-	-	-	-	(7,144)
		LA RP TOTAL			**265,433**	**2,502,093**	**2,829,558**	**3,300,000**	**3,366,000**	**12,263,084**
Los Angeles	IP-0550-112	LA-Redrill Richardson Well	IP/CS	2014	164,311	76,725	1,886,964	-	-	2,128,000
Los Angeles	IP-0550-113	LA-Rehab Oak Knoll Cir Well	IP/CS	2018	48,056	-	-	-	-	48,056
Los Angeles	IP-0550-114	LA-Redrill Lamanda (CARRYOVER)	IP/CS	2016	61,554	23,222	135,989	500,000	879,235	1,600,000
Los Angeles	IP-0550-118	Duarte - Redrill Santa Fe Well	IP/CS	2016	-	30,487	269,513	791,917	685,741	1,777,658
Los Angeles	IP-0550-124	Olympiad Booster station upgrade	IP/CS	2014	414,506	198,827	1,751,667	-	-	2,365,000
Los Angeles	IP-0550-138	DT- 8" Main in Treefern	IP/CS	2014	43,614	804,250	-	-	-	847,864
Los Angeles	IP-0550-140	INS 2700-ft of Main in Grand&Bonita	IP/CS	2013	49,553	713,126	-	-	-	762,679
Los Angeles	IP-0550-152	DT- 8" Main in Armijo	IP/CS	2014	53,155	82,883	729,208	-	-	865,246
Los Angeles	IP-0550-158	Spinks Reservoir Booster Stn Improv	IP/CS	2013	-	-	532,000	-	-	532,000
Los Angeles	IP-0550-164	LA-Rosemead Tank Reconstruction (CARRYOVER)	IP/CS	2016	-	-	147,250	450,000	2,448,570	3,045,820
Los Angeles	IP-0550-170	LAD-Duarte Water Supply Imprv Proj	IP/CS	2015	68,662	69,162	1,816,346	1,893,441	-	3,847,611
Los Angeles	IP-0550-174	12-14 tank rehab	IP/CS	2014	405,395	126,954	25,046	-	-	557,395
Los Angeles	IP-0550-175	Duarte Rail Line Main Relocations	IP/CS	2013	1,677,299	448,744	-	-	-	2,126,043
Los Angeles	IP-0550-38	LA-Oswego Well Redrill	IP/CS	2015	399	30,401	150,000	633,684	-	814,484
Los Angeles	IP-0550-51	LA-Winston Well Redrill@Danford	IP/CS	2015	58,337	36,824	100,000	1,916,413	-	2,111,574
Los Angeles	IP-0550-200	Rehab/Redrill Longden Well (A-5, SM CPS)	IP/CS	2018	-	-	-	-	-	-
Los Angeles	IP-0550-201	Combine Domestic/Irrigation System (A-2, DT CPS)	IP/CS	2016	-	-	-	1,639,000	2,251,000	3,890,000
Los Angeles	IP-0550-202	Booster Station Upgrades (A-4, 5, BH; A-5 DT CPS)	IP/CS	Annual	-	-	-	-	-	-
Los Angeles	IP-0550-203	Replace Mains (A-6, BH; A-3, DT; A-4, DT; CPSs)	IP/CS	Annual	-	-	-	656,000	900,000	1,556,000
Los Angeles	IP-0550-204	Annual Main, Tank and Pump Program (CPS)	IP/CS	Annual	-	-	-	-	-	-
Los Angeles	IP-0550-205	Upgrade SCADA System	IP/CS	2017	-	-	-	-	-	-
Los Angeles	IP-0550-206	Purchase Groundwater Rights (Annually)	IP/CS	Annual	-	-	-	697,500	718,500	1,416,000
Los Angeles	IP-0550-207	Tier 4 Compliance (Standby Power A-4 CPS)	IP/CS	Annual	-	-	-	-	-	-
Los Angeles	IP-0550-208	Arlington Well TCE Treatment (A-3, BH CPS)	IP/CS	2018	-	-	-	-	-	-
Los Angeles	IP-0550-209	Well Rehabilitation Program	IP/CS	Annual	-	-	-	-	-	-
Los Angeles	IP-0550-212	Retire Fairfax Tank	IP/CS	2016	-	-	-	-	116,492	116,492
		LA IP Total			**3,044,841**	**2,641,605**	**7,543,983**	**9,177,955**	**7,999,538**	**30,407,922**
Los Angeles	I15-500026	Baldwin Ave Rail Line Mains Relocation	IP/CS	2014	-	137,061	382,909	-	-	519,970
Los Angeles	I15-500045	San Gabriel Blvd Rail Line Mains Relocation	IP/CS	2015	-	-	-	1,000,000	-	1,000,000
Los Angeles	I15-500046	Crenshaw Blvd Rail Line Mains Relocation	IP/CS	2017	-	-	-	-	-	-
		LA IP and CS Projects Total			**-**	**137,061**	**382,909**	**1,000,000**	**-**	**1,519,970**
Los Angeles	DV-0550	PROJECTS FUNDED BY OTHERS	DV	Annual	33,399	245,066	138,175	150,000	150,000	716,640
		LA GRAND TOTAL			**3,343,673**	**5,525,825**	**10,894,625**	**13,627,955**	**11,515,538**	**44,907,616**

California American Water
Average Weighting Factors **ATTACHMENT C-2**

Average Plant 6 Yr Weighting Factor	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Larkfield	50.82%	50.82%	0.00%	50.82%	50.82%
Los Angeles County	38.98%	38.98%	0.00%	38.98%	38.98%
Monterey County	54.62%	54.62%	0.00%	54.62%	54.62%
Sacramento	44.90%	44.90%	0.00%	44.90%	44.90%
San Diego County	48.07%	48.07%	0.00%	48.07%	48.07%
Ventura County	50.50%	50.50%	0.00%	50.50%	50.50%
Cal Corp	50.00%	50.00%	0.00%	50.00%	50.00%
Monterey WW	36.30%	36.30%	0.00%	36.30%	36.30%

Average Depr 6 Yr Weighting Factor	CAW Direct 2015	ORA Report 2015	Difference	2015 Settlement	2016 Settlement
Larkfield	52.80%	52.80%	0.00%	52.80%	52.80%
Los Angeles County	52.95%	52.95%	0.00%	52.95%	52.95%
Monterey County	48.44%	48.44%	0.00%	48.44%	48.44%
Sacramento	49.89%	49.89%	0.00%	49.89%	49.89%
San Diego County	50.19%	50.19%	0.00%	50.19%	50.19%
Ventura County	51.99%	51.99%	0.00%	51.99%	51.99%
Cal Corp	50.00%	50.00%	0.00%	50.00%	50.00%
Monterey WW	50.80%	50.80%	0.00%	50.80%	50.80%

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

Attachment D For Settlement

Bill Impacts

CALIFORNIA AMERICAN WATER COMPANY
A.13-07-002, 2013 GENERAL RATE CASE
RESIDENTIAL BILL IMPACTS

Attachment D-1

District	Avg Use (CGL)	RESIDENTIAL BASE BILL Present Rates	Proposed Rates	Dollar Increase	% Increase	BILL PLUS SURCHARGES FROM THIS GRC(1) Present Rates	Proposed Rates	Dollar Increase	% Increase
Northern Division									
Sacramento	103.3	$56.77	$50.18	($6.59)	-11.6%	$56.77	$53.15	($3.62)	-6.4%
Larkfield	76.4	$76.26	$80.43	$4.17	5.5%	$87.79	$90.69	$2.90	3.3%
Central Division									
Monterey Main(2)	55.4	$54.81	$55.12	$0.32	0.6%	$75.80	$76.03	$0.23	0.3%
Toro	130.2	$94.21	$86.51	($7.70)	-8.2%	$121.58	$87.10	($34.49)	-28.4%
Ambler(2)	130.0	$83.51	$77.31	($6.21)	-7.4%	$95.86	$89.08	($6.78)	-7.1%
Southern Division									
San Diego	75.3	$41.83	$55.33	$13.50	32.3%	$57.48	$58.98	$1.50	2.6%
Ventura	145.1	$80.35	$86.55	$6.20	7.7%	$87.30	$95.04	$7.74	8.9%
LA - Baldwin Hills	116.1	$52.70	$61.39	$8.69	16.5%	$64.10	$65.86	$1.76	2.8%
LA - Duarte	136.2	$53.95	$49.69	($4.26)	-7.9%	$61.94	$57.63	($4.31)	-7.0%
LA - San Marino	167.4	$61.00	$63.52	$2.52	4.1%	$67.23	$69.88	$2.66	4.0%

(1) Excludes applicable taxes and reflects surcharge items reviewed and agreed to in this proceeding. Certain surcharges were calculated based on an estimate of Dec 31, 2014 ending balances. Where applicable, the balances will be updated to reflect recorded data when the decision is approved and advice letters are filed. For the purpose of this presentation, other surcharges authorized outside of this proceeding were held constant at current levels and may be subject to adjustment at a later date.
(2) Monterey main and Ambler bills include surcharges that are added to the base rates. For the purposes of this presentation, these surcharges were held constant at current levels, but may be subject to adjustment at a later date.

CALIFORNIA AMERICAN WATER COMPANY
A.13-07-002, 2013 GENERAL RATE CASE
WASTEWATER BILL IMPACTS

Attachment D-2

WASTEWATER MONTHLY BASE BILL[1]	Present Rates	Proposed Rates	Dollar Increase	% Increase
Passive System				
Village Greens	$56.61	$53.56	($3.05)	-5.40%
White Oaks	$56.61	$53.56	($3.05)	-5.40%
Oak Hills	$56.61	$53.56	($3.05)	-5.40%
Spreckels				
Residential & Small Commercial	$56.61	$53.56	($3.05)	-5.40%
Large Commercial (4 or more employees)	$113.22	$107.11	($6.11)	-5.40%
Industrial	$339.67	$321.34	($18.33)	-5.40%
Public Authority (School)	$84.92	$80.33	($4.58)	-5.40%
Active System				
Pasadera	$126.08	$119.28	($6.80)	-5.40%
Las Palmas				
Residential	$126.08	$119.28	($6.80)	-5.40%
Golf Course (4 EDU's)	$504.32	$477.15	($27.17)	-5.39%
Commercial (6 EDU's)	$756.48	$715.72	($40.76)	-5.39%
Public Authority (5 EDU's)	$630.40	$596.42	($33.98)	-5.39%
Carmel Valley Ranch	$126.08	$119.28	($6.80)	-5.40%
Hotel (144 EDU's)	$18,155.52	$17,177.28	($978.24)	-5.39%
Indian Springs	$126.08	$119.28	($6.80)	-5.40%

(1) Excludes applicable taxes and surcharges.

Attachment D-3 Non-Residential Bill Impacts to be provided with proposed decision.

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

Attachment E-1 For Settlement

Preliminary Statement

Note: California American Water's tariffs are subject to updates/revisions to conform to other PUC approved changes that may have occurred outside this proceeding. In addition, because of the nature of the CAW and MPWMD conservation programs, the conservation surcharges may be recalculated to be recovered within the remaining GRC cycle if there is a delay in the decision.

PRELIMINARY STATEMENT
(continued)

X. Affiliate Transaction Rule IV.D.2 Memorandum Account ("ATRMEMO")

1. PURPOSE:
The purpose of the Affiliate Transaction Rule IV.D.2 Memorandum Account ("ATRMEMO") is to track the fees paid to the utility for the transfer, assignment, or employment of an employee by an affiliate in compliance with Affiliate Transaction Rule IV.D.2. California American Water was granted authority to establish this memorandum account by Ordering Paragraph 8 of Decision (D.) 10-10-019, which adopted the Rules for Water and Sewer Utilities Regarding Affiliate Transactions and the Use of Regulated Assets for Non-Tariffed Utility Services. California American Water was granted authority to continue this account in Decision (D.) XX-XX-XXX.

2. APPLICABILITY:
All areas served by California American Water.

3. ACCOUNTING PROCEDURE:
Rule IV.D.2 provides that fees paid shall be accounted for in a separate memorandum account which tracks them for future ratemaking treatment either on an annual basis, or as otherwise necessary to ensure that the utility's ratepayers receive the fees.

   a. A credit entry will be made to a regulatory liability account for transfer fees.
   b. A debit entry will be made to transfer the balances to the appropriate district Consolidated Expense Balancing Account's (CEBA) upon Commission approval.

4. RATEMAKING PROCEDURE:
There is currently no ratemaking component to the memorandum account. Requests for recovery of any balance are to be processed according to General Order 96-B and Standard Practices or otherwise determined in a Commission decision. Upon Commission review and approval, ATRMEMO balances shall be transferred to the district CEBA's for refund. California American Water will apply the fees, proportionally based upon the customer service connections, to the applicable district(s) affected by such transfer, assignment or employment.

(continued)

PRELIMINARY STATEMENT
(Continued)

This is a placeholder statement. It is anticipated this will be removed when the advice letter is filed

X. Aquifer Storage and Recovery ("ASR") Well 4 Memorandum Account

1. PURPOSE:
   The purpose of the Memorandum Account is to record the costs, not to exceed $4.7 million, for ASR well 4 to be constructed at the Seaside Middle school site. California American Water was granted authority to continue the memorandum account in D.XX-XX-XXX. Any costs for well ASR-4 that exceed the cap of $4.7 million may be presented to the Commission for reasonableness review and ratemaking consideration in a Tier 3 advice letter or in the Utility's next general rate case.

2. APPLICABILITY:
   The Monterey County District.

3. ACCOUNTING PROCEDURE:
   The following entries will be recorded to the memorandum account:
   a. A debit entry for recorded costs associated with the Aquifer Storage and Recovery ("ASR") Project.
   b. Upon completion and approval through a Tier 2 advice letter, a credit entry equal to the amount that shall be transferred to rate base.

4. RATEMAKING PROCEDURE:
   There is currently no ratemaking component to the memorandum account. Requests for recovery of any balance are to be processed according to General Order 96-B and Standard Practices or requested in a general rate case.

PRELIMINARY STATEMENT
(continued)

X. Catastrophic Event Memorandum Account ("CEMA")

1. PURPOSE:

The purpose of the CEMA is to recover the costs resulting from a catastrophic event declared a disaster or state of emergency by competent federal or state authorities. These costs can include but are not limited to expenses related to the restoration of service and California American Water facilities affected by the catastrophic event. California American Water was granted authority for this account in CPUC Resolution E-3238, dated July 24, 1991.

Should a disaster occur, California American Water will inform the Executive Director of the CPUC by letter within 30 days after the catastrophic event that California American Water has started booking costs in the CEMA.

The letter shall specify the declared disaster, date, time, location, service area affected, impact on California American Water's facilities, and an estimate of the extraordinary costs expected to be incurred, with costs due to expenses and capital items shown separately.

California American Water shall not record any capital costs or expenses incurred prior to the start of the declared disaster or state of emergency, as identified by the appropriate Authorities, pursuant to Government Code Sections 8558, 8588, and 8625, or comparable federal authority.

Descriptions of the terms and definitions used in this section are found in Rule 1.

2. APPLICABILITY:

The CEMA balance will be recovered from all customer classes, except those specifically excluded by the CPUC.

3. CEMA RATES:

The CEMA does not currently have a rate component. Any balance in the CEMA will be recovered in rates after CPUC review and audit of the recorded CEMA balance.

4. ACCOUNTING PROCEDURE: Upon declaration of a disaster or state of emergency, California American Water shall maintain the CEMA from the date of the event causing the disaster occurred by making entries to this account at the end of each month as follows:

a. A debit entry equal to the amounts recorded in California American Water's Operations and Maintenance, and Administrative and General Expense Accounts that were incurred as a result of the disaster and related events.

b. A debit entry equal to:

1) depreciation expense on the average of the beginning and the end-of-month balance of plant installed to restore service to customers, or to replace, repair, or restore any plant or facilities, or to comply with government agency orders, in connection with events declared disasters, at one-twelfth the annual depreciation rates approved by the CPUC for these plant accounts; plus

2) the return on investment on the average of the beginning and the end-of-month balance of plant installed to restore service to customers or replace, repair, or restore any plant or facilities, or to comply with government agency orders, in connection with events declared disasters, at one-twelfth of the annual rate of return on investment last adopted for California American Water's Water Department by the CPUC; plus

PRELIMINARY STATEMENT
(continued)

3) the return on the appropriate allowance for working capital using calculations last adopted by the CPUC for the Water Department, and the return in G.4.b.2 above; plus
4) the return on net cost of removal of facilities required as a result of the disaster and related events, using the rate of return in G.4.b.2 above; less
5) the return on the average of beginning and end-of-month accumulated depreciation, and on average accumulated net deferred taxes on income resulting from the normalization of federal tax depreciation, using the rate of return in G.4.b.2 above.

c. A debit entry equal to federal and state taxes based on income associated with item G.4.b above, calculated at marginal tax rates currently in effect. This will include all applicable statutory adjustments. For federal and state taxes, this will conform to normalization requirements as applicable. Interest cost will be at the percentage of net investment last adopted by the CPUC with respect to California American Water.

d. A credit entry to transfer all or a portion of the balance in this CEMA to other adjustment clauses for future rate recovery, as may be approved by the CPUC.

e. An entry equal to interest on the average balance in the account at the beginning of the month and the balance after the entries from G.4.a through G.4.c above, at a rate equal to one twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, G.13, or its successor. Entries in items G.4.a and G.4.b above, shall be made net of the appropriate insurance proceeds. Items G.4.a, G.4.b, and the appropriate determinants of item G.4.c above, in any month, shall be pro-rated to reflect the latest jurisdictional allocation factors.

5. FINANCIAL REPORTING: California American Water may, at its discretion, record the balance in the CEMA as a deferred debit on its balance sheet with entries to the appropriate income statement accounts, as necessary.

PRELIMINARY STATEMENT
(continued)

X. California American Water Conservation Surcharge ("CAWCS") Balancing Accounts

1. PURPOSE:
The purpose of the CAWCS Balancing Accounts is to track conservation-related expenses and surcharges associated with California American Water's conservation efforts. The balancing account shall be capped at $5,950,302 for the three year period from January 1, 2015 through December 31, 2017. California American Water was granted authority to continue this account in Decision (D.) XX-XX-XXX.

District	3 year Combined Conservation Budget (2015-2017)
Larkfield	$90,524
Los Angeles County	$642,929
Monterey County	$2,398,500
Sacramento	$1,463,998
San Diego County	$493,053
Ventura County	$861,298
Total California American	$5,950,302

2. APPLICABILITY:
All ratemaking areas included in Application A.13-07-002 covering the years 2015-2017.

3. ACCOUNTING PROCEDURE:
The following entries will be recorded to the balancing account:
   a. A debit entry equal to the amounts spent as part of conservation efforts.
   b. A credit entry equal to the amounts collected through surcharges as part of conservation efforts.
   c. This is a one-way balancing account, whereby California American Water will refund customers through the appropriate district CEBA:
      i. Amounts that were collected as part of the authorized conservation budget, but were not spent and/or
      ii. Amounts collected in excess of the authorized conservation budget for each district.
      iii. Any amounts subject to refund will be amortized after the end of the district's rate case period.

4. RATEMAKING PROCEDURE:
One-way conservation program dollars remain funded through a separate surcharge and tracked, along with related expenses, in the Conservation Surcharge Balancing Accounts. The dollars funded begin with the start of the rate case cycle and continue through the end of the cycle. Upon Commission review and approval, balances shall be transferred to the appropriate district CEBA for refund after the end of the rate case cycle.

(continued)

PRELIMINARY STATEMENT
(continued)

X. Cease and Desist Order Memorandum Account ("CDOMA")

1. PURPOSE:
The purpose of the Cease and Desist Order Memorandum Account ("CDOMA") is to track outside legal counsel; experts needed to represent California American Water in administrative proceedings; temporary legal measures regarding stays of the CDO; court appeals related to any final CDO adopted by the SWRCB; challenges, clarifications, and/or compliance with the CDO including any additional or more stringent conservation and reporting activities, the development and obtainment of water supply and water rights; and any and all other immediate activities beyond those approved in the general rate case related to the CDO to address the State Water Resources Control Board ("SWRCB") Cease and Desist Order for unauthorized diversion of water from the Carmel River in the Monterey District. California American Water was granted authority to continue this balancing in Decision (D.) XX-XX-XXX.

2. APPLICABILITY:
The Monterey County District Main Service Area.

3. ACCOUNTING PROCEDURE:
The following entries will be recorded to the memorandum account:
   a. A debit entry will be created each month to record expenses associated with the SWRCB CDO.
   b. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.
   c. A subaccount within the existing memorandum account will track debit entries to record any penalties or fines that may be assessed as a result of a violation of the SWRCB Cease and Desist Order.
   d. A credit entry will be made to transfer the balances to the appropriate district Consolidated Expense Balancing Account's (CEBA) upon Commission approval.

4. RATEMAKING PROCEDURE:
There is currently no ratemaking component to the memorandum account. Requests for recovery of any balance are to be processed according to General Order 96-B and Standard Practices or otherwise determined in a Commission decision. Upon Commission review and approval, balances shall be transferred to the appropriate district CEBA's for recovery/refund.

(continued)

PRELIMINARY STATEMENT
(continued)

X. Coastal Water Project Memorandum Account

1. PURPOSE:

   The purpose of the Coastal Water Project Memorandum Account is to track costs associated with the development of a new water supply in the Monterey County District. California American Water was granted a memorandum account in Decision No. 03-09-022. Per Decision No. 11-09-039 interest is to accrue at 4%.

2. APPLICABILITY:
   The Monterey County District Main, Hidden Hills, Ryan Ranch, and Bishop Service Areas

3. ACCOUNTING PROCEDURE:
   The following entries will be recorded to the memorandum account:
   a. A debit entry equal to the amount of costs associated with the Coastal Water Project
   b. A credit entry equal to the amount of surcharge collected to offset the costs associated with the Coastal Water Project.
   c. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to 4%.

4. RATEMAKING PROCEDURE:
   The Special Request 1 Surcharge shall remain at the 15% level until the full amount authorized for preconstruction costs is collected.

PRELIMINARY STATEMENT
(Continued)

X. Consolidated Expense Balancing Account (CEBA)

1. PURPOSE:
The purpose of the Consolidated Expense Balancing Account is to consolidate the amortization of Commission approved balancing and memorandum accounts where appropriate. California American Water was granted authority to continue this balancing account in Decision (D.) XX-XX-XXX.

2. APPLICABILITY:
Applicable districts served by California American Water.

3. ACCOUNTING PROCEDURE:
The following entries will be recorded to the CEBA:
   a. Authorized balancing or memorandum account under collections will be credited from the current account and debited to the CEBA.
   b. Authorized balancing or memorandum account over collections will be debited from the current account and credited to the CEBA.
   c. Any surcharge collections will be applied as a credit to the overall balance.
   d. Any surcredits will be applied as a debit to the overall balance.
   e. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

4. RATEMAKING PROCEDURE:
The CEBA is recoverable through a Tier 1 advice letter filing. If the net CEBA balance after incremental transfers is under collected, the account will be amortized by applying a uniform volumetric surcharge. If the net CEBA balance after incremental transfers is over collected, the net over collection shall be amortized and credited to the service charge of all customers, based upon the meter equivalent size of the service connection.

PRELIMINARY STATEMENT
(continued)

X. Emergency Rationing Costs Incurred by CAW Memorandum Account

1. PURPOSE:

The purpose of this memorandum account is to track increased expenses that California American Water would incur in its Monterey County District in the event that rationing is implemented under the Monterey Peninsula Water Management District's (MPWMD) Ordinance No. 92. Ordinance No. 92 is an expanded water conservation and standby water-rationing plan whose implementation requires both California American Water and MPWMD to engage in activities to promote, monitor and enforce its terms. The account shall also capture costs of MPWMD that are considered reasonable and prudent. California American Water was granted authority to continue this account in Decision (D.) XX-XX-XXX.

2. APPLICABILITY:

The Monterey County District Main, Hidden Hills, Ryan Ranch, and Bishop Service

3. ACCOUNTING PROCEDURE:

Upon implementation of rationing, California American Water shall maintain the account from the date of declaration by making entries at the end of each month as follows:

a. A debit entry to record expenses associated with the emergency rationing.
b. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.
c. A credit entry to transfer all or a portion of the balance in this account to other adjustment clauses for future rate recovery, as may be approved by the CPUC.

4. RATEMAKING PROCEDURE:

There is currently no ratemaking component to the memorandum account. Requests for recovery of any balance are to be processed according to General Order 96-B and Standard Practices or otherwise determined in a Commission decision.

PRELIMINARY STATEMENT
(Continued)

X. Endangered Species Act ("ESA") Memorandum Account

1. PURPOSE:
The purpose of the ESA Memorandum Account is to track costs incurred for compliance with Endangered Species Act ("ESA") requirements, except for ESA compliance costs associated with the San Clemente Dam. California American Water was granted authority to continue its memorandum account for ESA costs in Decision D.XX-XX-XXX.

2. APPLICABILITY:
The Monterey County District Main Service Area

3. ACCOUNTING PROCEDURE:
The following entries will be recorded to the memorandum account:
   a. A debit entry equal to the costs associated with ESA compliance.
   b. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.
   c. Fines related to ESA may not be tracked in this account.
   d. A credit entry will be made to transfer the balances to the appropriate district Consolidated Expense Balancing Account's (CEBA) upon Commission approval.

4. RATEMAKING PROCEDURE:
There is currently no ratemaking component to the memorandum account. Requests for recovery of any balance are to be processed according to General Order 96-B and Standard Practices or otherwise determined in a Commission decision. Upon Commission review and approval, balances shall be transferred to the appropriate district CEBA's for recovery/refund.

PRELIMINARY STATEMENT
(Continued)

GARRAPATA SERVICE AREA OF MONTEREY COUNTY DISTRICT

Memorandum Accounts

The following memorandum accounts were originally established by Garrapata Water Company and are only applicable to the Garrapata service area of Monterey County District. The purpose of these accounts is to recover costs not anticipated in rates. The balance in these accounts will be recovered in rates after CPUC review and audit of the reasonableness of the costs recorded therein. The accounts are listed with the authorizing CPUC Resolution, Decision or Public Utilities Code (PU Code). Additional description can be found in the authorizing document (s).

1. Unanticipated Repair Cost Memorandum Account (URCMA), Decision 92-03-093, dated March 31, 1992.
2. Infrastructure Act Memorandum Account (IAMA), Decision 06-05-041, dated May 25, 2006 and PU Code 789. Note: This account is established to track gains on real property.
3. Water Contamination Litigation Expense Memorandum Account, Resolution W-4094, dated March 26, 1998.

Balancing Accounts

The following balancing accounts were originally established by Garrapata Water Company and are only applicable to the Garrapata service area of Monterey County District. The purpose of these accounts is to track changes in costs for the named expense category. The balance in these accounts will be recovered in rates after CPUC review and audit of the costs recorded therein. The accounts are listed with the authorizing CPUC Resolution, Decision or Public Utilities Code (PU Code).

4. Purchased Power, Resolution W-4467, April 22, 2004.
5. Purchased Water, Resolution W-4467, April 22, 2004.
6. Pump Tax, Resolution W-4467, April 22, 2004.
7. Payroll, Resolution W-4467, April 22, 2004.
8. Payroll Taxes, Resolution W-4467, April 22, 2004.
9. Contract Labor, Resolution W-4467, April 22, 2004. Note: Restricted to the Operational and Maintenance portion of contract labor.
10. Water Quality Balancing Account (WQBA), Resolution W-4698, July 31, 2008.
11. California Department of Public Health User Fees Balancing Account (UFBA), Resolution W-4698, July 31, 2008. Note: Pertains to fees that are billed under Section 4019.10, superseded by Sections 116590 and 116595 of the California Health and Safety Code.

(Continued)

PRELIMINARY STATEMENT
(Continued)

X. Leak Adjustments Memorandum Account (LAMA)

1. PURPOSE:
The purpose of the Leak Adjustments Memorandum account is to track revenue collection shortfalls attributable to California American Water's customer billing adjustment program beginning February 26, 2013 and ending December 31, 2014. California American Water was granted a memorandum account in Resolution W-4951.

2. APPLICABILITY:
All customers in the Monterey County District.

3. ACCOUNTING PROCEDURE:
The following entries will be recorded to the memorandum account.
   a. A debit entry equal to the customer billing adjustments provided by the Company through its customer billing adjustment program.
   b. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor
   c. A credit entry will be created once recovery is later determined by the Commission.

4. RATEMAKING PROCEDURE:
There is currently no ratemaking component to the memorandum account. Requests for recovery of any balance are to be processed according to General Order 96-B and Standard Practices or otherwise determined in a Commission decision. The memorandum account will be closed for recording new entries, with the exception of interest, on the last day of California American Water's current GRC cycle (December 31, 2014).

PRELIMINARY STATEMENT
(continued)

X. Low Income Customer Data Sharing Memorandum Account

1. PURPOSE:
The purpose of the Low Income Customer Data Sharing Memorandum Account is to track the one time and ongoing data sharing costs in compliance with D.11-05-020.

2. APPLICABILITY:
All of California-American Water Company's districts.

3. ACCOUNTING PROCEDURE:
The following entries shall be recorded to the memorandum account:

   a. A debit entry equal to the amount of costs associated with one time or ongoing data sharing costs.
   b. A credit entry equal to any rate recovery authorized by the CPUC.
   c. A debit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entry (a.) , at a rate equal to one-twelfth of the rate on three month Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor

4. RATEMAKING PROCEDURE:
Per D. XX-XXX-XX, California American Water will transfer approved balances to each district's Consolidated Expense Balancing Account ("CEBA"). Any remaining historical balances shall be recovered subject to review in the next general rate case or through the advice letter process. For California American Water's 2015 General Rate Case cycle, forecasted costs were included in base rates, therefore such dollars should not be recorded to this memorandum account.

(continued)

PRELIMINARY STATEMENT
(Continued)

X. Low-Income Ratepayer Assistance ("LIRA") Program Memorandum Account

1. PURPOSE:
The purpose of the LIRA Memorandum Account is to track revenues lost as a result of customer usage of the LIRA Program and incurred costs as a result of mailings and other program setup requirements. California American Water was granted authority to continue this account in Decision (D.) XX-XX-XXX until the approval of the LIRAP balancing account through the advice letter process.

2. APPLICABILITY:
All districts served by California American Water.

3. ACCOUNTING PROCEDURE:
The following entries will be recorded to the memorandum account through at least December 31, 2014 and until the approval of the LIRA balancing account through the advice letter process:
   a. A debit entry equal to the amounts spent on activities associated with the program.
   b. A debit entry equal to the recorded reduction in billed service charge revenue that results from providing the discount to qualified customers.
   c. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.
   d. A credit entry will be made to transfer the balances to the appropriate district Consolidated Expense Balancing Account's (CEBA) upon Commission approval.

4. RATEMAKING PROCEDURE
There is currently no ratemaking component to the memorandum account. Requests for recovery of any balance are to be processed according to General Order 96-B and Standard Practices or otherwise determined in a Commission decision. Upon Commission review and approval, balances shall be transferred to the appropriate district CEBA's for recovery/refund.

PRELIMINARY STATEMENT
(Continued)

X. Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account

1. PURPOSE:
The purpose of the LIRAP Balancing Account is to track the LIRAP discounts provided, the LIRAP surcharges collected, and to adjust the LIRAP surcharges on January 1 of each year. The surcharge will be applicable to all non-low income water and wastewater customers. California American Water was granted authority to establish this account in Decision (D.) XX-XX- XXX.

2. APPLICABILITY:
All areas served by California American Water.

3. ANNUAL SURCHARGE ADJUSTMENT:
The surcharge will be evaluated and adjusted annually in the annual Step rate filings and will reflect:
   a. A forecast of the December 31st balance in the LIRAP for the current year that reflects:
      i. the most recent recorded balance;
      ii. the assumption that the proportion of LIRAP to non-LIRAP residential enrollment in September will remain constant as a proportion of adopted numbers for October through December; and
      iii. the assumption that current LIRAP surcharges will be applied to the estimated non-LIRAP portion of adopted sales (adopted sales minus estimated LIRAP sales based on the proportion of LIRAP to non-LIRAP residential customers in September), plus interest; and
   b. A forecast of the December 31 balance in the LIRAP for the following year that reflects:
      i. the assumption that the proportion of LIRAP to non-LIRAP residential enrollment in September of the previous year will remain constant as a proportion of adopted numbers; and
      ii. the assumption that the new surcharges will be applied to the estimated non-LIRAP portion of adopted sales (adopted sales minus estimated LIRAP sales based on the proportion of LIRAP to non-LIRAP residential customers in September of the previous year), plus interest.

4. ACCOUNTING PROCEDURE:
The following entries will be recorded effective with the date of Decision (D.) XX-XX-XXX:
   a. A debit entry equal to the recorded customer discounts.
   b. A credit entry equal to the surcharges collected from the customers not qualified to participate in the LIRAP.
   c. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

PRELIMINARY STATEMENT
(Continued)

5. RATEMAKING PROCEDURE:
Low income discount of 20% shall be applied to all monthly service fees, the tier one billed usage amount and the tier two usage amount. Surcharges will be evaluated and adjusted annually in the annual Step rate filings to ensure appropriate collection.

PRELIMINARY STATEMENT
(Continued)

Main San Gabriel Groundwater Basin Contamination Memorandum Account ("MSGGBCMA")

1.) PURPOSE:
The purpose of the Main San Gabriel Groundwater Basin Contamination Memorandum Account ("MSGGBCMA") to track all costs incurred by California American Water to respond to, mitigate, or control contamination in the Main San Gabriel Groundwater Basin, including but not limited to, additional sampling, pumping modifications, engineering consultant fees, permitting costs, treatment facilities, government agency coordination, and legal fees. California American Water was granted authority to continue this account in Decision (D.) XX-XX-XXX.

2.) APPLICABILITY:
The Los Angeles County District San Marino Service Area

3.) ACCOUNTING PROCEDURE:
California American Water shall track all MSGGBCMA related costs paid by California American Water including, but not limited to, the cost of additional sampling, pumping modifications, engineering consultant fees, permitting costs, treatment facilities, government agency coordination, and legal fees related to contamination in the Man San Gabriel Groundwater Basin.

California American Water shall maintain the MSGGBCMA by making entries as follows:

a.) A debit entry will be created each month to record incurred costs.

b.) A credit entry will be created to reflect any proceeds received from responsible parties or government agencies to offset recorded costs. California American Water will account for contamination proceeds as required by Commission decisions, including D.10-10-018.

c.) A debit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entry (a.) , at a rate equal to one-twelfth of the rate on three month Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

4.) RATEMAKING PROCEDURE:
There is currently no ratemaking component to the memorandum account. Requests for recovery of any balance are to be processed according to General Order 96-B and Standard Practices or otherwise determined in a Commission decision.

PRELIMINARY STATEMENT
(Continued)

X. Monterey Wastewater Purchased Power Expense Balancing Account

1. PURPOSE:
The purpose of the Monterey Wastewater Purchased Power Expense Balancing Account is to track differences in purchased power expenses based upon changes in recorded unit prices versus adopted. California American Water was granted authority to continue this account in Decision (D.) XX-XX-XXX.

2. APPLICABILITY:
All customer classes of the Monterey Wastewater District

3. ACCOUNTING PROCEDURE:
The following entries shall be recorded to the balancing account:
   a. A debit entry will be created each month to record expenses associated with the account. The expenses are determined as follows:
      1) Difference between recorded and adopted unit costs for purchased power and pump taxes.
      2) Multiply the difference in (1) by the recorded quantities.
   b. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.
   c. A credit entry will be made to transfer the balances to the district's Consolidated Expense Balancing Account (CEBA) upon Commission approval.

4. RATEMAKING PROCEDURE:
There is currently no ratemaking component to the balancing account. Requests for recovery of any balance are to be processed according to General Order 96-B and Standard Practices or otherwise determined in a Commission decision. Upon Commission review and approval, balances shall be transferred to the appropriate district CEBA's for recovery/refund.

PRELIMINARY STATEMENT
(Continued)

X. Carmel River Mitigation Program Balancing Account

1. PURPOSE:
The purpose of the Balancing Account is to track costs related to the Interim Implementation Agreement for the Carmel River Mitigation Program. Per the agreement, California American Water reimburses the Monterey Peninsula Water Management District (MPWMD) for its work on the program. It also contains the balance of previously recorded and transferred costs from the MPWMD User Fee Memorandum Account. California American Water was granted authority to continue this account in Decision (D.) XX-XX- XXX.

2. APPLICABILITY:
The Monterey County District Main, Hidden Hills, Ryan Ranch, and Bishop Service Areas

3. ACCOUNTING PROCEDURE:
The following entries will be recorded to the balancing account:
   a. A debit entry will be created each month to record expenses associated with the agreement.
   b. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.
   c. A credit entry equal to the amount of surcharge collected to offset the costs associated with the program.

4. RATEMAKING PROCEDURE:
The annual costs of the program are $2,367,219 in 2015, $2,456,888 in 2016 and $2,580,129 in 2017. These costs are capped annually at the listed amounts and will be collected through a surcharge applied against the meter and total tiered rates.

PRELIMINARY STATEMENT
(continued)

X. Monterey Peninsula Water Management District ("MPWMD") Conservation Balancing Account

1. PURPOSE:
The MPWMD Conservation Balancing Account is a one-way balancing account to track conservation-related expenses, surcharges and credits connected to MPWMD's conservation program. The balancing account shall be capped at $899,000 for the three year period from January 1, 2015 through December 31, 2017. California American Water was granted authority to continue this account in Decision (D.) XX-XX-XXX.

2. APPLICABILITY:
The Monterey County District Main, Hidden Hills, Ryan Ranch, and Bishop Service Areas

3. ACCOUNTING PROCEDURE:
The following entries shall be recorded to the balancing account:

   a. A debit entry equal to the amounts spent as part of the program.
   b. A credit entry equal to the amounts collected through surcharges.
   c. This is a one-way balancing account, whereby California American Water will refund customers through the appropriate district CEBA:
      i. Amounts that were collected as part of the authorized conservation budget, but were not spent and/or
      ii. Amounts collected in excess of the authorized conservation budget.
      iii. Any amounts subject to refund will be amortized after the end of the rate case period.
      iv. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

4. RATEMAKING PROCEDURE:
One-way conservation program dollars remain funded through a separate surcharge and tracked, along with related expenses, in the MPWMD Conservation Balancing Account. The dollars funded begin with the start of the rate case cycle and continue through the end of the cycle. Upon Commission review and approval, balances shall be transferred to the appropriate district CEBA's for refund.

(continued)

PRELIMINARY STATEMENT
(continued)

X. National Oceanic and Atmospheric Administration Endangered Species Act ("NOAA/ESA") Memorandum Account

1. PURPOSE:
The purpose of the NOAA Memorandum Account is to track compliance payments made by California American Water to the United States Department of Commerce National Oceanic Atmospheric Administration ("NOAA"), or its designated payee, for Federal Endangered Species Act ("ESA") mitigation. The account shall remain open through the end of the agreement, July 1, 2016. Recovery of these annual payments shall be through a Tier 2 advice letter. In the event the NOAA agreement is extended beyond 2016 due to delays in the water supply project, California American Water may file a Tier 3 advice letter to request such costs be included in the account. California American Water was granted authority to continue this account in Decision (D.) XX-XX-XXX.

2. APPLICABILITY:
The Monterey County District Main Service Area

3. ACCOUNTING PROCEDURE:
The following entries shall be recorded to the memorandum account:

   a. A debit entry equal to each compliance payment made in connection with the NOAA settlement.
   b. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.
   c. A credit entry will be made to transfer the balances to the appropriate district Consolidated Expense Balancing Account's (CEBA) upon Commission approval.

4. RATEMAKING PROCEDURE:
There is currently no ratemaking component to the memorandum account. Requests for recovery of any balance are to be processed according to General Order 96-B and Standard Practices or otherwise determined in a Commission decision. Upon Commission review and approval, balances shall be transferred to the appropriate district's CEBA.

(continued)

PRELIMINARY STATEMENT
(Continued)

X. Non-Revenue Water Action Plan Memorandum Account (NRWAPMA)

1. PURPOSE:
The purpose of the Non-Revenue Water Action Plan Memorandum account is to track costs related to engineering and financial evaluation and studies of measures to reduce non-revenue water in each district. California American Water was granted authority to continue this account in Decision (D.) XX-XX-XXX.

2. APPLICABILITY:
All districts served by California American Water.

3. ACCOUNTING PROCEDURE:
The following entries will be recorded to the memorandum account:
   a. A debit entry equal to the amounts spent on the costs related to engineering and financial evaluation and studies of measures to reduce non-revenue water in each district.
   b. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.
   c. A credit entry will be made to transfer the balances to the appropriate district Consolidated Expense Balancing Account's (CEBA) upon Commission approval.

4. RATEMAKING PROCEDURE:
There is currently no ratemaking component to the memorandum account. Requests for recovery of any balance are to be processed according to General Order 96-B and Standard Practices or otherwise determined in a Commission decision. Upon Commission review and approval, balances shall be transferred to the appropriate district CEBA's. California American Water will apply the costs, proportionally based upon the number of customer service connections, to the applicable district(s).

PRELIMINARY STATEMENT
(continued)

X. Old Monterey Style Water Revenue Adjustment Mechanism ("Old WRAM") Balancing Account

1. PURPOSE:
The Old Monterey Style Water Revenue Adjustment Mechanism ("WRAM") Balancing Account was first approved in D.96-12-050 in conjunction with the rate design effective in Monterey at that time. This WRAM differs from the current WRAM account adopted in D.09-07-021, in that its purpose was to track the difference between revenues that would have been collected under the Commission's standard rate design and the tiered conservation rate design actually implemented. The purpose of the balancing account is to recover the Old WRAM amounts approved in Advice Letter 987. California American Water was granted authority to continue this account in Decision (D.) XX-XX-XXX.

2. APPLICABILITY:
The Monterey County District Main Service Area

3. ACCOUNTING PROCEDURE:
The following entries shall be recorded to the balancing account:
   a. A credit entry equal to the amount of volumetric surcharges collected to offset the approved balance.
   b. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

4. RATEMAKING PROCEDURE:
Any existing balance at the time the surcharge expires on December 31, 2014 shall be reviewed in a Tier 2 advice letter filing or otherwise determined in a Commission decision. Upon Commission review and approval, balances shall be transferred to the appropriate district CEBA. Interest will continue to accrue at the 90-day commercial paper rate until the balance is fully recovered.

PRELIMINARY STATEMENT
(continued)

X. Operational Energy Efficiency Program Memorandum Account ("OEEPMA")

1. PURPOSE:
The purpose of the Operational Energy Efficiency Program Memorandum Account ("OEEPMA") is to track costs and payments from Southern California Edison Company (SCE), Pacific Gas and Electric Company (PG&E) and San Diego Gas & Electric Company (SDGE) associated with the Operational Energy Efficiency Program (OEEP) approved in D.10-04-031 and 08-11-057.

California American Water was initially granted a Phase 1A Implementation Operational Energy Efficiency Program Memorandum Account (PIOEEPMA) in Advice Letter 814, effective December 25, 2009, to track OEEP costs incurred until the Commission issued D.10-04-030

Ordering Paragraphs 5 and 6 of D.10-04-030 granted an OEEPMA to replace any similar memorandum account that was previously established. California American Water subsequently filed Advice Letter 837 to rename the PIOEEPMA the OEEPMA. In accordance with Ordering Paragraph 6, the renaming of this memorandum account will not alter its original effective date.

2. APPLICABILITY:
The Los Angeles, Monterey and San Diego Districts.

3. ACCOUNTING PROCEDURE:
California American Water filed Advice letter 853 and 860 to track all reasonable construction and associated costs related to the Monterey and San Diego District's Research, Development and Demonstration (RD&D) Kw demand reduction and Kwh electrical energy recovery projects

California American Water may seek recovery of its OEEPMA balance in its next general rate case or, if it does not have general rate cases, through a Tier 3 advice letter filing.

California American Water is not entitled to a presumption that the costs of the OEEP are appropriate types of costs to recover or that they are reasonable or prudently incurred. California American Water shall bear the burden of proving the prudence and reasonableness of the costs of the OEEP and the appropriateness of separate recovery of these costs.

(continued)

PRELIMINARY STATEMENT
(continued)

X. Operational Energy Efficiency Program Memorandum Account ("OEEPMA") (continued)

3. ACCOUNTING PROCEDURE (continued):

The OEEPMA shall include:

Costs incurred for the OEEP program as approved in D.10-04-030 and 08-11-057

a. A debit or credit entry will be created each month to record the costs discussed above and any OEEP payments received from SCE, PG&E and SDGE.
b. A debit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entry (a.) , at a rate equal to one-twelfth of the rate on three month Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

(continued)

PRELIMINARY STATEMENT
(continued)

X. Other Post-Employment Benefits Balancing Account ("OPEBBA")

1. PURPOSE:
The purpose of the Other Post-Employment Benefits Balancing Account ("OPEBBA") is to track the difference between Commission-authorized OPEB costs and actual OPEB payments calculated according Federal Accounting Standard 106. California American Water was granted authority to continue this account in Decision (D.) XX-XX-XXX.

2. APPLICABILITY:
All areas served by California American Water

3. ACCOUNTING PROCEDURE:
The following entries shall be recorded to the balancing account:

a. The OPEBBA shall be calculated monthly. The calculation shall be the expense difference of the adopted costs and the actual required payments.
b. A debit or credit entry will be created each month to record the expense difference discussed above.
c. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.
d. A credit entry will be made to transfer the balances to the appropriate district Consolidated Expense Balancing Account's (CEBA) upon Commission approval.

4. RATEMAKING PROCEDURE:
There is currently no ratemaking component to the balancing account. Requests for recovery of any balance are to be processed according to General Order 96-B and Standard Practices or otherwise determined in a Commission decision. Upon Commission review and approval, balances shall be transferred to the appropriate district CEBA's for recovery/refund.

(continued)

A.13-07-002 WAC/ek4
PROPOSED DECISION

PRELIMINARY STATEMENT
(Continued)

X. Pension Balancing Account ("PBA")

1. PURPOSE:
The purpose of the Pension Balancing Account ("PBA") is to track the difference between Commission-authorized pension costs and actual pension payments calculated according to ERISA. California American Water was granted authority to continue this account in Decision (D.) XX-XX-XXX.

2. APPLICABILITY:
All areas served by California American Water

3. ACCOUNTING PROCEDURE:
The following entries will be recorded to the memorandum account:
   a. The PBA shall be calculated monthly. The calculation shall be the expense difference of the adopted costs and the actual required payments.
   b. A debit or credit entry will be created each month to record the expense difference discussed above.
   c. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.
   d. A credit entry will be made to transfer the balances to the appropriate district Consolidated Expense Balancing Account's (CEBA) upon Commission approval.

4. RATEMAKING PROCEDURE:
There is currently no ratemaking component to the balancing account. Requests for recovery of any balance are to be processed according to General Order 96-B and Standard Practices or otherwise determined in a Commission decision. Upon Commission review and approval, balances shall be transferred to the appropriate district CEBA's for recovery/refund.

PRELIMINARY STATEMENT
(Continued)

X. Purchased Water, Purchased Power and Pump Tax Balancing Account

1. PURPOSE:
The purpose of the Purchased Water, Purchased Power and Pump Tax Balancing Account is to track differences in the aforementioned expenses based upon changes in recorded unit prices versus adopted. California American Water was granted authority to maintain this balancing account in Decision (D.) XX-XX-XXX.

2. APPLICABILITY:
All customer classes of the Sacramento District.

3. ACCOUNTING PROCEDURE:
With the approval of the MCBA in D.XX-XX-XXX, expense entries past December 31, 2014 will no longer be recorded to the account. However, prior balances will remain and interest will continue to accrue until all balances are transferred. The entries are as follows:
   a. A debit entry will be created each month until December 31, 2014 to record expenses associated with the account. The expenses are determined as follows:
      1) Difference between recorded unit cost for purchased water and adopted, including service charges
      2) Multiply difference in (1) by recorded quantities

      3) Difference between recorded unit cost for purchased power and pump taxes and adopted
      4) Multiply difference in (3) by recorded quantities

      5) Total net balance = (2) + (4)
   b. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.
   c. A credit entry will be made to transfer the balances to the appropriate district Consolidated Expense Balancing Account's (CEBA) upon Commission approval.

4. RATEMAKING PROCEDURE:
There is currently no ratemaking component to the balancing account. Requests for recovery of any balance are to be processed according to General Order 96-B and Standard Practices or otherwise determined in a Commission decision. Upon Commission review and approval, balances shall be transferred to the appropriate district CEBA's for recovery/refund.

PRELIMINARY STATEMENT
(Continued)

X. Mandatory Conservation Rationing Implementation Memorandum Account (MCRIMA)

1. PURPOSE:
The MCRIMA will record the operating costs, administration costs and associated fines collected with the implementation of Rule or Schedule No. 14.1in the various California American Water districts. The memorandum account will also track the penalties or fees, which may be imposed by the relevant water agencies, related to California American Water exceeding any assigned allocations. Any additional income generated from the implementation of Rule 14.1 will also be recorded in this memorandum account.

2. APPLICABILITY:
All customer classes, except those specifically excluded by the CPUC.

3. ACCOUNTING PROCEDURE:
The following entries shall go into effect on the effective date of the Advice Letter activating Stage 1 or higher of Schedule 14.1:
   a. A debit entry to record the incremental expenses or penalties paid.
   b. A credit entry to record the income from penalty charges collected.
   c. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

4. RATEMAKING PROCEDURE:
There is currently no ratemaking component to the memorandum account. Requests for recovery of any balance are to be processed according to General Order 96-B and Standard Practices or otherwise determined in a Commission decision. Upon Commission review and approval, balances shall be transferred to the appropriate district CEBA's for recovery/refund.

PRELIMINARY STATEMENT
(Continued)

X. Sacramento District Voluntary Conservation or Mandatory Rationing Revenue Adjustment Mechanism Memorandum Account.

1. PURPOSE:

The purpose of this Voluntary Conservation or Mandatory Rationing Revenue Adjustment Mechanism Account (VCMRRAMA) is to track impacts of voluntary conservation or mandatory rationing on water revenues for future disposition in the Sacramento district. The Commission has determined that this mechanism is appropriate in coordination with increasing water conservation activities or mandatory rationing required by outside governmental agencies or entities. The water revenues subject to this account is limited to those which may be affected by Rule 14.1 and Schedule 14.1. The account will be effective through December 31, 2014 until the WRAM/MCBA is in effect with the start of the new rate cycle on January 1, 2015

2. APPLICABILITY:

All quantity related rate revenue collected through the water usage charge in the Sacramento district. Generally, eligible revenues include residential, commercial, industrial and public authority customers; and exclude public and private fire protection service, flat rate residential service, and other unmetered miscellaneous revenue.

3. ACCOUNTING PROCEDURE:

The following entries will be recorded to the memorandum account through December 31, 2014:

a. Recorded quantity revenues billed.
b. The most recently adopted quantity revenues adjusted for all subsequent rate increases, reduced by an amount equal to a 20-basis point reduction in the most recently adopted return on equity.
c. Most recently adopted variable expenses for purchased water, pump tax and power.
d. Recorded variable expenses.
e. Total net VCMRRAMA balance = (a – b) + (c – d)
f. A positive (+) balance in the memorandum account reflects a utility over collection to be refunded, while a negative (-) balance reflects a utility under collection to be recovered in rates.
g. The Company will record the accumulated VCMRRAMA balance monthly, by adding its entry in section e above to the prior accumulated monthly balance.
h. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

4. RATEMAKING PROCEDURE:

There is currently no ratemaking component to the memorandum account. The memorandum account will be closed for recording new entries, with the exception of interest, on the last day of California American Water's current GRC cycle (December 31, 2014). Requests for recovery of any balance are to be processed according to General Order 96-B and Standard Practices or otherwise determined in a Commission decision. Upon Commission review and approval, balances shall be transferred to the appropriate district CEBA's for recovery/refund.

PRELIMINARY STATEMENT
(Continued)

X. Safe Drinking Water State Revolving Fund (SDWSRF) Loan Repayment Balancing Account

1. PURPOSE:
   The purpose of the SDWSRF Loan Repayment Balancing Account is to track recovery of the balance on the SDWSRF loan provided under the American Recovery and Reinvestment Act for SDWSRF projects authorized by Resolution W-4788, dated September 24, 2009.

2. APPLICABILITY:
   Applicable to the Monterey County District Garrapata Service Area

3. ACCOUNTING PROCEDURE:
   California American Water shall use a balancing account to track revenues collected through the SDWSRF surcharge, and payments, including interest, on the SDWSRF loan. The surcharge rates to repay the loan shall last until the loan is fully paid.
   a. A credit entry will be made to a regulatory liability account for surcharges collected.
   b. A debit entry will be made in the same account for payments on the loan.

4. RATEMAKING PROCEDURE:
   The cost of the capital improvements financed through the surcharge shall be excluded from rate base for ratemaking purposes. Changes in future surcharge rates, or refunds, shall be accomplished by advice letter subject to review and approval.

PRELIMINARY STATEMENT
(continued)

X. San Clemente Dam Balancing Account

1. PURPOSE:
The purpose of the San Clemente Dam Balancing Account is to track all the authorized and actual expenditures as they are incurred for the Carmel River Reroute and San Clemente Dam Removal Project as authorized in D.12-06-040 and AL 955, effective July 1, 2012. This includes, but it not limited to, incurred pre-construction costs, permitting, compliance review and preliminary engineering costs, construction costs, interim dam and environmental safety measures, post-construction mitigation measures, and other application costs.

2. APPLICABILITY:
Applicable to the Monterey County District Monterey Main, Ryan Ranch, and Bishop service areas

3. ACCOUNTING PROCEDURE:
California American Water was granted authority to establish a balancing account which will track actual expenditures for the project as they are incurred. The construction cost cap is $49 million, excluding the pre-construction costs and its related interest, interim dam safety and environmental costs for annual drawdowns and post- construction mitigation costs. The actual balance of the balancing account, less accumulated amortization and associated deferred taxes, will be authorized to earn a return based on the currently authorized cost of capital. The balancing account will be closed at the time the regulatory asset moved into base rates. The balance at that point will remain in the regulatory asset/balancing account and will continue to be collected over the remainder of the twenty year collection period using an updated levelized revenue requirement based on the ending net regulatory asset/balancing account balance, the current authorized cost of capital, the remaining years in the twenty year recovery period, projected deferred taxes, uncollectible account expenses and taxes. The levelized revenue requirement set in base rates may still need to be adjusted periodically for changes in authorized cost of capital or for other items that may be delayed into the account such as the tax benefits of the land donation.

   a. A debit entry will be made for project costs and their associated cost of capital.
   b. A credit will be made for the portion of surcharge collection that represents amortization of project costs. Amortization is calculated subtracting cost of capital, taxes and uncollectable accounts expenses from the total surcharges billed.

4. RATEMAKING PROCEDURE:
California American Water will recover the revenue requirement of the regulatory/ balancing account through a surcharge in the applicable service areas. The regulatory asset will be moved into base rates on the first day of the first test year following final project review.

(continued)

PRELIMINARY STATEMENT
(Continued)

X. Sand City Desalination Plant Purchased Water Balancing Account (SCDPPWBA)

1. PURPOSE:
   The purpose of the Sand City Desalination Plant Purchased Water Balancing Account is to track Sand City Desalination Plant production costs and associated recoveries. California American Water was granted authority for the balancing account in Decision D.13-04-015 and authority to maintain this balancing account in Decision (D.) XX-XX-XXX.

2. APPLICABILITY:
   The Monterey County District Main Service Area

3. ACCOUNTING PROCEDURE:
   The authorized price per acre foot is determined as follows:

Repair Costs	$197,379
Other O&M Costs	$99,821
Purchased Power	$168,765
Property Taxes	$68,509
Total Variable Cost	$534,474
Fixed Cost	$414,672
Total Cost	$949,146
Divided by AF	300
Price per AF	$3,164

   The following entries shall be recorded to the balancing account:
   a. A debit entry equal to the authorized price per acre foot above multiplied by the actual number of acre feet delivered less any amounts delivered to Moratorium Exception Service Tariff customers
   b. A credit entry equal to the amount of surcharges collected to offset the costs
   c. An annual true up entry for actual purchased power costs.
   d. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

4. RATEMAKING PROCEDURE:
   a. Fixed Cost: this amount shall not change for each year over the period of time water is purchased and delivered to the Monterey District for use by District customers, shall not be subject to further review, escalation, or modification, and may in no way be increased to reflect any other cost related to the Sand City Desalination Plant.
   b. Variable Costs: These amounts may be revised by the Commission in subsequent general rate cases.
   c. Actual Purchased Power: Shall be forecasted in each general rate case and trued up annually to actual costs incurred as part of the balancing account adjustment to reflect actual water deliveries.

PRELIMINARY STATEMENT
(Continued)

d. Annual Plant Production: this amount shall not change for each year over the period of time water is purchased and delivered to the Monterey District for use by District customers, shall not be subject to further review, modification, and may in no way be decreased to reflect any operational changes at the Sand City Desalination Plant, but this amount must be increased to reflect increased production at the Plant.

e. Surcharges must provide for recovery of amounts properly recorded in the SCDPPWBA and shall apply to all units of water consumed at the top two tiers of residential service, all volumes of irrigation tariff service, and all non-residential service not in compliance with Best Management Practices in systems subject to the service connection moratorium in Decision 11-03-048.

PRELIMINARY STATEMENT
(continued)

X. Seaside Basin Adjudication Balancing Account

1. PURPOSE:
The purpose of the Seaside Basin Adjudication Balancing Account is to track the surcharge collections and interest associated with the unamortized balance of costs incurred to litigate and secure Seaside Basin water rights. California American Water was granted authority to continue this account in Decision (D.) XX-XX-XXX.

2. APPLICABILITY:
The Monterey County District Main, Hidden Hills, Ryan Ranch, and Bishop Service Areas

3. ACCOUNTING PROCEDURE:
The following entries will be recorded to the balancing account:
   a. A credit entry equal to the amount of surcharges collected to offset the previously recorded costs.
   b. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

4. RATEMAKING PROCEDURE:
In accordance with Advice Letter 778, effective July 19, 2009, a meter surcharge is assessed on customers in the Monterey Main, Hidden Hills, Ryan Ranch, and Bishop areas to recover $2,755,960 over a ten-year period. This account accrues interest at the 90-day commercial rate.

PRELIMINARY STATEMENT
(Continued)

X. Seaside Groundwater Basin Balancing Account ("SGBA")

1. PURPOSE:
The SGBA tracks costs associated with Administrative and other payments made to the Seaside Basin Water Master, as well as recovery of such payments from customers in the Monterey County District. California American Water was granted authority to continue this account in Decision (D.) XX-XX-XXX.

2. APPLICABILITY:
The Monterey County District Main, Hidden Hills, Ryan Ranch, and Bishop Service Areas

3. ACCOUNTING PROCEDURE:
The following entries will be recorded to the balancing account:
   a. A debit entry equal to the actual costs associated with the administrative and other payments made to the Seaside Basin Water Master.
   b. A credit entry equal to the amount of costs authorized in the revenue requirement per the general rate case.
   c. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

4. RATEMAKING PROCEDURE:
There is currently no ratemaking component to the balancing account. Requests for recovery of any balance are to be processed according to General Order 96-B and Standard Practices or otherwise determined in a Commission decision. Upon Commission review and approval, balances shall be transferred to the appropriate district CEBA's for recovery/refund.

PRELIMINARY STATEMENT
(Continued)

X. Seaside Groundwater Basin Memorandum Account ("SGBMA")

1. PURPOSE:
The purpose of the SGBMA is to track payments made to the Seaside Basin Water Master for replenishment water. California American Water was granted authority to continue this account in Decision (D.) XX-XX-XXX.

2. APPLICABILITY:
The Monterey County District Main, Hidden Hills, Ryan Ranch, and Bishop Service Areas

3. ACCOUNTING PROCEDURE:
The following entries shall be recorded to the memorandum account:
   a. A debit entry will be created to capture costs associated with the SGBMA.
   b. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.
   c. A credit entry will be made to transfer the balances to the appropriate district Consolidated Expense Balancing Account's (CEBA) upon Commission approval.

4. RATEMAKING PROCEDURE:
There is currently no ratemaking component to the memorandum account. Requests for recovery of any balance are to be processed according to General Order 96-B and Standard Practices or otherwise determined in a Commission decision. Upon Commission review and approval, balances shall be transferred to the appropriate district CEBA's for recovery/refund.

PRELIMINARY STATEMENT
(Continued)

X. Tax Act Memorandum Account

1. PURPOSE:
The purpose of the Tax Act Memorandum Account is to reflect any changes in the revenue requirement that could result from changes in Federal Tax Law with regard to bonus depreciation, should the utility take advantage of the new law. Such changes may include, but not limited to, impacts on Section 199 deductions, working cash, and contributions in aid of construction. So as not to discourage utilities from using the tax savings resulting from the New Tax Law for investment in additional, needed infrastructure, the costs and expenses of that infrastructure not otherwise reflected in rates shall also be reflected in the memorandum account, to the extent allowed by the limitations specified in Commission Resolution L-411A. The account shall be effective the date of Decision (D.) XX-XX-XXX.

2. APPLICABILITY:
All areas served by California American Water.

3. ACCOUNTING PROCEDURE:
The following entries shall be recorded effective with the date of Decision (D.) XX-XX-XXX and any change to the Federal Tax Law with regard to bonus depreciation:
   a. Debit for decrease in revenue requirement resulting from increases in deferred tax reserve.
   b. Credit for increase in revenue requirement resulting from the impact of any decrease in Section 199 deductions resulting from bonus depreciation taken.
   c. Credit or debit for increase or decrease, respectively, in revenue requirement resulting from impact of any calculations in the calculation of working cash resulting from the New Tax Law or from bonus depreciation taken.
   d. Credit or debit for increase or decrease, respectively, in revenue requirement resulting from any other direct change in revenue requirement resulting from the Utility's taking advantage of the New Tax Law.
   e. Credit for increase in revenue requirement resulting from additional Utility infrastructure investment consistent with the limitations set forth by Ordering Paragraph 5 of Resolution L-411A and detailed in Purpose of this Preliminary Statement.
   f. Balances in the Tax Memorandum Account will accrue interest at the 90-day commercial paper rate.

4. RATEMAKING PROCEDURE:
There is currently no ratemaking component to the memorandum account. Requests for recovery of any balance are to be processed according to General Order 96-B and Standard Practices or otherwise determined in a Commission decision. Upon Commission review and approval, balances shall be transferred to the appropriate district CEBA's for recovery/refund.

PRELIMINARY STATEMENT
(continued)

X. Temporary Interest Rate Balancing Account

1. PURPOSE:
The purpose of the Temporary Interest Rate Balancing Account is to record any difference between the forecast incremental cost of debt included in the cost of capital. Additionally, effective November 20, 2009 under D. 09-11-019, California American Water is authorized to record, on a monthly basis, the $88,958 difference between the forecast interest rate and the actual interest rate on $35,000,000 of debt issued on November 26, 2008.

2. APPLICABILITY:
All districts served by California American Water.

3. ACCOUNTING PROCEDURE:
California American Water was granted a balancing account in Decision (D.) 09-05-019. The following entries shall be recorded to the balancing account:

a. This balancing account shall record the difference in interest expense between the actual interest cost for long-term debt for debt issued after May 7, 2009, and the interest cost included in the adopted cost of capital for debt issues in 2009 or later subject to a standard reasonableness review. In accordance with D. 09-11-019 and effective November 20, 2009, the balancing account shall also record $88,958 per month to represent the difference between the forecast interest rate and the actual interest rate on $35,000,000 of debt issued on November 26, 2008.
b. The balancing account shall remain in effect until the next cost of capital proceeding. The monthly recording of the $88,958 shall terminate upon either the adoption of a new cost of capital for California American Water or any adjustment to the cost of capital pursuant to the Water Cost of Capital Adjustment Mechanism adopted in D. 09-07-051.
c. A debit entry is equal to the amount overstated between the actual interest cost and the interest cost included in the adopted cost of capital.
d. A credit entry is equal to the amount understated between the actual interest cost and the interest cost included in the adopted cost of capital.
e. The temporary interest rate balancing account will remain in effect until reviewed in the next cost of capital proceeding.

(continued)

PRELIMINARY STATEMENT
(Continued)

X. Water Contamination Litigation Expense Memorandum Account ("WCLEMA")

1. PURPOSE:
The purpose of the WCLEMA is to track costs associated with litigating water contamination legal cases. California American Water was granted authority to continue this account in Decision (D.) XX-XX-XXX.

2. APPLICABILITY:
All customers in the Sacramento and Los Angeles Districts.

3. ACCOUNTING PROCEDURE:
The following entries shall be recorded to the memorandum account:
   a. A debit entry will be created to record expenses associated with the WCLEMA.
   b. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to one-twelfth of the rate on 90 day non-financial Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.
   c. A credit entry will be made to transfer the balances to the appropriate district Consolidated Expense Balancing Account's (CEBA) upon Commission approval.

4. RATEMAKING PROCEDURE:
There is currently no ratemaking component to the memorandum account. Requests for recovery of any balance are to be processed according to General Order 96-B and Standard Practices or otherwise determined in a Commission decision. Upon Commission review and approval, balances shall be transferred to the appropriate district CEBA's for recovery/refund.

PRELIMINARY STATEMENT
(Continued)

X. West Placer Memorandum Account

1. PURPOSE:
The purpose of the West Placer Memorandum Account is to track the construction costs, allowance for funds used during construction and post construction carrying costs at the Commission's authorized pre-tax rate of return, and the Special Facilities Fees collected from developers in the West Placer County service area of the Sacramento District. California American Water was granted authority to maintain its memorandum account in Decision D. 13-10-003.

2. APPLICABILITY:
Applicable to the Sacramento District

3. ACCOUNTING PROCEDURE:
The following entries shall be recorded to the memorandum account:
   a. A debit entry equal to construction costs and AFUDC and post construction carrying costs at the Commission's authorized pre-tax rate of return.
   b. A credit entry to capture any Special Facility Fees collected from developers.

4. RATEMAKING PROCEDURE:
There is currently no ratemaking component to the memorandum account. Any balances in this account should be resolved as part of a general rate case and any over collection must be treated as a credit against the Sacramento District rate base

PRELIMINARY STATEMENT
(Continued)

X. Water Revenue Adjustment Mechanism / Modified Cost Balancing Account ("WRAM/MCBA")

1. PURPOSE:
The purpose of the WRAM Balancing Account is to track the differences between recorded and Commission authorized water revenues. The MCBA tracks the differences between recorded and Commission authorized amounts for purchased water, power, and pump taxes. The Commission has determined that these mechanisms are appropriate in coordination with increasing block rate structures and increased conservation activities.

2. APPLICABILITY:
Applicable customers in the following areas – Larkfield, Los Angeles County, Sacramento, San Diego County, Ventura County, and Monterey County's Ambler, Bishop, Hidden Hills, Main, Ryan Ranch, and Toro Service Areas

3. DEFINITIONS:
   a. Non-WRAM revenue is all revenue excluded from the WRAM account, including metered service charges, sale for resale customers, private fire service, private hydrant service, irrigation service, flat rate residential service, and other unmetered miscellaneous revenue.
   b. In addition, surcharges and surcredits, unless specifically included in adopted revenue requirement, are excluded from WRAM accounting.
   c. WRAM-eligible revenue is all revenue not excluded in 3.a, above. Generally, WRAM eligible revenue results from potable quantity charges to permanent residential, commercial, industrial and public authority customers.
   d. Recorded WRAM-eligible revenue is the amount of revenue billed to applicable customers in a particular period.
   e. Adopted WRAM-eligible revenue is the amount of usage- related revenue necessary in conjunction with authorized non- WRAM revenue to generate the adopted revenue requirement.

4. ACCOUNTING PROCEDURE:
   a. The following entries will be recorded to each area's WRAM Balancing Account monthly and added to the prior accumulated monthly balance:
      1) Recorded WRAM-eligible revenue
      2) Adopted WRAM-eligible revenue
      3) Total net WRAM balance = (1) minus (2)

PRELIMINARY STATEMENT
(Continued)

b. The following entries will be recorded to each area's MCBA monthly and added to the prior accumulated monthly balance:
   1) Recorded purchased water cost, if applicable
   2) Adopted purchased water cost, if applicable
   3) Difference between (1) and (2)

   4) Recorded purchased power cost and pump taxes
   5) Adopted purchased power cost and pump taxes
   6) Difference between (4) and (5)

   7) Total net MCBA balance = (3) + (6)

c. Total net WRAM/MCBA balance = (a + b)

d. In addition to the above and only for the Monterey district, a Non-Revenue Water Penalty/Reward Program shall be included with the WRAM balancing account as follows:
   1) Calculate the actual non-revenue water for the period by determining the difference between each service area's production and each service area's consumption, in acre feet.
   2) Adopted non-revenue water for each area shall be the targeted amounts.
   3) A 5% one-way dead band will provide a cushion between the non-revenue water targets and the triggering of the penalty/reward mechanism. Multiply the target amounts by 1.05%.
   4) If the actual non-revenue water is less than the adopted, subtract (1) from (2). Multiply the difference by $1,820.30 per AF. This total amount is a reward and represents an under-collection (debit balance).
   5) If the actual non-revenue water is greater than the adopted but less than the deadband amount in (3) above, no penalty is incurred and no amount shall be recorded.
   6) If the actual non-revenue water is greater than the adopted and greater than the deadband amount in (3) above, subtract (1) from (3). Multiply the difference by $1,820.30 per AF. This is a penalty and represents an over-collection (credit balance).

5. RATEMAKING PROCEDURE:
   a. By March 31st of each year, California American Water will provide the Division of Water and Audit a written report on the status of the WRAM and MCBAs (with a copy to ORA). The written report will include a section on the WRAM in each district showing the net accumulated balance as of December 31st of the preceding calendar year. The written report will also include a section on the MCBA in each district showing the net accumulated balance as of December 31st of the preceding calendar year. If this report shows that the combined net accumulated balance for the WRAM and MCBA in any district exceeds 2.5% of the district's total recorded revenue requirement for the prior calendar year, California American Water will file an advice letter within 30 days that amortizes the combined balance.

PRELIMINARY STATEMENT
(Continued)

b. Recovery of under-collections and refunds of over-collections will be passed on to ratepayers through either volumetric surcharges or surcredits.

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

Attachment E-2 For Settlement

General Metered Tariffs

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. SC-1
Sacramento District Tariff Area
GENERAL METERED SERVICE

APPLICABILITY

Applicable to all water furnished on a metered basis.

TERRITORY

The unincorporated communities, subdivisions, and adjacent areas generally known as Cordova, Rosemont, Parkway Estates, Lindale, Foothill Farms, Arlington Heights, Linwood, Loretto Heights, Arden Highlands, Arden Estates and Sunrise Security Park. A part of the City of Citrus Heights and the communities of Antelope and Sabre City in Sacramento and Placer counties. The city of Isleton and vicinity and the unincorporated community of Walnut Grove in Sacramento County. The lower southwestern portion of Placer County including the areas Known as Morgan Creek, Doyle Ranch, Sun Valley Oaks and Riolo Greens.

RATES

Quantity Rates:

	Base Rate Per 100 gal (CGL)
Residential Customers:	
For the first 142.1 CGL	$0.3698
For all water delivered over 142.1 CGL	$0.4030
All Other Customers:	
For all water delivered, per CGL	$0.3767

Service Charge: General Metered

	Per Meter Per Month
For 5/8 x 3/4-inch meter	$11.99
For 3/4-inch meter	$17.98
For 1-inch meter	$29.97
For 1-1/2-inch meter	$59.95
For 2-inch meter	$95.91
For 3-inch meter	$179.84
For 4-inch meter	$299.73
For 6-inch meter	$599.46
For 8-inch meter	$959.14
For 10-inch meter	$1,378.76
For 12-inch meter	$1,978.23

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

(Continued)

Schedule No. SC-1 (Continued)
Sacramento District Tariff Area
GENERAL METERED SERVICE

RATES (Continued)

Service Charge: Residential Fire Sprinkler System (RFSS)

	Per Meter Per Month
For 5/8 x 3/4-inch residential to 1-inch residential metered fire sprinkler	$17.95
For 5/8 x 3/4-inch residential to 1 1/2-inch residential metered fire sprinkler	$21.00
For 5/8 x 3/4-inch residential to 2-inch residential metered fire sprinkler	$22.02
For 3/4-inch residential to 1-inch residential metered fire sprinkler	$26.17
For 3/4-inch residential to 1 1/2-inch residential metered fire sprinkler	$29.21
For 3/4-inch residential to 2-inch residential metered fire sprinkler	$30.22
For 1-inch residential to 1 1/2-inch residential metered fire sprinkler	$45.31
For 1-inch residential to 2-inch residential metered fire sprinkler	$46.15
For 1 1/2-inch residential to 2-inch residential metered fire sprinkler	$86.37

The Service Charge is a readiness-to-serve charge which is applicable to all Residential Fire Sprinkler System metered services only and to which is added the charge for water used computed at the Quantity Rates.

(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. SC-1 (Continued)
Sacramento District Tariff Area
GENERAL METERED SERVICE

SPECIAL CONDITIONS:

General Items:

1. Qualifying low-income customers can receive a discount on their bill. Customers must apply with the Company for acceptance into the low-income program. For additional details, please see Tariff Schedule CA-LIRA.

2. Any customer paying for service at a premise where a Residential Fire Sprinkler System (RFSS) is required/requested to be installed by local fire and building codes shall be allowed to have their monthly service charge modified in accordance with the monthly costs for RFSS service charges. Provided, however, that the RFSS rate has been requested by the customer and verified by the Company that the smaller size of meter would be large enough to provide adequate service for the property in absence of the additional demand necessary to supply water to the sprinkler system. The RFSS will not be considered a fire service by the Company, but as an oversized general metered service. As such the rules and conditions of service for general metered service shall apply.

Fees and Surcharges:

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

2. Per Advice Letter XXXX, a surcharge of $0.0047 per hundred gallons will be applied to each bill to fund conservation efforts. The surcharge will remain in effect until otherwise directed by the Commission.

3. Per Advice Letter XXXX, a surcharge of $1.54 for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

4. Per Advice Letter XXXX, the under-collected balance in the Sacramento District Consolidated Expense Balancing Account (CEBA) will be recovered through a quantity based surcharge of $0.0092 per 100 gallons over 12 months effective XXXXXX. The total amount will be recovered from all classes of customers.

Schedule No. LK-1
Larkfield District Tariff Area
GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The unincorporated areas known as the Larkfield and Wikiup subdivisions and the community of Fulton, three miles north of Santa Rosa, Sonoma County.

RATES

Quantity Rates:

Residential Customers:	Base Rate Per 100 gal (CGL)
For the first 52.4 CGL	$0.7900
For the next 52.4 CGL	$0.9081
For the next 139.4 CGL	$1.1792
For all water delivered over 243.9 CGL	$1.5437
All Other Customers:	
For all water delivered, per CGL	$0.9081

Service Charge: General Metered

	Per Meter Per Month
For 5/8 x 3/4-inch meter	$17.22
For 3/4-inch meter	$25.83
For 1-Iinch meter	$43.05
For 1-1/2-inch meter	$86.10
For 2-inch meter	$137.75
For 3-inch meter	$258.29
For 4-inch meter	$430.48
For 6-inch meter	$860.95
For 8-inch meter	$1,377.52

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

(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. LK-1 (Continued)
San Diego County District Tariff Area
GENERAL METERED SERVICE

RATES (Continued):

Service Charge: Residential Fire Sprinkler System (RFSS)

	Per Meter Per Month
For 5/8 x 3/4-inch residential to 1-inch residential metered fire sprinkler	$21.63
For 5/8 x 3/4-inch residential to 1 1/2-inch residential metered fire sprinkler	$24.88
For 5/8 x 3/4-inch residential to 2-inch residential metered fire sprinkler	$25.90
For 3/4-inch residential to 1-inch residential metered fire sprinkler	$31.50
For 3/4-inch residential to 1 1/2-inch residential metered fire sprinkler	$35.19
For 3/4-inch residential to 2-inch residential metered fire sprinkler	$36.11
For 1-inch residential to 1 1/2-inch residential metered fire sprinkler	$54.57
For 1-inch residential to 2-inch residential metered fire sprinkler	$55.59
For 1 1/2-inch residential to 2-inch residential metered fire sprinkler	$103.01

The Service Charge is a readiness-to-serve charge which is applicable to all Residential Fire Sprinkler System metered services only and to which is added the charge for water used computed at the Quantity Rates.

(Continued)

Schedule No. LK-1 (Continued)
Larkfield District Tariff Area
GENERAL METERED SERVICE

SPECIAL CONDITIONS

General Items:

1. Qualifying low-income customers can receive a discount on their bill. Customers must apply with the Company for acceptance into the low-income program. For additional details, please see Tariff Schedule CA-LIRA.

2. Any customer paying for service at a premise where a Residential Fire Sprinkler System (RFSS) is required/requested to be installed by local fire and building codes shall be allowed to have their monthly service charge modified in accordance with the monthly costs for RFSS service charges. Provided, however, that the RFSS rate has been requested by the customer and verified by the Company that the smaller size of meter would be large enough to provide adequate service for the property in absence of the additional demand necessary to supply water to the sprinkler system. The RFSS will not be considered a fire service by the Company, but as an oversized general metered service. As such the rules and conditions of service for general metered service shall apply.

Fees and Surcharges:

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

2. A surcharge is included on each bill to collect franchise fees and/or business license fees paid to the County of Sonoma. The amount collected is based on a percentage of the gross revenues of each bill. The percentage is as follows: Larkfield Franchise Fee – 1.00%

3. Per Advice Letter XXXX, a surcharge of $0.0106 per 100 gallons will be applied to each bill to fund conservation efforts. The surcharge will remain in effect until otherwise directed by the Commission.

4. Per Advice Letter XXXX, a surcharge of $1.54 for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

5. Water Revenue Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA) Surcharge.
   a. A surcharge is included in each bill to recover the net under-collection in the Water Revenue Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA). For the period ending December 31, 2013, the net under-collection totals $786,096 including interest. The surcharge is $0.0922 per 100 gallons and will remain effective for 36 months beginning May 9, 2013.

3. Per Advice Letter XXXX, the under-collected balance in the Larkfield District Consolidated Expense Balancing Account (CEBA) will be recovered through a quantity based surcharge of $0.0546 per 100 gallons over 36 months effective XXXXXXX. The total amount will be recovered from all classes of customers.

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. MO-1
Monterey County District Tariff Area
GENERAL METERED SERVICE
RESIDENTIAL AND MULTI-RESIDENTIAL CUSTOMERS

APPLICABILITY

Applicable to all water furnished on a metered basis.

TERRITORY

The incorporated cities of Monterey, Pacific Grove, Carmel-by-the-Sea, Del Rey Oaks, Sand City, a portion of Seaside, Hidden Hills and Ryan Ranch subdivisions, Bishop subdivision including the area known as Laguna Seca Ranch Estates and vicinity and certain unincorporated areas in the County of Monterey.

RATES

Quantity Rates:

MONTEREY MAIN, HIDDEN HILLS, RYAN RANCH, AND BISHOP SYSTEMS:

Residential & Multi-Residential Customers:	Base Rate Per 100 gal (CGL)
For the first 74.8 gal x Customer Allotment	$0.6054
For the second 74.8 gal x Customer Allotment	$0.9081
For the third 74.8 gal x Customer Allotment	$2.4217
For the fourth 74.8 gal x Customer Allotment	$4.8434
All Water over 299.2 gal x Customer Allotment	$6.0543

Meter Rates:

MONTEREY MAIN, HIDDEN HILLS, RYAN RANCH, AND BISHOP SYSTEMS:

	Per Meter Per Month
For 5/8 x 3/4-inch meter	$9.67
For 3/4-inch meter	$14.51
For 1-inch meter	$24.18
For 1-1/2-inch meter	$48.36
For 2-inch meter	$77.37
For 3-inch meter	$145.07
For 4-inch meter	$241.78
For 6-inch meter	$483.56
For 8-inch meter	$773.69

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

(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. MO-1 (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE

SPECIAL CONDITIONS

General Items:

1. The boundaries in which the above rates apply are as set forth in the Preliminary Statement and delineated on the Tariff Service Area Maps filed as a part of these tariff schedules.

2. Any residential customer who has been required to install a Residential Fire Sprinkler System (R.F.S.S.) at their place of residence by local fire ordinances will be allowed to have their monthly service charge reduced by one meter size, provided it has been requested by the customer and verified by the Company that the lower size of meter would be large enough to provide adequate service to the residence. The R.F.S.S. Service is not considered a fire service by the Company, but is considered an oversized general metered service and therefore, only the rules and conditions of service for general metered service apply.

3. Qualifying low-income customers can receive a discount on their bill. Customers must apply with the Company for acceptance into the low-income program. For additional details, please see Tariff Schedule CA-LIRA.

4. The per capita design shall remain in effect and until ordered otherwise by the Commission.

5. In accordance with Section 2714 of the Public Utilities Code, if a tenant in a rental unit leaves owing the Company, service to subsequent tenants in that unit will, at the Company's option, be furnished on the account of the landlord or property owner.

(Continued)

Schedule No. MO-1 (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE

SPECIAL CONDITIONS (continued):
General Items:

6. **Moratorium:** In portions of the Monterey District served, in whole or part, by Carmel River diversions, and subject to the following conditions and restrictions, California-American Water Company shall deny requests for new service connections and prohibit any increased use of water at existing service addresses resulting from a change in zoning or use:
   a. California-American Water Company shall not deny such requests or prohibit such increased use where all necessary written approvals for project construction and connection to California-American Water Company's system had been obtained prior to October 20, 2009;

   b. California-American Water Company shall not deny the installation of additional meters at an existing service provided that the additional metering does not result in an increase in water use.

   c. This special condition does not authorize California-American Water Company to deny service to:

      i. the area served by the Carmel Area Wastewater District Water Entitlement pursuant to Monterey Peninsula Water Management District Ordinances 39 and 109 and Rule 23.5, prior to January 1, 2017 ;

      ii. the area served by the Sand City Water Entitlement pursuant to Monterey Peninsula Water Management District Ordinance 132 and Rule 23.6;

      iii. Security National Guaranty, Inc. under its frontloading agreement;

      iv. the Ralph Lane, Chuluar, Bishop, Ambler Park, Ryan Ranch, Hidden Hills, and Toro subsystems within the Monterey District; and

      v. a connection or increased use where an authorized official of the State Water Resources Control Board has given written approval.

   d. California-American Water Company shall not deny a request for new service or prohibit the increased use of water at an existing service address if an authorized official of the State Water Resources Control Board has given written approval for such service or increased use.

   e. This special condition shall expire at the filing by California-American Water Company of a Tier 1 advice letter with the Commission transmitting the written concurrence of the Deputy Director of Water Rights of the State Water Resources Control Board with California-American Water Company's finding that a permanent supply of water is ready to serve as a replacement for the unlawful diversions of Carmel River water

Schedule No. MO-1 (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
RESIDENTIAL AND MULTI-RESIDENTIAL CUSTOMERS

SPECIAL CONDITIONS (continued):

General Items:

7. (continued)

Block Width Adjustment for Landscape
Available in summer (May through October) only

Size of Lot	Allotted 10 cfs per month per block in Blocks 3, 4 & 5	Equivalent gallons per day
No outside space	0	0
Up to ¼ acre	10	25
Over ¼, up to ½ acre	20	50
Over ½ acre, up to 1 acre	20	50
Over 1 acre, up to 2 acres	30	75
Over 2 acres, up to 3 acres	30	75
Over 3 acres, up to 4 acres	30	75
Greater than 4 acres	30	75

a. Each customer's total block width for each block are calculated by adding block width adjustments according to the below:

Blocks 1 and 2 will only have an allotment for the number of people and number of large animals. Block 1 will also include an allotment for medical needs, if applicable. For authorization of additional water for medical needs, the customer will have to provide an authorization from a physician stating the quantity of water that will be necessary for the medical needs as well as the duration.

Blocks 3 and 4 will have an allotment for landscape in summer months (with decreasing amount per acre above 1 acre) as well as the per person allotment and the large animal allotment. Summer months are defined here as May, June, July, August, September, and October.

Example: The allotment, or total block width for each block, for a four person household on 1 acre lot with no large animals is as follows;

Calculation of allotment

	Winter (in 10 Cfs) Nov 1 – Apr 30	Summer (in 10 Cfs) May 1 – Oct 31
Adjustment for People	60	60
Adjustment for Animals	0	0
Adjustment for Landscape	0	20
Total Cfs Allowed in Each Block	**60**	**80**

(Continued)

Schedule No. MO-1 (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
RESIDENTIAL AND MULTI-RESIDENTIAL CUSTOMERS

SPECIAL CONDITIONS (continued)
General Items:

8. Calculation of residential and multi-residential allotment for Monterey Main, Hidden Hills, Ryan Ranch and Bishop systems:

   a. The five consumption blocks are calculated for each residential and multi-residential customer based on the number of people, season (winter/summer), size of lot, and number of large animals according to the following allotments for each characteristic:

Block Width Adjustment for Number of People

Number of people in a residence	Equivalent gallons per day
1	37.5
2	75
3	112.5
4	150
5	187.5
6	225
7	262.5

Block Width Adjustment for Large Animals

Number of large animals	Equivalent gallons per day
1 or 2	12.5
3 to 5	25
6 to 10	37.5
11 to 20	50
Over 20	62.5

(Continued)

Schedule No. MO-1 (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
RESIDENTIAL AND MULTI-RESIDENTIAL CUSTOMERS

SPECIAL CONDITIONS (continued)

Fees & Surcharges:

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

2. A surcharge is included on each bill to collect franchise taxes and/or business license fees paid to various municipalities. The amount collected is based on a percentage of the gross revenues of each bill. The percentages are as follows: Ryan Ranch 2.05%, City of Pacific Grove 2.10%, City of Carmel-by-the-Sea 2.15%, City of Seaside 1.00%, City of Del Rey Oaks Business License Fee 0.11%, City of Del Rey Oaks Franchise Fee 2.00%, City of Sand, City 0.14%, City of Monterey 1.05%, and unincorporated areas of Monterey County 1.00%.

3. Coastal Water Project (CWP) Surcharge #1: Per Decision 06-12-040, a surcharge will be applied to customer bills to collect for pre-construction costs associated with the CWP. Per Decision No. 11-09-039, the surcharge is currently 15% until the outstanding approved amounts, with interest at 4%, are recovered. This surcharge is applicable to customers in the Monterey main system.

4. Per Advice Letter XXXX, a surcharge of $1.54 per hundred gallons for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

5. Per Advice Letter XXXX, a surcharge of $0.0218 per hundred gallons will be applied to each bill to fund California American Water conservation efforts. The surcharge will remain in effect until otherwise directed by the Commission. This surcharge is applicable to customers in the Monterey main, Bishop, Hidden Hills, Ryan Ranch, Ralph Lane, Chualar, Ambler, and Toro areas.

6. Per Advice Letter XXXX, a volumetric surcharge of $0.0086 per hundred gallons will be applied to each customer's bill to fund conservation efforts for the Monterey Peninsula Water Management District (MPWMD). The surcharge will remain in effect until otherwise directed by the Commission. This surcharge is applicable to customers in the Monterey main, Bishop, Hidden Hills and Ryan Ranch areas.

(Continued)

Schedule No. MO-1 (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
RESIDENTIAL AND MULTI-RESIDENTIAL CUSTOMERS

SPECIAL CONDITIONS (continued):
Fees & Surcharges:

7. In accordance with the final decision issued in Monterey General Rate Case Application 08-01-027, costs associated with securing Seaside Basin water rights shall be placed in a balancing account and collected through a meter charge over the next ten years. The total amount to be recovered is $2,755,960. The Seaside Basin Adjudication Balancing Account and surcharge is applicable to customers in the Monterey main, Bishop, Hidden Hills and Ryan Ranch areas and will earn interest at the 90-day commercial rate.

Meter Size	Meter Surcharge
For 5 / 8 x 3 / 4 meter	$0.37
For 3 / 4 meter	$0.55
For 1 meter	$0.91
For 1 1 / 2 meter	$1.83
For 2 meter	$2.93
For 3 meter	$5.49
For 4 meter	$9.15
For 6 meter	$18.29
For 8 meter	$29.27

8. Per Decision XX-XX-XXX, the capped 2015 amount of $2,367,219 related to the Carmel River Mitigation Program Balancing Account will be collected through a 4.64% surcharge on a customer's meter and total tiered charges over a 12 month period beginning January 1 and ending December 31, 2015. The surcharge is applicable to customers in the Monterey Main and Ryan Ranch Service areas.

(Continued)

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Schedule No. MO-1 (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
RESIDENTIAL AND MULTI-RESIDENTIAL CUSTOMERS

SPECIAL CONDITIONS (continued):
Fees & Surcharges

9. Water Revenue Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA) Surcharges -- Monterey County District (Monterey Main, Hidden Hills, Ryan Ranch and Bishop):

   a. A surcharge is included in each bill to recover the under-collection in the WRAM and MCBA of $11,790,134 as of December 31, 2010. The surcharge is shown in the table below and will remain effective for 36 months beginning July 1, 2011

	Surcharge per 100 gal (CGL)
Residential & Multi-Residential	
Monterey Main System:	
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.0623
Block 3: For the third 74.8 gal x Customer Allotment	$0.1247
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.2493
Block 5: All water over 299.2 gal x Customer Allotment	$0.4364
Hidden Hills & Ryan Ranch System:	
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.0623
Block 3: For the third 74.8 gal x Customer Allotment	$0.1247
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.1870
Block 5: All water over 299.2 gal x Customer Allotment	$0.3118
Bishop System:	
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.0468
Block 3: For the third 74.8 gal x Customer Allotment	$0.0779
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.1091
Block 5: All water over 299.2 gal x Customer Allotment	$0.1247

(Continued)

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Schedule No. MO-1 (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
RESIDENTIAL AND MULTI-RESIDENTIAL CUSTOMERS

SPECIAL CONDITIONS (continued):

Fees & Surcharges

10. Water Revenue Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA) Surcharges -- Monterey County District (Monterey Main, Hidden Hills, Ryan Ranch and Bishop):

b. A surcharge is included in each bill to recover the under-collection in the WRAM and MCBA of $13,404,349 as of December 31, 2011. The surcharge is shown in the table below and will remain effective for 36 months beginning May 9, 2012

	Surcharge per 100 gal (CGL)
Residential & Multi-Residential	
Monterey Main, Hidden Hills & Ryan Ranch Systems:	
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.0702
Block 3: For the third 74.8 gal x Customer Allotment	$0.1404
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.2807
Block 5: All water over 299.2 gal x Customer Allotment	$0.4913
Bishop System:	
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.0702
Block 3: For the third 74.8 gal x Customer Allotment	$0.1404
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.1755
Block 5: All water over 299.2 gal x Customer Allotment	$0.2807

c. A surcharge is included in each bill to recover the under-collection in the WRAM and MCBA of $10,470,901 as of December 31, 2012. The surcharge is shown in the table below and will remain effective for 36 months beginning May 9, 2013

	Surcharge per 100 gal (CGL)
Residential & Multi-Residential	
Monterey Main, Hidden Hills & Ryan Ranch Systems:	
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.0545
Block 3: For the third 74.8 gal x Customer Allotment	$0.1091
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.2182
Block 5: All water over 299.2 gal x Customer Allotment	$0.3817
Bishop System:	
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.0545
Block 3: For the third 74.8 gal x Customer Allotment	$0.1091
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.1636
Block 5: All water over 299.2 gal x Customer Allotment	$0.2727

(Continued)

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Schedule No. MO-1 (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
RESIDENTIAL AND MULTI-RESIDENTIAL CUSTOMERS

SPECIAL CONDITIONS (continued):

Fees & Surcharges:

11. Water Revenue Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA) Surcharges -- Monterey County District (Monterey Main, Hidden Hills, Ryan Ranch and Bishop):

    d. For billing purposes, the 2010, 2011, and 2012 WRAM/MCBA surcharges will be combined into a single surcharge and expire in accordance with the amortization periods approved for each annual balance

WRAM/MCBA SURCHARGE BILLED						
	[A] 2010 Surcharge Billed in 2011 per 100 gal	[B] 2011 Surcharge Billed in 2012 per 100 gal	[C] 2012 Surcharge Billed in 2013 per 100 gal	[D] TOTAL SURCHARGE BILLED PER 100 GAL *(5/9/13-6/30/14)* *[A] + [B] + [C]*	[E] TOTAL SURCHARGE BILLED PER 100 GAL *(7/1/14-5/8/15)* *[B] + [C]*	[F] TOTAL SURCHARGE BILLED PER 100 GAL *(5/9/15-5/9/16)* *[C]*
Monterey Main Residential & Multi-Residential:						
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.0623	$0.0702	$0.0545	$0.1870	$0.1247	$0.0545
Block 3: For the third 74.8 gal x Customer Allotment	$0.1247	$0.1404	$0.1091	$0.3742	$0.2495	$0.1091
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.2493	$0.2807	$0.2182	$0.7483	$0.4989	$0.2182
Block 5: All water over 299.2 gal x Customer Allotment	$0.4364	$0.4913	$0.3817	$1.3094	$0.8730	$0.3817
Hidden Hills & Ryan Ranch Residential & Multi-Residential:						
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.0623	$0.0702	$0.0545	$0.1870	$0.1247	$0.0545
Block 3: For the third 74.8 gal x Customer Allotment	$0.1247	$0.1404	$0.1091	$0.3742	$0.2495	$0.1091
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.1870	$0.2807	$0.2182	$0.6860	$0.4989	$0.2182
Block 5: All water over 299.2 gal x Customer Allotment	$0.3118	$0.4913	$0.3817	$1.1848	$0.8730	$0.3817
Bishop Residential & Multi-Residential:						
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.0468	$0.0702	$0.0545	$0.1715	$0.1247	$0.0545
Block 3: For the third 74.8 gal x Customer Allotment	$0.0779	$0.1404	$0.1091	$0.3274	$0.2495	$0.1091
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.1091	$0.1755	$0.1636	$0.4483	$0.3392	$0.1636
Block 5: All water over 299.2 gal x Customer Allotment	$0.1247	$0.2807	$0.2727	$0.6782	$0.5535	$0.2727

(Continued)

Schedule No. MO-1 (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
RESIDENTIAL AND MULTI-RESIDENTIAL CUSTOMERS

SPECIAL CONDITIONS (continued):
Fees & Surcharges:

12. Per Advice Letter XXXX, the balance in the Monterey County District Consolidated Expense Balancing Account will be recovered through a quantity based surcharge, as shown in the below table, over 36 months. The effective date for the surcharge is XXXXXX and will be recovered from all customer classes in all service areas excluding Chualar service area.

Service Area	Consolidated Expense Balance Account Surcharge per 100 gallon	Number of Months Applicable From Effective Date
Monterey Main	$0.1170	36
Bishop	$0.0656	24
Hidden Hills	$0.0657	24
Ryan Ranch	$0.0657	24
Ambler Park	$0.0656	24
Ralph Lane	$0.0438	36

13. Per Decision 12-06-040, all authorized incurred costs included in the San Clemente Dam memorandum account shall be transferred to the San Clemente Dam balancing account. California American Water will recover the regulatory asset / San Clemente Dam balancing account over a 20-year period. Recovery will be designed to collect $7,631,185.80 per annum which is an estimate to recover project costs and will be implemented through a volumetric surcharge on customers in the Monterey Main, Ryan Ranch, and Bishop services areas of the Monterey County District from July 1, 2012 until the first day of the first test year when the revenue requirement moves into base rates.

Monterey Main & Ryan Ranch

Residential & Multi-Residential:	SCD Surcharge Per 100 gal (CGL)
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.1217
Block 3: For the third 74.8 gal x Customer Allotment	$0.2433
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.4866
Block 5: All water over 299.2 gal x Customer Allotment	$0.8516

Bishop

Residential & Multi-Residential:	Per 100 gal (CGL)
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.1217
Block 3: For the third 74.8 gal x Customer Allotment	$0.2433
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.3041
Block 5: All water over 299.2 gal x Customer Allotment	$0.4866

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Schedule No. MO-1 (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
RESIDENTIAL AND MULTI-RESIDENTIAL CUSTOMERS

SPECIAL CONDITIONS (continued):
Fees & Surcharges:

14. Per Advice Letter 987, a surcharge is included in each bill in the Monterey Main system to recover the under-collection in the Old Monterey-Style Water Revenue Adjustment Mechanism (WRAM) Balancing Account of $2,413,408. The surcharge is shown in the table below and will remain effective for 21 months beginning April 1, 2013.

Monterey Main Residential & Multi-Residential:	**Surcharge Per 100 gal (CGL)**
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.0267
Block 3: For the third 74.8 gal x Customer Allotment	$0.0535
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.1068
Block 5: All water over 299.2 gal x Customer Allotment	$0.1870

15. Per Advice Letter 1011-A, a surcharge is to be included as a part of the cost of water authorized by D.13-04-015 for each new service connection in Sand City authorized by D.11-03-048 to reflect the additional incremental cost of the Sand City Desalination Plant over the current average cost of production. The surcharge will be $0.4434 per hundred gallons and will be effective July 11, 2013, and will terminate in accordance with lifting of the Moratorium authorized by D.11-03-048.

16. Per Advice Letter 1013-B, a surcharge is included in each bill in the Monterey Main system to recover the total allowed actual and forecasted costs of the Sand City Desalination Plant through December 31, 2014 of $3,047,379. In compliance with D.13-04-015, the surcharge will be recalculated to take into account appropriate costs, collections, and future allowed recoveries.

Monterey Main Residential & Multi-Residential:	**Surcharge Per 100 gal (CGL)**
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.6575
Block 5: All water over 299.2 gal x Customer Allotment	$0.6575

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C.P.U.C. SHEET NO. _____

CANCELLING Original C.P.U.C. SHEET NO. _____

Schedule No. MO-1C
Monterey County District Tariff Area
GENERAL METERED SERVICE
NON-RESIDENTIAL CUSTOMERS

APPLICABILITY

Applicable to all water furnished on a metered basis to non-residential customers in the service areas defined below.

TERRITORY

The incorporated cities of Monterey, Pacific Grove, Carmel-by-the-Sea, Del Rey Oaks, Sand City, a portion of Seaside, Hidden Hills and Ryan Ranch subdivisions, Bishop subdivision including the area known as Laguna Seca Ranch Estates and vicinity and certain unincorporated areas in the County of Monterey.

RATES

Quantity Rates:

MONTEREY MAIN, HIDDEN HILLS, RYAN RANCH, AND BISHOP SYSTEMS:

	Base Rate Per 100 gal (CGL)
Division 1	$0.9086
Division 2	$1.0222
Division 3	$1.1357
Division 4	$2.2715

Meter Rates:

MONTEREY MAIN, HIDDEN HILLS, RYAN RANCH, AND BISHOP SYSTEMS:

	Per Meter Per Month
For 5/8 x 3/4-inch meter	$19.34
For 3/4-inch meter	$29.01
For 1-inch meter	$48.36
For 1-1/2-inch meter	$96.71
For 2-inch meter	$154.74
For 3-inch meter	$290.14
For 4-inch meter	$483.56
For 6-inch meter	$967.12
For 8-inch meter	$1547.39

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

(Continued)

Schedule No. MO-1C (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
NON-RESIDENTIAL CUSTOMERS

DEFINITIONS:

1. SUPPLEMENTAL IRRIGATION SYSTEM – "Supplemental irrigation system" shall mean irrigation systems other than natural precipitation.
2. WATER BUDGET FEATURE – "Water budget feature" shall mean percent up/down adjust feature such as a button or dial on an irrigation controller that permits the user to increase or decrease the runtimes or application rate as for each zone by a prescribed amount or percent, by means of one adjustment without modifying the settings for that individual zone.
3. GEAR DRIVE ROTOR SPRINKLERS – "Gear drive rotor sprinklers" shall mean Irrigation sprinklers with high uniformity rates and lower precipitation rates than conventional sprinkler heads or impact rotors resulting in more efficient irrigation.
4. MULTI STREAM, MULTI TRAJECTORY ROTATING SPRINKLERS (MSMTR) – "Multi stream, multi trajectory rotating sprinklers" shall mean slowly turning irrigation sprinklers distributing water in a number of individual streams of varying trajectories with lower precipitation rates and higher uniformity than traditional fixed spray head sprinklers.
5. HIGH EFFICIENCY FIXED SPRAY NOZZLES – "High efficiency fixed spray nozzles" shall mean precision irrigation spray nozzles with larger and more uniform droplet size resulting in better wind resistance, lower precipitation rates and higher irrigation efficiency.
6. DRIP IRRIGATION - "Drip Irrigation" shall mean a low pressure, low volume watering system that applies water slowly to plants, near or at ground level, to minimize runoff and loss to evaporation. The term "Drip Irrigation" shall have the same meaning as "Micro Irrigation" and "Trickle Irrigation."
7. SUB SURFACE LOW VOLUME EMITTERS – "Sub surface low volume emitters" shall mean drip or low volume, low pressure irrigation systems that deliver a low flow of water at or near the root zone of plants - measured in gallons per hour versus gallons per minute.
8. LOW VOLUME IRRIGATION – "Low volume irrigation" shall mean drip, low volume or Micro Spray Irrigation, includes Low volume fixed spray nozzles.
9. Best Management Practices - "BMP" as referenced in Section V of the Settlement attached to D.13-07-041.
10. Customer Classification Conservation Base Rate – "CCCBR". the "Customer Class Conservation Base Rate" ("CCCBR") is defined as the low block or division quantity rate from each billing customer classification under conservation rates, and is determined as the rate necessary to equal the billing classification revenue requirement given the defined rate design parameters.

(Continued)

Schedule No. MO-1C (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
NON-RESIDENTIAL CUSTOMERS

SPECIAL CONDITIONS:

General Items:

1. The boundaries in which the above rates apply are as set forth in the Preliminary Statement and delineated on the Tariff Service Area Maps filed as a part of these tariff schedules.
2. This non-residential rate design shall remain in effect and until ordered otherwise by the Commission.
3. Abbreviations as used in this tariff are defined above.
4. Non-residential customers billed under this tariff shall be placed into one of four divisions for billing purposes. The determination of under which Division each individual customer shall be billed will be based on the following:
    a. Division 1: Customers that are indoor/outdoor Rate BMP-compliant and have outdoor landscape irrigation of no more than 10% of total parcel size covered by the meter (or meters) meant to serve such parcel, and excluding from the total parcel size for purposes of the 10% calculation areas of natural, non-irrigated open space. Meters designated as irrigation only meters will not be included in Division 1 regardless of the 10% parcel size allowance noted above.
    b. Division 2: Customers that are indoor/outdoor Rate BMP-compliant and have a business where the watering is essential to the product of the business (nurseries), golf courses and government parks, ball fields, and cemeteries.
    c. Division 3: Customers that are indoor/outdoor Rate BMP-compliant and have outdoor landscape irrigation exceeding the 10% parcel limit for Division 1, as well all Rate BMP-compliant irrigation meters, as previously noted in Special Condition 6 (a).
    d. Division 4: Customers that are not in compliance with Rate BMPs.
5. Upon approval of the tariff all customers who respond to the request to provide self-certified Rate BMP information will be appropriately categorized into Division 1, 2, 3 or 4 immediately so that all bills issued under the new tariff reflect the provision of a completed survey.
6. Customers that are subsequently found to be non Rate BMP compliant will be given 30 days from the date of notification to achieve compliance as noted in the non-compliance letter.
7. All Del Monte Forest golf courses served with emergency potable water from the connection at the Viscaino tank will be assigned an emergency allocation of 30 AF/year. Any potable use within this allotment will be billed at customer Division 1 rates. Usage above the annual allotment would be billed at customer Division 2 rates.

(Continued)

Schedule No. MO-1C (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
NON-RESIDENTIAL CUSTOMERS

SPECIAL CONDITIONS(Continued):

General Items:

8. Rate BMP Compliant will be defined as follows:
   a. Indoor Usage
      i. Showerheads – Maximum flow rate of 2.5 gallons per minute ("GPM").
      ii. Washbasin faucets with a maximum flow rate of 2.5 GPM.
      iii. Ultra low flow toilets (1.6 gallons per flush ("GPF")), High Efficiency Toilets (1.28 GPF) or Ultra High Efficiency Toilets (0.8 GPF). All toilets replaced after December 31, 2014 will have to be High Efficiency or Ultra High Efficiency
      iv. Water efficient urinals designed to flush with a maximum of 1.0 GPF. Includes High Efficiency Urinals (0.5 GPF), pint urinals (0.25 GPF), or waterless urinals. All urinals replaced after December 31, 2014 will have to be High Efficiency, Ultra High Efficiency, or waterless.
      v. Water Efficient (1.6 GPM) Pre-Rinse spray valves (as applicable), Medical and laboratory photographic, and/or X-Ray processing systems must recirculate water used in the rinse process.
      vi. Visitor-serving, Public, and Quasi-Public facilities must display placards or decals promoting water awareness and the need for conservation in visible locations in restrooms, kitchens, and dining areas.
      vii. Visitor-serving facilities must offer towel and linen reuse programs by providing written notice in the rooms.
      viii. Restaurants must provide written notice that drinking water is available only upon request. Notices must be placed on tables and/or menus. Drinking water will not be provided from the Monterey Peninsula Water Resource System, unless specifically requested.
   b. Outdoor Usage
      i. All supplemental irrigation systems require the use of an automated irrigation controller, which must include a water budget feature and may include products, which rely on soil or weather sensors to adjust irrigation schedules.
      ii. Turf grass areas that receive supplemental irrigation must be watered with gear drive rotor sprinklers, multi stream, multi trajectory rotating sprinklers, high efficiency fixed spray nozzles or sub surface low volume emitters.
      iii. Low volume irrigation is encouraged for landscaped areas containing trees, shrubs and groundcover. The use of standard fixed spray nozzles will not be allowed in landscape beds measuring 3' or less.
      iv. All automated irrigation controllers must include sensors, or devices that interrupt, or delay a scheduled irrigation event due to rainfall that equals or exceeds an established threshold.
      v. Hoses, used to hand water landscaped areas must be equipped with a positive shut off device.

9. The rate for Division 1 will be defined as the CCCBR for non-residential billing and will be set at the 100% level. It will be solved for in consideration of the fact that the rate for Division 2 shall be set at 112.5% of the Division 1 CCCBR, the rate for Division 3 will be set at 125% of the CCCBR and the rate for Division 4 will be set at 250% of the CCCBR.

(Continued)

Schedule No. MO-1C (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
NON-RESIDENTIAL CUSTOMERS

SPECIAL CONDITIONS (Continued):
General Items:

10. Leak adjustments will be provided in accordance with present determination of eligibility and calculated by billing all determined excess usage as a result of the leak at the SBR. The "Standard Base Rate" ("SBR") is defined as the quantity rate derived from the Commission's Standard Rate Design calculation, as established in D.86-05-064, for each of the customer class groupings and is the sum of the remainder of fixed costs not recovered through the fixed fees, plus variable costs, divided by the total authorized consumption.

11. Every meter will be categorized and issued a single bill unless a customer requests that a single consolidated bill be provided and then only if the system is capable of doing so without loss of any necessary data or delays in billing.

12. **Moratorium:** In portions of the Monterey District served, in whole or part, by Carmel River diversions, and subject to the following conditions and restrictions, California-American Water Company shall deny requests for new service connections and prohibit any increased use of water at existing service addresses resulting from a change in zoning or use:
    a. California-American Water Company shall not deny such requests or prohibit such increased use where all necessary written approvals for project construction and connection to California-American Water Company's system had been obtained prior to October 20, 2009;

    b. California-American Water Company shall not deny the installation of additional meters at an existing service provided that the additional metering does not result in an increase in water use.

    c. This special condition does not authorize California-American Water Company to deny service to:

        i. the area served by the Carmel Area Wastewater District Water Entitlement pursuant to Monterey Peninsula Water Management District Ordinances 39 and 109 and Rule 23.5, prior to January 1, 2017 ;

        ii. the area served by the Sand City Water Entitlement pursuant to Monterey Peninsula Water Management District Ordinance 132 and Rule 23.6;

        iii. Security National Guaranty, Inc. under its frontloading agreement;

        iv. the Ralph Lane, Chuluar, Bishop, Ambler Park, Ryan Ranch, Hidden Hills, and Toro subsystems within the Monterey District; and

        v. a connection or increased use where an authorized official of the State Water Resources Control Board has given written approval.

(Continued)

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C.P.U.C. SHEET NO. _____
CANCELLING _____ C.P.U.C. SHEET NO. _____

Schedule No. MO-1C (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
NON-RESIDENTIAL CUSTOMERS

SPECIAL CONDITIONS (Continued):
General Items:

12. **Moratorium(Continued):** In portions of the Monterey District served, in whole or part, by Carmel River diversions, and subject to the following conditions and restrictions, California-American Water Company shall deny requests for new service connections and prohibit any increased use of water at existing service addresses resulting from a change in zoning or use:

    d. California-American Water Company shall not deny a request for new service or prohibit the increased use of water at an existing service address if an authorized official of the State Water Resources Control Board has given written approval for such service or increased use.

    e. This special condition shall expire at the filing by California-American Water Company of a Tier 1 advice letter with the Commission transmitting the written concurrence of the Deputy Director of Water Rights of the State Water Resources Control Board with California-American Water Company's finding that a permanent supply of water is ready to serve as a replacement for the unlawful diversions of Carmel River water

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(Continued)

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CANCELLING Original C.P.U.C. SHEET NO. _____

Schedule No. MO-1C (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
NON-RESIDENTIAL CUSTOMERS

SPECIAL CONDITIONS: (Continued)

Fees and Surcharges:

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

2. A surcharge is included on each bill to collect franchise taxes and/or business license fees paid to various municipalities. The amount collected is based on a percentage of the gross revenues of each bill. The percentages are as follows: Ryan Ranch 2.05%, City of Pacific Grove 2.10%, City of Carmel-by-the-Sea 2.15%, City of Seaside 1.00%, City of Del Rey Oaks Business License Fee 0.11%, City of Del Rey Oaks Franchise Fee 2.00%, City of Sand, City 0.14%, City of Monterey 1.05%, and unincorporated areas of Monterey County 1.00%.

3. Coastal Water Project (CWP) Surcharge #1: Per Decision 06-12-040, a surcharge will be applied to customer bills to collect for pre-construction costs associated with the CWP. Per Decision No. 11-09-039, the surcharge is currently 15% until the outstanding approved amounts, with interest at 4%, are recovered. This surcharge is applicable to customers in the Monterey main system.

4. Per Advice Letter XXXX, a surcharge of $0.0218 per hundred gallons will be applied to each bill to fund California American Water conservation efforts. The surcharge will remain in effect until otherwise directed by the Commission. This surcharge is applicable to customers in the Monterey main, Bishop, Hidden Hills, Ryan Ranch, Ralph Lane, Chualar, Ambler, and Toro areas.

5. Per Advice Letter 962, a volumetric surcharge of $0.0086 per hundred gallons will be applied to each customer's bill to fund conservation efforts for the Monterey Peninsula Water Management District (MPWMD). The surcharge will remain in effect until otherwise directed by the Commission. This surcharge is applicable to customers in the Monterey main, Bishop, Hidden Hills and Ryan Ranch areas.

6. Per Advice Letter XXXX, a surcharge of $1.54 per hundred gallons for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

(Continued)

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Original C.P.U.C. SHEET NO.
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Schedule No. MO-1C (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
NON-RESIDENTIAL CUSTOMERS

SPECIAL CONDITIONS

Fees & Surchages: (continued): (D)

7. In accordance with the final decision issued in Monterey General Rate Case Application 08-01-027, costs associated with securing Seaside Basin water rights shall be placed in a balancing account and collected through a meter charge over the next ten years. The total amount to be recovered is $2,755,960. The Seaside Basin Adjudication Balancing Account and surcharge is applicable to customers in the Monterey main, Bishop, Hidden Hills and Ryan Ranch areas and will earn interest at the 90-day commercial rate.

Meter Size	Meter Surcharge
For 5 / 8 x 3 / 4 meter	$0.37
For 3 / 4 meter	$0.55
For 1 meter	$0.91
For 1 1 / 2 meter	$1.83
For 2 meter	$2.93
For 3 meter	$5.49
For 4 meter	$9.15
For 6 meter	$18.29
For 8 meter	$29.27

8. Per Decision XX-XX-XXX, the capped 2015 amount of $2,367,219 related to the Carmel River Mitigation Program Balancing Account will be collected through a 4.64% surcharge on a customer's meter and total tiered charges over a 12 month period beginning January 1 and ending December 31, 2015. The surcharge is applicable to customers in the Monterey Main and Ryan Ranch Service areas.

Schedule No. MO-1C (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
NON-RESIDENTIAL CUSTOMERS

SPECIAL CONDITIONS
Fees & Surchages: (Continued):

9. Water Revenue Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA) Surcharges -- Monterey County District (Monterey Main, Hidden Hills, Ryan Ranch and Bishop):

   a. A surcharge is included in each bill to recover the under-collection in the WRAM and MCBA of $11,790,134 as of December 31, 2010. The surcharge is shown in the table below and will remain effective for 36 months beginning July 1, 2011 as modified in D.13-07-041.

Non-residential	
Monterey Main, Hidden Hills, Ryan Ranch, & Bishop Systems:	Surcharge per 100 gal
Division 1	$0.1178
Division 2	$0.1325
Division 3	$0.1472
Division 4	$0.2944

   b. A surcharge is included in each bill to recover the under-collection in the WRAM and MCBA of $13,404,349 as of December 31, 2011. The surcharge is shown in the table below and will remain effective for 36 months beginning May 9, 2012 as modified in D.13-07-041.

Non-residential	
Monterey Main, Hidden Hills, Ryan Ranch, & Bishop Systems:	Surcharge per 100 gal
Division 1	$0.1329
Division 2	$0.1495
Division 3	$0.1660
Division 4	$0.3321

(Continued)

Schedule No. MO-1C (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
NON-RESIDENTIAL CUSTOMERS

SPECIAL CONDITIONS
Fees & Surcharges (continued):

10. Water Revenue Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA) Surcharges -- Monterey County District (Monterey Main, Hidden Hills, Ryan Ranch and Bishop):

c. A surcharge is included in each bill to recover the under-collection in the WRAM and MCBA of $10,470,901 as of December 31, 2012. The surcharge is shown in the table below and will remain effective for 36 months beginning May 9, 2013 as modified in D.13-07-041.

Non-residential	
Monterey Main, Hidden Hills, Ryan Ranch, & Bishop Systems:	Surcharge per 100 gal
Division 1	$0.1012
Division 2	$0.1138
Division 3	$0.1265
Division 4	$0.2529

d. For billing purposes, the 2010, 2011, and 2012 WRAM/MCBA surcharges will be combined into a single surcharge and expire in accordance with the amortization periods approved for each annual balance.

WRAM/MCBA SURCHARGE BILLED						
Non-Residential						
Monterey Main, Hidden Hills, Ryan Ranch, & Bishop Systems:						
	[A] **2010 Surcharge Billed in 2011 per 100 gal**	**[B]** **2011 Surcharge Billed in 2012 per 100 gal**	**[C]** **2012 Surcharge Billed in 2013 per 100 gal**	**[D] TOTAL SURCHARGE BILLED PER 100 GAL** ***(5/9/13-6/30/14)*** ***[A] + [B] + [C]***	[E] **TOTAL SURCHARGE BILLED PER 100 GAL** ***(7/1/14-5/8/15)*** ***[B] + [C]***	**[F] TOTAL SURCHARGE BILLED PER 100 GAL** ***(5/9/15-5/9/16)*** ***[C]***
Division 1	$0.1178	$0.1329	$0.1012	**$0.3519**	**$0.2341**	**$0.1012**
Division 2	$0.1325	$0.1495	$0.1138	**$0.3957**	**$0.2632**	**$0.1138**
Division 3	$0.1472	$0.1660	$0.1265	**$0.4397**	**$0.2925**	**$0.1265**
Division 4	$0.2944	$0.3321	$0.2529	**$0.8794**	**$0.5850**	**$0.2529**

(Continued)

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Schedule No. MO-1C (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
NON-RESIDENTIAL CUSTOMERS

SPECIAL CONDITIONS

Fees & Surcharges: (Continued)

11. Per Advice Letter XXXX, the balance in the Monterey County District Consolidated Expense Balancing Account will be recovered through a quantity based surcharge, as shown in the below table, over 36 months. The effective date for the surcharge is XXXXXXX and will be recovered from all customer classes in all service areas excluding Chualar service area.

Service Area	Consolidated Expense Balance Account Surcharge per 100 gallon	Number of Months Applicable From Effective Date
Monterey Main	$0.1170	36
Bishop	$0.0656	24
Hidden Hills	$0.0657	24
Ryan Ranch	$0.0657	24
Ambler Park	$0.0656	24
Ralph Lane	$0.0438	36

12. Per Decision 12-06-040, all authorized incurred costs included in the San Clemente Dam memorandum account shall be transferred to the San Clemente Dam balancing account. California American Water will recover the regulatory asset / San Clemente Dam balancing account over a 20-year period. Recovery will be designed to collect $7,631,185.80 per annum which is an estimate to recover project costs and will be implemented through a volumetric surcharge on customers in the Monterey Main, Ryan Ranch, and Bishop services areas of the Monterey County District from July 1, 2012 until the first day of the first test year when the revenue requirement moves into base rates.

Monterey Main, Ryan Ranch, Bishop	
	Surcharge Per 100 gal
Division 1	$0.2298
Division 2	$0.2586
Division 3	$0.2872
Division 4	$0.5745

13. Per Advice Letter 987, a surcharge is included in each bill in the Monterey Main system to recover the under-collection in the Old Monterey-Style Water Revenue Adjustment Mechanism (WRAM) Balancing Account of $2,413,408. The surcharge is shown in the table below and will remain effective for 21 months beginning April 1, 2013.

Monterey Main	
	Surcharge Per 100 gal
Division 1	$0.0393
Division 2	$0.0441
Division 3	$0.0491
Division 4	$0.0981

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Schedule No. MO-1C (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
NON-RESIDENTIAL CUSTOMERS

SPECIAL CONDITIONS
Fees & Surcharges: (continued):

14. Per Advice Letter 1011-A, a surcharge is to be included as a part of the cost of water authorized by D.13-04-015 for each new service connection in Sand City authorized by D.11-03-048 to reflect the additional incremental cost of the Sand City Desalination Plant over the current average cost of production. The surcharge will be $0.4434 per hundred gallons and will be effective July 11, 2013, and will terminate in accordance with lifting of the Moratorium authorized by D.11-03-048.

15. Per Advice Letter 1013-B, a surcharge is included in each bill in the Monterey Main system to recover the total allowed actual and forecasted costs of the Sand City Desalination Plant through December 31, 2014 of $3,047,379. In compliance with D.13-04-015, the surcharge will be recalculated to take into account appropriate costs, collections, and future allowed recoveries.

Monterey Main	
	Surcharge Per 100 gal
Division 1	$0.0000
Division 2	$0.1663
Division 3	$0.1848
Division 4	$0.3697

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Schedule No. MO-1O
Monterey County District Tariff Area
GENERAL METERED SERVICE
OTHER CUSTOMERS

APPLICABILITY

Applicable to all water furnished on a metered basis to miscellaneous, construction, and other water utility customers in the service areas defined below.

TERRITORY

The incorporated cities of Monterey, Pacific Grove, Carmel-by-the-Sea, Del Rey Oaks, Sand City, a portion of Seaside, Hidden Hills and Ryan Ranch subdivisions, Bishop subdivision including the area known as Laguna Seca Ranch Estates and vicinity and certain unincorporated areas in the County of Monterey.

RATES

Misc and Construction Quantity Rates:

MONTEREY MAIN, HIDDEN HILLS, RYAN RANCH, AND BISHOP SYSTEMS:

	Base Rate Per 100 gal (CGL)
Miscellaneous and construction……..	$0.8293

Misc and Construction Meter Rates:

MONTEREY MAIN, HIDDEN HILLS, RYAN RANCH, AND BISHOP SYSTEMS:

	Per Meter Per Month
For 5/8 x 3/4-inch meter……..	$19.72
For 3/4-inch meter…….	$29.58
For 1-inch meter…….....	$49.31
For 1-1/2-inch meter…….....	$98.61
For 2-inch meter……	$157.78
For 3-inch meter……	$295.84
For 4-inch meter……	$493.06
For 6-inch meter……	$986.13
For 8-inch meter……	$1,577.80

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

(Continued)

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Schedule No. MO-1O (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
OTHER CUSTOMERS

RATES (continued)

Other Water Utility (Permanent Service) Quantity Rates:

MONTEREY MAIN, HIDDEN HILLS, RYAN RANCH, AND BISHOP SYSTEMS:

	Base Rate Per 100 gal (CGL)
Block 1……..	$0.8425
Block 2……..	$1.6850
Block 3……..	$6.7399

Other Water Utility (Temporary Service) Quantity Rates:

MONTEREY MAIN, HIDDEN HILLS, RYAN RANCH, AND BISHOP SYSTEMS:

	Base Rate Per 100 gal (CGL)
Other Water Utility (Temporary Service)……..	$0.8425

Other Water Utility (Permanent & Temporary) Meter Rates:

MONTEREY MAIN, HIDDEN HILLS, RYAN RANCH, AND BISHOP SYSTEMS:

	Per Meter Per Month
For 5/8 x 3/4-inch meter	$33.44
For 3/4-inch meter	$50.17
For 1-inch meter	$83.61
For 1-1/2-inch meter	$167.22
For 2-inch meter	$267.56
For 3-inch meter	$501.67
For 4-inch meter	$836.12
For 6-inch meter	$1672.24
For 8-inch meter	$2,675.58

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

(Continued)

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Schedule No. MO-1O (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
OTHER CUSTOMERS

SPECIAL CONDITIONS
General Items:

1. The boundaries in which the above rates apply are as set forth in the Preliminary Statement and delineated on the Tariff Service Area Maps filed as a part of these tariff schedules.

2. Leak adjustments will be provided in accordance with present determination of eligibility and calculated by billing all determined excess usage as a result of the leak at the SBR. The "Standard Base Rate" ("SBR") is defined as the quantity rate derived from the Commission's Standard Rate Design calculation, as established in D.86-05-064, for each of the customer class groupings and is the sum of the remainder of fixed costs not recovered through the fixed fees, plus variable costs, divided by the total authorized consumption.

3. Every meter will be categorized and issued a single bill unless a customer requests that a single consolidated bill be provided and then only if the system is capable of doing so without loss of any necessary data or delays in billing..

4. This rate design shall remain in effect and until ordered otherwise by the Commission.

(Continued)

Schedule No. MO-1O (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
OTHER CUSTOMERS

SPECIAL CONDITIONS
General Items:(continued)

5. **Moratorium:** In portions of the Monterey District served, in whole or part, by Carmel River diversions, and subject to the following conditions and restrictions, California-American Water Company shall deny requests for new service connections and prohibit any increased use of water at existing service addresses resulting from a change in zoning or use:
    a. California-American Water Company shall not deny such requests or prohibit such increased use where all necessary written approvals for project construction and connection to California-American Water Company's system had been obtained prior to October 20, 2009;

    b. California-American Water Company shall not deny the installation of additional meters at an existing service provided that the additional metering does not result in an increase in water use.

    c. This special condition does not authorize California-American Water Company to deny service to:

        i. the area served by the Carmel Area Wastewater District Water Entitlement pursuant to Monterey Peninsula Water Management District Ordinances 39 and 109 and Rule 23.5, prior to January 1, 2017 ;

        ii. the area served by the Sand City Water Entitlement pursuant to Monterey Peninsula Water Management District Ordinance 132 and Rule 23.6;

        iii. Security National Guaranty, Inc. under its frontloading agreement;

        iv. the Ralph Lane, Chuluar, Bishop, Ambler Park, Ryan Ranch, Hidden Hills, and Toro subsystems within the Monterey District; and

        v. a connection or increased use where an authorized official of the State Water Resources Control Board has given written approval.

    d. California-American Water Company shall not deny a request for new service or prohibit the increased use of water at an existing service address if an authorized official of the State Water Resources Control Board has given written approval for such service or increased use.

    e. This special condition shall expire at the filing by California-American Water Company of a Tier 1 advice letter with the Commission transmitting the written concurrence of the Deputy Director of Water Rights of the State Water Resources Control Board with California-American Water Company's finding that a permanent supply of water is ready to serve as a replacement for the unlawful diversions of Carmel River water

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Schedule No. MO-1O (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
OTHER CUSTOMERS

SPECIAL CONDITIONS (continued)
Fees & Surcharges

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

2. A surcharge is included on each bill to collect franchise taxes and/or business license fees paid to various municipalities. The amount collected is based on a percentage of the gross revenues of each bill. The percentages are as follows: Ryan Ranch 2.05%, City of Pacific Grove 2.10%, City of Carmel-by-the-Sea 2.15%, City of Seaside 1.00%, City of Del Rey Oaks Business License Fee 0.11%, City of Del Rey Oaks Franchise Fee 2.00%, City of Sand, City 0.14%, City of Monterey 1.05%, and unincorporated areas of Monterey County 1.00%.

3. Coastal Water Project (CWP) Surcharge #1: Per Decision 06-12-040, a surcharge will be applied to customer bills to collect for pre-construction costs associated with the CWP. Per Decision No. 11-09-039, the surcharge is currently 15% until the outstanding approved amounts, with interest at 4%, are recovered. This surcharge is applicable to customers in the Monterey main system.

4. Per Advice Letter XXXX, a surcharge of $0.0218 per hundred gallons will be applied to each bill to fund California American Water conservation efforts. The surcharge will remain in effect until otherwise directed by the Commission. This surcharge is applicable to customers in the Monterey main, Bishop, Hidden Hills, Ryan Ranch, Ralph Lane, Chualar, Ambler, and Toro areas.

5. Per Advice Letter XXXX, a surcharge of $1.54 for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

6. Per Advice Letter XXXX, a volumetric surcharge of $0.0086 per hundred gallons will be applied to each customer's bill to fund conservation efforts for the Monterey Peninsula Water Management District (MPWMD). The surcharge will remain in effect until otherwise directed by the Commission. This surcharge is applicable to customers in the Monterey main, Bishop, Hidden Hills and Ryan Ranch areas.

(Continued)

Schedule No. MO-1O (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
OTHER CUSTOMERS

SPECIAL CONDITIONS (continued)
Fees & Surcharges

7. In accordance with the final decision issued in Monterey General Rate Case Application 08-01-027, costs associated with securing Seaside Basin water rights shall be placed in a balancing account and collected through a meter charge over the next ten years. The total amount to be recovered is $2,755,960. The Seaside Basin Adjudication Balancing Account and surcharge is applicable to customers in the Monterey main, Bishop, Hidden Hills and Ryan Ranch areas and will earn interest at the 90-day commercial rate.

Meter Size	Meter Surcharge
For 5 / 8 x 3 / 4 meter	$0.37
For 3 / 4 meter	$0.55
For 1 meter	$0.91
For 1 1 / 2 meter	$1.83
For 2 meter	$2.93
For 3 meter	$5.49
For 4 meter	$9.15
For 6 meter	$18.29
For 8 meter	$29.27

8. Per Decision XX-XX-XXX, the capped 2015 amount of $2,367,219 related to the Carmel River Mitigation Program Balancing Account will be collected through a 4.64% surcharge on a customer's meter and total tiered charges over a 12 month period beginning January 1 and ending December 31, 2015. The surcharge is applicable to customers in the Monterey Main and Ryan Ranch Service areas.

(Continued)

Schedule No. MO-1O (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
OTHER CUSTOMERS

SPECIAL CONDITIONS (continued):
Fees & Surcharges:

9. Water Revenue Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA) Surcharges -- Monterey County District (Monterey Main, Hidden Hills, Ryan Ranch and Bishop):

   a. A surcharge is included in each bill to recover the under-collection in the WRAM and MCBA of $11,790,134 as of December 31, 2010. The surcharge is shown in the table below and will remain effective for 36 months beginning July 1, 2011

Monterey Main, Hidden Hills, Ryan Ranch, & Bishop Systems:	Surcharge Per 100 gal
Misc Construction	$0.5889
OWU-Permanent	
Block 1	$0.1178
Block 2	$0.2356
Block 3	$0.9422
OWU-Temporary	$0.1178

   b. A surcharge is included in each bill to recover the under-collection in the WRAM and MCBA of $13,404,349 as of December 31, 2011. The surcharge is shown in the table below and will remain effective for 36 months beginning May 9, 2012

Monterey Main, Hidden Hills, Ryan Ranch, & Bishop Systems:	Surcharge Per 100 gal
Misc Construction	$0.6644
OWU-Permanent	
Block 1	$0.1329
Block 2	$0.2658
Block 3	$1.0631
OWU-Temporary	$0.1329

   c. A surcharge is included in each bill to recover the under-collection in the WRAM and MCBA of $10,470,901 as of December 31, 2012. The surcharge is shown in the table below and will remain effective for 36 months beginning May 9, 2013

Monterey Main, Hidden Hills, Ryan Ranch, & Bishop Systems:	Surcharge Per 100 gal
Misc Construction	$0.5060
OWU-Permanent	
Block 1	$0.1012
Block 2	$0.2024
Block 3	$0.8096
OWU-Temporary	$0.1012

(Continued)

Schedule No. MO-1O (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
OTHER CUSTOMERS

SPECIAL CONDITIONS (continued)
Fees & Surcharges:

10. Water Revenue Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA) Surcharges -- Monterey County District (Monterey Main, Hidden Hills, Ryan Ranch and Bishop):

    d. For billing purposes, the 2010, 2011, and 2012 WRAM/MCBA surcharges will be combined into a single surcharge and expire in accordance with the amortization periods approved for each annual balance.

WRAM/MCBA SURCHARGE BILLED						
	[A] 2010 Surcharge Billed in 2011 per 100 gal	[B] 2011 Surcharge Billed in 2012 per 100 gal	[C] 2012 Surcharge Billed in 2013 per 100 gal	[D] TOTAL SURCHARGE BILLED PER 100 GAL *(5/9/13-6/30/14)* *[A] + [B] + [C]*	[E] TOTAL SURCHARGE BILLED PER 100 GAL *(7/1/14-5/8/15)* *[B] + [C]*	[F] TOTAL SURCHARGE BILLED PER 100 GAL *(5/9/15-5/9/16)* *[C]*
Monterey Main, Hidden Hills, Ryan Ranch, & Bishop						
Misc Construction	$0.5889	$0.6644	$0.5060	**$1.7594**	**$1.1705**	**$0.5060**
OWU-Permanent: Block 1	$0.1178	$0.1329	$0.1012	**$0.3519**	**$0.2341**	**$0.1012**
OWU-Permanent: Block 2	$0.2356	$0.2658	$0.2024	**$0.7037**	**$0.4682**	**$0.2024**
OWU-Permanent: Block 3	$0.9422	$1.0631	$0.8096	**$2.8150**	**$1.8727**	**$0.8096**
OWU-Temporary	$0.1178	$0.1329	$0.1012	**$0.3519**	**$0.2341**	**$0.1012**

11. Per Advice Letter XXXX, the under-collected balance in the Monterey County District Consolidated Expense Balancing Account will be recovered through a quantity based surcharge, as shown in the below table, over 36 months. The effective date for the surcharge is XXXXXXXXX and will be recovered from all customer classes in all service areas excluding Chualar service area.

Service Area	Quantity Surcharge Per 100 gal
Monterey Main	$0.1166
Bishop	$0.0435
Hidden Hills	$0.0437
Ryan Ranch	$0.0436
Ambler Park	$0.0435
Ralph Lane	$0.0437

(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

C.P.U.C. SHEET NO. _____

CANCELLING Original C.P.U.C. SHEET NO. _____

Schedule No. MO-1O (Continued)
Monterey County District Tariff Area
GENERAL METERED SERVICE
OTHER CUSTOMERS

SPECIAL CONDITIONS (continued):
Fees & Surcharges:

12. Per Decision 12-06-040, all authorized incurred costs included in the San Clemente Dam memorandum account shall be transferred to the San Clemente Dam balancing account. California American Water will recover the regulatory asset / San Clemente Dam balancing account over a 20-year period. Recovery will be designed to collect $7,631,185.80 per annum which is an estimate to recover project costs and will be implemented through a volumetric surcharge on customers in the Monterey Main, Ryan Ranch, and Bishop services areas of the Monterey County District from July 1, 2012 until the first day of the first test year when the revenue requirement moves into base rates.

Monterey Main, Ryan Ranch, and Bishop	
	Surcharge Per 100 gal
Misc Construction	$1.1491
OWU-Permanent: Block 1	$0.2298
OWU-Permanent: Block 2	$0.4596
OWU-Permanent: Block 3	$1.8385
OWU-Temporary	$0.2298

13. Per Advice Letter 987, a surcharge is included in each bill in the Monterey Main system to recover the under-collection in the Old Monterey-Style Water Revenue Adjustment Mechanism (WRAM) Balancing Account of $2,413,408. The surcharge is shown in the table below and will remain effective for 21 months beginning April 1, 2013.

Monterey Main	
	Surcharge Per 100 gal
Misc Construction	$0.1965
OWU-Permanent: Block 1	$0.0393
OWU-Permanent: Block 2	$0.0786
OWU-Permanent: Block 3	$0.3144
OWU-Temporary	$0.0393

14. Per Advice Letter 1011-A, a surcharge is to be included as a part of the cost of water authorized by D.13-04-015 for each new service connection in Sand City authorized by D.11-03-048 to reflect the additional incremental cost of the Sand City Desalination Plant over the current average cost of production. The surcharge will be $0.4434 per hundred gallons and will be effective July 11, 2013, and will terminate in accordance with lifting of the Moratorium authorized by D.11-03-048.

(Continued)

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Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. MO-ARC-1
Monterey County District Tariff Area
Ambler Park, Ralph Lane, and Chualar Service Area
GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Ambler Park subdivision, Oaks subdivision, Rim Rock subdivision, Rancho El Toro Country Club, located nine miles southwest of Salinas, Ralph Lane and Chualar sub-units, Monterey County, and vicinity.

RATES

AMBLER PARK

Quantity Rates:

Residential & Multi-Residential Customers:	Base Rate Per 100 gal (CGL)
Block 1: For the first 89.8 CGL.	$0.5868
Block 2: For the next 44.9 CGL.	$0.7823
Block 3: For the next 725.6 CGL.	$1.1734
Block 4: For all water delivered over 860.2 CGL.	$1.5645
Non-Residential Customers:	
For all water delivered, per CGL	$0.7823

Meter Charge:

	Per Meter Per Month
For 5/8 x 3/4-inch meter	$9.67
For 3/4-inch meter	$14.51
For 1-Iinch meter	$24.18
For 1-1/2-inch meter	$48.36
For 2-inch meter	$77.37
For 3-inch meter	$145.07
For 4-inch meter	$241.78
For 6-inch meter	$483.56
For 8-inch meter	$773.69

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

(Continued)

Schedule No. MO-ARC-1 (Continued)
Monterey County District Tariff Area
Ambler Park, Ralph Lane, and Chualar Service Area
GENERAL METERED SERVICE

SPECIAL CONDITIONS

General Items:

1. Qualifying low-income customers can receive a discount on their bill. Customers must apply with the Company for acceptance into the low-income program. For additional details, please see Tariff Schedule CA-LIRA.

2. Any residential customer who has been required to install a Residential Fire Sprinkler System (R.F.S.S.) at their place of residence by local fire ordinances will be allowed to have their monthly service charge reduced by one meter size for 3/4" and 1" meters and a reduction of two meter sizes for all 1-1/2" meters, provided it has been requested by the customer and verified by the Company that the lower size of meter would be large enough to provide adequate service to the residence. The R.F.S.S. Service is not considered a fire service by the Company, but is considered an oversized general metered service and therefore, only the rules and conditions of service for general metered service apply.

3. In accordance with Section 2714 of the Public Utilities Code, if a tenant in a rental unit leaves owing the company, service to subsequent tenants in that unit will, at the company's option, be furnished on the account of the landlord or property owner.

Fees and Surcharges:

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

2. A 1.00% surcharge is included on each bill to collect franchise taxes and/or business license fees paid to Monterey County. The amount collected is based on a percentage of the gross revenues of each bill.

3. Per Advice Letter XXXX, a surcharge of $0.0218 per hundred gallons will be applied to each bill to fund California American Water conservation efforts. The surcharge will remain in effect until otherwise directed by the Commission. This surcharge is applicable to customers in the Monterey main, Bishop, Hidden Hills, Ryan Ranch, Ralph Lane, Chualar, Ambler, and Toro areas.

4. Per Advice Letter XXXX, a surcharge of $1.54 for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

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(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
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Revised C.P.U.C. SHEET NO.
CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. MO-ARC-1 (Continued)
Monterey County District Tariff Area
Ambler Park, Ralph Lane, and Chualar Service Area
GENERAL METERED SERVICE

SPECIAL CONDITIONS (continued):

Fees and Surcharges (continued):

5. Water Revenue Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA) Surcharge -- Applicable to the Ambler Park Service Area ONLY

A surcharge is included in each bill to recover the net under-collection in the Water Revenue Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA). For the period ending December 31, 2012, the net under-collection totals $489,116 including interest. The surcharges below will remain effective for 36 months beginning May 9, 2013.

AMBLER PARK SYSTEM SURCHARGE BILLED	
	TOTAL SURCHARGE BILLED per 100 gal
Residential:	
Block 1: For the first 598 gal delivered, per 74.8 gal	$0.1667
Block 2: For the next 1,197 gal, per 74.8 gal	$0.2223
Block 3: For all water delivered over 1,795 gal, per 74.8 gal	$0.5557
Non-Residential:	
Block 1: For all water delivered up to monthly allotment, per 74.8 gal	$0.2223

6. Per Advice Letter XXXX, amounts related to the Monterey County District Consolidated Expense Balancing Account will be recovered through a quantity based surcharge, as shown in the below table, over 12 months. The effective date for the surcharge is April 1, 2013 and will be recovered from all customer classes in all service areas excluding the Chualar service area

Service Area	Consolidated Expense Balance Account Surcharge per 100 gallon	Number of Months Applicable From Effective Date
Ambler Park	$0.0656	24
Ralph Lane	$0.0438	36

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. _____
DECISION NO. _____

ISSUED BY
D. P. STEPHENSON
NAME
DIRECTOR – Rates & Regulatory
TITLE

(TO BE INSERTED BY C.P.U.C.)
DATE FILED _____
EFFECTIVE _____
RESOLUTION _____

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. MO-ARC-1 (Continued)
Monterey County District Tariff Area
Ambler Park, Ralph Lane, and Chualar Service Area
GENERAL METERED SERVICE

RATES (continued)

RALPH LANE

Quantity Rates:

	Base Rate Per 100 gal (CGL)
Block 1: For the first 59.8 CGL	$0.4074
Block 2: For the next 164.5 CGL.	$0.4890
Block 3: For all water delivered over 224.4 CGL.	$0.8155

Meter Charge:

	Per Meter Per Month
For 5/8 x 3/4-inch meter	$6.35
For 3/4-inch meter	$9.52
For 1-Iinch meter	$15.86
For 1-1/2-inch meter	$31.74
For 2-inch meter	$50.77
For 3-inch meter	$95.20
For 4-inch meter	$158.66
For 6-inch meter	$317.31
For 8-inch meter	$507.69

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

CHUALAR

	Base Rate Per 100 gal (CGL)
Residential and Commercial:	
For all water delivered, per CGL	$0.0917
Meter Charge for all sizes.	$23.94
Public School:	
For all water delivered, per CGL	$0.0556
Meter Charge for all sizes.	$31.22

(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
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C.P.U.C. SHEET NO.

Original C.P.U.C. SHEET NO.

Schedule No. MO-GA-2
Monterey County District Tariff Area
Garrapata Service Area
FLAT RATE SERVICE

APPLICABILITY

Applicable to all water service on a flat rate basis.

TERRITORY

The unincorporated communities, subdivisions, and adjacent areas generally known as Garrapata and vicinity.

RATES

	Flat Rate Per Month
For each residential dwelling connected below main tank, which is not specified below……	$128.42
For each residential dwelling connected above the main tank and below the upper reservoir……..	$145.11
For each residential dwelling connected above the first upper reservoir…….....	$151.53
For Rocky Point Restaurant and Damon Ranch……..	$218.31

SPECIAL CONDITIONS

General Items:

1. The flat rates for water service listed in the table above table shall be administered on a monthly basis.

2. The charges applicable to opening periods, closing bills and bill rendered for periods corresponding to less than 27 days or more than 33 days for monthly billing periods will be computed in accordance with Rule No 9.

3. Qualifying low-income customers can receive a discount on their bill. Customers must apply with the Company for acceptance into the low-income program. For additional details, please see Tariff Schedule CA-LIRA.

4. **Moratorium:** In the Garrapata service area of Monterey County District, California-American Water Company shall deny requests for new service connections.

(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

C.P.U.C. SHEET NO. _____

CANCELLING Original C.P.U.C. SHEET NO. _____

Schedule No. MO-GA-2 (Continued)
Monterey County District Tariff Area
Garrapata Service Area
FLAT RATE SERVICE

SPECIAL CONDITIONS (continued):
Fees & Surcharges:

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

2. The Safe Drinking Water State Revolving Fund (SDWSRF) surcharge is in addition to the water bill. This surcharge must be identified on each bill. The surcharge is specifically for the repayment of a loan under the American Recovery and Reinvestment Act for SDWSRF projects authorized by Resolution W-4788, dated 9/24/09. The surcharge to repay the loan will last until the loan is fully paid. The surcharge rates are subject to periodic adjustment. The monthly surcharge is $20 for years 1-10; and $18.20 for years 11-19 of the repayment period. The surcharge revenues shall be tracked separately and shall be used only for the repayment for the SDWSRF loan described in Resolution W-4788.

3. Per Advice Letter XXXX, a surcharge of $1.54 for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
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Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. MO-TO-1
Monterey County District Tariff Area
Toro Service Area
GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Toro sub-unit, Monterey County.

RATES

Quantity Rates:

	Base Rate Per 100 gal (CGL)
Residential Customers:	
For the first 89.7 CGL	$0.5196
For the next 44.9 CGL	$0.7423
For the next 725.6 CGL	$0.8537
For all water delivered over 860.2 CGL	$1.2694
All Other Customers:	
For all water delivered, per 7.48 CGL	$0.7423

Service Charge: General Metered

	Per Meter Per Month
For 5/8 x 3/4-inch meter	$9.89
For 3/4-inch meter	$14.84
For 1-inch meter	$24.74
For 1-1/2-inch meter	$49.47
For 2-inch meter	$79.15
For 3-inch meter	$148.41
For 4-inch meter	$247.35
For 6-inch meter	$494.71
For 8-inch meter	$791.53

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

(Continued)

Schedule No. MO-TO-1 (Continued)
Monterey County District Tariff Area
Toro Service Area
GENERAL METERED SERVICE

SPECIAL CONDITIONS

General Items:

1. The rates approved by Advice Letter No. 750-B are subject to refund and may be adjusted upward or Downward depending on the final rates authorized in A. 08-01-027 back to May 11, 2009

2. Any customer paying for service at a premise where a Residential Fire Sprinkler System (RFSS) is required/requested to be installed by local fire and building codes shall be allowed to have their monthly service charge modified in accordance with the monthly costs for RFSS service charges. Provided, however, that the RFSS rate has been requested by the customer and verified by the Company that the smaller size of meter would be large enough to provide adequate service for the property in absence of the additional demand necessary to supply water to the sprinkler system. The RFSS will not be considered a fire service by the Company, but as an oversized general metered service. As such the rules and conditions of service for general metered service shall apply.

3. Qualifying low-income customers can receive a discount on their bill. Customers must apply with the Company for acceptance into the low-income program. For additional details, please see Tariff Schedule CA-LIRA.

Fees & Surcharges:

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

2. Per Advice Letter 962, a surcharge of $0.0218 per 100 gallons will be applied to each bill to fund California American Water conservation efforts. The surcharge will remain in effect until otherwise directed by the Commission. This surcharge is applicable to customers in the Monterey main, Bishop, Hidden Hills, Ryan Ranch, Ralph Lane, Chualar, Ambler, and Toro areas.

3. Per Advice Letter 1000, the under-collected balance in the Toro Consolidated Expense Balancing Account will be recovered through a quantity based surcredit of $0.0173 per 100 gallons over 12 months effective XXXXXXX. The total amount will be recovered from all classes of customers.

4. Per Advice Letter XXXX, a surcharge of $1.54 per hundred gallons for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

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Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. SD-1
San Diego County District Tariff Area
GENERAL METERED SERVICE

APPLICABILITY

Applicable to all water furnished on a metered basis.

TERRITORY

Coronado, Imperial Beach, and portions of San Diego, and vicinity San Diego County.

RATES

Quantity Rates:

	Base Rate Per 100 gal (CGL)
Residential Customers:	
For the first 59.8 CGL	$0.6230
For the next 52.4 CGL	$0.7120
For the next 112.2 CGL	$1.0484
For all water delivered over 224.4 CGL	$1.4080
All Other Customers:	
For all water delivered, per CGL	$0.7120

Service Charge: General Metered

	Per Meter Per Month
For 5/8 x 3/4-inch meter	$7.05
For 3/4-inch meter	$10.57
For 1-inch meter	$17.62
For 1-1/2-inch meter	$35.23
For 2-inch meter	$56.37
For 3-inch meter	$105.70
For 4-inch meter	$176.16
For 6-inch meter	$352.33
For 8-inch meter	$563.73

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

(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. SD-1 (Continued)
San Diego County District Tariff Area
GENERAL METERED SERVICE

RATES (Continued):

Service Charge: Residential Fire Sprinkler System (RFSS)

	Per Meter Per Month
For 5/8 x 3/4-inch residential to 1-inch residential metered fire sprinkler	$7.28
For 5/8 x 3/4-inch residential to 1 1/2-inch residential metered fire sprinkler	$10.92
For 5/8 x 3/4-inch residential to 2-inch residential metered fire sprinkler	$12.07
For 3/4-inch residential to 1-inch residential metered fire sprinkler	$6.99
For 3/4-inch residential to 1 1/2-inch residential metered fire sprinkler	$10.68
For 3/4-inch residential to 2-inch residential metered fire sprinkler	$11.78
For 1-inch residential to 1 1/2-inch residential metered fire sprinkler	$18.84
For 1-inch residential to 2-inch residential metered fire sprinkler	$20.05
For 1 1/2-inch residential to 2-inch residential metered fire sprinkler	$31.59

The Service Charge is a readiness-to-serve charge which is applicable to all Residential Fire Sprinkler System metered services only and to which is added the charge for water used computed at the Quantity Rates.

(Continued)

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CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. SD-1 (continued)
San Diego County District Tariff Area
GENERAL METERED SERVICE

SPECIAL CONDITIONS:

General Items:

1. Qualifying low-income customers can receive a discount on their bill. Customers must apply with the Company for acceptance into the low-income program. For additional details, please see Tariff Schedule CA-LIRA.

2. Any customer paying for service at a premise where a Residential Fire Sprinkler System (RFSS) is required/requested to be installed by local fire and building codes shall be allowed to have their monthly service charge modified in accordance with the monthly costs for RFSS service charges. Provided, however, that the RFSS rate has been requested by the customer and verified by the Company that the smaller size of meter would be large enough to provide adequate service for the property in absence of the additional demand necessary to supply water to the sprinkler system. The RFSS will not be considered a fire service by the Company, but as an oversized general metered service. As such the rules and conditions of service for general metered service shall apply.

Fees and Surcharges:

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

2. A surcharge is included on each bill to collect franchise taxes and/or business license fees paid to various municipalities. The amount collected is based on a percentage of gross revenues of each bill. The percentage is 2% to City of San Diego and City of Imperial Beach.

3. Per Advice Letter XXXX, a surcharge of $0.0048 per 100 gallons will be applied to each bill to fund conservation efforts. The surcharge will remain in effect until otherwise directed by the Commission.

4. Per Advice Letter XXXX, a surcharge of $1.54 for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

5. Per Advice Letter XXXX, the under-collected balance in the San Diego County District Consolidated Expense Balancing Account (CEBA) will be recovered through a quantity based surcharge of $0.0232 per 100 gallons over 24 months effective XXXXXXXX. The total amount will be recovered from all classes of customers.

(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. VN-1
Ventura County District Tariff Area
GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Portions of Thousand Oaks, Newbury Park, an area adjacent to Camarillo, and vicinity, Ventura County .

RATES

Quantity Rates:

	Base Rate Per 100 gal (CGL)
Residential Customers:	
For the first 89.7 CGL	$0.4823
For the next 89.7 CGL	$0.6184
For the next 269.2 CGL	$0.8206
For all water delivered over 448.8 CGL	$1.2136
All Other Customers:	
For all water delivered, per CGL	$0.6184

Service Charge: General Metered

	Per Meter Per Month
For 5/8 x 3/4-inch meter	$9.03
For 3/4-inch meter	$13.55
For 1-linch meter	$22.58
For 1-1/2-inch meter	$45.15
For 2-inch meter	$72.25
For 3-inch meter	$135.46
For 4-inch meter	$225.77
For 6-inch meter	$451.55
For 8-inch meter	$722.47
For 10-inch meter	$1,038.55

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

(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

C.P.U.C. SHEET NO. _____

CANCELLING _____ C.P.U.C. SHEET NO. _____

Schedule No. VN-1 (Continued)
Ventura County District Tariff Area
GENERAL METERED SERVICE

RATES (Continued)

Service Charge: Residential Fire Sprinkler System (RFSS)

	Per Meter Per Month
For 5/8 x 3/4-inch residential to 1-inch residential metered fire sprinkler	$8.62
For 5/8 x 3/4-inch residential to 1 1/2-inch residential metered fire sprinkler	$12.27
For 5/8 x 3/4-inch residential to 2-inch residential metered fire sprinkler	$13.36
For 3/4-inch residential to 1-inch residential metered fire sprinkler	$8.11
For 3/4-inch residential to 1 1/2-inch residential metered fire sprinkler	$11.95
For 3/4-inch residential to 2-inch residential metered fire sprinkler	$13.08
For 1-inch residential to 1 1/2-inch residential metered fire sprinkler	$22.25
For 1-inch residential to 2-inch residential metered fire sprinkler	$23.36
For 1 1/2-inch residential to 2-inch residential metered fire sprinkler	$38.22

The Service Charge is a readiness-to-serve charge which is applicable to all Residential Fire Sprinkler System metered services only and to which is added the charge for water used computed at the Quantity Rates.

(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. VN-1 (continued)
Ventura County District Tariff Area
GENERAL METERED SERVICE

SPECIAL CONDITIONS:

General Items:

1. Qualifying low-income customers can receive a discount on their bill. Customers must apply with the Company for acceptance into the low-income program. For additional details, please see Tariff Schedule CA-LIRA.

2. Any customer paying for service at a premise where a Residential Fire Sprinkler System (RFSS) is required/requested to be installed by local fire and building codes shall be allowed to have their monthly service charge modified in accordance with the monthly costs for RFSS service charges. Provided, however, that the RFSS rate has been requested by the customer and verified by the Company that the smaller size of meter would be large enough to provide adequate service for the property in absence of the additional demand necessary to supply water to the sprinkler system. The RFSS will not be considered a fire service by the Company, but as an oversized general metered service. As such the rules and conditions of service for general metered service shall apply.

Fees and Surcharges:

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

2. A surcharge is included on each bill to collect franchise taxes and/or business license fees paid to various municipalities. The amount collected is 2.0% based on gross revenues before taxes and PUC fees for the County of Ventura and the City of Thousand Oaks.

3. Per Advice Letter XXXX, a surcharge of $0.0055 per 100 gallons will be applied to each bill to fund conservation efforts. The surcharge will remain in effect until otherwise directed by the Commission.

4. Per Advice Letter XXXX, a surcharge of $1.54 for the Low Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

5. Per Advice Letter XXXX, the under-collected balance in the Ventura County District Consolidated Expense Balancing Account (CEBA) will be recovered through a quantity based surcharge of $0.0269 per 100 gallons over 24 months effective XXXXXX. The total amount will be recovered from all classes of customers.

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. VN-9MC
Ventura District Tariff Area
METERED CONSTRUCTION SERVICE

APPLICABILITY

Applicable to all water service furnished for construction purposes.

TERRITORY

Portions of Thousand Oaks, Newbury Park, an area adjacent to Camarillo, and vicinity, Ventura County.

RATES

Quantity Rates:

	Per Month for 100 gal (CGL)
For all water delivered, per CGL	$0.5677

Minimum Charge:

	Per Day
For all sizes of meters	$33.43

The Minimum Charge will entitle the customer to the quantity of water which that minimum charge will purchase at the Quantity Rates.

(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. VN-9MC (Continued)
Ventura County District Tariff Area
METERED CONSTRUCTION SERVICE

SPECIAL CONDITIONS:

General Items:

1. Construction water service under this schedule will be furnished only when surplus water is available over the requirements for domestic service and under conditions which will not adversely affect domestic service. The utility will be the sole judge as to the availability of such surplus water.

2. Applicants for metered construction service will be required to apply for the service at least 48 hours in advance of the time delivery of water is requested and to pay the costs and charges as provided in Rule 13, Temporary Service.

Fees and Surcharges:

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

2. A surcharge is included on each bill to collect franchise taxes and/or business license fees paid to various municipalities. The amount collected is 2.0% based on gross revenues before taxes and PUC fees for the County of Ventura and the City of Thousand Oaks.

3. Per Advice Letter XXXX, a surcharge of $0.0055 per hundred gallons will be applied to each bill to fund conservation efforts. The surcharge will remain in effect until otherwise directed by the Commission.

4. Per Advice Letter XXXX, a surcharge of $1.54 for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

5. Per Advice Letter XXXX, the under-collected balance in the Ventura County District Consolidated Expense Balancing Account (CEBA) will be recovered through a quantity based surcharge of $0.0269 per hundred gallons over 24 months effective XXX. The total amount will be recovered from all classes of customers.

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. LA-1
Los Angeles County District Tariff Area
GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Baldwin Hills Service Area consisting of Baldwin Hills, Windsor Hills, View Park, Ladera Heights, and vicinity, Duarte Service Area consisting of Bradbury, Duarte, portions of Irwindale, Monrovia, and vicinity, and San Marino Service Area consisting of San Marino, Rosemead, portions of San Gabriel, Temple City, and vicinity, Los Angeles County.

RATES

Quantity Rates:

	Winter (Nov-Apr) Base Rate Per 100 gal (CGL)	Summer (May- Oct.) Base Rate Per 100 gal (CGL)
Baldwin Hills Service Area:		
Residential Customers:		
For the first 82.2 CGL.....	$0.4067	$0.4270
For the next 52.3 CGL.....	$0.4960	$0.5208
For the next 164.5 CGL.....	$0.6447	$0.6745
For all water delivered over 299.2 CGL	$0.8927	$0.9374
All Other Customers:		
For all water delivered, CGL	$0.4960	$0.5208
Duarte Service Area:		
Residential Customers:		
For the first 82.2 CGL.....	$0.2610	$0.2741
For the next 89.7 CGL.....	$0.3263	$0.3426
For the next 1,099.5 CGL.....	$0.3948	$0.4143
For all water delivered over 1,271.6 CGL	$0.6036	$0.6329
Commercial, Public Authority and Industrial Customers:		
For all water delivered, per 100 cu. CGL	$0.3263	$0.3426

(TO BE INSERTED BY UTILITY) ISSUED BY (TO BE INSERTED BY C.P.U.C.)

ADVICE LETTER NO. _____ D. P. STEPHENSON (NAME) DATE FILED _____

EFFECTIVE _____

DECISION NO. _____ DIRECTOR – Rates & Regulatory (TITLE) RESOLUTION _____

Schedule No. LA-1 (Continued)
Los Angeles County District Tariff Area
GENERAL METERED SERVICE

RATES (Continued)

Quantity Rates:

San Marino Service Area:	Winter (Nov–Apr) Base Rate Per 100 gal (CGL)	Summer (May–Oct) Base Rate Per 100 gal (CGL)
Residential Customers:		
For the first 97.2 CGL	$0.2721	$0.2857
For the next 112.2 CGL	$0.3678	$0.3861
For the next 351.5 CGL	$0.5406	$0.5663
For all water delivered over 561.0 CGL	$0.7171	$0.7539
All Other Customers:		
For all water delivered, per CGL	$0.3678	0.3861

Service Charge: General Metered

	Per Meter Per Month
For 5/8 x 3/4-inch meter	$8.66
For 3/4-inch meter	$12.99
For 1-linch meter	$21.65
For 1-1/2-inch meter	$43.30
For 2-inch meter	$69.28
For 3-inch meter	$129.91
For 4-inch meter	$216.51
For 6-inch meter	$433.02
For 8-inch meter	$692.83
For 10-inch meter	$995.95

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

(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. LA-1 (Continued)
Los Angeles County District Tariff Area
GENERAL METERED SERVICE

RATES (Continued)

Service Charge: Residential Fire Sprinkler System (RFSS)

	Per Meter Per Month
For 5/8 x 3/4-inch residential to 1-inch residential metered fire sprinkler	$9.42
For 5/8 x 3/4-inch residential to 1 1/2-inch residential metered fire sprinkler	$13.26
For 5/8 x 3/4-inch residential to 2-inch residential metered fire sprinkler	$14.36
For 3/4-inch residential to 1-inch residential metered fire sprinkler	$13.41
For 3/4-inch residential to 1 1/2-inch residential metered fire sprinkler	$17.29
For 3/4-inch residential to 2-inch residential metered fire sprinkler	$18.41
For 1-inch residential to 1 1/2-inch residential metered fire sprinkler	$24.61
For 1-inch residential to 2-inch residential metered fire sprinkler	$25.88
For 1 1/2-inch residential to 2-inch residential metered fire sprinkler	$42.97

The Service Charge is a readiness-to-serve charge which is applicable to all Residential Fire Sprinkler System metered services only and to which is added the charge for water used computed at the Quantity Rates.

(Continued)

Schedule No. LA-1
Los Angeles County District Tariff Area
GENERAL METERED SERVICE

SPECIAL CONDITIONS:

General Items:

1. Qualifying low-income customers can receive a discount on their bill. Customers must apply with the Company for acceptance into the low-income program. For additional details, please see Tariff Schedule CA-LIRA.

2. Any customer paying for service at a premise where a Residential Fire Sprinkler System (RFSS) is required/requested to be installed by local fire and building codes shall be allowed to have their monthly service charge modified in accordance with the monthly costs for RFSS service charges. Provided, however, that the RFSS rate has been requested by the customer and verified by the Company that the smaller size of meter would be large enough to provide adequate service for the property in absence of the additional demand necessary to supply water to the sprinkler system. The RFSS will not be considered a fire service by the Company, but as an oversized general metered service. As such the rules and conditions of service for general metered service shall apply.

Fees and Surcharges:

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

2. A surcharge is included on each bill to collect franchise taxes and/or business license fees paid to various municipalities. The amount collected is based on a percentage of the gross revenues of each bill. The percentages are as follows: City of San Marino 1.143%; City of San Gabriel 2.0%; City of Rosemead 1.183%; County of Los Angeles 2.417%; City of Duarte 1.966%; and City of Bradbury 1.959%. Franchise taxes in the Baldwin Hills District are 2.00% per customer on a monthly basis.

3. Per Advice Letter XXXX, a surcharge of $0.0035 per hundred gallons will be applied to each bill to fund conservation efforts. The surcharge will remain in effect until otherwise directed by the Commission.

4. Water Revenue Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA) Surcharges.

   a. **Baldwin Hills:**

      i. For the Baldwin Hills service area, a surcharge is included on each bill to recover the net under-collection in the WRAM and MCBA of $478,688, including interest, as of December 31, 2012. The surcharge is $0.0226 per 100 gallons and will remain effective for 24 months beginning May 9,2013.

   b. **Duarte:**

      i. For the Duarte service area, a surcharge is included on each bill to recover the net under-collection in the WRAM and MCBA of $1,333,903, including interest, as of December 31, 2012. The surcharge is $0.0266 per 100 gallons and will remain effective for 36 months beginning May 9, 2013.

(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. LA-1 (Continued)
Los Angeles County District Tariff Area
GENERAL METERED SERVICE

SPECIAL CONDITIONS:

Fees and Surcharges: (Continued)

4. Water Revenue Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA) Surcharges. (Continued)

   c. **San Marino:**

      i. For the San Marino service area, a surcharge is included on each bill to recover the net under-collection in the WRAM and MCBA of $1,333,903, including interest, as of December 31, 2012. The surcharge is $0.0266 per 100 gallons and will remain effective for 36 months beginning May 9, 2013.

5. Per Advice Letter XXXX, a surcharge of $ 1.54 for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

6. Per Advice Letter XXXX, the under-collected balance in the Los Angeles County District Consolidated Expense Balancing Account (CEBA) will be recovered through a quantity based surcharge, as shown in the below table effective XXXXXXXX. The total amount will be recovered from all classes of customers.

Service Area	Consolidated Expense Balance Account Surcharge per 100 gallon	Number of Months Applicable From Effective Date
Baldwin Hills	-$0.0008	12
Duarte	$0.0169	36
San Marino	$0.0254	36

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. _____
DECISION NO. _____

ISSUED BY
D. P. STEPHENSON
NAME
DIRECTOR – Rates & Regulatory
TITLE

(TO BE INSERTED BY C.P.U.C.)
DATE FILED _____
EFFECTIVE _____
RESOLUTION _____

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. LA-3M
Los Angeles County District Tariff Area
MEASURED IRRIGATION SERVICE

APPLICABILITY

Applicable to all measured service for irrigation purposes as defined in the special conditions below. Applicable only to premises serviced under Schedule No. LA-3M on a continued basis on and after January 1, 1969.

TERRITORY

Bradbury, Duarte, portions of Irwindale, Monrovia, and vicinity, Los Angeles County.

RATES

Quantity Rates:

	Base Rate Per 100 Gal (CGL) I
A. Pressure service all water, per CGL.	$1.5994
B. Gravity service all water, per CGL.	$1.4137

Service Charge: General Metered

	Per Meter Per Month
For 1-inch meter	$5.42
For 1-1/2-inch meter	$10.87
For 2-inch meter	$17.36
For 3-inch meter	$32.56
For 4-inch meter	$54.19

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

(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO. _____

CANCELLING Revised C.P.U.C. SHEET NO. _____

Schedule No. LA-3M (Continued)
Los Angeles County District Tariff Area
MEASURED IRRIGATION SERVICE

SPECIAL CONDITIONS:

General Items:

1. To better manage peak demands, there will be time and day of use restrictions on all measured irrigation services. Customers will be split into two groups who will irrigate on alternate days and only during cooler evening and morning hours. Customers with even numbered addresses will be allowed to irrigate only on even numbered days of the month and customers with odd numbered addresses will be allowed to irrigate only on odd numbered days of the month.

   a. Limits on water hours: Water or irrigating of lawn, landscape or other vegetated area with water is prohibited between the hours of 9:00 a.m. and 5:00 p.m. on any day.

   b. Fines and Flow Restrictors:

      i. During 2012 California American Water will only issue warnings to customers who violate of the day and time of use restrictions.

      ii. Beginning in 2013, California American Water may impose penalties on customers who violate the day and time of use restrictions if peak use in 2012 continued to necessitate supplementation of the system with potable water.

      iii. Penalties for violation of the day and time of use restrictions will become effective upon California American Water filing a Tier 1 Advice Letter

      iv. If the Utility determines that a customer is in violation, the customer will be subject to the following fine structure.

First Offense:	Written warning, including explanation of penalty for subsequent offense.
Second Offense:	Written warning, including explanation of penalty for subsequent offense and a $100 fine.
Third Offense:	Installation of flow restrictor, and written warning, including explanation of penalty for subsequent offense.

      v. Flow Restrictor Removal Charge: The charge for the removal of a flow restrictor shall be:

Connection Sizes	Removal Charges
5/8" to 1"	$150.00
1 ½" to 2"	$200.00
3" and Larger	Actual Cost

(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. LA-3M (continued)
Los Angeles County District Tariff Area
MEASURED IRRIGATION SERVICE

SPECIAL CONDITIONS (continued):

Fees and Surcharges:

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

2. A surcharge is included on each bill to collect franchise taxes and/or business license fees paid to various municipalities. The amount collected is based on a percentage of the gross revenues of each bill. The percentages are as follows: City of Duarte, 1.966%; and City of Bradbury, 1.959%.

3. Per Advice Letter XXXX, a surcharge of $0.0035 per hundred gallons will be applied to each bill to fund conservation efforts. The surcharge will remain in effect until otherwise directed by the Commission.

4. Per Advice Letter XXXX, a surcharge of $1.54 for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

5. Per Advice Letter XXXX, the under-collected balance in the Los Angeles County District Consolidated Expense Balancing Account (CEBA) will be recovered through a quantity based surcharge, as shown in the below table effective XXXXXXXX. The total amount will be recovered from all classes of customers.

Service Area	Consolidated Expense Balancing Account Surcharge per 100 gallons	Number of Months Applicable From Effective Date
Duarte	$0.0169	36

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule SA
Monterey Waste Water District Tariff Area
ACTIVE SEWER SERVICE

APPLICABILITY

Applicable to all Active Sewer Services.

TERRITORY

The systems at Las Palmas, Pasadera, Carmel Valley Ranch and Indian Springs

RATES

Las Palmas:	Per Service Per Month
Service Charge Residential	$119.28
Service Charge for School (5 EDUs)	$596.42
Service Charge for Small Office Park (6 EDUs)	$715.72
Service Charge for Golf Course (4 EDUs)	$477.15
Pasadera:	
Service Charge Residential	$119.28
Carmel Valley Ranch:	
Service Charge Residential	$119.28
Service Charge for Hotel (144 EDUs)	$17,177.28
Indian Springs:	
Service Charge for Residential and Small Commercial	$119.28

SPECIAL CONDITIONS

FEES & SURCHARGES

1. All bills are subject to the Public Utilities Commission Reimbursement Fee set forth on Schedule No. UF.

2. Per Advice Letter XXX-S, the under-collected balance in the Monterey Waste Water Consolidated Expense Balancing Account will be recovered through a monthly connection surcharge of $1.10 over 12 months effective XXXXXXX.

3. Per Advice Letter XXX-S, a surcharge of $1.54 for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule SP
Monterey Waste Water District Tariff Area
PASSIVE SEWER SERVICE

APPLICABILITY

Applicable to all Passive Sewer Services.

TERRITORY

The systems at White Oaks, Spreckels, Village Green and Oak Hills

RATES

Oak Hills:	Per Service Per Month
Service Charge for Residential and Small Commercial	$53.56

Spreckels:	
Service Charge for Residential and Small Commercial	$53.56
Service Charge for School	$80.33
Service Charge for Large Commercial (4 or more Employees)	$107.11
Service Charge for Industrial	$321.34

White Oaks:	Per Service Per Month
Service Charge for Residential	$53.56

Village Green:	
Service Charge for Residential	$53.56

SPECIAL CONDITIONS

FEES & SURCHARGES

1. All bills are subject to the Public Utilities Commission Reimbursement Fee set forth on Schedule No. UF.

2. Per Advice Letter XXX-S, the under-collected balance in the Monterey Waste Water Consolidated Expense Balancing Account will be recovered through a monthly connection surcharge of $1.10 over 12 months effective XXXXXXX.

3. Per Advice Letter XXX-S, a surcharge of $1.54 for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

Attachment E-3

Low Income Tariffs

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. CA-LIRA
California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

APPLICABILITY

Applicable to all water furnished on a metered basis.

TERRITORY

All territories served by California American Water Company

RATES:

Northern Division:
Sacramento District

Quantity Rates:	Base Rate Per 100 gal (CGL)
For the first 142.1 CGL	$0.2958
For all water delivered over 142.1 CGL	$0.3224

Service Charge: General Metered

	Per Meter Per Month
For 5/8 x 3/4-inch meter	$9.59
For 3/4-inch meter	$14.39
For 1-inch meter	$23.98
For 1-1/2-inch meter	$47.96
For 2-inch meter	$76.73
For 3-inch meter	$143.87
For 4-inch meter	$239.78
For 6-inch meter	$479.57
For 8-inch meter	$767.31
For 10-inch meter	$1,103.01
For 12-inch meter	$1,582.58

Larkfield District

Quantity Rates:	Base Rate Per 100 gal (CGL)
For the first 52.4 CGL	$0.6320
For the next 52.4 CGL	$0.7265
For the next 139.4 CGL	$1.1792
For all water delivered over 243.9 CGL	$1.5437

(Continued)

Schedule No. CA-LIRA (Continued)
California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

RATES:

Larkfield District (Continued):

Service Charge: General Metered

	Per Meter Per Month
For 5/8 x 3/4-inch meter	$13.78
For 3/4-inch meter	$20.66
For 1-inch meter	$34.44
For 1-1/2-inch meter	$68.88
For 2-inch meter	$110.20
For 3-inch meter	$206.63
For 4-inch meter	$344.38
For 6-inch meter	$688.76

Central Division:
Monterey Main, Hidden Hills, Ryan Ranch, and Bishop Systems

Quantity Rates:

	Base Rate Per 100 gal (CGL)
For the first 0.748 CGL x Customer Allotment	$0.4843
For the second 0.748 CGL x Customer Allotment	$0.7265
For the third 0.748 CGL x Customer Allotment	$2.4217
For the fourth 0.748 CGL x Customer Allotment	$4.8434
All Water over 2.992 CGL x Customer Allotment	$6.0543

Service Charge: General Metered

	Per Meter Per Month
For 5/8 x 3/4-inch meter	$7.74
For 3/4-inch meter	$11.61
For 1-inch meter	$19.34
For 1-1/2-inch meter	$38.68
For 2-inch meter	$61.90
For 3-inch meter	$116.05
For 4-inch meter	$193.42
For 6-inch meter	$386.85
For 8-inch meter	$618.96

(Continued)

Schedule No. CA-LIRA (Continued)
California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

RATES:

Central Division:

Ambler Park

Quantity Rates:	Base Rate Per 100 gal (CGL)
Block 1: For the first 89.8 CGL.	$0.4694
Block 2: For the next 44.9 CGL.	$0.6258
Block 3: For the next 725.6 CGL.	$1.1734
Block 4: For all water delivered over 860.2 CGL.	$1.5645

Service Charge: General Metered

	Per Meter Per Month
For 5/8 x 3/4-inch meter	$7.74
For 3/4-inch meter	$11.61
For 1-inch meter	$19.34
For 1-1/2-inch meter	$38.68
For 2-inch meter	$61.90
For 3-inch meter	$116.05
For 4-inch meter	$193.42
For 6-inch meter	$386.85
For 8-inch meter	$618.96

Ralph Lane

Quantity Rates:	Base Rate Per 100 gal (CGL)
Block 1: For the first 5.98 CGL.	$0.3259
Block 2: For the next 16.45 CGL.	$0.3912
Block 3: For all water delivered over 22.24 CGL.	$0.8155

Service Charge: General Metered

	Per Meter Per Month
For 5/8 x 3/4-inch meter	$5.08
For 3/4-inch meter	$7.62
For 1-inch meter	$12.69
For 1-1/2-inch meter	$25.39
For 2-inch meter	$40.62
For 3-inch meter	$76.16
For 4-inch meter	$126.93
For 6-inch meter	$253.85
For 8-inch meter	$406.16

(Continued)

Schedule No. CA-LIRA (Continued)
California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

RATES:

Central Division:

Toro

Quantity Rates:	Base Rate Per 100 gal (CGL)
For the first 89.8 CGL	$0.4157
For the next 44.9 CGL	$0.5938
For the next 725.6 CGL	$0.8537
For all water delivered over 860.2 gal	$1.2694

Service Charge: General Metered

	Per Meter Per Month
For 5/8 x 3/4-inch meter	$7.91
For 3/4-inch meter	$11.87
For 1-inch meter	$19.79
For 1-1/2-inch meter	$39.58
For 2-inch meter	$63.62
For 3-inch meter	$118.73
For 4-inch meter	$197.88
For 6-inch meter	$395.77
For 8-inch meter	$633.22

Southern Division:

Ventura

Quantity Rates:	Base Rate Per 100 gal (CGL)
For the first 89.7 CGL	$0.3858
For the next 89.7 CGL	$0.4947
For the next 269.2 CGL	$0.8206
For all water delivered over 448.8 CGL	$1.2136

Service Charge: General Metered

	Per Meter Per Month
For 5/8 x 3/4-inch meter	$7.22
For 3/4-inch meter	$10.84
For 1-inch meter	$18.06
For 1-1/2-inch meter	$36.12
For 2-inch meter	$57.80
For 3-inch meter	$108.37
For 4-inch meter	$180.62
For 6-inch meter	$361.24
For 8-inch meter	$577.98
For 10-inch meter	$830.84

(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. CA-LIRA (Continued)
California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

RATES:

Southern Division:

Los Angeles

Quantity Rates:

Baldwin Hills Service Area

	Winter (Nov-Apr) Base Rate Per 100 gal (CGL)	Summer (May- Oct.) Base Rate Per 100 gal (CGL)
For the first 82.2 CGL	$0.3254	$0.3416
For the next 52.4 CGL	$0.3968	$0.5208
For the next 164.6 CGL	$0.6447	$0.6745
For all water delivered over 299.2 CGL	$0.8927	$0.9373

Duarte Service Area

	Winter (Nov-Apr) Base Rate Per 100 gal (CGL)	Summer (May- Oct.) Base Rate Per 100 gal (CGL)
For the first 82.2 CGL	$0.2088	$0.2741
For the next 89.8 CGL	$0.2610	$0.3426
For the next 1,099.6 CGL	$0.3948	$0.4144
For all water delivered over 1,271.6 CGL	$0.6036	$0.6330

San Marino Service Area

	Winter (Nov-Apr) Base Rate Per 100 gal (CGL)	Summer (May- Oct.) Base Rate Per 100 gal (CGL)
For the first 82.2 CGL	$0.2177	$0.2857
For the next 89.8 CGL	$0.2942	$0.3861
For the next 1,099.6 CGL	$0.5406	$0.5663
For all water delivered over 1,271.6 CGL	$0.7171	$0.7539

Service Charge: General Metered

	Per Meter Per Month
For 5/8 x 3/4-inch meter	$6.93
For 3/4-inch meter	$10.39
For 1-inch meter	$17.32
For 1-1/2-inch meter	$34.64
For 2-inch meter	$55.43
For 3-inch meter	$103.93
For 4-inch meter	$173.21
For 6-inch meter	$346.42
For 8-inch meter	$554.27
For 10-inch meter	$796.76

(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. CA-LIRA (Continued)
California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

RATES:

Southern Division:
San Diego

Quantity Rates:	Base Rate Per 100 gal (CGL)
For the first 59.8 CGL	$0.4984
For the next 52.4 CGL	$0.5696
For the next 112.2 CGL	$1.0484
For all water delivered over 224.4 CGL	$1.4080

Service Charge: General Metered

	Per Meter Per Month
For 5/8 x 3/4-inch meter	$5.64
For 3/4-inch meter	$8.46
For 1-inch meter	$14.09
For 1-1/2-inch meter	$28.19
For 2-inch meter	$45.10
For 3-inch meter	$84.56
For 4-inch meter	$140.93
For 6-inch meter	$281.86
For 8-inch meter	$450.98

Schedule No.CA-LIRA (Continued)
California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

SPECIAL CONDITIONS APPLICABLE TO LOW INCOME

General Items:

1. **Low Income Ratepayer Assistance Program (LIRA):** As reflected in this tariff, qualifying customers receive a surcredit, as noted above, per month per qualifying residential customer. Customers must apply with the Company for acceptance into the low income program. Qualification criteria are outlined below. This program is also known as the H2O Help to Others Program.

    a. **LIRA Household**: A LIRA Household is a household where the total gross income from all sources, including total income from all persons living full-time in the household, is less than shown on the table below based on the number of persons in the household. Total gross income shall include both taxable and non-taxable income. Persons who are claimed as a dependent on another person's income tax return are not eligible for this program. The California American Water bill must be in the customer's name.

Household Size	CARE & Energy Savings Assistance Program (LIRA program)
1-2	$31,460
3	$39,580
4	$47,700
5	$55,820
6	$63,940
7	$72,060
8	$80,180
Each Additional person	$8,120

(Continued)

Schedule No. CA-LIRA (Continued)
California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

SPECIAL CONDITIONS APPLIACABLE TO LOW INCOME

General Items:

1. **Low Income Ratepayer Assistance Program (LIRA)** (Continued):

   b. **Application and Eligibility Declaration:** An application and eligibility declaration on a form authorized by the Commission is required for each request for service under this schedule. Renewal of a customer's eligibility declaration will be required every two years and may be required on an annual basis. Customers are only eligible to receive service under this rate schedule at one residential location at any one time, and the rate applies only to the customer's permanent primary residence. This schedule is not applicable where, in the opinion of the Company, either the accommodation or the occupancy is transitory. Customers may self certify and may be requested to present documentation verifying participation in a low income assistance program.

   c. **Commencement of Rate:** Eligible customers shall be billed on this schedule commencing no later than one billing period after receipt and approval of the customer's application by the Company.

   d. **Verification:** Information provided by the applicant is subject to verification by the Company. Refusal or failure of a customer to provide documentation of eligibility acceptable to the Company, upon the request of the Company, shall result in removal from this rate schedule.

   e. **Notice from Customer:** It is the customer's responsibility to notify the Company if there is a change in the customer's eligibility status. Notification should be made within 30 days of the customer's change in eligibility.

   f. Customers may be re-billed for periods of ineligibility under the applicable rate schedule.

(Continued)

Schedule No. CA-LIRA (Continued)
California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

SPECIAL CONDITIONS APPLICABLE TO LOW INCOME (Continued):

General Items:

2. **Low Income Ratepayer Assistance Program (LIRA) for Migrant Farm Worker Housing Centers (MFHC):** Consistent with Assembly Bill (AB) 868, signed on September 21, 2004, and with California Public Utilities Commission Decision No. 08-03-022, the low-income discount shall be offered to non-profit farm worker housing centers, including those not managed by the Office of Migrant Services (OMS). Qualifying facilities receive a surcredit equal to the applicable Low Income monthly discount in the service area per qualifying housing unit. Customers must apply with the Company for acceptance into the low income program. Qualification criteria are outlined below. This program is also known as the H2O Help to Others Program.

    a. **LIRA for MFWHC:** An MFWHC applying for acceptance into the program must meet the requirements listed below;

        1. The facility must provide pursuant to section 50710 of the Health and Safety Code or meet the definition in Subdivision (b) of Section 1140.4 of the Labor Code and have an exemption from local property taxes pursuant to Subdivision (g) of Section 214 of the Revenue and Taxation Code.

        2. The facility must provide a copy of current contract with the Office of Migrant Services, or a copy of tax-exempt documentation.

3. **Low-Income Ratepayer Assistance Program (LIRA) for Nonprofit Group Living Facilities:** Group living facilities, homeless shelters, hospices and women's shelters may be eligible for the low-income discount. Qualifying facilities receive a surcredit equal to the applicable Low-Income monthly discount in the service area per qualifying housing unit. Customers must apply with the Company for acceptance into the low income program. Qualification criteria are outlined below. This program is also known as the H2O Help to Others Program.

    a. **LIRA for Nonprofit Group Living Facilities:** A nonprofit group living facility applying for acceptance into the program must meet the following requirements;

        1. The organization operating the facility must provide a copy of the 501(c) (3) document certifying tax-exempt status.

        2. All California American Water accounts must be in the name of the organization holding the tax-exempt status.

        3. All of the residents or clients (including family units) occupying the facility at any given time must individually meet current income eligibility requirements as shown in Section 1 of this tariff schedule.

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(Continued)

Schedule No. CA-LIRA (Continued)
California American Water
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

SPECIAL CONDITIONS APPLICABLE TO LOW INCOME (Continued):

General Items:

3. **Low-Income Ratepayer Assistance Program (LIRA) for Nonprofit Group Living Facilities:**
   b. Facilities that are not eligible for the program:

      1. Nonprofit facilities providing social services only.

      2. Group living facilities providing no other service than a place to live.

      3. Government owned or operated facilities.

      4. Government-subsidized facilities providing lodging only.

   c. Additional requirements:

      Group living facilities must provide special-needs social services such as meals or rehabilitation, and may have satellite facilities in the name of one licensed organization that meet The same requirements as the main facility. Group living facilities include transitional housing such As drug rehabilitation centers or halfway houses, short-or long-term – care facilities, group homes for the physically or mentally Challenged and other nonprofit group living facilities.

      Homeless shelters, hospices and women's shelters must provide lodging as the primary Function, must be open for operation with at least six beds for a minimum of 180 days and/or nights per year and may also have satellite facilities in the name of one licensed organization that meet the same requirements as the main facility.

      Separate applications must be filed for each type of facility (a homeless shelter, a women's shelter, a hospice or group living facility), even if they are under one licensed organization.

Fees and Surcharges:

Please reference each district's Tariff Schedule 1 for a list of applicable fees and surcharges. Low Income Rate Assistance customers are exempt from the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account surcharge.

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Original C.P.U.C. SHEET NO. _____

CANCELLING _____ C.P.U.C. SHEET NO. _____

Schedule No. WW-LIRA
Monterey County Sewer Service
LOW-INCOME RATEPAYER ASSISTANCE PROGRAM

APPLICABILITY

Applicable to all Active and Passive Sewer Services.

TERRITORY

The systems of Las Palmas, Pasadera, Carmel Valley Ranch, Indian Springs, White Oaks, Spreckels, Village Greens, and Oak Hills.

RATES

Active Sewer Service

	Per Service Per Month
Las Palmas:	
Service Charge Residential	$95.42
Pasadera:	
Service Charge Residential	$95.42
Carmel Valley Ranch:	
Service Charge Residential	$95.42
Indian Springs:	
Service Charge for Residential	$95.42

Passive Sewer Service

	Per Service Per Month
Oak Hills:	
Service Charge for Residential	$42.85
Spreckels:	
Service Charge for Residential	$42.85
White Oaks:	
Service Charge for Residential	$42.85
Village Greens:	
Service Charge for Residential	$42.85

(TO BE INSERTED BY UTILITY)	ISSUED BY	(TO BE INSERTED BY C.P.U.C.)
ADVICE LETTER NO. _____	D. P. STEPHENSON (NAME)	DATE FILED _____
		EFFECTIVE _____
DECISION NO. _____	DIRECTOR – Rates & Regulation (TITLE)	RESOLUTION _____

Schedule No. WW-LIRA (Continued)
Monterey County Sewer Service
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

SPECIAL CONDITIONS APPLIACABLE TO LOW INCOME:

General Items:

1. Low-Income Ratepayer Assistance Program (LIRA): As reflected in this tariff, qualifying customers receive a surcredit, as noted above, per month per qualifying residential customer. Customers must apply with the Company for acceptance into the low income program. Qualification criteria are outlined below. This program is also known as the H2O Help to Others Program.

   a. LIRA Household: A LIRA Household is a household where the total gross income from all sources, including total income from all persons living full-time in the household is less than shown on the table below based on the number of persons in the household. Total gross income shall include both taxable and non-taxable income. Persons who are claimed as a dependent on another person's income tax return are not eligible for this program. The California American Water bill must be in the customer's name.

Household Size	CARE & Energy Savings Assistance Program (LIRA program)
1	$22,340
2	$30,260
3	$38,180
4	$46,100
5	$54,020
6	$61,940
7	$69,860
8	$77,780
Each Additional person	$7,920

   b. Application and Eligibility Declaration: An application and eligibility declaration on a form authorized by the Commission is required for each request for service under this schedule. Renewal of a customer's eligibility declaration will be required every two years and may be required on an annual basis. Customers are only eligible to receive service under this rate schedule at one residential location at any one time, and the rate applies only to the customer's permanent primary residence. This schedule is not applicable where, in the opinion of the Company, either the accommodation or the occupancy is transitory. Customers may self certify and may be requested to present documentation verifying participation in a low income assistance program.

   c. Commencement of Rate: Eligible customers shall be billed on this schedule commencing no later than one billing period after receipt and approval of the customer's application by the Company.

(Continued)

Schedule No. WW-LIRA (Continued)
Monterey County Sewer Service
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

SPECIAL CONDITIONS APPLICABLE TO LOW INCOME (Continued):

General Items:

1. Low-Income Ratepayer Assistance Program (LIRA):

   d. Verification: Information provided by the applicant is subject to verification by the Company. Refusal or failure of a customer to provide documentation of eligibility acceptable to the Company, upon the request of the Company, shall result in removal from this rate schedule.

   e. Notice from Customer: It is the customer's responsibility to notify the Company if there is a change in the customer's eligibility status. Notification should be made within 30 days of the customer's change in eligibility.

   f. Customers may be re-billed for periods of ineligibility under the applicable rate schedule.

2. Low Income Ratepayer Assistance Program (LIRA) for Migrant Farm Worker Housing Centers (MFHC): Consistent with Assembly Bill (AB) 868, signed on September 21, 2004, and with California Public Utilities Commission Decision No. 08-03-022, the low-income discount shall be offered to non-profit farm worker housing centers, including those not managed by the Office of Migrant Services (OMS). Qualifying facilities receive a surcredit equal to the applicable Low Income monthly discount in the service area per qualifying housing unit. Customers must apply with the Company for acceptance into the low income program. Qualification criteria are outlined below. This program is also known as the H2O Help to Others Program.

   a. LIRA for MFWHC: An MFWHC applying for acceptance into the program must meet the requirements listed below;

      1. The facility must provide pursuant to section 50710 of the Health and Safety Code or meet the definition in Subdivision (b) of Section 1140.4 of the Labor Code and have an exemption from local property taxes pursuant to Subdivision (g) of Section 214 of the Revenue and Taxation Code.

      2. The facility must provide a copy of current contract with the Office of Migrant Services, or a copy of tax-exempt documentation.

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(Continued)

Schedule No. WW-LIRA (Continued)
Monterey County Sewer Service
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

SPECIAL CONDITIONS APPLICABLE TO LOW INCOME (Continued):

General Items:

3. Low-Income Ratepayer Assistance Program (LIRA) for Nonprofit Group Living Facilities: Group living facilities, homeless shelters, hospices and women's shelters may be eligible for the low-income discount. Qualifying facilities receive a surcredit equal to the applicable Low-Income monthly discount in the service area per qualifying housing unit. Customers must apply with the Company for acceptance into the low income program. Qualification criteria are outlined below. This program is also known as the H2O Help to Others Program.

   a. LIRA for Nonprofit Group Living Facilities: A nonprofit group living facility applying for acceptance into the program must meet the following requirements;

      1. The organization operating the facility must provide a copy of the 501(c) (3) document certifying tax-exempt status.

      2. All California American Water accounts must be in the name of the organization holding the tax-exempt status.

      3. All of the residents or clients (including family units) occupying the facility at any given time must individually meet current income eligibility requirements as shown in Section 1 of this tariff schedule.

   b. Facilities that are not eligible for the program:

      1. Nonprofit facilities providing social services only.

      2. Group living facilities providing no other service than a place to live.

      3. Government owned or operated facilities.

      4. Government-subsidized facilities providing lodging only.

   c. Additional requirements:

      Group living facilities must provide special-needs social services such as meals or rehabilitation, and may have satellite facilities in the name of one licensed organization that meet The same requirements as the main facility. Group living facilities include transitional housing such As drug rehabilitation centers or halfway houses, short-or long-term – care facilities, group homes for the physically or mentally Challenged and other nonprofit group living facilities.

(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Original C.P.U.C. SHEET NO.

CANCELLING C.P.U.C. SHEET NO.

Schedule No.WW-LIRA (Continued)
Monterey County Sewer Service
LOW INCOME RATEPAYER ASSISTANCE PROGRAM

SPECIAL CONDITIONS APPLICABLE TO LOW INCOME (Continued):

General Items:

3. Low-Income Ratepayer Assistance Program (LIRA) for Nonprofit Group Living Facilities: (Continued)

   c. Additional requirements: (Continued)

      Homeless shelters, hospices and women's shelters must provide lodging as the primary Function, must be open for operation with at least six beds for a minimum of 180 days and/or nights per year and may also have satellite facilities in the name of one licensed organization that meet the same requirements as the main facility.

      Separate applications must be filed for each type of facility (a homeless shelter, a women's shelter, a hospice or group living facility), even if they are under one licensed organization.

Fees and Surcharges:

1. All bills are subject to the Public Utilities Commission Reimbursement Fee set forth on Schedule No. UF.

2. Per Advice Letter XXX-S, the under-collected balance in the Monterey Waste Water Consolidated Expense Balancing Account will be recovered through a monthly connection surcharge of $1.10 over 12 months effective XXXXXXX.

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

Attachment E-4 For Settlement

Private Fire/Hydrant Tariffs

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

New C.P.U.C. SHEET NO.

CANCELLING C.P.U.C. SHEET NO.

Schedule No. CA-4
California American Water
PRIVATE FIRE PROTECTION SERVICE

APPLICABILITY

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

TERRITORY

All territories served by California American Water Company

RATES

	Per Month
Larkfield District	
For each 1 1/2-inch connection	$18.33
For each 4-inch connection	$26.28
For each 6-inch connection	$41.45
For each 8-inch connection	$56.85
For each 10-inch connection	$72.60
Los Angeles County District	
For each 4-inch connection or smaller	$42.88
For each 6-inch connection	$66.34
For each 8-inch connection	$90.04
For each 10-inch connection	$114.09
For each 12-inch connection	$143.48
Monterey County District	
For each 1-inch connection	$17.71
For each 1 1/2-inch connection	$21.51
For each 2-inch connection	$25.31
For each 3-inch connection	$32.89
For each 4-inch connection	$40.48
For each 6-inch connection	$78.62
For each 8-inch connection	$121.70
For each 10-inch connection	$169.73
Sacramento District	
For each 4-inch connection or smaller	$66.73
For each 6-inch connection	$111.50
For each 8-inch connection	$158.01
For each 10-inch connection	$197.11
For each 12-inch connection	$281.63

(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

New C.P.U.C. SHEET NO.

CANCELLING C.P.U.C. SHEET NO.

Schedule No. CA-4
California American Water
PRIVATE FIRE PROTECTION SERVICE

RATES (continued)

	Per Month
San Diego District	
For each 4-inch connection or smaller	$28.53
For each 6-inch connection	$55.75
For each 8-inch connection	$81.54
For each 10-inch connection	$117.00
For each 12-inch connection	$168.74
Ventura District	
For each 4-inch connection or smaller	$38.43
For each 6-inch connection	$59.66
For each 8-inch connection	$81.13
For each 10-inch connection	$102.96
For each 12-inch connection	$130.13

SPECIAL CONDITIONS APPLICABLE TO ALL SERVICE AREAS

1. The fire protection service and connection shall be installed by the Utility or under the Utility's direction. Cost of the entire fire protection installation shall be paid for by the applicant. Such payment shall not be subject to refund.

2. If the distribution main of adequate size to serve a private fire protection system in addition to all other normal service does not exist in the street or alley adjacent to the premises to be served, then a service main from the nearest existing main of adequate capacity will be installed by the utility at the cost of the applicant. Such cost shall not be subject to refund.

3. The installation housing the detector type check valve and meter and appurtenances there to shall be in a location mutually agreeable to the applicant and the Utility. Normally, such installation shall be located on the premises of applicant, adjacent to the property line. The expense of maintaining the fire protection facilities on the applicant's premises (including the vault, meter, detector· type check valves, backflow device and appurtenances) shall be paid for by the applicant.

(continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

New C.P.U.C. SHEET NO. _____

CANCELLING _____ C.P.U.C. SHEET NO. _____

Schedule No. CA-4
California American Water
PRIVATE FIRE PROTECTION SERVICE

SPECIAL CONDITIONS APPLICABLE TO ALL SERVICE AREAS (continued)

4. The utility will supply only such water at such pressure as may be available from time to time as a result of its normal operation of the system.

5. All bills are subject to the reimbursement fee set forth in Schedule No. UF.

6. Any unauthorized use of water other than fire protection purposes, charges shall be made therefore under Schedule No. 1 General Metered Service for the applicable district, at the regular established rate for general metered service, including applicable surcharges, and/or may be grounds for the Utility discontinuing the fire protection service without liability to the Utility.

7. All facilities paid for by the applicant, excluding the connection at the main and any service pipe located in a public right-of-way, 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

8. The minimum diameter will be 1 inch, and maximum diameter will be the diameter of the main to which the service is connected.

9. Service hereunder if for private fire protection systems to which no connections for other than fire protection purposes are allowed and which are regularly inspected by the underwriters having jurisdiction. All facilities are to be installed according to the Utility's specifications and maintained to the Utility's satisfaction. The Utility may require the installation of a backflow prevention device and a standard protection against theft, leakage or waste of water

10. No structure shall be built over the fire protection service and the customer shall maintain and safeguard the area occupied by the service from traffic and other hazardous conditions. The customer will be responsible for any damage to the fire protection service facilities

11. Subject to the approval of the Utility, any change in the location or construction of fire protection service as may be requested by public authority or the customer will be made by the Utility following payment to the Utility of the entire cost of such change.

(continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

New C.P.U.C. SHEET NO.

CANCELLING C.P.U.C. SHEET NO.

Schedule No. CA-4
California American Water
PRIVATE FIRE PROTECTION SERVICE
(continued)

SPECIAL CONDITIONS APPLICABLE TO MONTEREY COUNTY DISTRICT (continued)

1. Customers who use Cal-Am's system to provide for fire flow, but do not receive their domestic supply from Cal-Am, will pay a special Private Fire Service rate equal to either the higher of the standard rate for their size service or a rate equal to the sum of the standard monthly Service Charges that would be billed for all the properties served by the Private Fire Service if they did receive domestic service. All fire service to non-domestic customers will be considered private fire service. If a new public fire hydrant is required to be installed for a non-domestic customer and other customers will benefit, no fee will be charged.

2. A surcharge is included on each bill to collect franchise taxes and/or business license fees paid to various municipalities. The amount collected is based on a percentage of the gross revenues of each bill. The percentages are as follows: Ryan Ranch 2.05%, City of Pacific Grove 2.10%, City of Carmel-by-the-Sea 2.15%, City of Seaside 1.00%, City of Del Rey Oaks Business License Fee 0.11%, City of Del Rey Oaks Franchise Fee 2.00%, City of Sand City 0.14%, City of Monterey 1.05%, and unincorporated areas of Monterey County 1.00%.

3. Coastal Water Project (CWP) Surcharge #1: Per Decision 06-12-040, a surcharge will be applied to customer bills to collect for pre-construction costs associated with the CWP. Costs to be recovered through CWP Surcharge #1 include $1,353,831 in public outreach costs and $1,639,429 in other costs, for a total of $2,993,260. A surcharge of 4% will be added to all bills rendered from January 1, 2007 through June 30, 2007. The surcharge will be increased to 7% from July 1, 2007 through December 31, 2007 and will increase to 10% from January 1, 2008 through September 29, 2011. On September 30, 2011, the surcharge will increase to 15% through a time when the outstanding approved amounts, with interest, are recovered. This surcharge is applicable to customers in the Monterey main system

(continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

New C.P.U.C. SHEET NO.

CANCELLING C.P.U.C. SHEET NO.

Schedule No. CA-4
California American Water
PRIVATE FIRE PROTECTION SERVICE
(continued)

SPECIAL CONDITIONS APPLICABLE TO SAN DIEGO DISTRICT

1. A Surcharge is included on each bill to collect franchise taxes and/or business license fees paid to various municipalities. The amount collected is based on a percentage of gross revenues of each bill. The percentage is 2% to City of San Diego and the City of Imperial Beach.

SPECIAL CONDITIONS APPLICABLE TO VENTURA DISTRICT

1. A surcharge is included on each bill to collect franchise taxes and/or business license fees paid to various municipalities. The amount collected is 2.0% based on gross revenues before taxes and PUC fees for the County of Ventura and the City of Thousand Oaks.

SPECIAL CONDITIONS APPLICABLE TO LOS ANGELES COUNTY DISTRICT

1. A surcharge is included on each bill to collect franchise taxes and/or business license fees paid to various municipalities. The amount collected is based on a percentage of the gross revenues of each bill. The percentages are as follows: City of San Marino 1.143%; City of San Gabriel 2.0%; City of Rosemead 1.183%; County of Los Angeles 2.417%; City of Duarte 1.966%; and City of Bradbury 1.959%. Franchise taxes in the Baldwin Hills District are 2.00% per customer on a monthly basis.

SPECIAL CONDITIONS APPLICABLE TO LARKFIELD DISTRICT

1. A surcharge is included on each bill to collect franchise fees and/or business license fees paid to the County of Sonoma. The amount collected is based on a percentage of the gross revenues of each bill. The percentage is as follows: Larkfield Franchise Fee – 1.00%

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Revised C.P.U.C. SHEET NO.

CANCELLING Revised C.P.U.C. SHEET NO.

Schedule No. CA-4H
California American Water Tariff Area
PRIVATE FIRE HYDRANT SERVICE

APPLICABILITY

Applicable to all water service furnished for fire hydrant service.

TERRITORY

All territories served by California American Water Company

RATES

	Per month
San Diego District	
Private Fire Hydrant Service Installed at Cost of Applicant:	
For each Fire Hydrant Installed	$17.53
Monterey County District	
Private Fire Hydrant Service Installed at Cost of Applicant:	
For each Fire Hydrant Installed	$35.99
All Other Districts	
Private Fire Hydrant Service Installed at Cost of Applicant:	
For each Fire Hydrant Installed	$26.76

(Continued)

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Schedule No. CA-4H
California American Water Tariff Area

PRIVATE FIRE HYDRANT SERVICE

SPECIAL CONDITIONS APPLICABLE TO ALL SERVICE AREAS (continued)

1. The fire protection service and connection shall be installed by the Utility or under the Utility's direction. Cost of the entire fire protection installation shall be paid for by the applicant. Such payment shall not be subject to refund.

2. The installation housing the detector type check valve and meter and appurtenances thereto shall be in a location mutually agreeable to the applicant and the Utility. Normally, such installation shall be located on the premises of applicant, adjacent to the property line. The expense of maintaining all facilities which are the sole property of the applicant (including the vault, meter, detector type check valves, backflow devise and appurtenances) shall be paid for by the applicant.

3. All facilities paid for by the applicant, excluding the connection at the main and any service pipe located in a public right-of-way, shall be the sole property of the applicant. The Utility and its duly authorized agents shall have the right to ingress and to egress from the premises for all purposes relating to said facilities.

4. The minimum diameter will be 6 inches, and the maximum diameter will be the diameter of the main to which the service is connected.

5. If distribution main of adequate size to serve a private fire protection system in addition to all other normal services does no exist in the street or alley adjacent to the premises to be served, then a main from the nearest existing main of adequate capacity shall be installed by the Utility, or under the Utility's direction, and cost paid by the applicant. Such payment shall not be subject to refund.

6. Service hereunder is for private fire hydrant service which no connections for other than fire protection purposes are allowed and which are regularly inspected by the underwriters having jurisdiction. All facilities are to be installed according to the Utility's specifications and maintained to the Utility's satisfaction. The Utility may require the installation of a backflow prevention devise and a standard detector type meter approved by the Insurance Services Offices for protection against theft, leakage or waste of water.

7. No structure shall be built over the fire protection service and the customer shall maintain and safeguard the area occupied by the service from traffic and other hazardous conditions. The customer will be responsible for any damage to the fire protection service facilities.

(continued)

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Schedule No. CA-4H
California American Water Tariff Area
PRIVATE FIRE HYDRANT SERVICE

SPECIAL CONDITIONS APPLICABLE TO ALL SERVICE AREAS (Continued):

8. Subject to the approval of the Utility, any change in the location or construction of the fire protection service as may be requested by public authority or the customer will be made by the Utility following payment to the Utility of the entire cost of such change.

9. Any unauthorized use of water other than fire protection purposes, charges shall be made therefore under Schedule No. 1 General Metered Service for the applicable district, at the regular established rate for general metered service, including applicable surcharges, and/or may be grounds for the Utility discontinuing the fire protection service without liability to the Utility.

10. All bills are subject to the reimbursement fee set forth on Schedule No. U.F.

SPECIAL CONDITIONS APPLICABLE TO MONTEREY DISTRICT:

1. Customers who use Cal-Am's system to provide for fire flow, but do not receive their domestic Supply from Cal-Am, will pay a special Private Fire Service rate equal to either the higher of the standard rate for their size service or a rate equal to the sum of the standard monthly Service Charges that would be billed for all the properties served by the Private Fire Service if they did receive domestic service. All fire service to non-domestic customers will be considered private fire service. If a new public fire hydrant is required to be installed for a non-domestic customer and other customers will benefit, no fee will be charged.

2. A surcharge is included on each bill to collect franchise taxes and/or business license fees paid to various municipalities. The amount collected is based on a percentage of the gross revenues of each bill. The percentages are as follows: Ryan Ranch 2.05%, City of Pacific Grove 2.10%, City of Carmel-by-the-Sea 2.15%, City of Seaside 1.00%, City of Del Rey Oaks Business License Fee 0.11%, City of Del Rey Oaks Franchise Fee 2.00%, City of Sand City 0.14%, City of Monterey 1.05%, and unincorporated areas of Monterey County 1.00%.

(continued)

Schedule No. CA-4H
California American Water Tariff Area
PRIVATE FIRE HYDRANT SERVICE

SPECIAL CONDITIONS APPLICABLE TO MONTEREY DISTRICT (continued):

3. Coastal Water Project (CWP) Surcharge #1: Per Decision 06-12-040, a surcharge will be applied to customer bills to collect for pre-construction costs associated with the CWP. Costs to be recovered through CWP Surcharge #1 include $1,353,831 in public outreach costs and $1,639,429 in other costs, for a total of $2,993,260. A surcharge of 4% will be added to all bills rendered from January 1, 2007 through June 30, 2007. The surcharge will be increased to 7% from July 1, 2007 through December 31, 2007 and will increase to 10% from January 1, 2008 through September 29, 2011. On September 30, 2011, the surcharge will increase to 15% through a time when the outstanding approved amounts, with interest, are recovered. This surcharge is applicable to customers in the Monterey main system.

SPECIAL CONDITIONS APPLICABLE TO SAN DIEGO DISTRICT

1. A Surcharge is included on each bill to collect franchise taxes and/or business license fees paid to various municipalities. The amount collected is based on a percentage of gross revenues of each bill. The percentage is 2% to City of San Diego and the City of Imperial Beach.

SPECIAL CONDITIONS APPLICABLE TO VENTURA DISTRICT

1. A surcharge is included on each bill to collect franchise taxes and/or business license fees paid to various municipalities. The amount collected is 2.0% based on gross revenues before taxes and PUC fees for the County of Ventura and the City of Thousand Oaks.

SPECIAL CONDITIONS APPLICABLE TO LOS ANGELES COUNTY DISTRICT

1. A surcharge is included on each bill to collect franchise taxes and/or business license fees paid to various municipalities. The amount collected is based on a percentage of the gross revenues of each bill. The percentages are as follows: City of San Marino 1.143%; City of San Gabriel 2.0%; City of Rosemead 1.183%; County of Los Angeles 2.417%; City of Duarte 1.966%; and City of Bradbury 1.959%. Franchise taxes in the Baldwin Hills District are 2.00% per customer on a monthly basis.

SPECIAL CONDITIONS APPLICABLE TO LARKFIELD DISTRICT

1. A surcharge is included on each bill to collect franchise fees and/or business license fees paid to the County of Sonoma. The amount collected is based on a percentage of the gross revenues of each bill. The percentage is as follows: Larkfield Franchise Fee – 1.00%

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

Attachment E-5 For Settlement

Rules Tariff

Rule No. 9 (Continued)
RENDERING AND PAYMENT OF BILLS

C. Late Payment Charge.

A late payment charge of 1.5% may be applied to the total unpaid balance of a domestic or nondomestic Customer Account if the customer's payment is not received before the past due date shown on the bill. Customers will be notified on the monthly issued bill that such a late payment fee will be applied to any account that is not paid before the past due date.

The fee shall be applied at the time a late payment notice is issued. If the customer pays the balance on the date the late payment notice is mailed, then that assessed fee will be forgiven. The fee shall be assessed on all open balances regardless of whether it is an initial or subsequent bill when a total balance has not been paid or there should have been a shut off for non-payment. The fee shall be compounded on all balances that are past due, unless the customer is under a payment agreement or over 180 days old on wastewater customers. CAW and ORA agree that there should be 15% reduction factor on late payments as a result of the implementation of the fee.

Low Income Rate Assistance (LIRA) customers are exempt from application of the late payment charge.

Rule No.11 (continued)
DISCONTINUANCE AND RESTORATION OF SERVICE

2. For Noncompliance with Rules

The utility may discontinue service to any customer for violation of these rules after it has given the customer at least five days written notice of such intention. Where safety of water supply is endangered, service may be discontinued immediately without notice.

3. For Waste of Water

a. Where negligent or wasteful use of water exists on a customer's premises, the utility may discontinue the service if such practices are not remedied within five days after it has given the customer written notice to such effect.

b. In order to protect itself against serious and unnecessary waste or misuse of water, the utility may meter any flat rate service and apply the regularly established meter rates where the customer continues to misuse or waste water beyond five days after the utility has given the customer written notice to remedy such practices.

4. For Unsafe Apparatus or Where Service is Detrimental or Damaging to the Utility or its Customers.

If an unsafe or hazardous condition is found to exist on the customer's premises, or if the use of water thereon by apparatus, appliances, equipment or otherwise is found to be detrimental or damaging to the utility or its customers, the service may be shut off without notice. The utility will notify the customer immediately of the reasons for the discontinuance and the corrective action to be taken by the customer before service can be restored.

5. For Fraudulent Use of Service

When the utility has discovered that a customer has obtained service by fraudulent means, or has diverted the water service for unauthorized use, the service to that customer may be discontinued without notice. The utility will not restore service to such customer until that customer has complied with all filed rules and reasonable requirements of the utility and the utility has been reimbursed for the full amount of the service rendered and the actual cost to the utility incurred by reason of the fraudulent use.

C. Restoration of Service

1. Reconnection Charge

Where service has been discontinued for violation of these rules or for nonpayment of bills, the utility may charge $10.00 for reconnection of service during regular working hours or $175 for reconnection of service at other than regular working hours when the customer has requested that the reconnection be made at other than regular working hours.

(Continued)

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Revised C.P.U.C. SHEET NO.

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Rule No. 15 (Continued)
MAIN EXTENSIONS

C. Extensions to Serve Subdivisions, Tracts, Housing Projects, Industrial Developments, Commercial Buildings, or Shopping Centers

1. Advances (continued)

g. A special facility fee for water supply will be contributed in lieu of any domestic water supply requirement covered under Section C. 1.b in the Monterey District in all areas that are to be served water produced by the proposed Monterey Peninsula Water Supply Project ("MPWSP"). This includes all areas in the Monterey County District except those in the Toro, Garrapata, Ambler Park, Ralph Lane and Chualar; new connections in Sand City, new customers in the Pebble Beach area who have purchased water rights through the Pebble Beach Company, MPWMD Public Allocation water, and properties with existing MPWMD documented on-site water credits.

h. The special facility fee shall be based on the cost of the additional facilities at the MPWSP necessary to serve new customers divided by the AF of additional capacity yield of the new facilities. The fee is agreed to be established at $24,000 per acre foot of annual water use. The fee can be charged in increments of less than an acre foot depending on the projected annual needs.

i. The special facility fee shall be recorded as a contribution-in-aid- of-construction and as such will offset the cost of the new facilities necessary to serve these new customers.

(Continued)

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

Attachment E-6 For Settlement

Mixed Use Tariff

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Original C.P.U.C. SHEET NO.
CANCELLING C.P.U.C. SHEET NO.

Schedule No. MO-1 MU
California American Water
GENERAL METERED SERVICE
RESIDENTIAL/NON-RESIDENTIAL MIXED USE

APPLICABILITY –

Applicable to all water furnished on a metered basis to mixed-use customers of record as of December 31, 2014. See special conditions below for new mixed-use customers requesting service after this date.

TERRITORY –

The incorporated cities of Monterey, Pacific Grove, Carmel-by-the-Sea, Del Rey Oaks, Sand City, a portion of Seaside, Hidden Hills and Ryan Ranch subdivisions, Bishop subdivision including the area known as Laguna Seca Ranch Estates and vicinity and certain unincorporated areas in the County of Monterey.

RATES

Quantity Rates:

MONTEREY MAIN, HIDDEN HILLS, RYAN RANCH, AND BISHOP SYSTEMS:

Residential & Multi-Residential Customers:	Base Rate Per 100 gal (CGL)
For the first 74.8 gal x Customer Allotment	$0.6054
For the second 74.8 gal x Customer Allotment	$0.9081
For the third 74.8 gal x Customer Allotment	$2.4217
For the fourth 74.8 gal x Customer Allotment	$4.8434
All Water over 299.2 gal x Customer Allotment	$6.0543

Meter Rates:

MONTEREY MAIN, HIDDEN HILLS, RYAN RANCH, AND BISHOP SYSTEMS:

	Per Meter Per Month
For 5/8 x 3/4-inch meter	$9.67
For 3/4-inch meter	$14.51
For 1-inch meter	$24.18
For 1-1/2-inch meter	$48.36
For 2-inch meter	$77.37
For 3-inch meter	$145.07
For 4-inch meter	$241.78
For 6-inch meter	$483.56
For 8-inch meter	$773.69

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

(Continued)

Schedule No. MO-1 MU (Continued)
California American Water
GENERAL METERED SERVICE
RESIDENTIAL/NON-RESIDENTIAL MIXED USE

SPECIAL CONDITIONS:

General Items:

1. The boundaries in which the above rates apply are as set forth in the Preliminary Statement and delineated on the Tariff Service Area Maps filed as a part of these tariff schedules.

2. The per capita design shall remain in effect and until ordered otherwise by the Commission.

3. New mixed-use customers requesting service after December 31, 2014 will not be billed under this tariff, but will be billed under the appropriate non-residential rate division as defined in Tariff MO-1 C.

4. Calculation of residential and multi-residential allotment for Monterey Main, Hidden Hills, Ryan Ranch and Bishop systems:

   a. The five consumption blocks are calculated for each residential and multi-residential customer based on the number of people, season (winter/summer), size of lot, and number of large animals according to the following allotments for each characteristic:

Block Width Adjustment for Number of People

Number of people in a residence	Equivalent gallons per day
1	37.5
2	75
3	112.5
4	150
5	187.5
6	225
7	262.5

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CANCELLING _____ C.P.U.C. SHEET NO. _____

Schedule No. MO-1 MU (Continued)
California American Water
GENERAL METERED SERVICE
RESIDENTIAL/NON-RESIDENTIAL MIXED USE

SPECIAL CONDITIONS (continued)
General Items:

Block Width Adjustment for Large Animals

Number of large animals	Equivalent gallons per day
1 or 2	12.5
3 to 5	25
6 to 10	37.5
11 to 20	50
Over 20	62.5

Block Width Adjustment for Landscape
Available in summer (May through October) only

Size of Lot	Equivalent gallons per day
No outside space	0
Up to ¼ acre	25
Over ¼, up to ½ acre	50
Over ½ acre, up to 1 acre	50
Over 1 acre, up to 2 acres	75
Over 2 acres, up to 3 acres	75
Over 3 acres, up to 4 acres	75
Greater than 4 acres	75

Block Width Adjustment for Non-Residential Use

Block	Equivalent gallons per day
1	0
2	100% of Non-Residential Allotment
3	7.5% of Non-Residential Allotment
4	7.5% of Non-Residential Allotment
5	All usage over 115% of Non-Residential Allotment

Schedule No. MO-1 MU (Continued)
California American Water
GENERAL METERED SERVICE
RESIDENTIAL/NON-RESIDENTIAL MIXED USE

SPECIAL CONDITIONS (continued)
General Items:

b. Each customer's total block width for each block are calculated by adding block width adjustments according to the below:

Blocks 1 will only have an allotment for the number of people and number of large animals. Blocks 2 will only have an allotment for the number of people, number of large animals and the 100% of non-residential set non-residential allotment.

Blocks 3 and 4 will have an allotment for landscape in summer months (with decreasing amount per acre above 1 acre) as well as the per person allotment, the large animal allotment and 15% of the non-residential allotment. Summer months are defined here as May, June, July, August, September, and October.

Fees & Surcharges:

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

2. A surcharge is included on each bill to collect franchise taxes and/or business license fees paid to various municipalities. The amount collected is based on a percentage of the gross revenues of each bill. The percentages are as follows: Ryan Ranch 2.05%, City of Pacific Grove 2.10%, City of Carmel-by-the-Sea 2.15%, City of Seaside 1.00%, City of Del Rey Oaks Business License Fee 0.11%, City of Del Rey Oaks Franchise Fee 2.00%, City of Sand, City 0.14%, City of Monterey 1.05%, and unincorporated areas of Monterey County 1.00%.

3. Coastal Water Project (CWP) Surcharge #1: Per Decision 06-12-040, a surcharge will be applied to customer bills to collect for pre-construction costs associated with the CWP. Per Decision No. 11-09-039, the surcharge is currently 15% until the outstanding approved amounts, with interest at 4%, are recovered. This surcharge is applicable to customers in the Monterey main system.

4. Per Advice Letter XXXX, a surcharge of $1.54 per hundred gallons for the Low-Income Ratepayer Assistance Program ("LIRAP") Balancing Account will be collected from all non-low income water and wastewater customers.

5. Per Advice Letter XXXX, a surcharge of $0.0218 per hundred gallons will be applied to each bill to fund California American Water conservation efforts. The surcharge will remain in effect until otherwise directed by the Commission. This surcharge is applicable to customers in the Monterey main, Bishop, Hidden Hills, Ryan Ranch, Ralph Lane, Chualar, Ambler, and Toro areas.

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Schedule No. MO-1 MU (Continued)
California American Water
GENERAL METERED SERVICE
RESIDENTIAL/NON-RESIDENTIAL MIXED USE

SPECIAL CONDITIONS: (Continued)

Fees & Surcharges:

6. Per Advice Letter XXXX, a volumetric surcharge of $0.0086 per hundred gallons will be applied to each customer's bill to fund conservation efforts for the Monterey Peninsula Water Management District (MPWMD). The surcharge will remain in effect until otherwise directed by the Commission. This surcharge is applicable to customers in the Monterey main, Bishop, Hidden Hills and Ryan Ranch areas.

7. In accordance with the final decision issued in Monterey General Rate Case Application 08-01-027, costs associated with securing Seaside Basin water rights shall be placed in a balancing account and collected through a meter charge over the next ten years. The total amount to be recovered is $2,755,960. The Seaside Basin Adjudication Balancing Account and surcharge is applicable to customers in the Monterey main, Bishop, Hidden Hills and Ryan Ranch areas and will earn interest at the 90-day commercial rate.

Meter Size	Meter Surcharge
For 5 / 8 x 3 / 4 meter	$0.37
For 3 / 4 meter	$0.55
For 1 meter	$0.91
For 1 1 / 2 meter	$1.83
For 2 meter	$2.93
For 3 meter	$5.49
For 4 meter	$9.15
For 6 meter	$18.29
For 8 meter	$29.27

8. Per Decision XX-XX-XXX, the capped 2015 amount of $2,367,219 related to the Carmel River Mitigation Program Balancing Account will be collected through a 4.64% surcharge on a customer's total bill over a 12 month period beginning January 1 and ending December 31, 2015. The surcharge is applicable to customers in the Monterey Main and Ryan Ranch Service areas.

Schedule No. MO-1 MU (Continued)
California American Water
GENERAL METERED SERVICE
RESIDENTIAL/NON-RESIDENTIAL MIXED USE

SPECIAL CONDITIONS: (Continued)
Fees & Surcharges:

9. Water Revenue Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA) Surcharges -- Monterey County District (Monterey Main, Hidden Hills, Ryan Ranch and Bishop):

   a. A surcharge is included in each bill to recover the under-collection in the WRAM and MCBA of $11,790,134 as of December 31, 2010. The surcharge is shown in the table below and will remain effective for 36 months beginning July 1, 2011

	Surcharge per 100 gal (CGL)
Residential & Multi-Residential	
Monterey Main System:	
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.0623
Block 3: For the third 74.8 gal x Customer Allotment	$0.1247
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.2493
Block 5: All water over 299.2 gal x Customer Allotment	$0.4364
Hidden Hills & Ryan Ranch System:	
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.0623
Block 3: For the third 74.8 gal x Customer Allotment	$0.1247
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.1870
Block 5: All water over 299.2 gal x Customer Allotment	$0.3118
Bishop System:	
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.0468
Block 3: For the third 74.8 gal x Customer Allotment	$0.0779
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.1091
Block 5: All water over 299.2 gal x Customer Allotment	$0.1247

Schedule No. MO-1 MU (Continued)
California American Water
GENERAL METERED SERVICE
RESIDENTIAL/NON-RESIDENTIAL MIXED USE

SPECIAL CONDITIONS: (Continued)
Fees & Surcharges:

9. Water Revenue Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA) Surcharges -- Monterey County District (Monterey Main, Hidden Hills, Ryan Ranch and Bishop):

   b. A surcharge is included in each bill to recover the under-collection in the WRAM and MCBA of $13,404,349 as of December 31, 2011. The surcharge is shown in the table below and will remain effective for 36 months beginning May 9, 2012

	Surcharge per 100 gal (CGL)
Residential & Multi-Residential	
Monterey Main, Hidden Hills & Ryan Ranch Systems:	
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.0702
Block 3: For the third 74.8 gal x Customer Allotment	$0.1404
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.2807
Block 5: All water over 299.2 gal x Customer Allotment	$0.4913
Bishop System:	
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.0702
Block 3: For the third 74.8 gal x Customer Allotment	$0.1404
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.1755
Block 5: All water over 299.2 gal x Customer Allotment	$0.2807

   c. A surcharge is included in each bill to recover the under-collection in the WRAM and MCBA of $10,470,901 as of December 31, 2012. The surcharge is shown in the table below and will remain effective for 36 months beginning May 9, 2013

	Surcharge per 100 gal (CGL)
Residential & Multi-Residential	
Monterey Main, Hidden Hills & Ryan Ranch Systems:	
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.0545
Block 3: For the third 74.8 gal x Customer Allotment	$0.1091
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.2182
Block 5: All water over 299.2 gal x Customer Allotment	$0.3817
Bishop System:	
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.0545
Block 3: For the third 74.8 gal x Customer Allotment	$0.1091
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.1636
Block 5: All water over 299.2 gal x Customer Allotment	$0.2727

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Original C.P.U.C. SHEET NO.
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Schedule No. MO-1 MU (Continued)
California American Water
GENERAL METERED SERVICE
RESIDENTIAL/NON-RESIDENTIAL MIXED USE

SPECIAL CONDITIONS (continued):
Fees & Surcharges: (L)

9. Water Revenue Adjustment Mechanism (WRAM) and Modified Cost Balancing Account (MCBA) Surcharges -- Monterey County District (Monterey Main, Hidden Hills, Ryan Ranch and Bishop):

   d. For billing purposes, the 2010, 2011, and 2012 WRAM/MCBA surcharges will be combined into a single surcharge and expire in accordance with the amortization periods approved for each annual balance.

WRAM/MCBA SURCHARGE BILLED

	[A] 2010 Surcharge Billed in 2011 per 100 gal	[B] 2011 Surcharge Billed in 2012 per 100 gal	[C] 2012 Surcharge Billed in 2013 per 100 gal	[D] TOTAL SURCHARGE BILLED PER 100 GAL *(5/9/13-6/30/14)* *[A] + [B] + [C]*	[E] TOTAL SURCHARGE BILLED PER 100 GAL *(7/1/14-5/8/15)* *[B] + [C]*	[F] TOTAL SURCHARGE BILLED PER 100 GAL *(5/9/15-5/9/16)* *[C]*	
Monterey Main Residential & Multi-Residential:							(C)
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	
Block 2: For the next 74.8 gal x Customer Allotment	$0.0623	$0.0702	$0.0545	$0.1870	$0.1247	$0.0545	
Block 3: For the next 74.8 gal x Customer Allotment	$0.1247	$0.1404	$0.1091	$0.3742	$0.2495	$0.1091	
Block 4: For the next 74.8 gal x Customer Allotment	$0.2493	$0.2807	$0.2182	$0.7483	$0.4989	$0.2182	
Block 5: All water over 299.2 gal x Customer Allotment	$0.4364	$0.4913	$0.3817	$1.3094	$0.8730	$0.3817	
Hidden Hills & Ryan Ranch Residential & Multi-Residential:							(C)
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	
Block 2: For the next 74.8 gal x Customer Allotment	$0.0623	$0.0702	$0.0545	$0.1870	$0.1247	$0.0545	
Block 3: For the next 74.8 gal x Customer Allotment	$0.1247	$0.1404	$0.1091	$0.3742	$0.2495	$0.1091	
Block 4: For the next 74.8 gal x Customer Allotment	$0.1870	$0.2807	$0.2182	$0.6860	$0.4989	$0.2182	
Block 5: All water over 299.2 gal x Customer Allotment	$0.3118	$0.4913	$0.3817	$1.1848	$0.8730	$0.3817	
Bishop Residential & Multi-Residential:							(C)
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	
Block 2: For the next 74.8 gal x Customer Allotment	$0.0468	$0.0702	$0.0545	$0.1715	$0.1247	$0.0545	
Block 3: For the next 74.8 gal x Customer Allotment	$0.0779	$0.1404	$0.1091	$0.3274	$0.2495	$0.1091	
Block 4: For the next 74.8 gal x Customer Allotment	$0.1091	$0.1755	$0.1636	$0.4483	$0.3392	$0.1636	
Block 5: All water over 299.2 gal x Customer Allotment	$0.1247	$0.2807	$0.2727	$0.6782	$0.5535	$0.2727	(L)

Schedule No. MO-1 MU (Continued)
California American Water
GENERAL METERED SERVICE
RESIDENTIAL/NON-RESIDENTIAL MIXED USE

SPECIAL CONDITIONS: (Continued)
Fees & Surcharges:

10. Per Advice Letter XXXX, the balance in the Monterey County District Consolidated Expense Balancing Account will be recovered through a quantity based surcharge, as shown in the below table. The effective date for the surcharge is XXXXXX and will be recovered from all customer classes in all service areas excluding Chualar service area.

Service Area	Quantity Surcharge Per 100 gallons (CGL)	Number of Months Applicable from Effective Date
Monterey Main	$0.1170	36
Bishop	$0.0656	24
Hidden Hills	$0.0657	24
Ryan Ranch	$0.0657	24
Ambler Park	$0.0656	24
Ralph Lane	$0.0438	36

11. Per Decision 12-06-040, all authorized incurred costs included in the San Clemente Dam memorandum account shall be transferred to the San Clemente Dam balancing account. California American Water will recover the regulatory asset / San Clemente Dam balancing account over a 20-year period. Recovery will be designed to collect $7,631,185.80 per annum which is an estimate to recover project costs and will be implemented through a volumetric surcharge on customers in the Monterey Main, Ryan Ranch, and Bishop services areas of the Monterey County District from July 1, 2012 until the first day of the first test year when the revenue requirement moves into base rates.

Monterey Main & Ryan Ranch

Residential & Multi-Residential:	SCD Surcharge Per 100 gal (CGL)
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.1217
Block 3: For the third 74.8 gal x Customer Allotment	$0.2433
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.4866
Block 5: All water over 299.2 gal x Customer Allotment	$0.8516

Bishop

Residential & Multi-Residential:	Per 100 gal (CGL)
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.1217
Block 3: For the third 74.8 gal x Customer Allotment	$0.2433
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.3041
Block 5: All water over 299.2 gal x Customer Allotment	$0.4866

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Original C.P.U.C. SHEET NO. _____

CANCELLING _____ C.P.U.C. SHEET NO. _____

Schedule No. MO-1 MU (Continued)
California American Water
GENERAL METERED SERVICE
RESIDENTIAL/NON-RESIDENTIAL MIXED USE

SPECIAL CONDITIONS: (Continued)
Fees & Surcharges:

12. Per Advice Letter 987, a surcharge is included in each bill in the Monterey Main system to recover the under-collection in the Old Monterey-Style Water Revenue Adjustment Mechanism (WRAM) Balancing Account of $2,413,408. The surcharge is shown in the table below and will remain effective for 21 months beginning April 1, 2013.

Monterey Main Residential & Multi-Residential:	**Surcharge Per 100 gal (CGL)**
Block 1: For the first 74.8 gal x Customer Allotment	$0.0000
Block 2: For the second 74.8 gal x Customer Allotment	$0.0267
Block 3: For the third 74.8 gal x Customer Allotment	$0.0535
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.1068
Block 5: All water over 299.2 gal x Customer Allotment	$0.1870

13. Per Advice Letter 1011-A, a surcharge is to be included as a part of the cost of water authorized by D.13-04-015 for each new service connection in Sand City authorized by D.11-03-048 to reflect the additional incremental cost of the Sand City Desalination Plant over the current average cost of production. The surcharge will be $0.4434 per hundred gallons and will be effective July 11, 2013, and will terminate in accordance with lifting of the Moratorium authorized by D.11-03-048.

14. Per Advice Letter 1013-B, a surcharge is included in each bill in the Monterey Main system to recover the total allowed actual and forecasted costs of the Sand City Desalination Plant through December 31, 2014 of $3,047,379. In compliance with D.13-04-015, the surcharge will be recalculated to take into account appropriate costs, collections, and future allowed recoveries.

Monterey Main Residential & Multi-Residential:	**Surcharge Per 100 gal (CGL)**
Block 4: For the fourth 74.8 gal x Customer Allotment	$0.6575
Block 5: All water over 299.2 gal x Customer Allotment	$0.6575

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

Attachment E-7 For Settlement

Low Income Surcharge Calculation

CALIFORNIA-AMERICAN WATER COMPANY
PROPOSED RECOVERY OF LIRA PROGRAM MEMORANDUM ACCOUNT
ONGOING LIRA SURCHARGE
RECOVERY IN YR 2015 - YR 2017

SUMMARY

			Reference
2015 Projected LIRA Discounts	$	2,631,092	Wkpr 11-4 to 11-6
2016 Projected LIRA Discounts	$	2,792,721	Wkpr 11-4 to 11-6
2017 Projected LIRA Discounts	$	2,954,350	Wkpr 11-4 to 11-6
Total Projected LIRA Discounts	$	8,378,163	
Proposed Amortization Period		36 months	
Total Customers/Connections		171,467	2015 Avg Customers excl. fire service
LESS LIRA Program Participants		(20,623)	Avg number of participants in 2013
Grand Total Customers		150,844	
Flat Surcharge per customer per month	$	1.54	=Total Acct Bal/Grand Total Customers/36

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

Attachment E-8 For Settlement

Compound Meter Tariff

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Original C.P.U.C. SHEET NO. _____

CANCELLING _____ C.P.U.C. SHEET NO. NEW

Schedule No. CA-Compound Meters
California American Water
COMPOUND METERS

APPLICABILITY

Applicable to all service.

TERRITORY

All territories served by California American Water Company

RATES

Detailed rates to be provided as part of the proposed decision for each district, but in general the total flow of all meters should be used to find the closest flow of a single larger meter. And when deciding between two meter flows, use the lower flow meter, which would result in a lower charge to the customer. For example, consider that a 1.5" inch meter flows 100 gpm. Therefore two, 1.5" meters flow 200 gpm. Given that total flow, the nearest total equivalent flow is either a 2" meter (160 gpm) or a 3" meter (450 gpm). The charge should be rounded down to the customer benefit.

Mater Battery Accounts—flows

Meter size	Average flow at 100% accuracy
5/8"	20 gpm
3/4"	30 gpm
1"	50 gpm
1 ½"	100 gpm
2"	160 gpm
3"	450 gpm
4"	1,100 gpm
6"	2,300 gpm
8"	4,000 gpm
10"	7,250 gpm

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

Attachment E-9 For Settlement

Late, Reconnect, Connection Fees

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Original C.P.U.C. SHEET NO.

CANCELLING C.P.U.C. SHEET NO. NEW

Schedule No. WW-FEES
Monterey County Sewer Service
LATE PAYMENT FEES, RECONNECTION FEES, AND FACILITIES FEES

APPLICABILITY

Applicable to all sewer service.

TERRITORY

Subdivisions of Oak Hills and Indian Springs, the community of Spreckels, in the vicinity of Salinas, Monterey County, and Monterey County.

RATES

Late Payment Fee: A late charge of 1.5% on unpaid balance will be assessed. Customers will be notified on the monthly issued bill that the 1.5% late fee will be applied to any account that is not paid before the past due date shown on the bill. The fee shall be applied at the time a late payment notice is issued. If the customer pays the balance on the date the late payment notice is mailed, then that assessed fee will be forgiven. The fee shall be assessed on all open balances regardless of whether it is an initial or subsequent bill when a total balance has not been paid or there should have been a shut off for non-payment, except the fee shall not be applied when the account is over 180 days old. The fee shall be compounded on all balances that are past due, unless they are under payment agreement. All bills shall be subject to the PUC reimbursement fee as set forth in Schedule No. UF.

Reconnection Fee: Where service has been discontinued for violation of these rules or for nonpayment of bills, the utility may charge $10.00 for reconnection of service during regular working hours or $175.00 for reconnection of service at other than regular working hours when the customer has requested that the reconnection be made at other than regular working hours. If payment is received after 3:00 PM, service will not be restored until the next business day. All bills shall be subject to the PUC reimbursement fee as set forth in Schedule No. UF.

(Continued)

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Original C.P.U.C. SHEET NO. _____

CANCELLING _____ C.P.U.C. SHEET NO. NEW

Schedule No. CA-FEES
California American Water
LATE PAYMENT FEES, RECONNECTION FEES, AND CONNECTION FEES

APPLICABILITY

Applicable to all service.

TERRITORY

All territories served by California American Water Company

RATES

Late Payment Fee: A late charge of 1.5% on unpaid balance will be assessed. Customers will be notified on the monthly issued bill that the 1.5% late fee will be applied to any account that is not paid before the past due date shown on the bill. The fee shall be applied at the time a late payment notice is issued. If the customer pays the balance on the date the late payment notice is mailed, then that assessed fee will be forgiven. The fee shall be assessed on all open balances regardless of whether it is an initial or subsequent bill when a total balance has not been paid or there should have been a shut off for non-payment. The fee shall be compounded on all balances that are past due, unless they are under payment agreement. All bills shall be subject to the PUC reimbursement fee as set forth in Schedule No. UF.

Reconnection Fee: Where service has been discontinued for violation of these rules or for nonpayment of bills, the utility may charge $10.00 for reconnection of service during regular working hours or $175.00 for reconnection of service at other than regular working hours when the customer has requested that the reconnection be made at other than regular working hours. If payment is received after 3:00 PM, service will not be restored until the next business day. All bills shall be subject to the PUC reimbursement fee as set forth in Schedule No. UF.

Connection Fee for each Service Connection:

For 5/8 x 3/4 – inch meter	$2,000.00
For 3/4 – inch meter	3,000.00
For 1– inch meter	5,000.00
For 1 1/2 – inch meter	10,000.00
For 2 – inch meter	16,000.00

Connections larger than 2” will be billed at actual costs of construction.

Connection fees are payable in addition to and do not limit any charges for extensions of mains that may be applicable under Rule 15, Main Extensions. Connection fees are also in addition to any special facilities fees that may be applicable in any particular area. These fees are not subject to the Public Utility Commission Reimbursement Fee surcharge in schedule UF. These fees shall be used only for the installation of new infrastructure within all services areas, with the exception of Placer County in the Sacramento District. These fees shall be recorded as a contribution-in-aid-of-construction.

(Continued)

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

Attachment E-10 For Settlement

Larkfield Connection Fees

CALIFORNIA-AMERICAN WATER COMPANY
1033 B Avenue, Suite 200
CORONADO, CA 92118

Original C.P.U.C. SHEET NO. 1795-W

CANCELLING C.P.U.C. SHEET NO. NEW

Schedule No. LK-F
Larkfield District Tariff Area
CONNECTION FEES

APPLICABILITY
Applicable to all customers applying for service from the Utility in the Larkfield District service area not previously connected to its distribution mains, for additional service connections to existing premises, and for increases in size of service connections to existing premises due to change in use.

TERRITORY
This schedule is applicable within the unincorporated areas known as the Larkfield and Wikiup subdivisions and the community of Fulton, three miles north of Santa Rosa, Sonoma County.

RATES

Initial Fee for each Service Connection:

For 5/8 x 3/4 – inch meter	$2,000.00
For 3/4 – inch meter	3,000.00
For 1– inch meter	5,000.00
For 1 1/2 – inch meter	10,000.00
For 2 – inch meter	16,000.00

SPECIAL CONDITIONS

1. Connection fees are payable in addition to and do not limit any charges for extensions of mains that may be applicable under Rule 15, Main Extensions.

2. These fees are not subject to the Public Utility Commission Reimbursement Fee surcharge in schedule UF.

3. These fees shall be used only for the repair and replacement or the installation of new infrastructure within the Larkfield District service area, including the Larkfield and Wikiup subdivisions and the community of Fulton.

4. These fees shall be deposited in a separate trustee account and used only upon permission of the Water Division or its successor.

(Continued)

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

Attachment F-1 For Settlement

CA Total Comparison Exhibits

TABLE A1

CALIFORNIA AMERICAN WATER
CALIFORNIA TOTAL
GENERAL RATE CASE
COMPARATIVE SUMMARY OF EARNINGS FOR TEST YEAR AT PRESENT RATES

2015 @ PRESENT RATES

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	**ADOPTED**
Operating Revenues						
Water	204,128.7	204,019.4	0.0	204,019.4	193,795.4	204,019.4
Operating Expenses						
Payroll	14,081.4	15,095.2	0.0	15,095.2	15,168.7	15,095.2
Purchased Water	41,109.2	43,773.2	0.0	43,773.2	37,678.2	43,773.2
Purchased Power	7,555.7	7,060.9	0.0	7,060.9	7,118.8	7,061.0
Chemicals	1,515.2	1,509.6	0.0	1,509.6	1,539.7	1,509.6
Uncollectibles	4,462.1	4,459.0	0.0	4,459.0	4,332.4	4,459.0
Other Operating Exp	3,951.0	4,250.0	(0.0)	4,250.0	3,836.3	4,249.9
T & D - Reservoirs & Tanks	858.1	1,178.7	0.0	1,178.7	1,306.5	1,178.7
Other Maintenance Exp	4,825.7	4,635.8	0.0	4,635.8	4,100.4	4,635.8
Insurance	41.0	43.5	0.0	43.5	44.1	43.5
Pension & Benefits	719.0	774.6	0.0	774.6	812.0	774.6
Regulatory Expense	0.0	1.9	0.0	1.9	1.9	1.9
Outside Services	876.1	1,047.7	0.0	1,047.7	1,791.9	1,047.7
Rents	1,159.8	1,176.0	0.0	1,176.0	1,181.8	1,176.0
Misc General Expense	4,082.6	4,144.3	0.0	4,144.3	4,642.3	4,144.3
Other Admin & General	199.8	187.5	0.0	187.5	189.9	187.5
Subtotal	85,436.6	89,337.8	(0.0)	89,337.7	83,743.0	89,337.7
Allocated General Office	33,069.5	35,517.6	0.0	35,517.6	37,576.9	35,517.6
Acquisition Premium	3,681.0	3,681.0	0.0	3,681.0	3,681.1	3,681.0
Total Operating Expense	122,187.1	128,536.4	(0.0)	128,536.4	125,919.3	128,536.4
Depreciation	19,574.2	20,700.9	0.0	20,700.9	23,460.9	20,700.9
Ad Valorem Taxes	4,580.0	4,667.0	0.0	4,667.0	4,923.1	4,667.0
Franchise Taxes	163.2	193.8	0.0	193.8	155.6	193.8
Payroll Taxes	1,083.6	1,129.0	0.0	1,129.0	1,134.1	1,129.0
Total Exp. Before Inc. Taxes	147,588.1	155,227.1	(0.0)	155,227.1	155,574.1	155,227.1
Net Revenue Before Inc. Taxes	56,540.6	48,792.3	0.0	48,792.3	38,221.3	48,792.3
State Income Taxes	3,894.0	3,100.0	0.0	3,100.0	2,090.6	3,100.2
Federal Income Taxes	13,062.4	10,256.6	0.0	10,256.6	6,780.8	10,257.4
Total Expenses	164,544.5	168,583.8	(0.0)	168,583.8	164,445.5	168,584.7
Net Operating Revenue	39,584.2	35,435.6	0.0	35,435.6	29,349.9	35,434.7
Rate Base	404,505.0	443,278.1	0.0	443,278.1	470,609.9	443,278.0
Rate of Return	9.79%	7.99%		7.99%	6.24%	7.99%

TABLE A2

CALIFORNIA AMERICAN WATER
CALIFORNIA TOTAL
GENERAL RATE CASE
COMPARATIVE SUMMARY OF EARNINGS FOR TEST YEAR AT PROPOSED RATES

2015 @ PROPOSED RATES

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	**ADOPTED**
Operating Revenues						
Water	194,277.1	207,372.4	0.0	207,372.4	207,510.4	207,372.4
Operating Expenses						
Payroll	14,081.4	15,095.2	0.0	15,095.2	15,168.7	15,095.2
Purchased Water	41,109.2	43,773.2	0.0	43,773.2	37,678.2	43,773.2
Purchased Power	7,555.7	7,060.9	0.0	7,060.9	7,118.8	7,061.0
Chemicals	1,515.2	1,509.6	0.0	1,509.6	1,539.7	1,509.6
Uncollectibles	4,165.4	4,524.7	0.0	4,524.7	4,706.2	4,524.9
Other Operating Exp	3,951.0	4,250.0	(0.0)	4,250.0	3,839.6	4,249.9
T & D - Reservoirs & Tanks	858.1	1,178.7	0.0	1,178.7	1,303.8	1,178.7
Other Maintenance Exp	4,825.7	4,635.8	0.0	4,635.8	4,100.4	4,635.8
Insurance	41.0	43.5	0.0	43.5	44.1	43.5
Pension & Benefits	719.0	774.6	0.0	774.6	811.5	774.6
Regulatory Expense	0.0	1.9	0.0	1.9	1.9	1.9
Outside Services	876.1	1,047.7	0.0	1,047.7	1,791.3	1,047.7
Rents	1,159.8	1,176.0	0.0	1,176.0	1,181.8	1,176.0
Misc General Expense	4,082.6	4,144.3	0.0	4,144.3	4,642.3	4,144.3
Other Admin & General	199.8	187.5	0.0	187.5	190.3	187.5
Subtotal	85,139.8	89,403.5	(0.0)	89,403.5	84,199.5	89,403.7
Allocated General Office	33,069.5	35,517.6	0.0	35,517.6	37,576.9	35,517.6
Acquisition Premium	3,681.0	3,681.0	0.0	3,681.0	3,681.1	3,681.0
Total Operating Expense	121,890.3	128,602.1	(0.0)	128,602.1	126,298.1	128,602.3
Depreciation	19,574.2	20,700.9	0.0	20,700.9	23,460.9	20,700.9
Ad Valorem Taxes	4,580.0	4,667.0	0.0	4,667.0	4,923.1	4,667.0
Franchise Taxes	144.9	195.7	(0.0)	195.6	137.9	195.6
Payroll Taxes	1,083.6	1,129.0	0.0	1,129.0	1,134.1	1,129.0
Total Exp. Before Inc. Taxes	147,273.0	155,294.7	(0.1)	155,294.6	155,954.2	155,294.9
Net Revenue Before Inc. Taxes	47,004.1	52,077.7	0.1	52,077.8	55,867.2	52,077.6
State Income Taxes	3,049.4	3,390.6	0.0	3,390.6	3,650.9	3,390.8
Federal Income Taxes	9,935.8	11,397.0	0.0	11,397.0	12,640.0	11,397.7
Total Expenses	160,258.2	170,082.3	(0.1)	170,082.2	172,245.1	170,083.4
Net Operating Revenue	34,018.9	37,290.1	0.1	37,290.2	39,576.3	37,289.0
Rate Base	404,505.0	443,278.1	(126.8)	443,151.3	470,609.9	443,278.0
Rate of Return	8.41%	8.41%		8.41%	8.41%	8.41%

TABLE A1

CALIFORNIA AMERICAN WATER
SACRAMENTO DISTRICT
GENERAL RATE CASE
COMPARATIVE SUMMARY OF EARNINGS FOR TEST YEAR AT PRESENT RATES

@ PRESENT RATES

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	**ADOPTED**
Operating Revenues						
Water	55,096.4	52,430.8	0.0	52,430.8	51,987.9	52,430.8
Operating Expenses						
Payroll	3,519.8	3,670.6	0.0	3,670.6	3,738.5	3,670.6
Purchased Water	1,783.1	1,671.9	0.0	1,671.9	1,655.3	1,671.9
Purchased Power	2,600.4	2,432.1	0.0	2,432.1	2,405.4	2,432.1
Chemicals	497.8	495.9	0.0	495.9	510.1	495.9
Uncollectibles	329.0	313.1	0.0	313.1	310.5	313.1
Other Operating Exp	1,008.5	1,256.4	0.0	1,256.4	948.9	1,256.4
T & D - Reservoirs & Tanks	151.1	196.7	0.0	196.7	286.5	196.7
Other Maintenance Exp	1,415.3	807.3	0.0	807.3	827.5	807.3
Insurance	12.8	12.8	0.0	12.8	13.1	12.8
Pension & Benefits	224.1	240.8	0.0	240.8	244.0	240.8
Regulatory Expense	0.0	1.1	0.0	1.1	1.2	1.1
Outside Services	256.7	314.6	0.0	314.6	566.5	314.6
Rents	16.2	17.0	0.0	17.0	17.4	17.0
Misc General Expense	1,224.2	1,329.4	0.0	1,329.4	1,381.0	1,329.4
Other Admin & General	50.1	55.4	0.0	55.4	56.7	55.4
Subtotal	13,089.0	12,815.0	0.0	12,815.0	13,032.4	12,815.0
Allocated General Office	10,663.4	11,507.9	0.0	11,507.9	11,507.9	11,507.9
Acquisition Premium	1,449.3	1,449.3	0.0	1,449.3	1,449.3	1,449.3
Total Operating Expense	25,201.7	25,772.1	0.0	25,772.1	25,989.6	25,772.1
Depreciation	7,505.2	7,771.0	0.0	7,771.0	9,340.0	7,771.0
Ad Valorem Taxes	1,654.0	1,665.1	0.0	1,665.1	1,773.1	1,665.1
Franchise Taxes	128.2	122.0	0.0	122.0	121.0	122.0
Payroll Taxes	270.9	276.7	0.0	276.7	278.0	276.7
Total Exp. Before Inc. Taxes	34,760.1	35,607.0	0.0	35,607.0	37,501.8	35,607.0
Net Revenue Before Inc. Taxes	20,336.3	16,823.8	0.0	16,823.8	14,486.1	16,823.8
State Income Taxes	1,426.7	1,085.2	0.0	1,085.2	785.9	1,085.2
Federal Income Taxes	4,751.9	3,596.2	0.0	3,596.2	2,584.1	3,596.2
Total Expenses	40,938.7	40,288.4	0.0	40,288.4	41,712.3	40,288.4
Net Operating Revenue	14,157.7	12,142.3	0.0	12,142.3	10,275.6	12,142.3
Rate Base	135,718.5	146,930.7	0.0	146,930.7	153,626.6	146,930.7
Rate of Return	10.43%	8.26%		8.26%	6.69%	8.26%

TABLE A2

CALIFORNIA AMERICAN WATER
SACRAMENTO DISTRICT
GENERAL RATE CASE
COMPARATIVE SUMMARY OF EARNINGS FOR TEST YEAR AT PROPOSED RATES

@ PROPOSED RATES

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	**ADOPTED**
Operating Revenues						
Water	50,385.8	52,799.1	0.0	52,799.1	51,987.9	52,799.1
Operating Expenses						
Payroll	3,519.8	3,670.6	0.0	3,670.6	3,738.5	3,670.6
Purchased Water	1,783.1	1,671.9	0.0	1,671.9	1,655.3	1,671.9
Purchased Power	2,600.4	2,432.1	0.0	2,432.1	2,405.4	2,432.1
Chemicals	497.8	495.9	0.0	495.9	510.1	495.9
Uncollectibles	300.9	315.3	0.0	315.3	326.7	315.3
Other Operating Exp	1,008.5	1,256.4	0.0	1,256.4	948.9	1,256.4
T & D - Reservoirs & Tanks	151.1	196.7	0.0	196.7	286.5	196.7
Other Maintenance Exp	1,415.3	807.3	0.0	807.3	827.5	807.3
Insurance	12.8	12.8	0.0	12.8	13.1	12.8
Pension & Benefits	224.1	240.8	0.0	240.8	244.0	240.8
Regulatory Expense	0.0	1.1	0.0	1.1	1.2	1.1
Outside Services	256.7	314.6	0.0	314.6	566.5	314.6
Rents	16.2	17.0	0.0	17.0	17.4	17.0
Misc General Expense	1,224.2	1,329.4	0.0	1,329.4	1,381.0	1,329.4
Other Admin & General	50.1	55.4	0.0	55.4	56.7	55.4
Subtotal	13,060.9	12,817.2	0.0	12,817.2	13,059.6	12,817.2
Allocated General Office	10,663.4	11,507.9	0.0	11,507.9	11,507.9	11,507.9
Acquisition Premium	1,449.3	1,449.3	0.0	1,449.3	1,449.3	1,449.3
Total Operating Expense	25,173.6	25,774.3	0.0	25,774.3	26,857.3	25,774.3
Depreciation	7,505.2	7,771.0	0.0	7,771.0	9,340.0	7,771.0
Ad Valorem Taxes	1,654.0	1,665.1	0.0	1,665.1	1,773.1	1,665.1
Franchise Taxes	128.2	122.0	0.0	122.0	121.0	122.0
Payroll Taxes	270.9	276.7	0.0	276.7	278.0	276.7
Total Exp. Before Inc. Taxes	34,732.0	35,609.2	0.0	35,609.2	38,369.4	35,609.2
Net Revenue Before Inc. Taxes	15,653.9	17,190.0	0.0	17,190.0	13,618.5	17,190.0
State Income Taxes	1,012.7	1,117.6	0.0	1,117.6	1,184.8	1,117.6
Federal Income Taxes	3,227.3	3,715.5	0.0	3,715.5	4,053.7	3,715.5
Total Expenses	38,972.0	40,442.2	0.0	40,442.2	43,607.9	40,442.2
Net Operating Revenue	11,413.9	12,356.9	0.0	12,356.9	8,380.0	12,356.9
Rate Base	135,718.5	146,930.7	0.0	146,930.7	153,626.6	146,930.7
Rate of Return	8.41%	8.41%		8.41%	8.41%	8.41%

TABLE A1

CALIFORNIA AMERICAN WATER
LARKFIELD DISTRICT
GENERAL RATE CASE
COMPARATIVE SUMMARY OF EARNINGS FOR TEST YEAR AT PRESENT RATES

@ PRESENT RATES

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	**ADOPTED**
Operating Revenues						
Water	3,408.5	3,348.3	0.0	3,348.3	3,219.0	3,348.3
Operating Expenses						
Payroll	366.0	391.0	0.0	391.0	399.5	391.0
Purchased Water	357.0	329.5	0.0	329.5	327.1	329.5
Purchased Power	99.0	91.4	0.0	91.4	90.7	91.4
Chemicals	25.2	25.2	0.0	25.2	25.8	25.2
Uncollectibles	28.0	27.5	0.0	27.5	26.5	27.5
Other Operating Exp	89.5	139.3	0.0	139.3	90.5	139.3
T & D - Reservoirs & Tanks	13.2	52.7	0.0	52.7	0.0	52.7
Other Maintenance Exp	30.5	30.5	0.0	30.5	59.3	30.5
Insurance	0.6	0.6	0.0	0.6	0.6	0.6
Pension & Benefits	21.5	22.9	0.0	22.9	23.2	22.9
Regulatory Expense	0.0	0.0	0.0	0.0	0.0	0.0
Outside Services	9.9	13.9	0.0	13.9	36.2	13.9
Rents	29.4	29.3	0.0	29.3	29.9	29.3
Misc General Expense	82.0	82.7	0.0	82.7	84.6	82.7
Other Admin & General	4.0	4.1	0.0	4.1	4.2	4.1
Subtotal	1,155.9	1,240.6	0.0	1,240.6	1,197.9	1,240.6
Allocated General Office	535.4	570.7	0.0	570.7	620.8	570.7
Acquisition Premium	59.9	60.0	0.0	60.0	60.0	60.0
Total Operating Expense	1,751.2	1,871.3	0.0	1,871.3	1,878.7	1,871.3
Depreciation	395.7	449.0	0.0	449.0	465.7	449.0
Ad Valorem Taxes	112.3	134.1	0.0	134.1	135.0	134.1
Franchise Taxes	0.0	0.0	0.0	0.0	0.0	0.0
Payroll Taxes	28.4	30.5	0.0	30.5	30.8	30.5
Total Exp. Before Inc. Taxes	2,287.6	2,484.8	0.0	2,484.8	2,510.3	2,484.8
Net Revenue Before Inc. Taxes	1,120.9	863.5	0.0	863.5	708.8	863.5
State Income Taxes	82.2	56.9	0.0	56.9	42.7	56.9
Federal Income Taxes	282.1	191.8	0.0	191.8	144.5	191.8
Total Expenses	2,651.9	2,733.5	0.0	2,733.5	2,697.5	2,733.5
Net Operating Revenue	756.6	614.8	0.0	614.8	521.6	614.8
Rate Base	6,180.2	7,132.4		7,132.4	7,297.7	7,132.4
Rate of Return	12.24%	8.62%		8.62%	7.15%	8.62%

TABLE A2

CALIFORNIA AMERICAN WATER
LARKFIELD DISTRICT
GENERAL RATE CASE
COMPARATIVE SUMMARY OF EARNINGS FOR TEST YEAR AT PROPOSED RATES

@ PROPOSED RATES

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	**ADOPTED**
Operating Revenues						
Water	2,996.3	3,322.4	0.0	3,322.4	3,379.5	3,322.4
Operating Expenses						
Payroll	366.0	391.0	0.0	391.0	399.5	391.0
Purchased Water	357.0	329.5	0.0	329.5	327.1	329.5
Purchased Power	99.0	91.4	0.0	91.4	90.7	91.4
Chemicals	25.2	25.2	0.0	25.2	25.8	25.2
Uncollectibles	24.6	27.3	0.0	27.3	27.8	27.5
Other Operating Exp	89.5	139.3	0.0	139.3	90.5	139.3
T & D - Reservoirs & Tanks	13.2	52.7	0.0	52.7	0.0	52.7
Other Maintenance Exp	30.5	30.5	0.0	30.5	59.3	30.5
Insurance	0.6	0.6	0.0	0.6	0.6	0.6
Pension & Benefits	21.5	22.9	0.0	22.9	23.2	22.9
Regulatory Expense	0.0	0.0	0.0	0.0	0.0	0.0
Outside Services	9.9	13.9	0.0	13.9	36.2	13.9
Rents	29.4	29.3	0.0	29.3	29.9	29.3
Misc General Expense	82.0	82.7	0.0	82.7	84.6	82.7
Other Admin & General	4.0	4.1	0.0	4.1	4.2	4.1
Subtotal	1,152.4	1,240.3	0.0	1,240.3	1,199.2	1,240.6
Allocated General Office	535.4	570.7	0.0	570.7	620.8	570.7
Acquisition Premium	59.9	60.0	0.0	60.0	60.0	60.0
Total Operating Expense	1,747.7	1,871.0	0.0	1,871.0	1,880.0	1,871.3
Depreciation	395.7	449.0	0.0	449.0	465.7	449.0
Ad Valorem Taxes	112.3	134.1	0.0	134.1	135.0	134.1
Franchise Taxes	0.0	0.0	0.0	0.0	0.0	0.0
Payroll Taxes	28.4	30.5	0.0	30.5	30.8	30.5
Total Exp. Before Inc. Taxes	2,284.0	2,484.6	0.0	2,484.6	2,511.6	2,484.8
Net Revenue Before Inc. Taxes	712.3	837.8	0.0	837.8	868.0	837.6
State Income Taxes	46.1	54.6	0.0	54.6	56.8	54.6
Federal Income Taxes	146.3	183.3	0.0	183.3	197.2	183.3
Total Expenses	2,476.4	2,722.5	0.0	2,722.5	2,765.6	2,722.8
Net Operating Revenue	519.9	599.9	0.0	599.9	614.0	599.7
Rate Base	6,180.2	7,132.4	0.0	7,132.4	7,297.7	7,132.4
Rate of Return	8.41%	8.41%		8.41%	8.41%	8.41%

TABLE A1

CALIFORNIA AMERICAN WATER
MONTEREY DISTRICT
GENERAL RATE CASE
COMPARATIVE SUMMARY OF EARNINGS FOR TEST YEAR AT PRESENT RATES

@ PRESENT RATES

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		**ADOPTED**
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
Operating Revenues						
Water	53,980.8	53,356.1	0.0	53,356.1	52,290.6	53,356.1
Operating Expenses						
Payroll	5,095.7	5,541.0	0.0	5,541.0	5,443.1	5,541.0
Purchased Water	540.0	56.7	0.0	56.7	541.7	56.7
Purchased Power	2,436.8	2,302.8	0.0	2,302.8	2,334.4	2,302.8
Chemicals	517.6	515.7	0.0	515.7	521.0	515.7
Uncollectibles	3,515.9	3,510.5	0.0	3,510.5	3,440.4	3,510.5
Other Operating Exp	1,222.7	1,221.1	0.0	1,221.1	1,228.8	1,221.1
T & D - Reservoirs & Tanks	385.3	468.5	0.0	468.5	468.9	468.5
Other Maintenance Exp	2,133.1	2,549.2	0.0	2,549.2	1,949.9	2,549.2
Insurance	15.5	15.4	0.0	15.4	15.6	15.4
Pension & Benefits	229.7	240.3	0.0	240.3	261.9	240.3
Regulatory Expense	0.0	0.8	0.0	0.8	0.8	0.8
Outside Services	465.1	523.9	0.0	523.9	830.7	523.9
Rents	500.9	500.8	0.0	500.8	501.0	500.8
Misc General Expense	1,723.3	1,930.5	0.0	1,930.5	1,995.1	1,930.5
Other Admin & General	80.2	80.5	0.0	80.5	81.2	80.5
Subtotal	18,861.7	19,457.8	0.0	19,457.8	19,614.3	19,457.8
Allocated General Office	8,293.5	8,705.4	0.0	8,705.4	9,658.2	8,705.4
Acquisition Premium	794.2	788.4	0.0	788.4	794.2	788.4
Total Operating Expense	27,949.4	28,951.5	0.0	28,951.5	30,066.7	28,951.5
Depreciation	6,146.4	6,548.2	0.0	6,548.2	7,175.4	6,548.2
Ad Valorem Taxes	1,517.6	1,507.0	0.0	1,507.0	1,558.6	1,507.0
Franchise Taxes	0.0	0.0	0.0	0.0	0.0	0.0
Payroll Taxes	372.7	382.6	0.0	382.6	383.9	382.6
Total Exp. Before Inc. Taxes	35,986.0	37,389.4	0.0	37,389.4	39,184.6	37,389.4
Net Revenue Before Inc. Taxes	17,994.7	15,966.8	0.0	15,966.8	13,106.0	15,966.8
State Income Taxes	1,251.1	1,036.7	0.0	1,036.7	730.7	1,036.7
Federal Income Taxes	4,074.1	3,345.1	0.0	3,345.1	2,313.5	3,345.1
Total Expenses	41,311.3	41,771.1	0.0	41,771.1	42,228.9	41,771.1
Net Operating Revenue	12,669.5	11,585.0	0.0	11,585.0	10,061.7	11,585.0
Rate Base	124,130.7	136,896.8	0.0	136,896.8	156,141.8	136,896.9
Rate of Return	10.21%	8.46%		8.46%	6.44%	8.46%

TABLE A2

CALIFORNIA AMERICAN WATER
MONTEREY DISTRICT
GENERAL RATE CASE
COMPARATIVE SUMMARY OF EARNINGS FOR TEST YEAR AT PROPOSED RATES

@ PROPOSED RATES

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	**ADOPTED**
Operating Revenues						
Water	49,939.7	53,201.5	0.0	53,201.5	57,853.2	53,201.5
Operating Expenses						
Payroll	5,095.7	5,541.0	0.0	5,541.0	5,443.1	5,541.0
Purchased Water	540.0	56.7	0.0	56.7	541.7	56.7
Purchased Power	2,436.8	2,302.8	0.0	2,302.8	2,334.4	2,302.8
Chemicals	517.6	515.7	0.0	515.7	521.0	515.7
Uncollectibles	3,252.7	3,500.4	0.0	3,500.4	3,806.4	3,500.4
Other Operating Exp	1,222.7	1,221.1	0.0	1,221.1	1,228.8	1,221.1
T & D - Reservoirs & Tanks	385.3	468.5	0.0	468.5	468.9	468.5
Other Maintenance Exp	2,133.1	2,549.2	0.0	2,549.2	1,949.9	2,549.2
Insurance	15.5	15.4	0.0	15.4	15.6	15.4
Pension & Benefits	229.7	240.3	0.0	240.3	261.9	240.3
Regulatory Expense	0.0	0.8	0.0	0.8	0.8	0.8
Outside Services	465.1	523.9	0.0	523.9	830.7	523.9
Rents	500.9	500.8	0.0	500.8	501.0	500.8
Misc General Expense	1,723.3	1,930.5	0.0	1,930.5	1,995.1	1,930.5
Other Admin & General	80.2	80.5	0.0	80.5	81.2	80.5
Subtotal	18,598.4	19,447.6	0.0	19,447.6	19,980.3	19,447.6
Allocated General Office	8,293.5	8,705.4	0.0	8,705.4	9,658.2	8,705.4
Acquisition Premium	794.2	788.4	0.0	788.4	794.2	788.4
Total Operating Expense	27,686.1	28,941.3	0.0	28,941.3	30,432.7	28,941.3
Depreciation	6,146.4	6,548.2	0.0	6,548.2	7,175.4	6,548.2
Ad Valorem Taxes	1,517.6	1,507.0	0.0	1,507.0	1,558.6	1,507.0
Franchise Taxes	0.0	0.0	0.0	0.0	0.0	0.0
Payroll Taxes	372.7	382.6	0.0	382.6	383.9	382.6
Total Exp. Before Inc. Taxes	35,722.8	37,379.2	0.0	37,379.2	39,550.6	37,379.2
Net Revenue Before Inc. Taxes	14,216.9	15,822.4	0.0	15,822.4	18,302.6	15,822.4
State Income Taxes	917.2	1,023.9	0.0	1,023.9	1,190.1	1,023.9
Federal Income Taxes	2,860.3	3,298.7	0.0	3,298.7	3,983.1	3,298.7
Total Expenses	39,500.4	41,701.7	0.0	41,701.7	44,723.8	41,701.7
Net Operating Revenue	10,439.4	11,499.8	0.0	11,499.8	13,129.4	11,499.8
Rate Base	124,130.7	136,896.8	0.0	136,896.8	156,141.8	136,896.9
Rate of Return	8.41%	8.41%		8.40%	8.41%	8.41%

TABLE A1

CALIFORNIA AMERICAN WATER
MONTEREY WASTEWATER DISTRICT
GENERAL RATE CASE
COMPARATIVE SUMMARY OF EARNINGS FOR TEST YEAR AT PRESENT RATES

@ PRESENT RATES

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		**ADOPTED**
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
Operating Revenues						
Water	3,442.8	3,534.1	0.0	3,534.1	3,482.3	3,534.1
Operating Expenses						
Payroll	930.7	1,018.1	0.0	1,018.1	1,030.0	1,018.1
Purchased Water	0.0	0.0	0.0	0.0	0.0	0.0
Purchased Power	123.7	122.9	0.0	122.9	126.0	122.9
Chemicals	332.0	330.7	0.0	330.7	339.3	330.7
Uncollectibles	13.3	13.3	0.0	13.3	13.3	13.3
Other Operating Exp	354.2	283.2	0.0	283.2	289.1	283.2
T & D - Reservoirs & Tanks	0.0	0.0	0.0	0.0	0.0	0.0
Other Maintenance Exp	185.2	184.5	0.0	184.5	189.3	184.5
Insurance	0.0	0.0	0.0	0.0	0.0	0.0
Pension & Benefits	62.8	69.7	0.0	69.7	69.9	69.7
Regulatory Expense	0.0	0.0	0.0	0.0	0.0	0.0
Outside Services	51.5	62.3	0.0	62.3	86.7	62.3
Rents	30.2	30.2	0.0	30.2	30.2	30.2
Misc General Expense	60.4	61.9	0.0	61.9	64.8	61.9
Other Admin & General	1.9	1.9	0.0	1.9	1.9	1.9
Subtotal	2,145.8	2,178.7	0.0	2,178.7	2,240.5	2,178.7
Allocated General Office	638.6	645.8	0.0	645.8	759.8	645.8
Acquisition Premium	0.0	0.0	0.0	0.0	0.0	0.0
Total Operating Expense	2,784.4	2,824.4	0.0	2,824.4	3,000.3	2,824.4
Depreciation	267.3	196.0	0.0	196.0	306.5	196.0
Ad Valorem Taxes	8.6	11.5	0.0	11.5	9.9	11.5
Franchise Taxes	18.9	56.5	0.0	56.5	19.2	56.5
Payroll Taxes	70.3	76.7	0.0	76.7	77.0	76.7
Total Exp. Before Inc. Taxes	3,149.6	3,165.2	0.0	3,165.2	3,412.8	3,165.2
Net Revenue Before Inc. Taxes	293.1	368.9	0.0	368.9	69.5	368.9
State Income Taxes	24.1	28.5	0.0	28.5	4.2	28.5
Federal Income Taxes	85.0	92.1	0.0	92.1	13.0	92.1
Total Expenses	3,258.7	3,285.8	0.0	3,285.8	3,430.0	3,285.8
Net Operating Revenue	184.0	248.3	0.0	248.3	52.3	248.3
Rate Base	1,357.1	1,589.6	0.0	1,589.6	1,409.2	1,589.6
Rate of Return	13.56%	15.62%		15.62%	3.71%	15.62%

TABLE A2

CALIFORNIA AMERICAN WATER
MONTEREY WASTEWATER DISTRICT
GENERAL RATE CASE
COMPARATIVE SUMMARY OF EARNINGS FOR TEST YEAR AT PROPOSED RATES

@ PROPOSED RATES

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	**ADOPTED**
Operating Revenues						
Water	3,281.0	3,343.5	0.0	3,343.5	3,564.1	3,343.5
Operating Expenses						
Payroll	930.7	1,018.1	0.0	1,018.1	1,030.0	1,018.1
Purchased Water	0.0	0.0	0.0	0.0	0.0	0.0
Purchased Power	123.7	122.9	0.0	122.9	126.0	122.9
Chemicals	332.0	330.7	0.0	330.7	339.3	330.7
Uncollectibles	16.5	16.8	0.0	16.8	17.9	16.8
Other Operating Exp	354.2	283.2	0.0	283.2	289.1	283.2
T & D - Reservoirs & Tanks	0.0	0.0	0.0	0.0	0.0	0.0
Other Maintenance Exp	185.2	184.5	0.0	184.5	189.3	184.5
Insurance	0.0	0.0	0.0	0.0	0.0	0.0
Pension & Benefits	62.8	69.7	0.0	69.7	69.9	69.7
Regulatory Expense	0.0	0.0	0.0	0.0	0.0	0.0
Outside Services	51.5	62.3	0.0	62.3	86.7	62.3
Rents	30.2	30.2	0.0	30.2	30.2	30.2
Misc General Expense	60.4	61.9	0.0	61.9	64.8	61.9
Other Admin & General	1.9	1.9	0.0	1.9	1.9	1.9
Subtotal	2,149.0	2,182.2	0.0	2,182.2	2,245.1	2,182.2
Allocated General Office	638.6	645.8	0.0	645.8	759.8	645.8
Acquisition Premium	0.0	0.0	0.0	0.0	0.0	0.0
Total Operating Expense	2,787.6	2,828.0	0.0	2,828.0	3,004.9	2,828.0
Depreciation	267.3	196.0	0.0	196.0	306.5	196.0
Ad Valorem Taxes	8.6	11.5	0.0	11.5	9.9	11.5
Franchise Taxes	0.0	56.6	(0.0)	56.5	0.0	56.5
Payroll Taxes	70.3	76.7	0.0	76.7	77.0	76.7
Total Exp. Before Inc. Taxes	3,133.9	3,168.8	(0.0)	3,168.8	3,398.3	3,168.8
Net Revenue Before Inc. Taxes	147.1	174.6	0.0	174.7	165.9	174.7
State Income Taxes	9.5	11.3	0.0	11.3	11.0	11.3
Federal Income Taxes	23.5	29.7	0.0	29.7	36.3	29.7
Total Expenses	3,166.9	3,209.8	(0.0)	3,209.8	3,445.6	3,209.8
Net Operating Revenue	114.1	133.6	0.0	133.7	118.6	133.7
Rate Base	1,357.1	1,589.6	0.0	1,589.6	1,409.2	1,589.6
Rate of Return	8.41%	8.41%		8.41%	8.41%	8.41%

TABLE A1

CALIFORNIA AMERICAN WATER
TORO DISTRICT
GENERAL RATE CASE
COMPARATIVE SUMMARY OF EARNINGS FOR TEST YEAR AT PRESENT RATES

@ PRESENT RATES

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	**ADOPTED**
Operating Revenues						
Water	722.6	691.2	0.0	691.2	691.2	691.2
Operating Expenses						
Payroll	52.1	56.6	0.0	56.6	55.6	56.6
Purchased Water	0.0	0.0	0.0	0.0	0.0	0.0
Purchased Power	51.2	51.2	0.0	51.2	51.2	51.2
Chemicals	22.6	22.5	0.0	22.5	23.1	22.5
Uncollectibles	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Exp	185.3	188.1	0.0	188.1	192.1	188.1
T & D - Reservoirs & Tanks	1.1	1.1	0.0	1.1	1.1	1.1
Other Maintenance Exp	28.1	28.0	0.0	28.0	28.7	28.0
Insurance			0.0			
Pension & Benefits			0.0			
Regulatory Expense	0.0	0.0	0.0	0.0	0.0	0.0
Outside Services			0.0			
Rents	4.9	4.9	0.0	4.9	4.9	4.9
Misc General Expense			0.0			
Other Admin & General	4.9	4.4	0.0	4.4	4.5	4.4
Subtotal	350.1	356.8	0.0	356.8	361.2	356.8
Allocated General Office	56.3	58.1	0.0	58.1	63.8	58.1
Acquisition Premium	0.0	0.0	0.0	0.0		0.0
Total Operating Expense	406.4	414.9	0.0	414.9	425.0	414.9
Depreciation	140.0	140.6	0.0	140.6	120.7	140.6
Ad Valorem Taxes	4.8	5.6	0.0	5.6	5.6	5.6
Franchise Taxes	14.5	13.8	0.0	13.8	13.8	13.8
Payroll Taxes	3.8	3.9	0.0	3.9	3.9	3.9
Total Exp. Before Inc. Taxes	569.5	578.9	0.0	578.9	569.0	578.9
Net Revenue Before Inc. Taxes	153.1	112.3	0.0	112.3	122.2	112.3
State Income Taxes	9.5	5.6	0.0	5.6	6.6	5.6
Federal Income Taxes	34.2	20.3	0.0	20.3	23.5	20.3
Total Expenses	613.1	604.8	0.0	604.8	599.1	604.8
Net Operating Revenue	109.5	86.3	0.0	86.3	92.1	86.3
Rate Base	1,482.4	1,559.6	0.0	1,559.6	1,526.5	1,559.6
Rate of Return	7.39%	5.54%		5.54%	6.03%	5.54%

TABLE A2

CALIFORNIA AMERICAN WATER
TORO DISTRICT
GENERAL RATE CASE
COMPARATIVE SUMMARY OF EARNINGS FOR TEST YEAR AT PROPOSED RATES

@ PROPOSED RATES

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	**ADOPTED**
Operating Revenues						
Water	750.5	773.9	0.0	773.9	758.9	773.9
Operating Expenses						
Payroll	52.1	56.6	0.0	56.6	55.6	56.6
Purchased Water	0.0	0.0	0.0	0.0	0.0	0.0
Purchased Power	51.2	51.2	0.0	51.2	51.2	51.2
Chemicals	22.6	22.5	0.0	22.5	23.1	22.5
Uncollectibles	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Exp	185.3	188.1	0.0	188.1	192.1	188.1
T & D - Reservoirs & Tanks	1.1	1.1	0.0	1.1	1.1	1.1
Other Maintenance Exp	28.1	28.0	0.0	28.0	28.7	28.0
Insurance			0.0		0.0	
Pension & Benefits			0.0		0.0	
Regulatory Expense	0.0	0.0	0.0	0.0	0.0	0.0
Outside Services			0.0		0.0	
Rents	4.9	4.9	0.0	4.9	4.9	4.9
Misc General Expense			0.0		0.0	
Other Admin & General	4.9	4.4	0.0	4.4	4.5	4.4
Subtotal	350.1	356.8	0.0	356.8	361.2	356.8
Allocated General Office	56.3	58.1	0.0	58.1	63.8	58.1
Acquisition Premium	0.0	0.0	0.0	0.0		0.0
Total Operating Expense	406.4	414.9	0.0	414.9	425.0	414.9
Depreciation	140.0	140.6	0.0	140.6	120.7	140.6
Ad Valorem Taxes	4.8	5.6	0.0	5.6	5.6	5.6
Franchise Taxes	15.0	15.5	0.0	15.5	15.2	15.5
Payroll Taxes	3.8	3.9	0.0	3.9	3.9	3.9
Total Exp. Before Inc. Taxes	570.1	580.5	0.0	580.5	570.4	580.5
Net Revenue Before Inc. Taxes	180.4	193.4	0.0	193.4	188.6	193.4
State Income Taxes	11.9	12.9	0.0	12.9	12.6	12.9
Federal Income Taxes	43.9	49.3	0.0	49.3	47.5	49.3
Total Expenses	625.9	642.8	0.0	642.8	630.4	642.8
Net Operating Revenue	124.6	131.1	0.0	131.1	128.5	131.1
Rate Base	1,482.4	1,559.6	0.0	1,559.6	1,526.5	1,559.6
Rate of Return	8.41%	8.41%		8.41%	8.41%	8.41%

TABLE A1

CALIFORNIA AMERICAN WATER
GARRAPATA DISTRICT
GENERAL RATE CASE
COMPARATIVE SUMMARY OF EARNINGS FOR TEST YEAR AT PRESENT RATES

@ PRESENT RATES

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	**ADOPTED**
Operating Revenues						
Water	81.8	74.0	0.0	74.0	81.8	74.0
Operating Expenses						
Payroll	6.2	6.7	0.0	6.7	6.6	6.7
Purchased Water			0.0			
Purchased Power	10.6	10.6	0.0	10.6	10.6	10.6
Chemicals	1.7	1.7	0.0	1.7	1.7	1.7
Uncollectibles	0.7	0.7	0.0	0.7	0.7	0.7
Other Operating Exp	3.3	3.3	0.0	3.3		3.3
T & D - Reservoirs & Tanks	4.7	4.7	0.0	4.7	7.4	4.7
Other Maintenance Exp	8.3	8.3	0.0	8.3	8.3	8.3
Insurance			0.0			
Pension & Benefits			0.0		0.4	
Regulatory Expense			0.0			
Outside Services			0.0		0.6	
Rents	0.5	0.5	0.0	0.5	0.5	0.5
Misc General Expense			0.0			
Other Admin & General	2.8	2.8	0.0	2.8	2.3	2.8
Subtotal	38.9	39.4	0.0	39.4	39.3	39.4
Allocated General Office	10.1	10.8	0.0	10.8	11.7	10.8
Acquisition Premium			0.0			
Total Operating Expense	49.0	50.2	0.0	50.2	51.1	50.2
Depreciation	4.1	4.0	0.0	4.0	5.6	4.0
Ad Valorem Taxes	5.7	5.7	0.0	5.7	5.7	5.7
Franchise Taxes	1.6	1.5	0.0	1.5	1.6	1.5
Payroll Taxes	0.5	0.5	0.0	0.5	0.5	0.5
Total Exp. Before Inc. Taxes	60.9	61.9	0.0	61.9	64.5	61.9
Net Revenue Before Inc. Taxes	20.9	12.1	0.0	12.1	17.3	12.1
State Income Taxes	1.9	1.1	0.0	1.1	1.4	1.1
Federal Income Taxes	6.8	4.1	0.0	4.1	5.2	4.1
Total Expenses	69.6	67.1	0.0	67.1	71.1	67.1
Net Operating Revenue	12.2	6.9	0.0	6.9	10.6	6.9
Rate Base	131.6	126.8	0.0	126.8	179.3	126.8
Rate of Return	9.27%	5.45%		5.45%	5.94%	5.45%

TABLE A2

CALIFORNIA AMERICAN WATER
GARRAPATA DISTRICT
GENERAL RATE CASE
COMPARATIVE SUMMARY OF EARNINGS FOR TEST YEAR AT PROPOSED RATES

@ PROPOSED RATES

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	**ADOPTED**
Operating Revenues						
Water	79.8	81.0	0.0	81.0	90.1	81.0
Operating Expenses						
Payroll	6.2	6.7	0.0	6.7	6.6	6.7
Purchased Water			0.0			
Purchased Power	10.6	10.6	0.0	10.6	10.6	10.6
Chemicals	1.7	1.7	0.0	1.7	1.7	1.7
Uncollectibles	0.7	0.7	0.0	0.7	0.7	0.7
Other Operating Exp	3.3	3.3	0.0	3.3	3.3	3.3
T & D - Reservoirs & Tanks	4.7	4.7	0.0	4.7	4.7	4.7
Other Maintenance Exp	8.3	8.3	0.0	8.3	8.3	8.3
Insurance			0.0			
Pension & Benefits			0.0			
Regulatory Expense			0.0			
Outside Services			0.0			
Rents	0.5	0.5	0.0	0.5	0.5	0.5
Misc General Expense			0.0			
Other Admin & General	2.8	2.8	0.0	2.8	2.8	2.8
Subtotal	38.9	39.4	0.0	39.4	39.3	39.4
Allocated General Office	10.1	10.8	0.0	10.8	11.7	10.8
Acquisition Premium			0.0			
Total Operating Expense	49.0	50.2	0.0	50.2	51.1	50.2
Depreciation	4.1	4.0	0.0	4.0	5.6	4.0
Ad Valorem Taxes	5.7	5.7	0.0	5.7	5.7	5.7
Franchise Taxes	1.6	1.6	0.0	1.6	1.8	1.6
Payroll Taxes	0.5	0.5	0.0	0.5	0.5	0.5
Total Exp. Before Inc. Taxes	60.9	62.0	0.0	62.0	64.7	62.0
Net Revenue Before Inc. Taxes	19.0	19.0	0.0	19.0	25.4	19.0
State Income Taxes	1.7	1.8	0.0	1.8	2.2	1.8
Federal Income Taxes	6.2	6.6	0.0	6.6	8.1	6.6
Total Expenses	68.7	70.3	0.0	70.3	75.0	70.3
Net Operating Revenue	11.1	10.7	0.0	10.7	15.1	10.7
Rate Base	131.6	126.8	0.0	126.8	179.3	126.8
Rate of Return	8.41%	8.41%		8.41%	8.41%	8.41%

TABLE A1

CALIFORNIA AMERICAN WATER
SAN DIEGO DISTRICT
GENERAL RATE CASE
COMPARATIVE SUMMARY OF EARNINGS FOR TEST YEAR AT PRESENT RATES

2015 @ PRESENT RATES

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	**ADOPTED**
Operating Revenues						
Water	22,140.1	25,932.0	0.0	25,932.0	20,869.4	25,932.0
Operating Expenses						
Payroll	1,270.6	1,384.8	0.0	1,384.8	1,413.3	1,384.8
Purchased Water	11,935.4	16,197.1	0.0	16,197.1	11,097.3	16,197.1
Purchased Power	0.0	0.0	0.0	0.0	0.0	0.0
Chemicals	0.0	0.0	0.0	0.0	0.0	0.0
Uncollectibles	129.7	152.0	0.0	152.0	122.3	152.0
Other Operating Exp	285.2	285.7	(0.0)	285.7	286.9	285.6
T & D - Reservoirs & Tanks	26.6	39.7	0.0	39.7	41.5	39.7
Other Maintenance Exp	81.0	80.7	0.0	80.7	81.8	80.7
Insurance	4.2	6.9	0.0	6.9	7.0	6.9
Pension & Benefits	61.6	69.0	0.0	69.0	69.9	69.0
Regulatory Expense	0.0	0.0	0.0	0.0	0.0	0.0
Outside Services	15.7	19.3	0.0	19.3	43.7	19.3
Rents	184.9	202.1	0.0	202.1	202.6	202.1
Misc General Expense	166.3	219.1	0.0	219.1	224.5	219.1
Other Admin & General	36.5	10.9	0.0	10.9	11.0	10.9
Subtotal	14,197.6	18,667.3	(0.0)	18,667.3	13,601.8	18,667.2
Allocated General Office	3,860.5	4,183.0	0.0	4,183.0	4,492.9	4,183.0
Acquisition Premium	414.9	416.6	0.0	416.6	414.9	416.6
Total Operating Expense	18,473.0	23,267.0	(0.0)	23,266.9	18,509.6	23,266.8
Depreciation	756.4	795.8	0.0	795.8	1,003.9	795.8
Ad Valorem Taxes	194.1	200.3	0.0	200.3	217.1	200.3
Franchise Taxes	0.0	0.0	0.0	0.0	0.0	0.0
Payroll Taxes	95.9	107.8	0.0	107.8	108.8	107.8
Total Exp. Before Inc. Taxes	19,519.4	24,370.9	(0.0)	24,370.9	19,839.3	24,370.8
Net Revenue Before Inc. Taxes	2,620.7	1,561.1	0.0	1,561.1	1,030.1	1,561.2
State Income Taxes	173.9	73.5	0.0	73.5	25.9	73.5
Federal Income Taxes	624.4	253.8	0.0	253.8	77.8	253.9
Total Expenses	20,317.7	24,698.2	(0.0)	24,698.2	19,943.1	24,698.1
Net Operating Revenue	1,822.4	1,233.8	0.0	1,233.8	926.4	1,233.8
Rate Base	21,214.4	23,676.1	0.0	23,676.1	23,883.8	23,676.1
Rate of Return	8.59%	5.21%		5.21%	3.88%	5.21%

TABLE A2

CALIFORNIA AMERICAN WATER
SAN DIEGO DISTRICT
GENERAL RATE CASE
COMPARATIVE SUMMARY OF EARNINGS FOR TEST YEAR AT PROPOSED RATES

2015 @ PROPOSED RATES

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	**ADOPTED**
Operating Revenues						
Water	22,071.6	27,288.7	0.0	27,288.7	22,808.0	27,288.7
Operating Expenses						
Payroll	1,270.6	1,384.8	0.0	1,384.8	1,413.3	1,384.8
Purchased Water	11,935.4	16,197.1	0.0	16,197.1	11,097.3	16,197.1
Purchased Power	0.0	0.0	0.0	0.0	0.0	0.0
Chemicals	0.0	0.0	0.0	0.0	0.0	0.0
Uncollectibles	129.3	159.9	0.0	159.9	133.0	159.9
Other Operating Exp	285.2	285.7	(0.0)	285.7	286.9	285.6
T & D - Reservoirs & Tanks	26.6	39.7	0.0	39.7	41.5	39.7
Other Maintenance Exp	81.0	80.7	0.0	80.7	81.8	80.7
Insurance	4.2	6.9	0.0	6.9	7.0	6.9
Pension & Benefits	61.6	69.0	0.0	69.0	69.9	69.0
Regulatory Expense	0.0	0.0	0.0	0.0	0.0	0.0
Outside Services	15.7	19.3	0.0	19.3	43.7	19.3
Rents	184.9	202.1	0.0	202.1	202.6	202.1
Misc General Expense	166.3	219.1	0.0	219.1	224.5	219.1
Other Admin & General	36.5	10.9	0.0	10.9	11.0	10.9
Subtotal	14,197.2	18,675.3	(0.0)	18,675.3	13,612.5	18,675.2
Allocated General Office	3,860.5	4,183.0	0.0	4,183.0	4,492.9	4,183.0
Acquisition Premium	414.9	416.6	0.0	416.6	414.9	416.6
Total Operating Expense	18,472.6	23,274.9	(0.0)	23,274.9	18,520.3	23,274.8
Depreciation	756.4	795.8	0.0	795.8	1,003.9	795.8
Ad Valorem Taxes	194.1	200.3	0.0	200.3	217.1	200.3
Franchise Taxes	0.0	0.0	0.0	0.0	0.0	0.0
Payroll Taxes	95.9	107.8	0.0	107.8	108.8	107.8
Total Exp. Before Inc. Taxes	19,519.0	24,378.9	(0.0)	24,378.8	19,850.1	24,378.7
Net Revenue Before Inc. Taxes	2,552.6	2,909.9	0.0	2,909.9	2,957.9	2,910.0
State Income Taxes	167.9	192.7	0.0	192.7	196.3	192.7
Federal Income Taxes	600.6	725.9	0.0	725.9	752.3	726.0
Total Expenses	20,287.5	25,297.5	(0.0)	25,297.5	20,798.7	25,297.4
Net Operating Revenue	1,784.1	1,991.3	0.0	1,991.3	2,009.3	1,991.3
Rate Base	21,214.4	23,676.1	0.0	23,676.1	23,883.8	23,676.1
Rate of Return	8.41%	8.41%		8.41%	8.41%	8.41%

TABLE A1

CALIFORNIA AMERICAN WATER
LOS ANGELES DISTRICT
GENERAL RATE CASE
COMPARATIVE SUMMARY OF EARNINGS FOR TEST YEAR AT PRESENT RATES

@ PRESENT RATES

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	**ADOPTED**
Operating Revenues						
Water	29,805.5	29,810.5	0.0	29,810.5	28,646.1	29,810.5
Operating Expenses						
Payroll	1,716.4	1,831.0	0.0	1,831.0	1,865.7	1,831.0
Purchased Water	5,080.1	4,637.6	0.0	4,637.6	4,610.9	4,637.6
Purchased Power	1,958.1	1,795.8	0.0	1,795.8	1,851.6	1,795.8
Chemicals	118.3	117.9	0.0	117.9	118.8	117.9
Uncollectibles	232.6	232.7	0.0	232.7	223.6	232.7
Other Operating Exp	512.4	512.2	0.0	512.2	508.8	512.2
T & D - Reservoirs & Tanks	70.7	131.9	0.0	131.9	162.9	131.9
Other Maintenance Exp	796.0	792.6	0.0	792.6	798.8	792.6
Insurance	0.5	0.5	0.0	0.5	0.5	0.5
Pension & Benefits	66.0	75.8	0.0	75.8	82.6	75.8
Regulatory Expense	0.0	0.0	0.0	0.0	0.0	0.0
Outside Services	37.0	52.7	0.0	52.7	152.7	52.7
Rents	57.3	57.1	0.0	57.1	57.4	57.1
Misc General Expense	527.3	211.8	0.0	211.8	548.7	211.8
Other Admin & General	8.6	8.6	0.0	8.6	8.6	8.6
Subtotal	11,181.2	10,458.0	0.0	10,458.0	10,991.7	10,458.0
Allocated General Office	5,235.6	5,610.1	0.0	5,610.1	6,058.4	5,610.1
Acquisition Premium	548.6	549.0	0.0	549.0	548.6	549.0
Total Operating Expense	16,965.4	16,617.2	0.0	16,617.2	17,598.7	16,617.2
Depreciation	2,713.3	2,887.3	0.0	2,887.3	3,128.2	2,887.3
Ad Valorem Taxes	701.3	753.1	0.0	753.1	825.2	753.1
Franchise Taxes	0.0	0.0	0.0	0.0	0.0	0.0
Payroll Taxes	150.9	156.2	0.0	156.2	156.9	156.2
Total Exp. Before Inc. Taxes	20,531.0	20,413.8	0.0	20,413.8	21,709.1	20,413.8
Net Revenue Before Inc. Taxes	9,274.5	9,396.7	0.0	9,396.7	6,937.0	9,396.7
State Income Taxes	626.1	622.6	0.0	622.6	395.5	622.6
Federal Income Taxes	2,119.0	2,074.7	0.0	2,074.7	1,294.4	2,074.7
Total Expenses	23,276.1	23,111.1	0.0	23,111.1	23,399.0	23,111.1
Net Operating Revenue	6,529.4	6,699.4	0.0	6,699.4	5,247.1	6,699.4
Rate Base	70,688.4	75,870.0		75,870.0	79,179.5	75,869.9
Rate of Return	9.28%	8.83%		8.83%	6.62%	8.83%

TABLE A2

CALIFORNIA AMERICAN WATER
LOS ANGELES DISTRICT
GENERAL RATE CASE
COMPARATIVE SUMMARY OF EARNINGS FOR TEST YEAR AT PROPOSED RATES

@ PROPOSED RATES

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	**ADOPTED**
Operating Revenues						
Water	28,741.1	29,259.8	0.0	29,259.8	31,255.8	29,259.8
Operating Expenses						
Payroll	1,716.4	1,831.0	0.0	1,831.0	1,865.7	1,831.0
Purchased Water	5,080.1	4,637.6	0.0	4,637.6	4,610.9	4,637.6
Purchased Power	1,958.1	1,795.8	0.0	1,795.8	1,851.6	1,795.8
Chemicals	118.3	117.9	0.0	117.9	118.8	117.9
Uncollectibles	224.3	228.4	0.0	228.4	178.0	228.4
Other Operating Exp	512.4	512.2	0.0	512.2	508.8	512.2
T & D - Reservoirs & Tanks	70.7	131.9	0.0	131.9	162.9	131.9
Other Maintenance Exp	796.0	792.6	0.0	792.6	798.8	792.6
Insurance	0.5	0.5	0.0	0.5	0.5	0.5
Pension & Benefits	66.0	75.8	0.0	75.8	82.6	75.8
Regulatory Expense	0.0	0.0	0.0	0.0	0.0	0.0
Outside Services	37.0	52.7	0.0	52.7	152.7	52.7
Rents	57.3	57.1	0.0	57.1	57.4	57.1
Misc General Expense	527.3	211.8	0.0	211.8	548.7	211.8
Other Admin & General	8.6	8.6	0.0	8.6	8.6	8.6
Subtotal	11,172.9	10,453.7	0.0	10,453.7	10,946.2	10,453.7
Allocated General Office	5,235.6	5,610.1	0.0	5,610.1	6,058.4	5,610.1
Acquisition Premium	548.6	549.0	0.0	549.0	548.6	549.0
Total Operating Expense	16,957.1	16,612.9	0.0	16,612.9	17,553.2	16,612.9
Depreciation	2,713.3	2,887.3	0.0	2,887.3	3,128.2	2,887.3
Ad Valorem Taxes	701.3	753.1	0.0	753.1	825.2	753.1
Franchise Taxes	0.0	0.0	0.0	0.0	0.0	0.0
Payroll Taxes	150.9	156.2	0.0	156.2	156.9	156.2
Total Exp. Before Inc. Taxes	20,522.7	20,409.5	0.0	20,409.5	21,663.5	20,409.5
Net Revenue Before Inc. Taxes	8,218.4	8,850.3	0.0	8,850.3	9,592.3	8,850.3
State Income Taxes	532.7	574.3	0.0	574.3	610.6	574.3
Federal Income Taxes	1,740.8	1,895.2	0.0	1,895.2	2,093.9	1,895.2
Total Expenses	22,796.2	22,879.0	0.0	22,879.0	24,368.0	22,879.0
Net Operating Revenue	5,944.9	6,380.8	0.0	6,380.8	6,887.8	6,380.8
Rate Base	70,688.4	75,870.0	0.0	75,870.0	79,179.5	75,869.9
Rate of Return	8.41%	8.41%		8.41%	8.41%	8.41%

TABLE A1

CALIFORNIA AMERICAN WATER
VENTURA DISTRICT
GENERAL RATE CASE
COMPARATIVE SUMMARY OF EARNINGS FOR TEST YEAR AT PRESENT RATES

@ PRESENT RATES

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		**ADOPTED**
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
Operating Revenues						
Water	35,450.3	34,842.5	0.0	34,842.5	32,527.1	34,842.5
Operating Expenses						
Payroll	1,123.9	1,195.6	0.0	1,195.6	1,216.4	1,195.6
Purchased Water	21,413.8	20,880.4	0.0	20,880.4	19,446.0	20,880.4
Purchased Power	275.8	254.0	0.0	254.0	248.8	254.0
Chemicals	0.0	0.0	0.0	0.0	0.0	0.0
Uncollectibles	212.8	209.2	0.0	209.2	195.2	209.2
Other Operating Exp	289.9	360.7	0.0	360.7	291.3	360.7
T & D - Reservoirs & Tanks	205.5	283.3	0.0	283.3	338.2	283.3
Other Maintenance Exp	148.3	154.7	0.0	154.7	156.8	154.7
Insurance	7.3	7.3	0.0	7.3	7.4	7.3
Pension & Benefits	53.4	56.1	0.0	56.1	60.0	56.1
Regulatory Expense	0.0	0.0	0.0	0.0	0.0	0.0
Outside Services	40.3	60.9	0.0	60.9	74.8	60.9
Rents	335.4	334.1	0.0	334.1	337.9	334.1
Misc General Expense	299.2	308.8	0.0	308.8	343.7	308.8
Other Admin & General	10.9	19.1	0.0	19.1	19.4	19.1
Subtotal	24,416.4	24,124.2	0.0	24,124.2	22,735.7	24,124.2
Allocated General Office	3,776.1	4,126.9	0.0	4,126.9	4,403.4	4,126.9
Acquisition Premium	414.1	417.8	0.0	417.8	414.1	417.8
Total Operating Expense	28,606.6	28,669.0	0.0	28,669.0	27,553.2	28,669.0
Depreciation	1,645.7	1,712.1	0.0	1,712.1	1,914.9	1,712.1
Ad Valorem Taxes	381.7	384.5	0.0	384.5	392.9	384.5
Franchise Taxes	0.0	0.0	0.0	0.0	0.0	0.0
Payroll Taxes	90.2	94.1	0.0	94.1	94.3	94.1
Total Exp. Before Inc. Taxes	30,724.2	30,859.7	0.0	30,859.7	29,955.2	30,859.7
Net Revenue Before Inc. Taxes	4,726.1	3,982.8	0.0	3,982.8	2,571.9	3,982.8
State Income Taxes	298.6	227.0	0.0	227.0	97.7	227.2
Federal Income Taxes	1,084.9	802.3	0.0	802.3	324.8	803.1
Total Expenses	32,107.6	31,889.0	0.0	31,889.0	30,377.7	31,890.0
Net Operating Revenue	3,342.7	2,953.5	0.0	2,953.5	2,149.4	2,952.5
Rate Base	43,601.7	45,736.1	0.0	45,736.1	47,365.5	45,736.0
Rate of Return	7.67%	6.46%		6.46%	4.54%	6.46%

TABLE A2

CALIFORNIA AMERICAN WATER
VENTURA DISTRICT
GENERAL RATE CASE
COMPARATIVE SUMMARY OF EARNINGS FOR TEST YEAR AT PROPOSED RATES

@ PROPOSED RATES

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	**ADOPTED**
Operating Revenues						
Water	36,031.3	36,433.4	0.0	36,433.4	35,812.9	36,433.4
Operating Expenses						
Payroll	1,123.9	1,195.6	0.0	1,195.6	1,216.4	1,195.6
Purchased Water	21,413.8	20,880.4	0.0	20,880.4	19,446.0	20,880.4
Purchased Power	275.8	254.0	0.0	254.0	248.8	254.0
Chemicals	0.0	0.0	0.0	0.0	0.0	0.0
Uncollectibles	216.3	218.7	0.0	218.7	215.6	218.7
Other Operating Exp	289.9	360.7	0.0	360.7	291.3	360.7
T & D - Reservoirs & Tanks	205.5	283.3	0.0	283.3	338.2	283.3
Other Maintenance Exp	148.3	154.7	0.0	154.7	156.8	154.7
Insurance	7.3	7.3	0.0	7.3	7.4	7.3
Pension & Benefits	53.4	56.1	0.0	56.1	60.0	56.1
Regulatory Expense	0.0	0.0	0.0	0.0	0.0	0.0
Outside Services	40.3	60.9	0.0	60.9	74.8	60.9
Rents	335.4	334.1	0.0	334.1	337.9	334.1
Misc General Expense	299.2	308.8	0.0	308.8	343.7	308.8
Other Admin & General	10.9	19.1	0.0	19.1	19.4	19.1
Subtotal	24,419.9	24,133.8	0.0	24,133.8	22,756.1	24,133.8
Allocated General Office	3,776.1	4,126.9	0.0	4,126.9	4,403.4	4,126.9
Acquisition Premium	414.1	417.8	0.0	417.8	414.1	417.8
Total Operating Expense	28,610.1	28,678.5	0.0	28,678.5	27,573.6	28,678.5
Depreciation	1,645.7	1,712.1	0.0	1,712.1	1,914.9	1,712.1
Ad Valorem Taxes	381.7	384.5	0.0	384.5	392.9	384.5
Franchise Taxes	0.0	0.0	0.0	0.0	0.0	0.0
Payroll Taxes	90.2	94.1	0.0	94.1	94.3	94.1
Total Exp. Before Inc. Taxes	30,727.7	30,869.3	0.0	30,869.3	29,975.7	30,869.3
Net Revenue Before Inc. Taxes	5,303.6	5,564.1	0.0	5,564.1	5,837.2	5,564.1
State Income Taxes	349.6	366.8	0.0	366.8	386.5	367.0
Federal Income Taxes	1,287.0	1,355.8	0.0	1,355.8	1,467.9	1,356.5
Total Expenses	32,364.2	32,591.8	0.0	32,591.8	31,830.0	32,592.8
Net Operating Revenue	3,667.1	3,841.6	0.0	3,841.6	3,982.9	3,840.6
Rate Base	43,601.7	45,736.1	0.0	45,736.1	47,365.5	45,736.0
Rate of Return	8.41%	8.40%		8.40%	8.41%	8.40%

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

Attachment F-2 For Settlement

Sacramento Comparison Exhibits

TABLE B-1
CALIFORNIA-AMERICAN WATER CO.
SACRAMENTO DISTRICT

WATER SALES PER AVERAGE CUSTOMER
TEST YEAR 2015
CCF

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
Residential	176.9	165.7	0.0	165.7	164.3	165.7
Commercial	885.0	834.9	0.0	834.9	825.5	834.9
Public Authority	2,983.6	2,898.7	0.0	2,898.7	2,748.8	2,898.7
Industrial	99,723.0	150,855.3	0.0	150,855.3	157,262.7	150,855.3
Irrigation	0.0	0.0	0.0	0.0	0.0	0.0
Unmetered	0.0	0.0	0.0	0.0	0.0	0.0
Private Fire Service	0.0	0.0	0.0	0.0	0.0	0.0

TABLE C-1
CALIFORNIA-AMERICAN WATER CO.
SACRAMENTO DISTRICT
AVERAGE NUMBER OF CUSTOMERS

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
Metered Connections						
Residential	53,004	52,711	0	52,711	52,731	52,711
Commercial	4,982	4,839	0	4,839	4,842	4,839
Public Authority	392	372	0	372	373	372
Industrial	1	1	0	1	1	1
Irrigation			0			
Total metered connections	58,379	57,923	0	57,923	57,947	57,923
Unmetered	0	0	0	0	0	0
Private Fire Service	878	855	0	855	860	855
Total Active connections						
Include Fire Protection	59,257	58,778	0	58,778	58,807	58,778
Exclude Fire Protection	58,379	57,923	0	57,923	57,947	57,923

TABLE B-2
CALIFORNIA-AMERICAN WATER CO.
SACRAMENTO DISTRICT

WATER SALES PER AVERAGE CUSTOMER
ESCALATION YEAR 2016
CCF

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
Residential	173.3	162.4	0.0	162.4	161.0	162.4
Commercial	885.0	834.9	0.0	834.9	825.5	834.9
Public Authority	2,983.6	2,898.7	0.0	2,898.7	2,748.8	2,898.7
Industrial	99,723.0	150,855.3	0.0	150,855.3	157,262.7	150,855.3
Irrigation	0.0	0.0	0.0	0.0	0.0	0.0
Unmetered	0.0	0.0	0.0	0.0	0.0	0.0
Private Fire Service	0.0	0.0	0.0	0.0	0.0	0.0

TABLE C-2
CALIFORNIA-AMERICAN WATER CO.
SACRAMENTO DISTRICT
AVERAGE NUMBER OF CUSTOMERS

ESCALATION YEAR 2016

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
Metered Connections						
Residential	53,161	52,751	0	52,751	52,771	52,751
Commercial	5,045	4,845	0	4,845	4,848	4,845
Public Authority	402	374	0	374	375	374
Industrial	1	1	0	1	1	1
Irrigation			0			
Total metered connections	58,609	57,971	0	57,971	57,995	57,971
Unmetered	0	0	0	0	0	0
Private Fire Service	897	865	0	865	870	865
Total Active connections						
Include Fire Protection	59,506	58,836	0	58,836	58,865	58,836
Exclude Fire Protection	58,609	57,971	0	57,971	57,995	57,971

TABLE D-1

CALIFORNIA-AMERICAN WATER COMPANY
SACRAMENTO DISTRICT

TOTAL SALES AND SUPPLY

TEST YEAR 2015

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
METERED SALES KCCF	1,000.0					
Residential	9,374.4	8,732.6	0.0	8,732.6	8,661.4	8,732.6
Commercial	4,409.2	4,040.1	0.0	4,040.1	3,994.4	4,040.1
Public Authority	1,169.6	1,078.3	0.0	1,078.3	1,022.5	1,078.3
Industrial	99.7	150.9	0.0	150.9	157.3	150.9
Irrigation	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL METERED SALES	15,052.8	14,001.8	0.0	14,001.8	13,835.6	14,001.8
UNMETERED SALES	0.0	0.0	0.0	0.0	0.0	0.0
PRIVATE FIRE SERVICE	0.0	0.0	0.0	0.0	0.0	0.0
Non Revenue Water	1,183.7	1,183.7	0.0	1,183.7	1,183.7	1,183.7
TOTAL WATER REQUIREMENTS-KCCF	16,236.5	15,185.5	0.0	15,185.5	13,836.7	15,185.5
TOTAL WATER REQUIREMENTS-AF	37,273.9	34,861.1	0.0	34,861.1	31,764.8	34,861.1
PRODUCTION -KCCF						
Purchased water-	2,405.7	2,250.0	0.0	2,250.0	2,225.3	2,250.0
Company Wells	13,830.8	12,935.6	0.0	12,935.6	15,019.2	12,935.6
Total WATER REQUIREMENTS-KCCF	16,236.5	15,185.5	0.0	15,185.5	17,244.6	15,185.5

TABLE D-2

CALIFORNIA-AMERICAN WATER COMPANY
SACRAMENTO DISTRICT

TOTAL SALES AND SUPPLY

ESCALATION YEAR 2016

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
METERED SALES KCCF	1,000.0					
Residential	9,214.1	8,564.4	0.0	8,564.4	8,494.6	8,564.4
Commercial	4,464.9	4,045.1	0.0	4,045.1	3,999.3	4,045.1
Public Authority	1,199.4	1,084.1	0.0	1,084.1	1,028.0	1,084.1
Industrial	99.7	150.9	0.0	150.9	157.3	150.9
Irrigation	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL METERED SALES	14,978.2	13,844.5	0.0	13,844.5	13,679.2	13,844.5
UNMETERED SALES	0.0	0.0	0.0	0.0	0.0	0.0
PRIVATE FIRE SERVICE	0.0	0.0	0.0	0.0	0.0	0.0
Non Revenue Water	1,183.7	1,183.7	0.0	1,183.7	1,183.7	1,183.7
TOTAL WATER REQUIREMENTS-KCCF	16,161.8	15,028.2	0.0	15,028.2	13,680.4	15,028.2
TOTAL WATER REQUIREMENTS-AF	37,102.5	34,499.9	0.0	34,499.9	31,405.9	34,499.9
PRODUCTION -KCCF						
Purchased water-	2,394.6	2,226.6	0.0	2,226.6	2,202.2	2,226.6
Company Wells	13,767.2	12,801.5	0.0	12,801.5	14,862.9	12,801.5
Total WATER REQUIREMENTS-KCCF	16,161.8	15,028.2	0.0	15,028.2	17,065.1	15,028.2

TABLE E-1

CALIFORNIA-AMERICAN WATER COMPANY
SACRAMENTO DISTRICT

OPERATING REVENUES

TEST YEAR 2015

(AT PRESENT RATES)

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
METERED REVENUES						
Residential	33,766.0	32,124.8	0.0	32,124.8	31,949.5	32,124.8
Commercial	15,637.4	14,696.4	0.0	14,696.4	14,586.1	14,696.4
Public Authority	3,599.8	3,361.9	0.0	3,361.9	3,233.2	3,361.9
Industrial	261.8	385.4	0.0	385.4	403.7	385.4
Irrigation	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL GENERAL METERED	53,264.9	50,568.5	0.0	50,568.5	50,172.5	50,568.5
UNMETERED	0.0	0.0	0.0	0.0	0.0	0.0
OTHER REVENUES						
Private Fire Service	1,545.2	1,568.3	0.0	1,568.3	1,528.6	1,568.3
Misc	286.3	293.9	0.0	293.9	286.8	293.9
TOTAL OTHER AND FLAT RATE	1,831.5	1,862.2	0.0	1,862.2	1,528.6	1,862.2
TOTAL REVENUES	55,096.4	52,430.8	0.0	52,430.8	51,987.9	52,430.8

TABLE E-2

CALIFORNIA-AMERICAN WATER COMPANY
SACRAMENTO DISTRICT

OPERATING REVENUES

TEST YEAR 2015

(AT PROPOSED RATES)

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
METERED REVENUES						
Residential	30,720.2	32,305.1	0.0	32,305.1	34,683.5	32,305.1
Commercial	14,289.6	14,834.2	0.0	14,834.2	15,878.8	14,834.2
Public Authority	3,416.2	3,556.6	0.0	3,556.6	3,671.8	3,556.6
Industrial	260.4	436.6	0.0	436.6	491.3	436.6
Irrigation	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL GENERAL METERED	48,686.5	51,132.4	0.0	51,132.4	54,725.3	51,132.4
UNMETERED	0.0	0.0	0.0	0.0	0.0	0.0
OTHER REVENUES						
Private Fire Service	1,413.1	1,372.8	0.0	1,372.8	1,662.1	1,372.8
Misc. Service	286.3	293.9	0.0	293.9	286.8	293.9
TOTAL OTHER AND FLAT RATE	1,699.4	1,666.7	0.0	1,666.7	1,662.1	1,666.7
TOTAL REVENUES	50,385.8	52,799.1	0.0	52,799.1	51,987.9	52,799.1

TABLE F-1

CALIFORNIA-AMERICAN WATER COMPANY
SACRAMENTO DISTRICT

PAYROLL EXPENSE

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
SALARIES	3,595.1	3,753.1	0.0	3,753.1	3,826.4	3,753.1
OVERTIME	275.4	283.3	0.0	283.3	284.6	283.3
TOTAL SALARIES	3,870.5	4,036.3	0.0	4,036.3	4,111.0	4,036.3
CAPITALIZED PAYROLL	350.7	365.8	0.0	365.8	372.5	365.8
TOTAL NET PAYROLL	3,519.8	3,670.6	0.0	3,670.6	3,738.5	3,670.6
Escalation Rate	1.5%	2.5%	0.0%	2.5%	2.2%	2.5%

TABLE F-2

CALIFORNIA-AMERICAN WATER COMPANY
SACRAMENTO DISTRICT

OPERATING EXPENSE

TEST YEAR 2015

ITEM	PUC Account No.	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
Source of Supply - Miscellaneous	703	150.8	150.2	0.0	150.2	153.1	150.2
Purchased Water	704	1,783.1	1,671.9	0.0	1,671.9	1,655.3	1,671.9
Pumping Expense - Electric	724	0.0	(0.0)	0.0	(0.0)	(0.0)	(0.0)
Pumping Expense - Miscellaneous	725	54.8	54.6	0.0	54.6	56.0	54.6
Purchased Power	726	2,600.4	2,432.1	0.0	2,432.1	2,405.4	2,432.1
Water Treatment	742	0.1	0.1	0.0	0.1	0.1	0.1
Water Treatment - Miscellaneous	743	228.6	227.6	0.0	227.6	232.7	227.6
Chemicals	744	497.8	495.9	0.0	495.9	510.1	495.9
T & D - Storage	752	0.0		0.0			
T & D - Lines	753	0.0		0.0			
T & D - Meters	754	1.1	1.1	0.0	1.1	1.2	1.1
T & D - Customer Installation	755	0.0		0.0			
T & D - Miscellaneous	756	498.6	748.3	0.0	748.3	500.9	748.3
Customer Accounts - Meter Reading	772	3.1	3.1	0.0	3.1	3.2	3.1
Customer Accounts - Miscellaneous	774	1.4	1.8	0.0	1.8	1.8	1.8
Customer Accounts - Uncollectibles	775	329.0	315.3	0.0	315.3	326.7	315.3
Other Divisional & Capex Related O&M		69.9	69.6	0.0	69.6	69.6	69.6
TOTAL OPERATION EXPENSES		6,218.7	6,171.6	0.0	6,171.6	5,830.2	6,171.6
OTHER OPERATING EXPENSE		1,008.5	1,256.4	0.0	1,256.4	948.9	1,256.4
Revenues@ Present Rates		55,096.4	52,430.8	0.0	52,430.8	51,701.2	52,430.8
Uncollectible Rate		0.5972%	0.5972%	0.0000%	0.5972%	0.6319%	0.5972%
Uncollectibles		329.0	313.1	0.0	313.1	310.5	313.1
Revenues@ Proposed Rates		50,385.8	52,799.1	0.0	52,799.1	56,387.4	52,799.1
Uncollectible Rate		0.5972%	0.5972%	0.0000%	0.5972%	0.5972%	0.5972%
Uncollectibles		300.9	315.3	0.0	315.3	326.7	315.3
Purchased Water		1,783.1	1,671.9	0.0	1,671.9	1,655.3	1,671.9
Purchased Power		2,600.4	2,432.1	0.0	2,432.1	2,405.4	2,432.1
Chemicals		497.8	495.9	0.0	495.9	510.1	495.9
Uncollectibles		329.0	315.3	(0.0)	315.3	310.5	315.3
Other Operating Expense		1,008.5	1,256.4	0.0	1,256.4	948.9	1,256.4
Total		6,218.7	6,171.6	(0.0)	6,171.6	5,830.2	6,171.6

TABLE F-3

CALIFORNIA-AMERICAN WATER COMPANY
SACRAMENTO DISTRICT

MAINTENANCE EXPENSE

TEST YEAR 2015

ITEM	PUC Account No.	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
0	707	0.0	0.2	0.0	0.2	0.2	0.2
Source of Supply - Wells	711	606.1	0.8	0.0	0.8	0.8	0.8
Source of Supply - Other	713	40.6	40.5	0.0	40.5	41.7	40.5
Pumping - Supervision	730	0.6	0.6	0.0	0.6	0.6	0.6
Pumping - Structures	731	2.4	2.4	0.0	2.4	2.4	2.4
Pumping - Power Production	733	249.5	248.5	0.0	248.5	254.0	248.5
Pumping - Other	747	0.0	0.3	0.0	0.3	0.3	0.3
Water Treatment - Structures	748	141.4	140.8	0.0	140.8	144.7	140.8
Water Treatment - Equipment	759	0.0	0.1	0.0	0.1	0.1	0.1
T & D Reservoir & Tanks	761	107.2	106.8	0.0	106.8	109.8	106.8
T & D Mains	762	0.0		0.0			
T & D Fire Mains	763	133.1	132.6	0.0	132.6	136.0	132.6
T & D Services	764	40.3	40.1	0.0	40.1	41.0	40.1
T & D Meters	765	36.2	36.1	0.0	36.1	37.3	36.1
T & D Hydrants	766	209.0	254.3	0.0	254.3	345.2	254.3
TOTAL MAINTENANCE EXPENSES		1,566.4	1,004.0	0.0	1,004.0	1,114.1	1,004.0
Tank Painting		151.1	196.7	0.0	196.7	286.5	196.7
Other Maintenance		1,415.3	807.3	0.0	807.3	827.5	807.3
Total		1,566.4	1,004.0	0.0	1,004.0	1,114.1	1,004.0

TABLE G-1

CALIFORNIA-AMERICAN WATER COMPANY
SACRAMENTO DISTRICT

A&G EXPENSE

TEST YEAR 2015

ITEM	PUC Account No.	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
Office Supplies & Other Expenses	792	42.6	47.9	0.0	47.9	49.0	47.9
Property Insurance	793	3.9	3.9	0.0	3.9	4.0	3.9
Worker's Comp, Injuries & Damages	794	9.0	8.9	0.0	8.9	9.1	8.9
Employee Pension & Benefits	795	224.1	240.8	0.0	240.8	244.0	240.8
Regulatory Expense	797	0.0	1.1	0.0	1.1	1.2	1.1
Outside Services	798	256.7	314.6	0.0	314.6	566.5	314.6
Miscellaneous General Expense	799	1,224.2	1,329.4	0.0	1,329.4	1,381.0	1,329.4
General Plant	805	7.5	7.5	0.0	7.5	7.6	7.5
Rents	811	16.2	17.0	0.0	17.0	17.4	17.0
TOTAL A&G EXPENSES		1,784.1	1,971.0	0.0	1,971.0	2,279.8	1,971.0
Service Company		3,856.1	3,918.8	-	3,918.8	3,918.8	3,918.8
California Corporate General Office		6,807.3	7,589.1	-	7,589.1	7,589.1	7,589.1
Citizens Acquistion Premium		1,449.3	1,449.3	-	1,449.3	1,449.3	1,449.3
TOTAL GENERAL OFFICE EXPENSES		12,112.7	12,957.2	-	12,957.2	12,957.2	12,957.2
Total Insurance		12.8	12.8	0.0	12.8	13.1	12.8
Total Pension & Benefits		224.1	240.8	0.0	240.8	244.0	240.8
T&D Meters		0.0	1.1	0.0	1.1	1.2	1.1
Total Outside Services		256.7	314.6	0.0	314.6	566.5	314.6
Total Rents		16.2	17.0	0.0	17.0	17.4	17.0
Total Misc General Expense		1,224.2	1,329.4	0.0	1,329.4	1,381.0	1,329.4
Total Other A & G		50.1	55.4	0.0	55.4	56.7	55.4
Total General Office		12,112.7	12,957.2	0.0	12,957.2	12,957.2	12,957.2
TOTAL ADMIN & GENERAL EXPENSES		**13,896.8**	**14,928.1**	**0.0**	**14,928.1**	**15,237.0**	**14,928.1**

TABLE H-1

CALIFORNIA-AMERICAN WATER COMPANY
SACRAMENTO DISTRICT

TAXES OTHER THAN INCOME

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
Ad Valorem Taxes	1,654.0	1,665.1	0.0	1,665.1	1,773.1	1,665.1
Franchise Taxes	128.2	122.0	0.0	122.0	121.0	122.0
Net Payroll Taxes	270.9	276.7	0.0	276.7	278.0	276.7
Taxes other than Income	2,053.1	2,063.8	0.0	2,063.8	2,172.1	2,063.8
Present Rates						
Present Revenues	54,767.4	52,430.8	0.0	52,430.8	51,987.9	52,430.8
Franchise Tax Rate	0.234%	0.23%	0.000%	0.23%	0.233%	0.23%
Franchise Tax	128.2	122.0	0.0	122.0	121.0	122.0
Proposed Rates						
Proposed Revenues	50,385.8	52,799.1	0.0	52,799.1	56,527.9	52,799.1
Franchise Tax Rate	0.234%	0.233%	0.000%	0.233%	0.233%	0.23%
Franchise Tax	118.0	122.8	0.0	122.8	131.5	122.8
Ad Valorem Taxes Calculation:						
Yr End Plant	306,903.7	312,533.5	0.0	312,533.5	322,769.8	312,533.5
Yr End Advances	9,496.9	9,047.4	0.0	9,047.4	9,395.9	9,047.4
Yr End Contributions	18,688.7	18,014.3	0.0	18,014.3	18,524.3	18,014.3
Yr End Intangibles/Land	4,769.3	4,948.5	0.0	4,948.5	5,499.2	4,948.5
Yr End Deferred Taxes	18,923.6	17,301.9	0.0	17,301.9	18,540.2	17,301.9
Yr End Depreciation	118,104.6	114,600.5	0.0	114,600.5	122,733.1	114,600.5
Net Plant	136,920.6	148,620.8	0.0	148,620.8	148,077.1	148,620.8
Ad Valorem Rate	1.1976%	1.2114%	0.00000	1.2114%	1.2114%	1.2114%
Ad Valorem Taxes	1,654.0	1,665.1	0.0	1,665.1	1,773.1	1,665.1

TABLE I-1

CALIFORNIA-AMERICAN WATER COMPANY
SACRAMENTO DISTRICT

TAXES BASED ON INCOME

TEST YEAR 2015

(PRESENT RATES)

		STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
		ORIGINAL	REVISED		REVISED	UPDATED FILING	
		(Thousands of $)			(Thousands of $)		
Operating Revenues		55,096.5	52,430.8	0.0	52,430.8	51,987.9	52,430.8
Deductions:							
Operating Less Uncollectibles		24,872.7	25,459.0	0.0	25,459.0	26,519.7	25,459.0
Uncollectibles		329.0	313.1	0.0	313.1	310.5	313.1
Domestic Prod Activity Deduct		1,123.5	851.9	0.0	851.9	616.1	851.9
Book Depreciation		7,505.2	7,771.0	0.0	7,771.0	9,340.0	7,771.0
R/M Interest		4,229.1	4,578.5	0.0	4,578.5	4,787.2	4,578.5
Taxes-Other Than Income		2,053.1	2,063.8	0.0	2,063.8	2,172.1	2,063.8
Non-Deductible Meals		(31.4)	(31.2)	0.0	(31.2)	(31.4)	(31.2)
Previous Year CCFT		1,438.4	1,149.7	0.0	1,149.7	1,184.8	1,149.7
Total Operating Revenue Deductions:							
Federal		41,519.7	41,006.1	0.0	41,006.1	43,714.2	41,006.1
State		38,957.8	40,154.2	0.0	40,154.2	43,098.1	40,154.2
Taxable Net-State		16,138.7	12,276.5	0.0	12,276.5	8,889.8	12,276.5
S.C.F.T.	8.84%	1,426.7	1,085.2	0.0	1,085.2	785.9	1,085.2
Less:							
Deferred Taxes		0.0	0.0	0.0	0.0	0.0	0.0
STATE INCOME TAXES		1,426.7	1,085.2	0.0	1,085.2	785.9	1,085.2
Taxable Net-Federal		13,576.8	10,275.0	0.0	10,275.0	7,383.1	10,275.0
F.I.T. @ 35%	35.00%	4,751.9	3,596.2	0.0	3,596.2	2,584.1	3,596.2
Less:							
Deferred Taxes		0.0	0.0	0.0	0.0	0.0	0.0
0		4,751.9	3,596.2	0.0	3,596.2	2,584.1	3,596.2
TOTAL TAXES ON INCOME		6,178.6	4,681.5	0.0	4,681.5	3,370.0	4,681.5

TABLE I-2

CALIFORNIA-AMERICAN WATER COMPANY
SACRAMENTO DISTRICT

TAXES BASED ON INCOME

TEST YEAR 2015

(PROPOSED RATES)

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
Operating Revenues	50,385.8	52,799.1	0.0	52,799.1	56,527.9	52,799.1
Deductions:						
Operating Less Uncollectibles	24,872.7	25,459.0	0.0	25,459.0	26,519.7	25,459.0
Uncollectibles	300.9	315.3	0.0	315.3	337.6	315.3
Domestic Prod Activity Deduct	796.8	877.3	0.0	877.3	930.1	877.3
Book Depreciation	7,505.2	7,771.0	0.0	7,771.0	9,340.0	7,771.0
R/M Interest	4,229.1	4,578.5	0.0	4,578.5	4,787.2	4,578.5
Taxes-Other Than Income	2,053.1	2,063.8	0.0	2,063.8	2,172.1	2,063.8
	(31.4)	(31.2)	0.0	(31.2)	(31.4)	(31.2)
Previous Year CCFT	1,438.4	1,149.7	0.0	1,149.7	1,184.8	1,149.7
Total Operating Revenue Deductions:						
Federal	41,164.9	41,033.8	0.0	41,033.8	44,055.3	41,033.8
State	38,929.7	40,156.4	0.0	40,156.4	43,125.2	40,156.4
Taxable Net-State	11,456.1	12,642.7	0.0	12,642.7	13,402.7	12,642.7
S.C.F.T.	1,012.7	1,117.6	0.0	1,117.6	1,184.8	1,117.6
Less:						
Deferred Taxes	0.0	0.0	0.0	0.0	0.0	0.0
STATE INCOME TAXES	1,012.7	1,117.6	0.0	1,117.6	1,184.8	1,117.6
Taxable Net-Federal	9,220.9	10,615.6	0.0	10,615.6	11,582.0	10,615.6
F.I.T. @ 35%	3,227.3	3,715.5	0.0	3,715.5	4,053.7	3,715.5
Less:						
Deferred Taxes	0.0	0.0	0.0	0.0	0.0	0.0
Adjustment						
0	3,227.3	3,715.5	0.0	3,715.5	4,053.7	3,715.5
TOTAL TAXES ON INCOME	4,240.0	4,833.1	0.0	4,833.1	5,238.5	4,833.1

TABLE J-1

CALIFORNIA-AMERICAN WATER COMPANY
SACRAMENTO DISTRICT

PLANT IN SERVICE

TEST YEAR 2015

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
ITEM						
Plant in Service - BOY	298,503.8	300,711.6	0.0	300,711.6	315,315.7	300,711.6
Additions						
Gross Additions	8,595.1	12,287.1	0.0	12,287.1	7,664.1	12,287.1
Retirements of Plant	(195.1)	(115.5)	0.0	(115.5)	(210.1)	(115.5)
Net Additions	8,400.0	12,171.6	0.0	12,171.6	7,454.1	12,171.6
CWIP - BOY	53.7	2,398.0	0.0	2,398.0	0.0	2,398.0
CWIP - EOY	408.8	981.7	0.0	981.7	4,870.0	981.7
Net Change - CWIP	355.0	(1,416.3)	0.0	(1,416.3)	4,870.0	(1,416.3)
Plant in Service - EOY	306,903.7	312,883.2	0.0	312,883.2	322,769.8	312,883.2
WEIGHTING FACTOR	44.9%	44.9%	0.0%	44.9%	44.9%	44.9%
WTD. AVG. PLANT IN SERVICE	302,488.5	307,938.8	0.0	307,938.8	320,849.2	307,938.8

TABLE J-2

CALIFORNIA-AMERICAN WATER COMPANY
SACRAMENTO DISTRICT

PLANT IN SERVICE

ESCALATION YEAR 2016

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
ITEM						
Plant in Service - BOY	306,903.7	312,533.5	0.0	312,533.5	322,769.8	312,533.5
Additions						
Gross Additions	9,354.8	14,181.7	0.0	14,181.7	9,999.1	14,181.7
Retirements of Plant	(214.1)	(143.6)	0.0	(143.6)	(237.2)	(143.6)
Net Additions	9,140.6	14,038.2	0.0	14,038.2	9,761.9	14,038.2
CWIP - BOY	408.8	981.7	0.0	981.7	4,870.0	981.7
CWIP - EOY	53.7	430.0	0.0	430.0	9,980.0	430.0
Net Change - CWIP	(355.0)	(551.7)	0.0	(551.7)	5,110.0	(551.7)
Plant in Service - EOY	316,044.4	326,571.6	0.0	326,571.6	332,531.7	326,571.6
WEIGHTING FACTOR	44.90%	44.90%	0.00%	44.90%	44.90%	44.90%
WTD. AVG. PLANT IN SERVICE	311,257.2	319,570.6	0.0	319,570.6	334,317.3	319,570.6

TABLE K-1

CALIFORNIA-AMERICAN WATER COMPANY
SACRAMENTO DISTRICT

DEPRECIATION RESERVE & EXPENSE

TEST YEAR 2015

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
DEPRECIATION RESERVE - B.O.Y.	110,594.8	110,534.8	0.0	110,534.8	113,406.5	110,534.8
CHANGES						
Annual Accrual	7,505.2	7,771.0	0.0	7,771.0	9,340.0	7,771.0
Contributions Depreciation	389.8	376.8	0.0	376.8	386.6	376.8
Retirements	(195.1)	(115.5)	0.0	(115.5)	(210.1)	(115.5)
Salvage / Cost of Removal	(190.0)	(3,959.4)	0.0	(3,959.4)	(190.0)	(3,959.4)
Adjustments	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL CHANGES	7,509.9	4,073.0	0.0	4,073.0	9,326.6	4,073.0
DEPRECIATION RESERVE - E.O.Y.	118,104.6	114,607.8	0.0	114,607.8	122,733.1	114,607.8
WEIGHTING FACTOR	49.89%	49.89%	0.00%	49.89%	49.89%	49.89%
WTD. AVG. DEPRECIATION RESERVE	114,341.5	112,566.8	0.0	112,566.8	118,059.6	112,566.8

TABLE K-2

CALIFORNIA-AMERICAN WATER COMPANY
SACRAMENTO DISTRICT

DEPRECIATION RESERVE & EXPENSE

ESCALATION YEAR 2016

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
DEPRECIATION RESERVE - B.O.Y.	118,104.6	114,600.5	0.0	114,600.5	122,733.1	114,600.5
CHANGES						
Annual Accrual	7,673.4	8,052.0	0.0	8,052.0	9,525.0	8,052.0
Contributions Depreciation	409.6	399.7	0.0	399.7	406.7	399.7
Retirements	(214.1)	(143.6)	0.0	(143.6)	(237.2)	(143.6)
Salvage / Cost of Removal	(260.0)	(240.0)	0.0	(240.0)	(260.0)	(240.0)
Adjustments	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL CHANGES	7,608.8	8,068.1	0.0	8,068.1	9,434.5	8,068.1
DEPRECIATION RESERVE - E.O.Y.	125,713.5	122,668.6	0.0	122,668.6	132,167.6	122,668.6
WEIGHTING FACTOR	49.89%	49.89%	0.00%	49.89%	49.89%	49.89%
WTD. AVG. DEPRECIATION RESERVE	121,900.7	118,625.7	0.0	118,625.7	127,440.0	118,625.7

TABLE L-1

CALIFORNIA-AMERICAN WATER COMPANY
SACRAMENTO DISTRICT

WEIGHTED AVERAGE DEPRECIATED RATE BASE

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATE FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
WTD AVG PLANT IN SERVICE	302,488.5	307,589.0	0.0	307,589.0	320,849.2	307,589.0
MATERIALS & SUPPLIES	242.7	241.7	0.0	241.7	247.1	241.7
WORKING CASH, OPERATIONAL	1,009.1	1,529.8	0.0	1,529.8	1,960.9	1,529.8
WORKING CASH, LEAD-LAG	1,816.0	2,810.0	0.0	2,810.0	3,735.0	2,810.0
WTD AVG DEPR RESERVE	(114,341.5)	(112,559.5)	0.0	(112,559.5)	(118,059.6)	(112,559.5)
ADVANCES FOR CONSTR	(9,332.4)	(8,876.9)	0.0	(8,876.9)	(9,230.1)	(8,876.9)
UNAMORTIZED ADVANCES-20YR	(7,257.5)	(7,257.5)	0.0	(7,257.5)	(7,257.5)	(7,257.5)
CONTRIBUTIONS IN AID OF CONST	(17,532.3)	(16,779.7)	0.0	(16,779.7)	(17,359.6)	(16,779.7)
UNAMORTIZED CONTRIB- 20 YR	(2,661.7)	(2,661.7)	0.0	(2,661.7)	(2,661.7)	(2,661.7)
ACCUM. DEF. FED INC TAX	(15,248.7)	(13,705.3)	0.0	(13,705.3)	(15,389.5)	(13,705.3)
ACCUM. DEF. STATE INC TAX	(3,463.8)	(3,399.2)	0.0	(3,399.2)	(3,207.7)	(3,399.2)
GENERAL OFFICE ALLOC.	0.0	0.0	0.0	0.0	0.0	0.0
AVERAGE RATE BASE	135,718.5	146,930.7	0.0	146,930.7	153,626.6	146,930.7
INTEREST CALCULATION:						
AVG RATE BASE	135,718.5	146,930.7	0.0	146,930.7	153,626.6	146,930.7
X WEIGHTED COST OF DEBT	3.12%	3.12%	0.00%	3.12%	3.12%	3.12%
INTEREST EXPENSE	4,229.1	4,578.5	0.0	4,578.5	4,787.2	4,578.5

TABLE L-2

CALIFORNIA-AMERICAN WATER COMPANY
SACRAMENTO DISTRICT

WEIGHTED AVERAGE DEPRECIATED RATE BASE

ESCALATION YEAR 2016

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATE FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
WTD AVG PLANT IN SERVICE	311,257.2	319,570.6	0.0	319,570.6	334,317.3	319,570.6
MATERIALS & SUPPLIES	248.1	247.2	0.0	247.2	252.7	247.2
WORKING CASH, OPERATIONAL	1,026.0	1,706.6	0.0	1,706.6	2,599.1	1,706.6
WORKING CASH, LEAD-LAG	1,853.0	2,811.0	0.0	2,811.0	3,901.0	2,811.0
WTD AVG DEPR RESERVE	(121,900.7)	(118,688.3)	0.0	(118,688.3)	(127,439.9)	(118,688.3)
ADVANCES FOR CONSTR	(9,653.1)	(9,209.7)	0.0	(9,209.7)	(9,553.5)	(9,209.7)
UNAMORTIZED ADVANCES-20YR	(6,140.9)	(6,140.9)	0.0	(6,140.9)	(6,140.9)	(6,140.9)
CONTRIBUTIONS IN AID OF CONST	(18,274.3)	(17,638.8)	0.0	(17,638.8)	(18,120.5)	(17,638.8)
UNAMORTIZED CONTRIB- 20 YR	(2,252.3)	(2,252.3)	0.0	(2,252.3)	(2,252.3)	(2,252.3)
ACCUM. DEF. FED INC TAX	(15,549.7)	(14,017.2)	0.0	(14,017.2)	(15,253.2)	(14,017.2)
ACCUM. DEF. STATE INC TAX	(3,605.8)	(3,516.0)	0.0	(3,516.0)	(3,238.5)	(3,516.0)
GENERAL OFFICE ALLOC.	0.0	0.0	0.0	0.0	0.0	0.0
AVERAGE RATE BASE	137,007.5	152,872.2	0.0	152,872.2	159,071.3	152,872.2
INTEREST CALCULATION:						
AVG RATE BASE	137,007.5	152,872.2	0.0	152,872.2	159,071.3	152,872.2
X WEIGHTED COST OF DEBT	3.12%	3.12%	0.00%	3.12%	3.12%	3.12%
INTEREST EXPENSE	4,269.3	4,763.6	0.0	4,763.6	4,956.8	4,763.6

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

Attachment F-3 For Settlement

Larkfield Comparison Exhibits

TABLE B-1
CALIFORNIA-AMERICAN WATER CO.
LARKFIELD DISTRICT

WATER SALES PER AVERAGE CUSTOMER
TEST YEAR 2015
CCF

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
Residential	134.9	122.6	-	122.6	121.7	122.6
Commercial	385.5	382.0	-	382.0	378.5	382.0
Public Authority	839.2	857.7	-	857.7	839.2	857.7
Industrial	-	-	-	-	-	-
Irrigation	-	-	-	-	-	-
Unmetered	-	-	-	-	-	-
Private Fire Service	-	-	-	-	-	-

TABLE C-1
CALIFORNIA-AMERICAN WATER CO.
LARKFIELD DISTRICT
AVERAGE NUMBER OF CUSTOMERS

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
Metered Connections						
Residential	2,030.0	2,042.0	-	2,042.0	2,043.0	2,042.0
Commercial	354.0	329.0	-	329.0	329.0	329.0
Public Authority	4.0	4.0	-	4.0	4.0	4.0
Industrial	-	-	-	-	-	-
Irrigation	-	-	-	-	-	-
Total metered connections	2,388.0	2,375.0	-	2,375.0	2,376.0	2,375.0
Unmetered	-	-	-	-	-	-
Private Fire Service	59.0	57.0	-	57.0	56.7	57.0
Total Active connections						
Include Fire Protection	2,447.0	2,432.0	-	2,432.0	2,432.7	2,432.0
Exclude Fire Protection	2,388.0	2,375.0	-	2,375.0	2,376.0	2,375.0

TABLE B-2
CALIFORNIA-AMERICAN WATER CO.
LARKFIELD DISTRICT

WATER SALES PER AVERAGE CUSTOMER
ESCALATION YEAR 2016
CCF

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
Residential	134.9	122.6	-	122.6	121.7	122.6
Commercial	385.5	382.0	-	382.0	378.5	382.0
Public Authority	839.2	857.7	-	857.7	839.2	857.7
Industrial	-	-	-	-	-	-
Irrigation	-	-	-	-	-	-
Unmetered	-	-	-	-	-	-
Private Fire Service	-	-	-	-	-	-

TABLE C-2
CALIFORNIA-AMERICAN WATER CO.
LARKFIELD DISTRICT
AVERAGE NUMBER OF CUSTOMERS

ESCALATION YEAR 2016

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
Metered Connections						
Residential	2,027.0	2,044.0	-	2,044.0	2,045.0	2,044.0
Commercial	365.0	330.0	-	330.0	330.0	330.0
Public Authority	4.0	4.0	-	4.0	4.0	4.0
Industrial	-	-	-	-	-	-
Irrigation	-	-	-	-	-	-
Total metered connections	2,396.0	2,378.0	-	2,378.0	2,379.0	2,378.0
Unmetered	-	-	-	-	-	-
Private Fire Service	61.0	58.0	-	58.0	57.7	58.0
Total Active connections						
Include Fire Protection	2,457.0	2,436.0	-	2,436.0	2,436.7	2,436.0
Exclude Fire Protection	2,396.0	2,378.0	-	2,378.0	2,379.0	2,378.0

TABLE D-1

CALIFORNIA-AMERICAN WATER COMPANY
LARKFIELD DISTRICT

TOTAL SALES AND SUPPLY

TEST YEAR 2015

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
METERED SALES KCCF						
Residential	273.9	250,349.2	(250,098.9)	250.3	248.5	250.3
Commercial	136.5	125,678.0	(125,552.3)	125.7	124.5	125.7
Public Authority	3.4	3,430.8	(3,427.4)	3.4	3.4	3.4
Industrial	-	-	-	-	-	-
Irrigation	-	-	-	-	-	-
TOTAL METERED SALES	413.7	379,458.0	(379,078.5)	379.5	376.4	379.5
UNMETERED SALES	-	-	-	-	-	-
PRIVATE FIRE SERVICE	-	-	-	-	-	-
Non Revenue Water	31.3	31.3	-	31.3	31.3	31.3
TOTAL WATER REQUIREMENTS-KCCF	445.0	379,489.3	(379,078.5)	410.7	376.5	410.7
TOTAL WATER REQUIREMENTS-AF	1,021.5	871,187.5	(870,244.6)	942.9	864.2	942.9
PRODUCTION -KCCF						
Purchased water-	168.6	155.6	-	155.6	154.4	155.6
Company Wells	276.4	379,333.7	(379,078.5)	255.2	-	255.2
Total WATER REQUIREMENTS-KCCF	445.0	379,489.3	(379,078.5)	410.7	154.4	410.7

TABLE D-2

CALIFORNIA-AMERICAN WATER COMPANY
LARKFIELD DISTRICT

TOTAL SALES AND SUPPLY

ESCALATION YEAR 2016

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
METERED SALES KCCF						
Residential	273.5	250.6	-	250.6	248.8	250.6
Commercial	140.7	126.1	-	126.1	124.9	126.1
Public Authority	3.4	3.4	-	3.4	3.4	3.4
Industrial	-	-	-	-	-	-
Irrigation	-	-	-	-	-	-
TOTAL METERED SALES	417.5	380.1	-	380.1	377.1	380.1
UNMETERED SALES	-	-	-	-	-	-
PRIVATE FIRE SERVICE	-	-	-	-	-	-
Non Revenue Water	31.3	31.3	-	31.3	0.0	31.3
TOTAL WATER REQUIREMENTS-KCCF	448.8	411.4	-	411.4	377.1	411.4
TOTAL WATER REQUIREMENTS-AF	1,030.4	944.4	-	944.4	865.7	944.4
PRODUCTION -KCCF						
Purchased water-	170.0	155.8	-	155.8	154.7	155.8
Company Wells	278.8	255.5	-	255.5	-	255.5
Total WATER REQUIREMENTS-KCCF	448.8	411.4	-	411.4	154.7	411.4

TABLE E-1

CALIFORNIA-AMERICAN WATER COMPANY
LARKFIELD DISTRICT

OPERATING REVENUES

TEST YEAR 2015

(AT PRESENT RATES)

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
METERED REVENUES						
Residential	2,237.5	2,213.4	-	2,213.4	2,125.8	2,213.4
Commercial	1,098.9	1,077.4	-	1,077.4	1,033.3	1,077.4
Public Authority	26.7	28.0	-	28.0	26.7	28.0
Industrial	-	-	-	-	-	-
Irrigation	-	-	-	-	-	-
TOTAL GENERAL METERED	3,363.1	3,318.8	-	3,318.8	3,185.7	3,318.8
UNMETERED	-	-	-	-	-	-
OTHER REVENUES						
Private Fire Service	22.5	21.7	-	21.7	21.3	21.7
Misc	22.9	7.8	-	7.8	12.0	7.8
TOTAL OTHER AND FLAT RATE	45.4	29.5	-	29.5	21.3	29.5
TOTAL REVENUES	3,408.5	3,348.3	-	3,348.3	3,219.0	3,348.3

TABLE E-2

CALIFORNIA-AMERICAN WATER COMPANY
LARKFIELD DISTRICT

OPERATING REVENUES

TEST YEAR 2015

(AT PROPOSED RATES)

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
METERED REVENUES						
Residential	1,965.2	2,191.7	-	2,191.7	2,228.0	2,191.7
Commercial	965.1	1,067.8	-	1,067.8	1,089.0	1,067.8
Public Authority	23.3	27.8	-	27.8	28.2	27.8
Industrial	-	-	-	-	-	-
Irrigation	-	-	-	-	-	-
TOTAL GENERAL METERED	2,953.7	3,287.3	-	3,287.3	3,345.2	3,287.3
UNMETERED	-	-	-	-	-	-
OTHER REVENUES						
Private Fire Service	19.8	27.4	-	27.4	22.4	27.4
Misc. Service	22.9	7.8	-	7.8	12.0	7.8
TOTAL OTHER AND FLAT RATE	42.7	35.2	-	35.2	34.4	35.2
TOTAL REVENUES	2,996.3	3,322.4	-	3,322.4	3,379.5	3,322.4

TABLE F-1

CALIFORNIA-AMERICAN WATER COMPANY
LARKFIELD DISTRICT

PAYROLL EXPENSE

TEST YEAR 2015

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
SALARIES	364.1	387.8	-	387.8	396.5	387.8
OVERTIME	16.4	18.6	-	18.6	18.8	18.6
TOTAL SALARIES	380.5	406.4	-	406.4	415.3	406.4
CAPITALIZED PAYROLL	14.5	15.5	-	15.5	15.8	15.5
TOTAL NET PAYROLL	366.0	391.0	-	391.0	399.5	391.0
Escalation Rate	1.5%	2.5%	0.0%	2.5%	2.3%	2.5%

TABLE F-2

CALIFORNIA-AMERICAN WATER COMPANY
LARKFIELD DISTRICT

OPERATING EXPENSE

TEST YEAR 2015

ITEM	PUC Account No.	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
Source of Supply - Miscellaneous	703	10.2	10.2	-	10.2	10.4	10.2
Purchased Water	704	357.0	329.5	-	329.5	327.1	329.5
Pumping Expense - Operating Exp	724			-			
Pumping Expense - Miscellaneous	725			-			
Purchased Power	726	99.0	91.4	-	91.4	90.7	91.4
Water Treatment - Operating	742	0.6	0.6	-	0.6	0.6	0.6
Water Treatment - Miscellaneous	743	30.7	30.6	-	30.6	31.3	30.6
Chemicals	744	25.2	25.2	-	25.2	25.8	25.2
T & D - Storage	752			-			
T & D - Lines	753			-			
T & D - Meters	754			-			
T & D - Customer Installation	755	0.2	0.2	-	0.2	0.2	0.2
T & D - Miscellaneous	756	44.3	94.2	-	94.2	44.5	94.2
Customer Accounts - Meter Reading	772	0.6	0.6	-	0.6	0.6	0.6
Customer Accounts - Miscellaneous	774			-			
Customer Accounts - Uncollectibles	775	28.0	27.3	-	27.3	26.5	27.3
Other Divisional & Capex Related O&M		2.9	2.9		2.9	2.9	2.9
TOTAL OPERATION EXPENSES		598.8	612.7	-	612.7	560.5	612.7
OTHER OPERATING EXPENSE		89.5	139.3	-	139.3	90.5	139.3
Revenues@ Present Rates		3,408.5	3,348.3	-	3,348.3	3,219.0	3,348.3
Uncollectible Rate		0.8220%	0.8220%	0.0000%	0.8220%	0.8220%	0.8220%
Uncollectibles		28.0	27.5	-	27.5	26.5	27.5
Revenues@ Proposed Rates		2,996.3	3,322.4	-	3,322.4	3,379.4	3,322.4
Uncollectible Rate		0.8220%	0.8220%	0.0000%	0.8220%	0.8220%	0.8220%
Uncollectibles		24.6	27.3	-	27.3	27.8	27.3
Purchased Water		357.0	329.5	-	329.5	327.1	329.5
Purchased Power		99.0	91.4	-	91.4	90.7	91.4
Chemicals		25.2	25.2	-	25.2	25.8	25.2
Uncollectibles		28.0	27.3	(0.0)	27.3	26.5	27.3
Other Operating Expense		89.5	139.3	0.0	139.3	90.5	139.3
Total		598.8	612.7	(0.0)	612.7	560.5	612.7

TABLE F-3

CALIFORNIA-AMERICAN WATER COMPANY
LARKFIELD DISTRICT

MAINTENANCE EXPENSE

TEST YEAR 2015

ITEM	PUC Account No.	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
Source of Supply - Other	713	0.7	0.7	-	0.7	0.7	0.7
Pumping - Supervision	729			-			
Pumping - Structures	730	4.4	4.4	-	4.4	4.4	4.4
Pumping - Power Production	731	6.3	6.3	-	6.3	6.4	6.3
Pumping - Other	733	0.9	0.9	-	0.9	0.9	0.9
Water Treatment - Supervision	746			-			
Water Treatment - Structures	747	0.1	0.1	-	0.1	0.1	0.1
Water Treatment - Equipment	748	2.5	2.5	-	2.5	2.5	2.5
T & D Supervision & Engineering	758			-			
T & D Structures	759			-			
T & D Reservoirs	760	0.4	0.4	-	0.4	0.4	0.4
T & D Mains	761	1.2	1.2	-	1.2	1.3	1.2
T & D Fire Mains	762	-	0.1	-	0.1	0.1	0.1
T & D Services	763	11.0	10.9	-	10.9	11.2	10.9
T & D Meters	764	0.2	0.2	-	0.2	0.2	0.2
T & D Hydrants	765	0.4	0.4	-	0.4	0.4	0.4
T & D Miscellaneous Plant	766	15.6	55.1	-	55.1	30.6	55.1
TOTAL MAINTENANCE EXPENSES		43.7	83.2	-	83.2	59.3	83.2
Tank Painting		13.2	52.7	-	52.7		52.7
Other Maintenance		30.5	30.5	-	30.5	59.3	30.5
Total		43.7	83.2	-	83.2	59.3	83.2

TABLE G-1

CALIFORNIA-AMERICAN WATER COMPANY
LARKFIELD DISTRICT

A&G EXPENSE

TEST YEAR 2015

ITEM	PUC Account No.	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
Office Supplies & Other Expenses	792	4.0	4.1	-	4.1	4.2	4.1
Property Insurance	793	0.1	0.1	-	0.1	0.1	0.1
Worker's Comp, Injuries & Damages	794	0.5	0.5	-	0.5	0.5	0.5
Employee Pension & Benefits	795	21.5	22.9	-	22.9	23.2	22.9
Regulatory Expense	797	-	-	-	-	-	-
Outside Services	798	9.9	13.9	-	13.9	36.2	13.9
Miscellaneous General Expense	799	82.0	82.7	-	82.7	84.6	82.7
General Plant	805	0.0	0.0	-	0.0	0.0	0.0
Rents	811	29.4	29.3	-	29.3	29.9	29.3
TOTAL A&G EXPENSES		147.3	153.5	-	153.5	178.7	153.5
Service Company		159.5	162.1	-	162.1	181.1	162.1
California Corporate General Office		375.9	408.6	-	408.6	439.7	408.6
Citizens Acquistion Premium		59.9	60.0	-	60.0	60.0	60.0
TOTAL GENERAL OFFICE EXPENSES		595.3	630.7	-	630.7	680.8	630.7
Total Insurance		0.6	0.6	-	0.6	0.6	0.6
Total Pension & Benefits		21.5	22.9	-	22.9	23.2	22.9
Total Regulatory Expense		-	-	-	-	-	-
Total Outside Services		9.9	13.9	-	13.9	36.2	13.9
Total Rents		29.4	29.3	-	29.3	29.9	29.3
Total Misc General Expense		82.0	82.7	-	82.7	84.6	82.7
Total Other A & G		4.0	4.1	-	4.1	4.2	4.1
Total General Office		595.3	630.7	-	630.7	680.8	630.7
TOTAL ADMIN & GENERAL EXPENSES		**742.6**	**784.2**	**-**	**784.2**	**859.5**	**784.2**

TABLE H-1

CALIFORNIA-AMERICAN WATER COMPANY
LARKFIELD DISTRICT

TAXES OTHER THAN INCOME

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
Ad Valorem Taxes	112.3	134.1	-	134.1	135.0	134.1
Franchise Taxes	-	-	-	-	-	-
Net Payroll Taxes	28.4	30.5	-	30.5	30.8	30.5
Taxes other than Income	140.6	164.6	-	164.6	165.8	164.6
Present Rates						
Revenues	3,380.5	3,320.8	-	3,320.8	3,219.0	3,348.3
Franchise Tax Rate	0.000%	0.000%	-	0.000%	0.000%	0.000%
Franchise Tax	-	-	-	-	-	-
Proposed Rates						
Revenues	2,996.3	3,322.4	-	3,322.4	3,379.4	3,322.4
Franchise Tax Rate	0.000%	0.000%	-	0.000%	0.000%	0.000%
Franchise Tax	-	-	-	-	-	-
Ad Valorem Taxes Calculation:						
Yr End Plant	17,088.0	17,703.8	-	17,703.8	17,977.9	17,703.8
Yr End Advances	503.5	421.0	-	421.0	444.5	421.0
Yr End Contributions	691.8	671.7	-	671.7	756.4	671.7
Yr End Intangibles/Land	374.0	374.0	-	374.0	374.0	374.0
Yr End Deferred Taxes	2,085.4	2,081.0	-	2,081.0	2,141.0	2,081.0
Yr End Depreciation	7,258.1	7,408.5	-	7,408.5	7,419.8	7,408.5
Net Plant	6,175.1	6,747.6	-	6,747.6	6,842.2	6,747.6
Ad Valorem Rate	1.6286%	1.8544%	-	1.8544%	1.8544%	1.8544%
Ad Valorem Taxes	112.3	134.1	-	134.1	135.0	134.1

TABLE I-1

CALIFORNIA-AMERICAN WATER COMPANY
LARKFIELD DISTRICT

TAXES BASED ON INCOME

TEST YEAR 2015

(PRESENT RATES)

		STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
		ORIGINAL	REVISED		REVISED	UPDATED FILING	
		(Thousands of $)			(Thousands of $)		
Operating Revenues		3,408.5	3,348.3	-	3,348.3	3,219.0	3,348.3
Deductions:							
Operating Less Uncollectibles		1,723.2	1,843.7	-	1,843.7	1,852.3	1,843.7
Uncollectibles		28.0	27.5	-	27.5	26.5	27.5
Domestic Prod Activity Deduct		47.3	32.7	-	32.7	25.4	32.7
Book Depreciation		395.7	449.0	-	449.0	465.7	449.0
R/M Interest		192.6	222.3	-	222.3	227.4	222.3
Taxes-Other Than Income		140.6	164.6	-	164.6	165.8	164.6
Non-Deductible Meals		(2.0)	(2.0)	-	(2.0)	(2.0)	(2.0)
Previous Year CCFT		77.0	62.4	-	62.4	511.5	62.4
Total Operating Revenue Deductions:							
Federal		2,602.5	2,737.8	-	2,737.8	2,761.1	2,737.8
State		2,478.2	2,705.1	-	2,705.1	2,735.7	2,705.1
Taxable Net-State		930.4	643.2	-	643.2	483.4	643.2
S.C.F.T.	8.84%	82.2	56.9	-	56.9	42.7	56.9
Less:							
Deferred Taxes		-	-	-	-	-	-
STATE INCOME TAXES		82.2	56.9	-	56.9	42.7	56.9
Taxable Net-Federal		806.1	548.1	-	548.1	412.8	548.0
F.I.T. @ 35%	35.00%	282.1	191.8	-	191.8	144.5	191.8
Less:							
Deferred Taxes		-	-	-	-	-	-
FEDERAL INCOME TAX		282.1	191.8	-	191.8	144.5	191.8
TOTAL TAXES ON INCOME		364.3	248.7	-	248.7	187.2	248.7

TABLE I-2

CALIFORNIA-AMERICAN WATER COMPANY
LARKFIELD DISTRICT

TAXES BASED ON INCOME

TEST YEAR 2015

(PROPOSED RATES)

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
Operating Revenues	2,996.3	3,322.4	-	3,322.4	3,379.4	3,322.4
Deductions:						
Operating Less Uncollectibles	1,723.2	1,843.7	-	1,843.7	1,852.3	1,843.7
Uncollectibles	24.6	27.3	-	27.3	27.8	27.3
Domestic Prod Activity Deduct	26.5	31.4	-	31.4	33.9	31.4
Book Depreciation	395.7	449.0	-	449.0	465.7	449.0
R/M Interest	192.6	222.3	-	222.3	227.4	222.3
Taxes-Other Than Income	140.6	164.6	-	164.6	165.8	164.6
Non-Deductible Meals	(2.0)	(2.0)	-	(2.0)	(2.0)	(2.0)
Previous Year CCFT	77.0	62.4	-	62.4	511.5	62.4
Total Operating Revenue Deductions:						
Federal	2,578.3	2,736.2	-	2,736.2	2,770.9	2,736.2
State	2,474.8	2,704.9	-	2,704.9	2,737.0	2,704.9
Taxable Net-State	521.6	617.6	-	617.6	642.5	617.6
S.C.F.T.	46.1	54.6	-	54.6	56.8	54.6
Less:						
Deferred Taxes	-	-	-	-	-	-
STATE INCOME TAXES	46.1	54.6	-	54.6	56.8	54.6
Taxable Net-Federal	418.1	523.8	-	523.8	563.4	523.8
F.I.T. @ 35%	146.3	183.3	-	183.3	197.2	183.3
Less:						
Deferred Taxes	-	-	-	-	-	-
Adjustment						
FEDERAL INCOME TAX	146.3	183.3	-	183.3	197.2	183.3
TOTAL TAXES ON INCOME	192.4	237.9	-	237.9	254.0	237.9

TABLE J-1

CALIFORNIA-AMERICAN WATER COMPANY
LARKFIELD DISTRICT

PLANT IN SERVICE

TEST YEAR 2015

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
ITEM						
Plant in Service - BOY	16,782.5	17,277.6	-	17,277.6	17,489.7	17,277.6
Additions						
Gross Additions	316.3	467.0	-	467.0	497.7	467.0
Retirements of Plant	(10.8)	(8.7)	-	(8.7)	(9.5)	(8.7)
Net Additions	305.5	458.3	-	458.3	488.2	458.3
CWIP - BOY	167.6	169.9	-	169.9	419.9	169.9
CWIP - EOY	250.1	252.4	-	252.4	569.9	252.4
Net Change - CWIP	(82.5)	82.5	-	82.5	150.0	82.5
Plant in Service - EOY	17,088.0	17,735.9	-	17,735.9	17,977.9	17,735.9
WEIGHTING FACTOR	50.8%	50.8%	0.0%	50.8%	50.8%	50.8%
WTD. AVG. PLANT IN SERVICE	17,147.3	17,722.3	-	17,722.3	18,233.9	17,722.3

TABLE J-2

CALIFORNIA-AMERICAN WATER COMPANY
LARKFIELD DISTRICT

PLANT IN SERVICE

ESCALATION YEAR 2016

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
ITEM						
Plant in Service - BOY	17,088.0	17,703.8	-	17,703.8	17,977.9	17,703.8
Additions						
Gross Additions	817.6	960.4	-	960.4	1,097.2	960.4
Retirements of Plant	(11.0)	(9.4)	-	(9.4)	(10.0)	(9.4)
Net Additions	806.6	951.0	-	951.0	1,087.2	951.0
CWIP - BOY	250.1	252.4	-	252.4	569.9	252.4
CWIP - EOY	167.6	169.9	-	169.9	569.9	169.9
Net Change - CWIP	(82.5)	(82.5)	-	(82.5)	-	(82.5)
Plant in Service - EOY	17,894.5	18,654.7	-	18,654.7	19,065.0	18,654.7
WEIGHTING FACTOR	50.8%	50.8%	-	50.8%	50.8%	50.8%
WTD. AVG. PLANT IN SERVICE	17,706.0	18,397.5	-	18,397.5	19,100.3	18,397.5

TABLE K-1

CALIFORNIA-AMERICAN WATER COMPANY
LARKFIELD DISTRICT

DEPRECIATION RESERVE & EXPENSE

TEST YEAR 2015

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
DEPRECIATION RESERVE - B.O.Y.	6,861.3	6,955.6	-	6,955.6	6,950.6	6,955.6
CHANGES						
Annual Accrual	395.7	449.0	-	449.0	465.7	449.0
Contributions Depreciation	11.9	11.7	-	11.7	12.9	11.7
Retirements	(10.8)	(8.7)	-	(8.7)	(9.5)	(8.7)
Salvage / Cost of Removal	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
TOTAL CHANGES	396.8	452.0	-	452.0	469.2	452.0
DEPRECIATION RESERVE - E.O.Y.	7,258.1	7,407.6	-	7,407.6	7,419.8	7,407.6
WEIGHTING FACTOR	52.80%	52.80%	0.00%	52.80%	52.80%	52.80%
WTD. AVG. DEPRECIATION RESERVE	7,070.8	7,194.3	-	7,194.3	7,198.3	7,194.3

TABLE K-2

CALIFORNIA-AMERICAN WATER COMPANY
LARKFIELD DISTRICT

DEPRECIATION RESERVE & EXPENSE

ESCALATION YEAR 2016

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
DEPRECIATION RESERVE - B.O.Y.	7,258.1	7,408.5	-	7,408.5	7,419.8	7,408.5
CHANGES						
Annual Accrual	407.6	464.8	-	464.8	485.3	464.8
Contributions Depreciation	13.4	13.9	-	13.9	14.5	13.9
Retirements	(11.0)	(9.4)	-	(9.4)	(10.0)	(9.4)
Salvage / Cost of Removal	-		-			
Adjustments	-		-			
TOTAL CHANGES	410.0	469.3	-	469.3	489.8	469.3
DEPRECIATION RESERVE - E.O.Y.	7,668.1	7,877.8	-	7,877.8	7,909.6	7,877.8
WEIGHTING FACTOR	52.80%	52.80%	0.00%	52.80%		52.80%
WTD. AVG. DEPRECIATION RESERVE	7,474.6	7,656.3	-	7,656.3	7,419.8	7,656.3

TABLE L-1

CALIFORNIA-AMERICAN WATER COMPANY
LARKFIELD DISTRICT

WEIGHTED AVERAGE DEPRECIATED RATE BASE

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATE FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
WTD AVG PLANT IN SERVICE	17,147.3	17,690.1	-	17,690.1	18,233.9	17,690.1
MATERIALS & SUPPLIES	11.1	11.1	-	11.1	11.3	11.1
WORKING CASH, OPERATIONAL	69.4	418.0	-	418.0	171.5	418.0
WORKING CASH, LEAD-LAG	86.0	176.0	-	176.0	218.0	176.0
WTD AVG DEPR RESERVE	(7,070.8)	(7,195.2)	-	(7,195.2)	(7,198.3)	(7,195.2)
ADVANCES FOR CONSTR	(481.9)	(411.3)	-	(411.3)	(435.5)	(411.3)
UNAMORTIZED ADVANCES-20YR	(940.9)	(940.9)	-	(940.9)	(940.9)	(940.9)
CONTRIBUTIONS IN AID OF CONST	(639.3)	(611.3)	-	(611.3)	(698.3)	(611.3)
UNAMORTIZED CONTRIB- 20 YR	(98.8)	(98.8)	-	(98.8)	(98.8)	(98.8)
ACCUM. DEF. FED INC TAX	(1,584.7)	(1,595.3)	-	(1,595.3)	(1,656.5)	(1,595.3)
ACCUM. DEF. STATE INC TAX	(317.3)	(310.1)	-	(310.1)	(308.8)	(310.1)
GENERAL OFFICE ALLOC.	-	-	-	-	-	-
AVERAGE RATE BASE	6,180.2	7,132.4	-	7,132.4	7,297.7	7,132.4
INTEREST CALCULATION:						
AVG RATE BASE	6,180.2	7,132.4	-	7,132.4	7,297.7	7,132.4
X WEIGHTED COST OF DEBT	3.12%	3.12%	0.00%	3.12%	3.12%	3.12%
INTEREST EXPENSE	192.6	222.3	-	222.3	227.7	222.3

TABLE L-2

CALIFORNIA-AMERICAN WATER COMPANY
LARKFIELD DISTRICT

WEIGHTED AVERAGE DEPRECIATED RATE BASE

ESCALATION YEAR 2016

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATE FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
WTD AVG PLANT IN SERVICE	17,706.0	18,397.5	-	18,397.5	19,100.3	18,397.5
MATERIALS & SUPPLIES	11.4	11.3	-	11.3	11.6	11.3
WORKING CASH, OPERATIONAL	71.0	366.6	-	366.6	492.7	366.6
WORKING CASH, LEAD-LAG	87.0	178.0	-	178.0	228.0	178.0
WTD AVG DEPR RESERVE	(7,474.6)	(7,656.3)	-	(7,656.3)	(7,678.4)	(7,656.3)
ADVANCES FOR CONSTR	(525.2)	(430.4)	-	(430.4)	(454.1)	(430.4)
UNAMORTIZED ADVANCES-20YR	(796.2)	(796.2)	-	(796.2)	(796.2)	(796.2)
CONTRIBUTIONS IN AID OF CONST	(717.8)	(702.3)	-	(702.3)	(787.2)	(702.3)
UNAMORTIZED CONTRIB- 20 YR	(83.7)	(83.7)	-	(83.7)	(83.7)	(83.7)
ACCUM. DEF. FED INC TAX	(1,918.5)	(1,915.2)	-	(1,915.2)	(1,973.7)	(1,915.2)
ACCUM. DEF. STATE INC TAX	(350.1)	(340.9)	-	(340.9)	(338.2)	(340.9)
GENERAL OFFICE ALLOC.	-	-	-	-	-	-
AVERAGE RATE BASE	6,009.5	7,028.5	-	7,028.5	7,721.3	7,028.5
INTEREST CALCULATION:						
AVG RATE BASE	6,009.5	7,028.5	-	7,028.5	7,721.3	7,028.5
X WEIGHTED COST OF DEBT	3.12%	3.12%	0.00%	3.12%	3.12%	3.12%
INTEREST EXPENSE	187.3	219.0	-	219.0	240.9	219.0

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

Attachment F-4 For Settlement

Monterey Water Comparison Exhibits

TABLE B-1
CALIFORNIA-AMERICAN WATER CO.
MONTEREY DISTRICT

WATER SALES PER AVERAGE CUSTOMER
TEST YEAR 2015
CCF

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
Residential	77.5	72.3	-	72.3	73.4	72.3
Multi-Residential	446.3	465.3	-	465.3	478.3	465.3
Commercial & Irrigation	365.9	348.8	-	348.8	354.9	348.8
Industrial	6,119.6	5,141.0	-	5,141.0	5,798.0	5,141.0
Public Authority	647.2	472.9	-	472.9	474.3	472.9
Golf Course	14,676.8	14,128.4	-	14,128.4	14,021.7	14,128.4
Viscaino Reclamation Tank	-	-	-	-	-	-
Construction	190.0	222.5	-	222.5	196.7	222.5
Sale for Resale	-	-	-	-	-	-
Other	-	-	-	-	-	-
Ambler	202.3	190.7	-	190.7	190.0	190.7
Bishop	216.0	190.0	-	190.0	190.5	190.0
Hidden Hills	151.2	129.5	-	129.5	130.7	129.5
Ryan Ranch	195.2	165.9		165.9	163.6	165.9
Ralph Lane	130.8	138.0	-	138.0	136.8	138.0
Chualar	307.3	255.4	-	255.4	257.5	255.4
Private Fire Service	-	-	-	-	-	-
Fire Hydrant	-	-	-	-	-	-

TABLE B-2
CALIFORNIA-AMERICAN WATER CO.
MONTEREY DISTRICT

WATER SALES PER AVERAGE CUSTOMER
ESCALATION YEAR 2016
CCF

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
Residential	77.5	72.3	-	72.3	73.4	72.3
Multi-Residential	446.3	465.3	-	465.3	478.3	465.3
Commercial & Irrigation	365.9	348.8	-	348.8	354.9	348.8
Industrial	6,119.6	5,141.0	-	5,141.0	5,798.0	5,141.0
Public Authority	647.2	472.9	-	472.9	474.3	472.9
Golf Course	14,676.8	14,128.4	-	14,128.4	14,021.7	14,128.4
Viscaino Reclamation Tank	-	-	-	-	-	-
Construction	190.0	222.5	-	222.5	196.7	222.5
Sale for Resale	-	-	-	-	-	-
Other	-	-	-	-	-	-
Ambler	202.3	190.7	-	190.7	190.0	190.7
Bishop	219.8	190.0	-	190.0	192.9	190.0
Hidden Hills	151.2	129.5	-	129.5	130.7	129.5
Ryan Ranch	195.2	165.9		165.9	163.6	165.9
Ralph Lane	130.8	138.0	-	138.0	136.8	138.0
Chualar	307.3	255.4	-	255.4	257.5	255.4
Private Fire Service	-	-	-	-	-	-
Fire Hydrant	-	-	-	-	-	-

TABLE C-1
CALIFORNIA-AMERICAN WATER CO.
MONTEREY DISTRICT
AVERAGE NUMBER OF CUSTOMERS

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
Metered Connections						
Residential	32,262.0	32,262.0	-	32,262.0	32,262.0	32,262.0
Multi-Residential	1,478.0	1,478.0	-	1,478.0	1,478.0	1,478.0
Commercial & Irrigation	3,272.0	3,272.0	-	3,272.0	3,272.0	3,272.0
Public Authority	575.0	575.0	-	575.0	575.0	575.0
Industrial	7.0	7.0	-	7.0	7.0	7.0
Golf Course	4.0	4.0	-	4.0	4.0	4.0
Viscaino Reclamation Tank	-	-	-	-	-	-
Construction	22.0	22.0	-	22.0	22.0	22.0
Sale for Resale	1.0	1.0	-	1.0	1.0	1.0
Other	-	-	-	-	-	-
Ambler	402.0	402.0	-	402.0	402.0	402.0
Bishop	376.0	376.0	-	376.0	376.0	376.0
Hidden Hills	441.0	441.0	-	441.0	597.0	441.0
Ryan Ranch	156.0	156.0		156.0	156.0	156.0
Ralph Lane	26.0	26.0	-	26.0	26.0	26.0
Chualar	184.0	184.0	-	184.0	184.0	184.0
Total metered connections	39,206.0	39,206.0	-	39,206.0	39,206.0	39,206.0
Private Fire Service	803.0	803.0	-	803.0	803.0	803.0
Fire Hydrants	276.0	276.0	-	276.0	276.0	276.0
Total Active connections						
Include Fire Protection	40,285.0	40,285.0	-	40,285.0	41,364.0	40,285.0
Exclude Fire Protection	39,206.0	39,206.0	-	39,206.0	40,285.0	39,206.0

TABLE C-2
CALIFORNIA-AMERICAN WATER CO.
MONTEREY DISTRICT
AVERAGE NUMBER OF CUSTOMERS

ESCALATION YEAR 2016

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
Metered Connections						
Residential	32,262	32,262	-	32,262	32,262	32,262
Multi-Residential	1,478	1,478	-	1,478	1,478	1,478
Commercial & Irrigation	3,272	3,272	-	3,272	3,272	3,272
Public Authority	575	575	-	575	575	575
Industrial	7	7	-	7	7	7
Golf Course	4	4	-	4	4	4
Viscaino Reclamation Tank	-	-	-	-	-	-
Construction	22	22	-	22	22	22
Sale for Resale	1	1	-	1	1	1
Other	-	-	-	-	-	-
Ambler	402	402	-	402	402	402
Bishop	376	376	-	376	376	376
Hidden Hills	441	441	-	441	441	441
Ryan Ranch	156	156.0		156.0	156	156.0
Ralph Lane	26	26	-	26	26	26
Chualar	184	184	-	184	184	184
Total metered connections	39,206	39,206	-	39,206	39,206	39,206
Private Fire Service	803	803	-	803	803	803
Fire Hydrants	276	276	-	276	276	276
Total Active connections						
Include Fire Protection	40,285	40,285	-	40,285	41,364	40,285
Exclude Fire Protection	39,206	39,206	-	39,206	40,285	39,206

TABLE D-1

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY DISTRICT

TOTAL SALES AND SUPPLY

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
METERED SALES KCCF						
Residential	2,498.9	2,332.5	-	2,332.5	2,368.9	2,332.5
Multi-Residential	659.6	687.7	-	687.7	706.9	687.7
Commercial	1,197.1	1,141.3	-	1,141.3	1,161.1	1,141.3
Public Authority	372.1	271.9	-	271.9	272.7	271.9
Industrial	42.8	36.0	-	36.0	40.6	36.0
Golf Course	58.7	56.5	-	56.5	56.1	56.5
Viscaino Reclamation Tank	-	-	-	-	-	-
Construction	4.2	4.9	-	4.9	4.3	4.9
Sale for Resale	-	-	-	-	-	-
Other	-	-	-	-	-	-
Ambler	81.3	76.7	-	76.7	76.4	76.7
Bishop	81.2	71.4	-	71.4	71.6	71.4
Hidden Hills	66.7	57.1	-	57.1	57.6	83.0
Ryan Ranch	30.5	25.9		25.9	25.5	
Ralph Lane	3.4	3.6	-	3.6	3.6	3.6
Chualar	56.5	47.0	-	47.0	47.4	47.0
TOTAL METERED SALES	5,153.2	4,812.5	-	4,812.5	4,892.8	4,812.5
PRIVATE FIRE SERVICE	-	-	-	-	-	-
Non Revenue Water - Monterey Main	540.5	540.5	(0.0)	540.5	540.5	540.5
Non Revenue Water - Bishop, Hidden Hills, Ryan Ranch	15.9	15.9	0.0	15.9	15.9	15.9
Non Revenue Water - Ralph Lane	0.5	0.5	0.0	0.5	0.5	0.5
Non Revenue Water - Ambler Park	6.3	6.3	0.0	6.3	6.3	6.3
Non Revenue Water - Chualar	3.8	3.8	0.0	3.8	3.8	3.8
TOTAL WATER REQUIREMENTS-KCCF	5,720.3	5,379.6	0.0	5,379.6	5,459.8	5,353.1
TOTAL WATER REQUIREMENTS-AF	13,131.92	12,349.8	0.0	12,349.8	12,534.0	12,288.9
PRODUCTION -KCCF						
Purchased water-	0.0	0.0	0.0	0.0	0.0	0.0
Company Wells	5,720.3	5,379.6	0.0	5,379.6	54,598.3	5,379.6
Total WATER REQUIREMENTS-KCCF	5,720.3	5,379.6	0.0	5,379.6	54,598.3	5,379.6

TABLE D-2

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY DISTRICT

TOTAL SALES AND SUPPLY

ESCALATION YEAR 2016

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
METERED SALES KCCF						
Residential	2,498.9	2,332.5	-	2,332.5	2,368.9	2,332.5
Multi-Residential	659.6	687.7	-	687.7	706.9	687.7
Commercial	1,197.1	1,141.3	-	1,141.3	1,161.1	1,141.3
Public Authority	372.1	271.9	-	271.9	272.7	271.9
Industrial	42.8	36.0	-	36.0	40.6	36.0
Golf Course	58.7	56.5	-	56.5	56.1	56.5
Viscaino Reclamation Tank	-	-	-	-	-	-
Construction	4.2	4.9	-	4.9	4.3	4.9
Sale for Resale	-	-	-	-	-	-
Other	-	-	-	-	-	-
Ambler	81.3	76.7	-	76.7	76.4	76.7
Bishop	82.7	71.4	-	71.4	72.5	71.4
Hidden Hills	66.7	57.1	-	57.1	57.6	83.0
Ryan Ranch	30.5	25.9		25.9	25.5	
Ralph Lane	3.4	3.6	-	3.6	3.6	3.6
Chualar	56.5	47.0	-	47.0	47.4	47.0
TOTAL METERED SALES	5,154.6	4,812.5	-	4,812.5	4,893.7	4,812.5
PRIVATE FIRE SERVICE	-	-	-	-		
Non Revenue Water - Monterey Main	540.5	540.5	-	540.5	540.5	540.5
Non Revenue Water - Bishop, Hidden Hills, Ryan Ranch	15.9	15.9	-	15.9	15.9	15.9
Non Revenue Water - Ralph Lane	0.5	0.5	-	0.5	0.5	0.5
Non Revenue Water - Ambler Park	6.3	6.3	-	6.3	6.3	6.3
Non Revenue Water - Chualar	3.8	3.8	-	3.8	3.8	3.8
TOTAL WATER REQUIREMENTS-KCCF	5,721.7	5,379.6	-	5,379.6	5,460.7	5,353.1
TOTAL WATER REQUIREMENTS-AF	13,135.2	12,349.8	-	12,349.8	12,536.1	12,288.9
PRODUCTION -KCCF						
Purchased water-	0.0	0.0	0.0	0.0	0.0	0.0
Company Wells	5,721.7	5,379.6	0.0	5,379.6	54,607.4	5,379.6
Total WATER REQUIREMENTS-KCCF	5,721.7	5,379.6	0.0	5,379.6	54,607.4	5,379.6

TABLE E-1

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY DISTRICT

OPERATING REVENUES

TEST YEAR 2015

(AT PRESENT RATES)

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
METERED REVENUES						
Residential	29,734.2	29,544.2	-	29,544.2	29,015.0	29,544.2
Multi-Residential	5,354.1	5,644.0	-	5,644.0	5,615.6	5,644.0
Commercial & Irrigation	10,138.4	10,072.6	-	10,072.6	9,939.0	10,072.6
Public Authority	3,552.7	3,073.7	-	3,073.7	3,002.9	3,073.7
Industrial	263.0	230.5	-	230.5	250.6	230.5
Golf Course	382.6	378.2	-	378.2	368.1	378.2
Viscaino Reclamation Tank	-	-	-	-	-	-
Construction	146.5	154.4	-	154.4	147.3	154.4
Sale for Resale	-	-	-	-	-	-
Other	-	-	-	-	-	-
Ambler	781.0	774.4	-	774.4	753.6	774.4
Bishop	878.7	847.4	-	847.4	825.6	847.4
Hidden Hills/Ryan Ranch	1,137.4	1,086.0	-	1,086.0	1,060.1	1,086.0
Ralph Lane	29.3	31.1	-	31.1	30.2	31.1
Chualar	524.5	483.5	-	483.5	473.8	483.5
TOTAL GENERAL METERED	52,922.4	52,320.1	-	52,320.1	51,481.9	52,320.1
OTHER REVENUES						
Private Fire Service	514.7	648.8	0.0	648.8	514.7	648.8
Fire Hydrant	97.5	130.9	0.0	130.9	97.5	130.9
Misc Revenue: Def contrib, misc, low inc, etc	446.2	256.3	0.0	256.3	196.6	256.3
TOTAL OTHER AND FLAT RATE	1,058.4	1,036.0	0.0	1,036.0	808.7	1,036.0
TOTAL REVENUES	53,980.8	53,356.1	0.0	53,356.1	52,290.6	53,356.1

TABLE E-2

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY DISTRICT

OPERATING REVENUES

TEST YEAR 2015

(AT PROPOSED RATES)

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
METERED REVENUES						
Residential	27,194.7	29,158.6	-	29,158.6	31,690.3	29,158.6
Multi-Residential	5,034.6	5,767.2	-	5,767.2	6,381.1	5,767.2
Commercial & Irrigation	9,508.7	10,223.4	-	10,223.4	11,225.6	10,223.4
Public Authority	3,309.6	3,058.4	-	3,058.4	3,332.5	3,058.4
Industrial	252.3	241.9	-	241.9	291.6	241.9
Golf Course	364.3	394.9	-	394.9	424.6	394.9
Viscaino Reclamation Tank	-	-	-	-	-	-
Construction	131.2	146.6	-	146.6	156.6	146.6
Sale for Resale	-	-	-	-	-	-
Other	-	-	-	-	-	-
Ambler	727.3	777.1	-	777.1	842.4	777.1
Bishop	813.5	840.4	-	840.4	913.6	840.4
Hidden Hills/Ryan Ranch	1,049.1	1,070.1	-	1,070.1	1,166.5	1,070.1
Ralph Lane	27.5	31.6	-	31.6	34.1	31.6
Chualar	514.4	495.3	-	495.3	520.5	495.3
TOTAL GENERAL METERED	48,927.2	52,205.6	-	52,205.6	56,979.3	52,205.6
OTHER REVENUES						
Private Fire Service	476.1	620.5	-	620.5	569.4	620.5
Fire Hydrant	90.2	119.2	-	119.2	107.9	119.2
Misc. Service	446.2	256.3	-	256.3	196.6	256.3
TOTAL OTHER AND FLAT RATE	1,012.6	996.0	-	996.0	873.9	996.0
TOTAL REVENUES	49,939.7	53,201.5	-	53,201.5	57,853.2	53,201.5

TABLE F-1

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY DISTRICT

PAYROLL EXPENSE

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
SALARIES	4,736.8	5,146.3	-	5,146.3	5,039.2	5,146.3
OVERTIME	654.8	716.4	-	716.4	719.9	716.4
TOTAL SALARIES	5,391.6	5,862.8	-	5,862.8	5,759.2	5,862.8
CAPITALIZED PAYROLL	295.9	321.8	-	321.8	316.1	321.8
TOTAL NET PAYROLL	5,095.7	5,541.0	-	5,541.0	5,443.1	5,541.0
Escalation Rate	1.5%	2.5%	0.0%	2.5%	2.1%	2.0%

TABLE F-2

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY DISTRICT

OPERATING EXPENSE

TEST YEAR 2015

ITEM	PUC Account No.	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
Source of Supply - Miscellaneous	**703**	247.8	246.9	-	246.9	249.0	246.9
Purchased Water	**704**	540.0	56.7	-	56.7	541.7	56.7
Pumping Expense - Electric	**724**		-	-	-		
Pumping Expense - Miscellaneous	**725**	52.1	51.8	-	51.8	52.3	51.8
Purchased Power	**726**	2,436.8	2,302.8	-	2,302.8	2,334.4	2,302.8
Water Treatment	**742**	58.5	58.2	-	58.2	58.7	58.2
Water Treatment - Miscellaneous	**743**	210.5	209.7	-	209.7	211.6	209.7
Chemicals	**744**	517.6	515.7	-	515.7	521.0	515.7
T & D - Supervision	**751**	-	-	-	-		
T & D - Lines	**753**	-	0.2	-	0.2	0.2	0.2
T & D - Meters	**754**	-	-	-	-		
T & D - Customer Installation	**755**	-	-	-	-		
T & D - Miscellaneous	**756**	598.8	599.4	-	599.4	601.9	599.4
Customer Accounts - Meter Reading	**772**	-	-	-	-		
Cust. Accts. - Records & Collect. & Misc.	**773**	-	-	-	-		
Customer Accounts - Miscellaneous	**774**	16.3	16.3	-	16.3	16.4	16.3
Customer Accounts - Uncollectibles	**775**	3,515.9	3,500.4	-	3,500.4	3,440.4	3,500.4
Other Divisional & Capex Related O&M		38.7	38.6		38.6	38.7	38.6
TOTAL OPERATION EXPENSES		8,232.9	7,596.7	-	7,596.7	8,066.3	7,596.7
OTHER OPERATING EXPENSE		1,222.7	1,221.1	-	1,221.1	1,228.8	1,221.1
Revenues@ Present Rates		53,980.8	53,356.1	0.0	53,356.1	52,290.6	53,356.1
Uncollectible Rate		6.5132%	6.5794%	0.0000%	6.5794%	6.5794%	6.5794%
Uncollectibles		3,515.9	3,510.5	0.0	3,510.5	3,440.4	3,510.5
Revenues@ Proposed Rates		49,939.7	53,201.5	0.0	53,201.5	57,853.2	53,201.5
Uncollectible Rate		6.5132%	6.5794%	0.0000%	6.5794%	6.5794%	6.5794%
Uncollectibles		3,252.7	3,500.4	0.0	3,500.4	3,806.4	3,500.4
Purchased Water		540.0	56.7	0.0	56.7	541.7	56.7
Purchased Power		2,436.8	2,302.8	0.0	2,302.8	2,334.4	2,302.8
Chemicals		517.6	515.7	0.0	515.7	521.0	515.7
Uncollectibles		3,515.9	3,500.4	(0.0)	3,500.4	3,440.4	3,500.4
Other Operating Expense		1,222.7	1,221.1	0.0	1,221.1	1,190.1	1,221.1
Total		8,232.9	7,596.7	(0.0)	7,596.7	8,027.6	7,596.7

TABLE F-3

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY DISTRICT

MAINTENANCE EXPENSE

TEST YEAR 2015

ITEM	PUC Account No.	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
Source of Supply - Wells	**711**	192.6	-	-	-	-	-
Source of Supply - Springs	**713**	194.9	810.0	-	810.0	195.5	810.0
Source of Supply - Other	**729**	-	-	-	-		
Pumping - Supervision	**730**	-	-	-	-		
Pumping - Structures	**731**	-	-	-	-		
Pumping - Power Production	**733**	611.2	609.0	-	609.0	613.6	609.0
Water Treatment - Structures	**747**	-	-	-	-		
Water Treatment - Equipment	**748**	186.7	186.0	-	186.0	187.5	186.0
T & D Supervision & Engineering	**759**	-	-	-	-		
T & D Structures	**760**	-	-	-	-		
T & D Reservoires & Tanks	**761**	48.5	48.3	-	48.3	48.8	48.3
T & D - Fire Mains	**762**	-	-	-	-		
T & D Services	**763**	-	0.1	-	0.1	0.1	0.1
T&D Meters	**764**	-	0.0	-	0.0		
T & D Meters	**765**	-	0.0	-	0.0		
T & D Hydrants	**766**	1,284.5	1,364.3	-	1,364.3	1,373.3	1,364.3
TOTAL MAINTENANCE EXPENSES		2,518.3	3,017.7	-	3,017.7	2,418.7	3,017.7
Tank Painting		385.3	468.5	0.0	468.5	468.9	468.5
Other Maintenance		2,133.1	2,549.2	0.0	2,549.2	1,949.9	2,549.2
Total		2,518.3	3,017.7	0.0	3,017.7	2,418.7	3,017.7

TABLE G-1

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY DISTRICT

A&G EXPENSE

TEST YEAR 2015

ITEM	PUC Account No.	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
0	**792**	31.2	31.7	-	31.7	32.1	31.7
Office Supplies & Other Expenses	**793**	0.2	0.2	-	0.2	0.2	0.2
Property Insurance	**794**	15.3	15.2	-	15.2	15.4	15.2
Worker's Comp, Injuries & Damages	**795**	229.7	240.3	-	240.3	261.9	240.3
Employee Pension & Benefits	**797**	-	0.8	-	0.8	0.8	0.8
Regulatory Expense	**798**	465.1	523.9	-	523.9	830.7	523.9
Outside Services	**799**	1,723.3	1,930.5	-	1,930.5	1,995.1	1,930.5
Miscellaneous General Expense	**805**	49.0	48.8	-	48.8	49.1	48.8
General Plant	**811**	500.9	500.8	-	500.8	501.0	500.8
TOTAL A&G EXPENSES		3,014.7	3,292.2	-	3,292.2	3,686.3	3,292.2
Service Company		2,642.9	2,663.3	-	2,663.3	3,001.3	2,663.3
California Corporate General Office		5,650.6	6,042.1	-	6,042.1	6,656.9	6,042.1
Citizens Acquisition Premium		794.2	788.4	-	788.4	794.2	788.4
TOTAL GENERAL OFFICE EXPENSES		9,087.7	9,493.7	-	9,493.7	10,452.4	9,493.7
Total Insurance		15.5	15.4	-	15.4	15.6	15.4
Total Pension & Benefits		229.7	240.3	-	240.3	261.9	240.3
Total Regulatory Expense		-	0.8	-	0.8	0.8	0.8
Total Outside Services		465.1	523.9	-	523.9	830.7	523.9
Total Rents		500.9	500.8	-	500.8	501.0	500.8
Total Misc General Expense		1,723.3	1,930.5	-	1,930.5	1,995.1	1,930.5
Total Other A & G		80.2	80.5	-	80.5	81.2	80.5
Total General Office		9,087.7	9,493.7	-	9,493.7	10,452.4	9,493.7
TOTAL ADMIN & GENERAL EXPENSES		**12,102.4**	**12,786.0**	**-**	**12,786.0**	**14,138.7**	**12,786.0**

TABLE H-1

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY DISTRICT

TAXES OTHER THAN INCOME

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
Ad Valorem Taxes	1,517.6	1,507.0	0.0	1,507.0	1,558.6	1,507.0
Franchise Taxes	0.0	0.0	0.0	0.0	0.0	0.0
Net Payroll Taxes	372.7	382.6	0.0	382.6	383.9	382.6
Taxes other than Income	1,890.3	1,889.6	0.0	1,889.6	1,942.5	1,889.6
Present Rates						
Revenues	53,980.8	53,356.1	0.0	53,356.1	57,853.2	53,356.1
Franchise Tax Rate	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Franchise Tax	0.0	0.0	0.0	0.0	0.0	0.0
Proposed Rates						
Revenues	49,939.8	53,201.5	0.0	53,201.5	59,969.9	53,201.5
Franchise Tax Rate	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Franchise Tax	0.0	0.0	0.0	0.0	0.0	0.0
Ad Valorem Taxes Calculation:						
Yr End Plant	261,174.2	273,903.4	0.0	273,903.4	285,386.7	273,903.4
Yr End Advances	1,421.1	1,619.7	0.0	1,619.7	1,316.2	1,619.7
Yr End Contributions	18,056.7	15,629.9	0.0	15,629.9	15,246.3	15,629.9
Yr End Intangibles/Land	3,142.0	3,107.2	0.0	3,107.2	3,107.2	3,107.2
Yr End Deferred Taxes	15,295.3	15,706.4	0.0	15,706.4	15,948.9	15,706.4
Yr End Depreciation	105,342.7	105,875.9	0.0	105,875.9	107,074.9	105,875.9
Net Plant	117,916.4	415,842.5	0.0	415,842.5	142,693.3	415,842.5
Ad Valorem Rate	1.2621%	1.1794%		1.1794%	1.1794%	1.1794%
Ad Valorem Taxes	1,517.6	4,904.2	0.0	4,904.2	1,558.6	1,483.4

TABLE I-1

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY DISTRICT

TAXES BASED ON INCOME

TEST YEAR 2015

(PRESENT RATES)

		STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
		ORIGINAL	REVISED		REVISED	UPDATED FILING	
		(Thousands of $)			(Thousands of $)		
Operating Revenues		53,980.8	53,356.1	0.0	53,356.1	52,290.6	53,356.1
Deductions:							
Operating Less Uncollectibles		24,433.5	25,441.0	0.0	25,441.0	26,626.3	25,441.0
Uncollectibles		3,515.9	3,510.5	0.0	3,510.5	3,440.4	3,510.5
Domestic Prod Activity Deduct		1,158.4	961.2	0.0	961.2	675.3	961.2
Book Depreciation		6,146.4	6,548.2	0.0	6,548.2	7,175.4	6,548.2
R/M Interest		3,872.9	4,271.2	0.0	4,271.2	4,871.6	4,271.2
Taxes-Other Than Income		1,890.3	1,889.6	0.0	1,889.6	1,942.5	1,889.6
Non-Deductible Meals		(31.4)	(31.2)	0.0	(31.2)	(31.4)	(31.2)
Previous Year CCFT		1226.9	1,080.6	0.0	1,080.6	852.6	1,080.6
Total Operating Revenue Deductions:							
Federal		42,212.8	42,590.5	0.0	42,590.5	44,700.2	42,590.5
State		39,827.5	41,629.3	0.0	41,629.3	44,024.9	41,629.3
Taxable Net-State		14,153.2	11,726.8	0.0	11,726.8	8,265.7	11,726.8
S.C.F.T.	8.84%	1,251.1	1,036.7	0.0	1,036.7	730.7	1,036.7
Less:							
Deferred Taxes		0.0	0.0	0.0	0.0	0.0	0.0
Adjustment		0.0					
STATE INCOME TAXES		1,251.1	1,036.7	0.0	1,036.7	730.7	1,036.7
Taxable Net-Federal		11,767.9	9,685.0	0.0	9,685.0	6,737.8	9,685.0
F.I.T. @ 35%	35.00%	4,118.8	3,389.7	0.0	3,389.7	2,358.2	3,389.7
Less:							
Deferred Taxes		(44.7)	(44.7)	0.0	(44.7)	(44.7)	(44.7)
Adjustment		0.0					
FEDERAL INCOME TAX		4,074.1	3,345.1	0.0	3,345.1	2,313.5	3,345.1
TOTAL TAXES ON INCOME		5,325.2	4,381.7	0.0	4,381.7	3,044.2	4,381.7

TABLE I-2

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY DISTRICT

TAXES BASED ON INCOME

TEST YEAR 2015

(PROPOSED RATES)

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
Operating Revenues	49,939.8	53,201.5	0.0	53,201.5	57,853.2	53,201.5
Deductions:						
Operating Less Uncollectibles	24,433.5	25,441.0	0.0	25,441.0	26,626.3	25,441.0
Uncollectibles	3,252.7	3,500.4	0.0	3,500.4	3,806.4	3,500.4
Domestic Prod Activity Deduct	848.4	949.4	0.0	949.4	1,101.7	949.4
Book Depreciation	6,146.4	6,548.2	0.0	6,548.2	7,175.4	6,548.2
R/M Interest	3,872.9	4,271.2	0.0	4,271.2	4,871.6	4,271.2
Taxes-Other Than Income	1,890.3	1,889.6	0.0	1,889.6	1,942.5	1,889.6
Non-Deductible Meals	(31.4)	(31.2)		(31.2)	(31.4)	(31.2)
Previous Year CCFT	1226.9	1,080.6	0.0	1,080.6	852.6	1,080.6
Total Operating Revenue Deductions:						
Federal	40,412.7	42,568.5	0.0	42,568.5	45,492.5	42,568.5
State	39,564.3	41,619.1	0.0	41,619.1	44,390.8	41,619.1
Taxable Net-State	10,375.4	11,582.4	0.0	11,582.4	13,462.3	11,582.4
S.C.F.T.	917.2	1,023.9	0.0	1,023.9	1,190.1	1,023.9
Less:						
Deferred Taxes	0.0	0.0	0.0	0.0	0.0	0.0
Adjustment	0.0					
STATE INCOME TAXES	917.2	1,023.9	0.0	1,023.9	1,190.1	1,023.9
Taxable Net-Federal	8,300.1	9,552.4	0.0	9,552.4	11,508.0	9,552.4
F.I.T. @ 35%	2,905.0	3,343.4	0.0	3,343.4	4,027.8	3,343.4
Less:						
Deferred Taxes	(44.7)	(44.7)	0.0	(44.7)	(44.7)	(44.7)
Adjustment						
FEDERAL INCOME TAX	2,860.3	3,298.7	0.0	3,298.7	3,983.1	3,298.7
TOTAL TAXES ON INCOME	3,777.5	4,322.6	0.0	4,322.6	5,173.2	4,322.6

TABLE J-1

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY DISTRICT

PLANT IN SERVICE

TEST YEAR 2015

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
ITEM						
Plant in Service - BOY	255,456.2	263,429.4	0.0	263,429.4	274,943.1	263,429.4
Additions						
Gross Additions	5,865.2	6,522.3	0.0	6,522.3	10,590.8	6,522.3
Retirements of Plant	(147.2)	(147.2)	0.0	(147.2)	(147.2)	(147.2)
Net Additions	5,718.0	6,375.1	0.0	6,375.1	10,443.6	6,375.1
CWIP - BOY	0.0	0.0	0.0	0.0	2,663.8	0.0
CWIP - EOY	0.0	50.0	0.0	50.0	200.0	50.0
Net Change - CWIP	0.0	50.0	0.0	50.0	(2,463.8)	50.0
Plant in Service - EOY	261,174.2	269,804.5	0.0	269,804.5	285,386.7	269,804.5
WEIGHTING FACTOR	54.6%	54.6%	0.0%	54.6%	54.6%	54.6%
WTD. AVG. PLANT IN SERVICE	258,579.4	266,938.8	0.0	266,938.8	281,965.5	266,938.8

TABLE J-2

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY DISTRICT

PLANT IN SERVICE

ESCALATION YEAR 2016

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
ITEM						
Plant in Service - BOY	261,174.2	269,804.5	0.0	269,804.5	285,386.7	269,804.5
Additions						
Gross Additions	5,873.9	7,868.4	0.0	7,868.4	10,240.5	7,868.4
Retirements of Plant	(256.6)	(256.6)	0.0	(256.6)	(256.6)	(256.6)
Net Additions	5,617.3	7,611.7	0.0	7,611.7	9,983.9	7,611.7
CWIP - BOY	0.0	50.0	0.0	50.0	200.0	50.0
CWIP - EOY	0.0	0.0	0.0	0.0	550.0	0.0
Net Change - CWIP	0.0	(50.0)	0.0	(50.0)	350.0	(50.0)
Plant in Service - EOY	266,791.5	277,416.3	0.0	277,416.3	295,370.6	277,416.3
WEIGHTING FACTOR	54.62%	54.62%	0.00%	54.62%	54.62%	54.62%
WTD. AVG. PLANT IN SERVICE	264,242.4	273,984.7	0.0	273,984.7	291,231.1	273,984.7

TABLE K-1

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY DISTRICT

DEPRECIATION RESERVE & EXPENSE

TEST YEAR 2015

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
DEPRECIATION RESERVE - B.O.Y.	98,880.2	99,058.7	0.0	99,058.7	99,640.9	99,058.7
CHANGES						
Annual Accrual	6,146.4	6,548.2	0.0	6,548.2	7,175.4	6,548.2
Contributions Depreciation	736.3	689.1	0.0	689.1	678.8	689.1
Retirements	(147.2)	(147.2)	0.0	(147.2)	(147.2)	(147.2)
Salvage / Cost of Removal	(273.0)	(273.0)	0.0	(273.0)	(273.0)	(273.0)
Adjustments	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL CHANGES	6,462.5	6,817.2	0.0	6,817.2	7,434.0	6,817.2
DEPRECIATION RESERVE - E.O.Y.	105,342.7	105,875.9	0.0	105,875.9	107,074.9	105,875.9
WEIGHTING FACTOR	48.44%	48.44%	0.00%	48.44%	48.44%	48.44%
WTD. AVG. DEPRECIATION RESERVE	102,010.8	102,361.2	0.0	102,361.2	103,242.1	102,361.2

TABLE K-2

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY DISTRICT

DEPRECIATION RESERVE & EXPENSE

ESCALATION YEAR 2016

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
DEPRECIATION RESERVE - B.O.Y.	105,342.7	105,875.9	0.0	105,875.9	107,074.9	105,875.9
CHANGES						
Annual Accrual	6,288.3	6,755.6	0.0	6,755.6	7,500.5	6,755.6
Contributions Depreciation	761.1	694.7	0.0	694.7	684.4	694.7
Retirements	(256.6)	(256.6)	0.0	(256.6)	(256.6)	(256.6)
Salvage / Cost of Removal	(501.8)	(501.8)	0.0	(501.8)	(501.8)	(501.8)
Adjustments	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL CHANGES	6,291.1	6,691.9	0.0	6,691.9	7,426.5	6,691.9
DEPRECIATION RESERVE - E.O.Y.	111,633.8	112,567.8	0.0	112,567.8	114,501.4	112,567.8
WEIGHTING FACTOR	48.44%	48.44%	0.00%	48.44%	48.44%	48.44%
WTD. AVG. DEPRECIATION RESERVE	108,390.3	109,117.6	0.0	109,117.6	110,672.5	109,117.6

TABLE L-1

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY DISTRICT

WEIGHTED AVERAGE DEPRECIATED RATE BASE

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATE FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
WTD AVG PLANT IN SERVICE	258,579.4	266,938.8	0.0	266,938.8	281,965.5	266,938.8
MATERIALS & SUPPLIES	270.6	270.3	0.0	270.3	991.0	270.3
WORKING CASH, OPERATIONAL	2,486.2	2,956.7	0.0	2,956.7	5,997.3	2,956.7
WORKING CASH, LEAD-LAG	2,074.0	2,805.0	0.0	2,805.0	3,666.0	2,805.0
WTD AVG DEPR RESERVE	(102,010.8)	(102,361.2)	0.0	(102,361.2)	(103,242.1)	(102,361.1)
ADVANCES FOR CONSTR	(1,386.1)	(1,556.4)	0.0	(1,556.4)	(1,248.8)	(1,556.4)
UNAMORTIZED ADVANCES-20YR	0.0	0.0	0.0	0.0		
CONTRIBUTIONS IN AID OF CONST	(20,460.4)	(16,318.2)	0.0	(16,318.2)	(15,949.3)	(16,318.2)
UNAMORTIZED CONTRIB- 20 YR	0.0	0.0	0.0	0.0		
ACCUM. DEF. FED INC TAX	(12,402.6)	(12,793.1)	0.0	(12,793.1)	(13,009.9)	(12,793.134)
ACCUM. DEF. STATE INC TAX	(3,019.6)	(3,045.0)	0.0	(3,045.0)	(3,027.9)	(3,045.0)
GENERAL OFFICE ALLOC.	0.0	0.0	0.0	0.0	0.0	0.0
AVERAGE RATE BASE	124,130.7	136,896.8	0.0	136,896.8	156,141.8	136,896.9
INTEREST CALCULATION:						
AVG RATE BASE	124,130.7	136,896.8	0.0	136,896.8	156,141.8	136,896.9
X WEIGHTED COST OF DEBT	3.12%	3.12%	0.00%	3.12%	3.12%	3.12%
INTEREST EXPENSE	3,872.9	4,271.2	0.0	4,271.2	4,871.6	4,271.2

TABLE L-2

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY DISTRICT

WEIGHTED AVERAGE DEPRECIATED RATE BASE

ESCALATION YEAR 2016

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATE FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
WTD AVG PLANT IN SERVICE	264,242.4	273,984.7	0.0	273,984.7	291,231.1	273,984.7
MATERIALS & SUPPLIES	279.0	279.4	0.0	279.4	999.5	279.4
WORKING CASH, OPERATIONAL	2,525.7	4,982.7	0.0	4,982.7	7,386.2	4,982.7
WORKING CASH, LEAD-LAG	2,097.0	2,842.0	0.0	2,842.0	7,386.2	2,842.0
WTD AVG DEPR RESERVE	(108,390.3)	(109,117.6)	0.0	(109,117.6)	(110,672.5)	(109,117.6)
ADVANCES FOR CONSTR	(1,456.1)	(1,680.8)	0.0	(1,680.8)	(1,381.4)	(1,680.8)
UNAMORTIZED ADVANCES-20YR	0.0	0.0	0.0	0.0		
CONTRIBUTIONS IN AID OF CONST	(20,837.4)	(15,900.2)	0.0	(15,900.2)	(15,540.1)	(15,900.2)
UNAMORTIZED CONTRIB- 20 YR	0.0	0.0	0.0	0.0		
ACCUM. DEF. FED INC TAX	(12,126.6)	(12,502.6)	0.0	(12,502.6)	(12,815.4)	(12,502.6)
ACCUM. DEF. STATE INC TAX	(3,043.8)	(3,070.6)	0.0	(3,070.6)	(3,069.3)	(3,070.6)
GENERAL OFFICE ALLOC.	0.0	0.0	0.0	0.0	0.0	0.0
AVERAGE RATE BASE	123,289.9	139,817.0	0.0	139,817.0	163,524.3	139,817.1
INTEREST CALCULATION:						
AVG RATE BASE	123,289.9	139,817.0	0.0	139,817.0	159,950.1	139,817.1
X WEIGHTED COST OF DEBT	3.12%	3.12%	0.00%	3.12%	3.12%	3.12%
INTEREST EXPENSE	3,846.6	4,362.3	0.0	4,362.3	4,990.4	4,362.3

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

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Attachment F-5 For Settlement

Toro Comparison Exhibits

CALIFORNIA AMERICAN WATER COMPANY
A.13-07-002, 2013 GENERAL RATE CASE
TORO SYSTEM

	PRESENT RATES			PROPOSED RATES		
	ORA ORIGINAL	CAW UPDATE	SETTLEMENT	ORA ORIGINAL	CAW UPDATE	SETTLEMENT
OPERATING REVENUES	722.6	691.2	691.2	750.5	758.9	773.9
OPERATING EXPENSES						
O & M	406.4	425.0	414.9	406.4	425.0	414.9
General Taxes	23.1	23.3	23.3	23.6	24.7	25.0
Total	429.5	448.3	438.2	430.1	449.7	439.9
EBITDA	293.1	242.9	252.9	320.4	309.2	334.0
Depreciation	140.0	120.7	140.6	140.0	120.7	140.6
EBIT	153.1	122.2	112.3	180.4	188.5	193.4
Interest Expense	46.2	47.6	48.6	46.2	47.6	48.6
Income Taxes						
Current Portion	43.6	30.1	25.9	55.8	60.1	62.2
Deferred Portion	-	-		-	-	
Total	43.6	30.1	25.9	55.8	60.1	62.2
INCOME AFTER TAX	63.3	44.5	37.7	78.4	80.9	82.5
AMORT OF ACQ ADJ						
NET INCOME	63.3	44.5	37.7	78.4	80.9	82.5
UOI	109.5	92.1	86.3	124.6	128.5	131.1
Rate Base	1,482.4	1,526.5	1,559.6	1,482.4	1,526.5	1,559.6
Rate of Return	7.39%	6.03%	5.54%	8.41%	8.41%	8.41%

Interest Expense						
Rate Base	1,482.4	1,526.5	1,559.6	1,482.4	1,526.5	1,559.6
Debt Cost	6.63%	6.63%	6.63%	6.63%	6.63%	6.63%
Debt Percentage	47.00%	47.00%	47.00%	47.00%	47.00%	47.00%
Weighted Cost of Debt	3.12%	3.12%	3.12%	3.12%	3.12%	3.12%
Interest Expense	46.2	47.6	48.6	46.2	47.6	48.6
Rate Of Return Necessary	8.41%	8.41%	8.41%	8.41%	8.41%	8.41%

CALIFORNIA AMERICAN WATER COMPANY
A.13-07-002, 2013 GENERAL RATE CASE
TORO SYSTEM

Expenses						
Labor	52.1	55.6	56.6	52.1	55.6	56.6
Purchased Water	-			-		
Fuel and Power	51.2	51.2	51.2	51.2	51.2	51.2
Chemicals	22.6	23.1	22.5	22.6	23.1	22.5
Pumping	0.9	0.9	0.9	0.9	0.9	0.9
Source of Supply	2.9	3.0	2.9	2.9	3.0	2.9
Water Treatment	3.4	3.5	3.4	3.4	3.5	3.4
Transmission and Distribution	1.1	1.1	1.1	1.1	1.1	1.1
Maintenance	28.1	28.7	28.0	28.1	28.7	28.0
Customer Accounting	(0.0)	(0.0)		(0.0)	(0.0)	
Rents	4.9	4.9	4.9	4.9	4.9	4.9
Uncollectibles	-	-	-	-	-	-
Other Welfare	2.5	2.5	2.5	2.5	2.5	2.5
Regulatory Exps	-	-	-	-	-	-
Other A&G	2.4	1.9	1.9	2.4	1.9	1.9
Arsenic Treatment annual O&M costs	67.3	67.3	67.3	67.3	67.3	67.3
Add'l O&M costs allowed due to lower cap	77.8	77.8	77.8	77.8	77.8	77.8
GO historically incl. in district	33.0	39.6	35.9	33.0	39.6	35.9
allocated traditional GO	28.8	32.5	30.7	28.8	32.5	30.7
Service Co.	27.6	31.3	27.5	27.6	31.3	27.5
Total Expenses	406.4	425.0	414.9	406.4	425.0	414.9

CALIFORNIA AMERICAN WATER COMPANY
A.13-07-002, 2013 GENERAL RATE CASE
TORO SYSTEM
Ratebase

Gross Plant	4,715.6	4,629.3	4,629.3	4,715.6	4,629.3	4,629.3
Plant Additions	176.3	277.0	219.0	176.3	277.0	219.0
Retirements	2.2	2.2	2.2	2.2	2.2	2.2
Misc Adjustments	-	-	-	-	-	-
Work in Progress (End Bal)	-	-	-	-	-	-
Work in Progress (Net Change)	-	-	-	-	-	-
Subtotal	4,894.1	4,908.5	4,850.4	4,894.1	4,908.5	4,850.4
Average Weighting Factor	48.48%	48.48%	48.48%	48.48%	48.48%	48.48%
Average Plant	4,800.0	4,762.5	4,864.0	4,800.0	4,762.5	4,864.0
Depreciation Reserve	1,863.4	1,820.5	1,873.3	1,863.4	1,820.5	1,873.3
Annual Accrual	140.0	120.7	140.6	140.0	120.7	140.6
Contribution Depreciation	-	-	-	-	-	-
Retirements	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)
Salvage/Cost of Removal	(5.4)	(5.4)	-	(5.4)	(5.4)	-
Depreciation Adjustment	-	-	-	-	-	-
Average Weighting Factor	48.34%	48.34%	48.34%	48.34%	48.34%	48.34%
Average Depreciation Reserve	1,927.5	1,875.2	1,937.6	1,927.5	1,875.2	1,937.6
Rate Base						
Average Plant	4,800.0	4,762.5	4,864.0	4,800.0	4,762.5	4,864.0
Materials and Supplies	4.0	4.1	4.0	4.0	4.1	4.0
Average Depreciation Reserve	(1,927.5)	1,875.2	(1,937.6)	(1,927.5)	1,875.2	(1,937.6)
Avg. Contributions	(872.7)	(872.7)	(872.7)	(872.7)	(872.7)	(872.7)
Deferred Taxes	(521.3)	(492.2)	(498.0)	(521.3)	(492.2)	(498.0)
Average Rate Base	1,482.4	5,276.9	1,559.6	1,482.4	5,276.9	1,559.6

CALIFORNIA AMERICAN WATER COMPANY
A.13-07-002, 2013 GENERAL RATE CASE
TORO SYSTEM
General Taxes

Payroll Taxes	3.8	3.9	3.9	3.8	3.9	3.9
Ad Valorem Taxes						
Net Plant	482.1	558.8	557.6	482.1	558.8	557.6
Tax Rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Total	4.8	5.6	5.6	4.8	5.6	5.6
Franchise Fees						
Total Revenue	722.6	691.2	691.2	750.5	758.9	773.9
Tax Rate	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Total	14.5	13.8	13.8	15.0	15.2	15.5
TOTAL GENERAL TAXES	23.1	23.3	23.3	23.6	24.7	25.0

CALIFORNIA AMERICAN WATER COMPANY
A.13-07-002, 2013 GENERAL RATE CASE
TORO SYSTEM

Revenues	722.6	691.2	691.2	750.5	758.9	773.9
Operating Expense	406.4	425.0	414.9	406.4	425.0	414.9
Taxes Other Then Income	23.1	23.3	23.3	23.1	23.3	23.3
Depreciation Expense	140.0	120.7	140.6	140.0	120.7	140.6
Interest Expense	46.2	47.6	48.6	46.2	47.6	48.6
Net Revenue	106.9	74.6	63.7	134.8	142.3	146.4
State Income Taxes						
SIT %	8.84%	8.84%	8.84%	8.84%	8.84%	8.84%
SIT	9.5	6.6	5.6	11.9	12.6	12.9
Federal Income Taxes						
Taxable FIT	97.6	67.1	58.0	125.3	135.7	140.8
FIT %	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%
FIT	34.2	23.5	20.3	43.9	47.5	49.3
TOTAL INCOME TAX	43.6	30.1	25.9	55.8	60.1	62.2

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

Attachment F-6 For Settlement

Garrapata Comparison Exhibits

CALIFORNIA AMERICAN WATER
GARRAPATA SERVICE AREA
2013 GENERAL RATE CASE
INCOME STATEMENT AT PRESENT AND PROPOSED RATES

		At Present	Pro Forma	At 2015 Present	Pro Forma
INCOME STATEMENT	**2014**	**2015**	**2015**	**2016**	**2016**
OPERATING REVENUES	73,980	73,980	**80,965**	80,965	**83,225**
OPERATING EXPENSES					
O & M	45,153	45,519	45,519	46,671	46,671
General Taxes	7,570	7,656	7,795	7,805	7,850
Total	52,723	53,175	53,315	54,476	54,521
EBITDA	21,257	20,805	27,650	26,489	28,704
Depreciation	**3,750**	**3,975**	3,975	**4,347**	4,347
Tank Painting Amort	4,700	4,700	4,700	4,700	4,700
EBIT	12,807	12,130	18,975	17,442	19,657
Interest Expense	3,837	3,950	3,950	4,207	4,207
INCOMES TAXES					
Current Portion	5,993	5,224	8,310	7,252	8,303
Deferred Portion	-	-			
Total	5,993	5,224	8,310	7,252	8,303
INCOME AFTER TAX	2,977	2,957	6,715	5,983	7,147
AMORT OF ACQ ADJ					
NET INCOME	2,977	2,957	6,715	5,983	7,147
UOI	6,814	6,907	10,665	10,189	11,354
Rate Base	**123,125**	**126,763**	126,763	**135,002**	135,002
Rate of Return	5.53%	5.45%	8.41%	7.55%	8.41%

	2014	**2015**	**2015**	**2016**	**2016**
Rate Base	123,125	126,763	126,763	135,002	135,002
Debt Cost	**6.63%**	6.63%	6.63%	6.63%	6.63%
Debt Percentage	47.00%	47.00%	47.00%	47.00%	47.00%
Weighted Cost of Debt	3.12%	3.12%	3.12%	3.12%	3.12%
Interest Expense	3,837	3,950	3,950	4,207	4,207
Rate Of Return Necessary		8.41%		8.41%	

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

Attachment F-7 For Settlement

Monterey WW Comparison Exhibits

TABLE B-1
CALIFORNIA-AMERICAN WATER CO.
MONTEREY WASTEWATER DISTRICT

WATER SALES PER AVERAGE CUSTOMER
TEST YEAR 2015
CCF

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
Residential	-	-	-	-	-	-
Commercial	-	-	-	-	-	-
Industrial	-	-	-	-	-	-
Public Authority	-	-	-	-	-	-
Golf Course	-	-	-	-	-	-
Hotel	-	-	-	-	-	-
Private Fire Service	-	-	-	-	-	-
Fire Hydrant	-	-	-	-	-	-

TABLE C-1
CALIFORNIA-AMERICAN WATER CO.
MONTEREY WASTEWATER DISTRICT
AVERAGE NUMBER OF CUSTOMERS

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
Metered Connections						
Residential	2,523.0	2,523.0	-	2,523.0	2,567.0	2,523.0
Commercial	64.0	64.0	-	64.0	41.0	64.0
Public Authority	3.0	4.0	-	4.0	4.0	4.0
Industrial	3.0	3.0	-	3.0	3.0	3.0
Golf Course	1.0	1.0	-	1.0	1.0	1.0
Hotel	1.0	1.0	-	1.0	1.0	1.0
Total metered connections	2,595.0	2,596.0	-	2,596.0	2,617.0	2,596.0
Private Fire Service	-	-	-	-	-	-
Fire Hydrants	-	-	-	-	-	-
Total Active connections	2,595.0	2,596.0	-	2,596.0	2,617.0	2,596.0
Include Fire Protection	2,595.0	2,596.0	-	2,596.0	2,617.0	2,596.0
Exclude Fire Protection	2,595.0	2,596.0	-	2,596.0	2,617.0	2,596.0

TABLE B-2
CALIFORNIA-AMERICAN WATER CO.
MONTEREY WASTEWATER DISTRICT

WATER SALES PER AVERAGE CUSTOMER
ESCALATION YEAR 2016
CCF

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
Residential	-	-	-	-	-	-
Commercial	-	-	-	-	-	-
Industrial	-	-	-	-	-	-
Public Authority	-	-	-	-	-	-
Golf Course	-	-	-	-	-	-
Hotel	-	-	-	-	-	-
Private Fire Service	-	-	-	-	-	-
Fire Hydrant	-	-	-	-	-	-

TABLE C-2
CALIFORNIA-AMERICAN WATER CO.
MONTEREY WASTEWATER DISTRICT
AVERAGE NUMBER OF CUSTOMERS

ESCALATION YEAR 2016

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
Metered Connections						
Residential	2,508.0	2,509.0	-	2,509.0	2,571.0	2,509.0
Commercial	73.0	73.0	-	73.0	41.0	73.0
Public Authority	4.0	4.0	-	4.0	4.0	4.0
Industrial	3.0	3.0	-	3.0	3.0	3.0
Golf Course	1.0	1.0	-	1.0	1.0	1.0
Hotel	1.0	1.0		1.0	1.0	1.0
Total metered connections	2,590.0	2,591.0	-	2,591.0	2,620.0	2,591.0
Private Fire Service	-	-	-	-	-	-
Fire Hydrants	-	-	-	-	-	-
Total Active connections					-	-
Include Fire Protection	2,590.0	2,591.0	-	2,591.0	2,620.0	2,591.0
Exclude Fire Protection	2,590.0	2,591.0	-	2,591.0	2,620.0	2,591.0

TABLE D-1

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY WASTEWATER DISTRICT

TOTAL SALES AND SUPPLY

TEST YEAR 2015

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
METERED SALES KCCF						
Residential	-	-	-	-	-	-
Commercial	-	-	-	-	-	-
Public Authority	-	-	-	-	-	-
Industrial	-	-	-	-	-	-
Golf Course	-	-	-	-	-	-
Hotel	-	-	-	-	-	-
TOTAL METERED SALES	-	-	-	-	-	-
PRIVATE FIRE SERVICE	-	-	-	-		
Non Revenue Water	-	-	-	-	-	-
TOTAL WATER REQUIREMENTS-KCCF	-	-	-	-	-	-
TOTAL WATER REQUIREMENTS-AF	-	-	-	-	-	-
PRODUCTION -KCCF						
Purchased water-	-	-	-	-	-	-
Company Wells	-	-	-	-	-	-
Total WATER REQUIREMENTS-KCCF	-	-	-	-	-	-

TABLE D-2

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY WASTEWATER DISTRICT

TOTAL SALES AND SUPPLY

ESCALATION YEAR 2016

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
METERED SALES KCCF						
Residential	-	-	-	-	-	-
Commercial	-	-	-	-	-	-
Public Authority	-	-	-	-	-	-
Industrial	-	-	-	-	-	-
Golf Course	-	-	-	-	-	-
Hotel	-	-	-	-	-	-
TOTAL METERED SALES	-	-	-	-	-	-
PRIVATE FIRE SERVICE	-	-	-	-		
Non Revenue Water	-	-	-	-	-	-
TOTAL WATER REQUIREMENTS-KCCF	-	-	-	-	-	-
TOTAL WATER REQUIREMENTS-AF	-	-	-	-	-	-
PRODUCTION -KCCF						
Purchased water-	-	-	-	-	-	-
Company Wells	-	-	-	-	-	-
Total WATER REQUIREMENTS-KCCF	-	-	-	-	-	-

TABLE E-1

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY WASTEWATER DISTRICT

OPERATING REVENUES

TEST YEAR 2015

(AT PRESENT RATES)

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
METERED REVENUES						
Village Greens, White Oaks, Oak Hills	331.9	339.7	-	339.7	341.2	339.7
Spreckels	239.3	244.9	-	244.9	207.5	244.9
Laguna Seca, Carmel Valley Rnch, Las Palmas	2,630.5	2,691.6	-	2,691.6	2,677.8	2,691.6
Indian Springs	241.0	246.6	-	246.6	255.8	246.6
TOTAL GENERAL METERED	3,442.8	3,522.7	-	3,522.7	3,482.3	3,522.7
OTHER REVENUES						
Private Fire Service	-	-	-	-	-	-
Fire Hydrant	-	-	-	-	-	-
Misc Revenue: Def contrib, misc, low inc, etc	-	11.4	-	11.4	-	11.4
TOTAL OTHER AND FLAT RATE	-	11.4	-	11.4	-	11.4
TOTAL REVENUES	3,442.8	3,534.1	-	3,534.1	3,482.3	3,534.1

TABLE E-2

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY WASTEWATER DISTRICT

OPERATING REVENUES

TEST YEAR 2015

(AT PROPOSED RATES)

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
METERED REVENUES						
Village Greens, White Oaks, Oak Hills	316.3	320.7	-	320.7	349.2	320.7
Spreckels	228.1	231.7	-	231.7	212.3	231.7
Laguna Seca, Carmel Valley Rnch, Las Palmas	2,506.9	2,546.3	-	2,546.3	2,740.7	2,546.3
Indian Springs	229.7	233.3	-	233.3	261.8	233.3
TOTAL GENERAL METERED	3,281.0	3,332.1	-	3,332.1	3,564.1	3,332.1
OTHER REVENUES						
Private Fire Service	-	-	-	-	-	-
Fire Hydrant	-	-	-	-	-	-
Misc. Service	-	11.4	-	11.4	-	11.4
TOTAL OTHER AND FLAT RATE	-	11.4	-	11.4	-	11.4
TOTAL REVENUES	3,281.0	3,343.5	-	3,343.5	3,564.1	3,343.5

TABLE F-1

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY WASTEWATER DISTRICT

PAYROLL EXPENSE

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
SALARIES	853.2	939.8	-	939.8	951.5	939.8
OVERTIME	77.8	78.6	-	78.6	78.8	78.6
TOTAL SALARIES	931.0	1,018.4	-	1,018.4	1,030.3	1,018.4
CAPITALIZED PAYROLL	0.3	0.3	-	0.3	0.3	0.3
TOTAL NET PAYROLL	930.7	1,018.1	-	1,018.1	1,030.0	1,018.1
Escalation Rate	0.0	0.0	-	0.0	0.0	0.0

TABLE F-2

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY WASTEWATER DISTRICT

OPERATING EXPENSE

TEST YEAR 2015

ITEM	PUC Account No.	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
Source of Supply - Miscellaneous	703	21.6	21.6	-	21.6	22.0	21.6
Purchased Water	704		-	-	-		
Pumping Expense - Electric	724		-	-	-		
Pumping Expense - Miscellaneous	725		-	-	-		
Purchased Power	726	123.7	122.9	-	122.9	126.0	122.9
Water Treatment	742	2.1	2.1	-	2.1	2.2	2.1
Water Treatment - Miscellaneous	743	197.0	196.3	-	196.3	201.4	196.3
Chemicals	744	332.0	330.7	-	330.7	339.3	330.7
T & D - Supervision	752		-	-	-		
T & D - Lines	753		-	-	-		
T & D - Meters	754		-	-	-		
T & D - Customer Installation	755		-	-	-		
T & D - Miscellaneous	756	120.9	50.8	-	50.8	50.8	50.8
Customer Accounts - Meter Reading	772	-	-	-	-	-	-
Customer Accounts - Miscellaneous	774	10.1	10.1	-	10.1	10.3	10.1
Customer Accounts - Uncollectibles	775	13.3	16.8	-	16.8	13.3	16.8
Other Divisional & Capex Related O&M		2.4	2.4	-	2.4	2.4	2.4
TOTAL OPERATION EXPENSES		823.2	753.7	-	753.7	767.7	753.7
OTHER OPERATING EXPENSE		354.2	283.2	-	283.2	289.1	283.2
Revenues@ Present Rates		3,442.8	3,534.1	-	3,534.1	3,482.3	3,534.1
Uncollectible Rate		0.5031%	0.5031%	0.0000%	0.5031%	0.5031%	0.5031%
Uncollectibles		13.3	13.3	-	13.3	13.3	13.3
Revenues@ Proposed Rates		3,281.0	3,343.5	-	3,343.5	3,309.5	3,343.5
Uncollectible Rate		0.5031%	0.5031%	0.0000%	0.5031%	0.5031%	0.5031%
Uncollectibles		16.5	16.8	-	16.8	17.9	16.8
Purchased Water		-	-	-	-	-	-
Purchased Power		123.7	122.9	-	122.9	126.0	122.9
Chemicals		332.0	330.7	-	330.7	339.3	330.7
Uncollectibles		13.3	16.8	(0.0)	16.8	13.3	16.8
Other Operating Expense		354.2	283.2	0.0	283.2	286.7	283.2
Total		823.2	753.7	(0.0)	753.7	765.3	753.7

TABLE F-3

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY WASTEWATER DISTRICT

MAINTENANCE EXPENSE

TEST YEAR 2015

ITEM	PUC Account No.	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
Source of Supply - Wells	707		-	-	-		
Source of Supply - Other	713	2.7	2.7	-	2.7	2.8	2.7
Pumping - Supervision	729		-	-	-		
Pumping - Structures	730		-	-	-		
Pumping - Power Production	731		-	-	-		
Pumping - Other	733		-	-	-		
Water Treatment - Structures	747		-	-	-		
Water Treatment - Equipment	748	170.9	170.2	-	170.2	174.7	170.2
T & D Structures	759		-	-	-		
T & D Mains	761		-	-	-		
T & D - Fire Mains	762		-	-	-		
T & D Services	763		-	-	-		
T&D Meters	764		-	-	-		
T & D Hydrants	765		-	-	-		
T & D Miscellaneous Plant	766	11.6	11.5	-	11.5	11.7	11.5
TOTAL MAINTENANCE EXPENSES		185.2	184.5	-	184.5	189.3	184.5
Tank Painting			-	-	-	-	-
Other Maintenance		185.2	184.5	-	184.5	189.3	184.5
Total		185.2	184.5	-	184.5	189.3	184.5

TABLE G-1

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY WASTEWATER DISTRICT

A&G EXPENSE

TEST YEAR 2015

ITEM	PUC Account No.	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
Office Supplies & Other Expenses	792	1.9	1.9	-	1.9	1.9	1.9
Property Insurance	793	-	-	-	-		
Worker's Comp, Injuries & Damages	794	-	-	-	-		
Employee Pension & Benefits	795	62.8	69.7	-	69.7	69.9	69.7
Regulatory Expense	797	-	-	-	-		
Outside Services	798	51.5	62.3	-	62.3	86.7	62.3
Miscellaneous General Expense	799	60.4	61.9	-	61.9	64.8	61.9
General Plant	805	-	-	-	-		
Rents	811	30.2	30.2	-	30.2	30.2	30.2
TOTAL A&G EXPENSES		206.7	226.0	-	226.0	253.5	226.0
Service Company		171.6	151.7	-	151.7	194.9	151.7
California Corporate General Office		467.0	494.1	-	494.1	564.9	494.1
Citizens Acquisition Premium		-	-	-	-	-	-
TOTAL GENERAL OFFICE EXPENSES		638.6	645.8	-	645.8	759.8	645.8
T&D Meters		-	-	-	-	-	-
Total Pension & Benefits		62.8	69.7	-	69.7	69.9	69.7
Total Regulatory Expense		-	-	-	-	-	-
Total Outside Services		51.5	62.3	-	62.3	86.7	62.3
Total Rents		30.2	30.2	-	30.2	30.2	30.2
Total Misc General Expense		60.4	61.9	-	61.9	64.8	61.9
Total Other A & G		1.9	1.9	-	1.9	1.9	1.9
Total General Office		638.6	645.8	-	645.8	759.8	645.8
TOTAL ADMIN & GENERAL EXPENSES		**845.3**	**871.8**	**-**	**871.8**	**1,013.3**	**871.8**

TABLE H-1

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY WASTEWATER DISTRICT

TAXES OTHER THAN INCOME

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
Ad Valorem Taxes	8.6	11.5	-	11.5	9.9	11.5
Franchise Taxes	18.9	56.5	-	56.5	19.2	56.5
Net Payroll Taxes	70.3	76.7	-	76.7	77.0	76.7
Taxes other than Income	97.9	144.8	-	144.8	106.0	144.8
Present Rates						
Revenues	3,429.4	3,534.1	-	3,534.1	3,482.3	3,534.1
Franchise Tax Rate	0.5500%	1.6000%	0.0000%	1.6000%	0.5500%	1.6000%
Franchise Tax	18.9	56.5	-	56.5	-	56.5
Proposed Rates						
Revenues	3,264.4	3,343.5	-	3,343.5	3,564.1	3,343.5
Franchise Tax Rate	0.5500%	1.6000%	0.0000%	1.6000%	0.5500%	1.6000%
Franchise Tax	-	56.6	-	56.6	19.2	56.6
Ad Valorem Taxes Calculation:						
Yr End Plant	16,203.6	16,333.5	-	16,333.5	16,358.5	16,333.5
Yr End Advances	-	-	-	-	-	-
Yr End Contributions	6,097.3	6,097.3	-	6,097.3	6,097.3	6,097.3
Yr End Intangibles/Land	435.5	435.5	-	435.5	435.5	435.5
Yr End Deferred Taxes	402.6	477.7	-	477.7	390.1	477.7
Yr End Depreciation	8,416.2	8,207.1	-	8,207.1	8,539.6	8,207.1
Net Plant	852.1	1,115.9	-	1,115.9	1,721.5	1,115.9
Ad Valorem Rate	0.0	0.9867%		0.9867%	0.9867%	0.9867%
Ad Valorem Taxes	8.6	11.5	-	11.5	9.9	11.5

TABLE I-1

0
MONTEREY WASTEWATER DISTRICT

TAXES BASED ON INCOME

TEST YEAR 2015

(PRESENT RATES)

		STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
		ORIGINAL	REVISED		REVISED	UPDATED FILING	
		(Thousands of $)			(Thousands of $)		
Operating Revenues		3,442.8	3,534.1	-	3,534.1	3,482.3	3,534.1
Deductions:							
Operating Less Uncollectibles		2,771.1	2,811.1	-	2,811.1	2,987.0	2,811.1
Uncollectibles		13.3	13.3	-	13.3	13.3	13.3
Domestic Prod Activity Deduct		-	26.2	-	26.2	-	26.2
Book Depreciation		267.3	196.0	-	196.0	306.5	196.0
R/M Interest		42.3	49.5	-	49.5	43.9	49.5
Taxes-Other Than Income		78.9	144.8	-	144.8	86.9	144.8
Non-Deductible Meals		(2.7)	(2.6)	-	(2.6)	(2.7)	(2.6)
Previous Year CCFT		29.8	32.7		32.7	10.5	32.7
Total Operating Revenue Deductions:							
Federal		3,200.0	3,271.0	-	3,271.0	3,445.3	3,271.0
State		3,170.2	3,212.1	-	3,212.1	3,434.8	3,212.1
Taxable Net-State		272.5	322.0	-	322.0	47.5	322.0
S.C.F.T.	8.84%	24.1	28.5	-	28.5	4.2	28.5
Less:							
Deferred Taxes		-	-	-	-	-	-
Adjustment		-					
STATE INCOME TAXES		24.1	28.5	-	28.5	4.2	28.5
Taxable Net-Federal		242.7	263.1	-	263.1	37.0	263.1
F.I.T. @ 35%	35.00%	85.0	92.1	-	92.1	13.0	92.1
Less:							
Deferred Taxes		-	-	-	-	-	-
Adjustment		-					
FEDERAL INCOME TAX		85.0	92.1	-	92.1	13.0	92.1
TOTAL TAXES ON INCOME		109.1	120.6	-	120.6	17.2	120.6

TABLE I-2

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY WASTEWATER DISTRICT

TAXES BASED ON INCOME

TEST YEAR 2015

(PROPOSED RATES)

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
Operating Revenues	3,281.1	3,343.5	-	3,343.5	3,564.1	3,343.5
Deductions:						
Operating Less Uncollectibles	2,771.1	2,811.1	-	2,811.1	2,987.0	2,811.1
Uncollectibles	16.5	16.8	-	16.8	17.9	16.8
Domestic Prod Activity Deduct	10.6	10.2	-	10.2	10.6	10.2
Book Depreciation	267.3	196.0	-	196.0	306.5	196.0
R/M Interest	42.3	49.5	-	49.5	43.9	49.5
Taxes-Other Than Income	78.9	144.8	-	144.8	86.9	144.8
Non-Deductible Meals	(2.7)	(2.6)	-	(2.6)	(2.7)	(2.6)
Previous Year CCFT	29.8	32.7	-	32.7	10.5	32.7
Total Operating Revenue Deductions:						
Federal	3,213.8	3,258.6	-	3,258.6	3,460.5	3,258.6
State	3,206.0	3,215.7	-	3,215.7	3,439.4	3,215.7
Taxable Net-State	107.6	127.8	-	127.8	124.7	127.8
S.C.F.T.	9.5	11.3	-	11.3	11.0	11.3
Less:						
Deferred Taxes	-	-	-	-	-	-
Adjustment	-					
STATE INCOME TAXES	9.5	11.3	-	11.3	11.0	11.3
Taxable Net-Federal	67.2	84.8	-	84.8	103.6	84.8
F.I.T. @ 35%	23.5	29.7	-	29.7	36.3	29.7
Less:						
Deferred Taxes	-	-	-	-	-	-
Adjustment	-					
FEDERAL INCOME TAX	23.5	29.7	-	29.7	36.3	29.7
TOTAL TAXES ON INCOME	33.0	41.0	-	41.0	47.3	41.0

TABLE J-1

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY WASTEWATER DISTRICT

PLANT IN SERVICE

TEST YEAR 2015

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
ITEM						
Plant in Service - BOY	16,056.1	16,165.4	-	16,165.4	16,169.9	16,165.4
Additions						
Gross Additions	150.9	171.5	-	171.5	192.0	171.5
Retirements of Plant	3.4	(3.4)	-	(3.4)	(3.4)	(3.4)
Net Additions	147.5	168.1	-	168.1	188.6	168.1
CWIP - BOY	-	-	-	-	-	-
CWIP - EOY	-	-	-	-	-	-
Net Change - CWIP	-	-	-	-	-	-
Plant in Service - EOY	16,203.6	16,333.5	-	16,333.5	16,358.5	16,333.5
WEIGHTING FACTOR	0.4	0.4	-	0.4	0.4	0.4
WTD. AVG. PLANT IN SERVICE	16,109.7	16,226.4	-	16,226.4	16,238.3	16,226.4

TABLE J-2

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY WASTEWATER DISTRICT

PLANT IN SERVICE

ESCALATION YEAR 2016

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
ITEM						
Plant in Service - BOY	16,203.6	16,333.5	-	16,333.5	16,358.5	16,333.5
Additions						
Gross Additions	149.5	145.0	-	145.0	162.0	145.0
Retirements of Plant	3.4	(3.4)	-	(3.4)	(3.4)	(3.4)
Net Additions	146.1	141.6	-	141.6	158.6	141.6
CWIP - BOY	-	-	-	-	-	-
CWIP - EOY	-	-	-	-	30.0	-
Net Change - CWIP	-	-	-	-	30.0	-
Plant in Service - EOY	16,349.8	16,475.0	-	16,475.0	16,517.1	16,475.0
WEIGHTING FACTOR	0.4	0.4	-	0.4	0.4	0.4
WTD. AVG. PLANT IN SERVICE	16,257.3	16,384.9	-	16,384.9	16,426.9	16,384.9

TABLE K-1

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY WASTEWATER DISTRICT

DEPRECIATION RESERVE & EXPENSE

TEST YEAR 2015

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
DEPRECIATION RESERVE - B.O.Y.	8,060.9	7,923.1	-	7,923.1	8,145.2	7,923.1
CHANGES						
Annual Accrual	267.3	196.0	-	196.0	306.5	196.0
Contributions Depreciation	96.1	96.1	-	96.1	96.1	96.1
Retirements	(3.4)	(3.4)	-	(3.4)	(3.4)	(3.4)
Salvage / Cost of Removal	(4.7)	(4.7)	-	(4.7)	(4.7)	(4.7)
Adjustments	-	-	-	-	-	-
TOTAL CHANGES	355.3	284.0	-	284.0	394.4	284.0
DEPRECIATION RESERVE - E.O.Y.	8,416.2	8,207.1	-	8,207.1	8,539.6	8,207.1
WEIGHTING FACTOR	0.5	0.5	-	0.5	0.5	0.5
WTD. AVG. DEPRECIATION RESERVE	8,241.4	8,067.4	-	8,067.4	8,345.6	8,067.4

TABLE K-2

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY WASTEWATER DISTRICT

DEPRECIATION RESERVE & EXPENSE

ESCALATION YEAR 2016

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
DEPRECIATION RESERVE - B.O.Y.	8,416.2	8,207.1	-	8,207.1	8,539.6	8,207.1
CHANGES						
Annual Accrual	274.4	203.4	-	203.4	314.7	203.4
Contributions Depreciation	96.1	96.1	-	96.1	96.1	96.1
Retirements	(3.4)	(3.4)	-	(3.4)	(3.4)	(3.4)
Salvage / Cost of Removal	(4.6)	(4.6)	-	(4.6)	(4.7)	(4.6)
Adjustments	-	-	-	-	-	-
TOTAL CHANGES	362.5	291.5	-	291.5	402.7	291.5
DEPRECIATION RESERVE - E.O.Y.	8,778.7	8,498.6	-	8,498.6	8,942.3	8,498.6
WEIGHTING FACTOR	0.5	0.5	-	0.5	0.5	0.5
WTD. AVG. DEPRECIATION RESERVE	8,600.4	8,355.2	-	8,355.2	8,744.2	8,355.2

TABLE L-1

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY WASTEWATER DISTRICT

WEIGHTED AVERAGE DEPRECIATED RATE BASE

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATE FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
WTD AVG PLANT IN SERVICE	16,109.7	16,226.4	-	16,226.4	16,238.4	16,226.4
MATERIALS & SUPPLIES	43.9	43.6	-	43.6	44.9	43.6
WORKING CASH, OPERATIONAL	-	-	-	-	-	-
WORKING CASH, LEAD-LAG	4.0	3.0	-	3.0	21.0	3.0
WTD AVG DEPR RESERVE	(8,241.4)	(8,067.3)	-	(8,067.3)	(8,345.6)	(8,067.3)
ADVANCES FOR CONSTR	-	-	-	-	-	-
UNAMORTIZED ADVANCES-20YR	-		-			
CONTRIBUTIONS IN AID OF CONST	(6,145.4)	(6,145.4)	-	(6,145.4)	(6,145.4)	(6,145.4)
UNAMORTIZED CONTRIB- 20 YR	-		-			
ACCUM. DEF. FED INC TAX	(319.8)	(363.6)	-	(363.6)	(312.2)	(363.6)
ACCUM. DEF. STATE INC TAX	(93.9)	(107.1)	-	(107.1)	(91.9)	(107.1)
GENERAL OFFICE ALLOC.	-	-	-	-		
AVERAGE RATE BASE	1,357.1	1,589.6	-	1,589.6	1,409.2	1,589.6
INTEREST CALCULATION:						
AVG RATE BASE	1,357.1	1,589.6	-	1,589.6	1,409.2	1,589.6
X WEIGHTED COST OF DEBT	3.12%	3.12%	0.00%	3.12%	3.12%	3.12%
INTEREST EXPENSE	42.3	49.5	-	49.5	43.9	49.5

TABLE L-2

CALIFORNIA-AMERICAN WATER COMPANY
MONTEREY WASTEWATER DISTRICT

WEIGHTED AVERAGE DEPRECIATED RATE BASE

ESCALATION YEAR 2016

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATE FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
WTD AVG PLANT IN SERVICE	16,257.3	16,384.9	-	16,384.9	16,427.0	16,384.9
MATERIALS & SUPPLIES	44.9	44.6	-	44.6	45.9	44.6
WORKING CASH, OPERATIONAL	-	-	-	-	-	-
WORKING CASH, LEAD-LAG	4.0	2.0	-	2.0	23.0	2.0
WTD AVG DEPR RESERVE	(8,600.4)	(8,355.2)	-	(8,355.2)	(8,744.2)	(8,355.2)
ADVANCES FOR CONSTR	-	-	-	-	-	-
UNAMORTIZED ADVANCES-20YR	-		-			
CONTRIBUTIONS IN AID OF CONST	(6,049.3)	(6,049.3)	-	(6,049.3)	(6,049.3)	(6,049.3)
UNAMORTIZED CONTRIB- 20 YR	-		-			
ACCUM. DEF. FED INC TAX	(300.5)	(369.7)	-	(369.7)	(286.2)	(369.7)
ACCUM. DEF. STATE INC TAX	(90.8)	(111.9)	-	(111.9)	(86.9)	(111.9)
GENERAL OFFICE ALLOC.	-	-	-	-	-	-
AVERAGE RATE BASE	1,265.3	1,545.4	-	1,545.4	1,329.2	1,545.4
INTEREST CALCULATION:						
AVG RATE BASE	1,265.3	1,545.4	-	1,545.4	1,329.2	1,545.4
X WEIGHTED COST OF DEBT	3.12%	3.12%	0.00%	3.12%	3.12%	3.12%
INTEREST EXPENSE	39.4	48.2	-	48.2	41.4	48.2

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

Attachment F-8 For Settlement

San Diego Comparison Exhibits

TABLE B-1
CALIFORNIA-AMERICAN WATER CO.
SAN DIEGO DISTRICT

WATER SALES PER AVERAGE CUSTOMER
TEST YEAR 2015
CCF

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
Residential	129.5	120.8	-	120.8	120.3	120.8
Commercial	851.0	797.4	-	797.4	797.2	797.4
Public Authority	2,218.1	2,121.7	-	2,121.7	2,072.7	2,121.7
Industrial	-		-			
Irrigation	-	-	-	-	-	-
Construction	-		-			
Other	1,326.0	1,466.4	-	1,466.4	1,404.1	1,466.4
Unmetered						
Private Fire Service	-		-	-	-	-

TABLE B-2
CALIFORNIA-AMERICAN WATER CO.
SAN DIEGO DISTRICT

WATER SALES PER AVERAGE CUSTOMER
ESCALATION YEAR 2016
CCF

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
Residential	129.5	120.8	-	120.8	120.3	120.8
Commercial	851.0	797.4	-	797.4	797.2	797.4
Public Authority	2,218.1	2,121.7	-	2,121.7	2,072.7	2,121.7
Industrial	-		-		-	
Irrigation	-	-	-	-	-	-
Construction	-		-		-	
Other	1,326.3	1,466.4	-	1,466.4	1,404.1	1,466.4
Unmetered						
Private Fire Service	-	-	-	-	-	-

TABLE C-1
CALIFORNIA-AMERICAN WATER CO.
SAN DIEGO DISTRICT
AVERAGE NUMBER OF CUSTOMERS

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
Metered Connections						
Residential	18,227.0	18,220.0	-	18,220.0	18,218.0	18,220.0
Commercial	2,108.0	2,100.0	-	2,100.0	2,063.0	2,100.0
Public Authority	320.0	320.0	-	320.0	320.0	320.0
Industrial	-	-	-	-	-	-
Irrigation	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Other	8.0	9.0	-	9.0	11.0	9.0
Total metered connections	20,663.0	20,649.0	-	20,649.0	20,612.0	20,649.0
Unmetered			-			
Private Fire Service	455.0	451.0	-	451.0	440.0	451.0
Total Active connections						
Include Fire Protection	21,118.0	21,100.0	-	21,100.0	21,052.0	21,100.0
Exclude Fire Protection	20,663.0	20,649.0	-	20,649.0	20,612.0	20,649.0

TABLE C-2
CALIFORNIA-AMERICAN WATER CO.
SAN DIEGO DISTRICT
AVERAGE NUMBER OF CUSTOMERS

ESCALATION YEAR 2016

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
Metered Connections						
Residential	18,242.0	18,235.0	-	18,235.0	18,224.0	18,235.0
Commercial	2,125.0	2,117.0	-	2,117.0	2,064.0	2,117.0
Public Authority	320.0	320.0	-	320.0	320.0	320.0
Industrial	-		-		-	-
Irrigation	-		-		-	-
Construction	-				-	-
Other	7.0	8.0	-	8.0	11.0	8.0
Total metered connections	20,694.0	20,680.0	-	20,680.0	20,619.0	20,680.0
Unmetered						
Private Fire Service	465.0	461.0	-	461.0	444.0	461.0
Total Active connections						
Include Fire Protection	21,159.0	21,141.0	-	21,141.0	21,063.0	21,141.0
Exclude Fire Protection	20,694.0	20,680.0	-	20,680.0	20,619.0	20,680.0

TABLE D-1

CALIFORNIA-AMERICAN WATER COMPANY
SAN DIEGO DISTRICT

TOTAL SALES AND SUPPLY

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
METERED SALES KCCF						
Residential	2,358.8	2,201.0	-	2,201.0	2,191.4	2,201.0
Commercial	1,787.2	1,674.5	-	1,674.5	1,643.9	1,674.5
Public Authority	709.8	678.9	-	678.9	663.3	678.9
Industrial	-	-	-	-	-	-
Irrigation	-	-	-	-	-	-
Construction	-	-	-	-		
Other	11.9	13.2	-	13.2	15.4	13.2
TOTAL METERED SALES	4,867.7	4,567.7	-	4,567.7	4,514.1	4,567.7
UNMETERED SALES	-	-	-	-	-	-
PRIVATE FIRE SERVICE	-	-	-	-	-	-
Non Revenue Water	169.0	169.0	-	169.0	169.0	169.0
TOTAL WATER REQUIREMENTS-KCCF	5,036.7	4,736.6	-	4,736.6	4,683.0	4,736.6
TOTAL WATER REQUIREMENTS-AF	11,562.8	10,873.8	-	10,873.8	10,750.8	10,873.8
PRODUCTION -KCCF						
Purchased water-	5,036.7	4,736.6	-	4,736.6	4,683.0	4,736.6
Company Wells	0.0	-	-	-	-	-
Total WATER REQUIREMENTS-KCCF	5,036.7	4,736.6	-	4,736.6	4,683.0	4,736.6

TABLE D-2

CALIFORNIA-AMERICAN WATER COMPANY
SAN DIEGO DISTRICT

TOTAL SALES AND SUPPLY

ESCALATION YEAR 2016

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
METERED SALES KCCF						
Residential	2,360.7	2,202.8	-	2,202.8	2,192.3	2,202.8
Commercial	1,801.7	1,688.1	-	1,688.1	1,645.4	1,688.1
Public Authority	709.8	678.9	-	678.9	663.3	678.9
Industrial	-		-		-	-
Irrigation	-		-		-	-
	-		-		-	-
Other	10.6	11.7	-	11.7	15.4	11.7
TOTAL METERED SALES	4,882.8	4,581.6	-	4,581.6	4,516.5	4,581.6
UNMETERED SALES	-	-	-	-	-	-
PRIVATE FIRE SERVICE	-	-	-	-	-	-
Non Revenue Water	169.0	169.0	-	169.0	169.0	169.0
TOTAL WATER REQUIREMENTS-KCCF	5,051.8	4,750.5	-	4,750.5	4,685.5	4,750.5
TOTAL WATER REQUIREMENTS-AF	11,597.4	10,905.7	-	10,905.7	10,756.4	10,905.7
PRODUCTION -KCCF						
Purchased water-	5,051.8	4,750.5	-	4,750.5	4,686.1	4,750.5
Company Wells	0.0	-	-	-	-	-
Total WATER REQUIREMENTS-KCCF	5,051.8	4,750.5	-	4,750.5	4,686.1	4,750.5

TABLE E-1

CALIFORNIA-AMERICAN WATER COMPANY
SAN DIEGO DISTRICT

OPERATING REVENUES

TEST YEAR 2015

(AT PRESENT RATES)

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
METERED REVENUES						
Residential	11,399.1	13,232.6	-	13,232.6	10,814.3	13,232.6
Commercial	7,496.0	8,852.2	-	8,852.2	6,990.6	8,852.2
Public Authority	2,913.8	3,491.5	-	3,491.5	2,751.5	3,491.5
Industrial	-	-	-	-	-	-
Irrigation	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Other	59.0	70.4	-	70.4	71.2	70.4
TOTAL GENERAL METERED	21,867.8	25,646.7	-	25,646.7	20,627.5	25,646.7
UNMETERED						
OTHER REVENUES						
Private Fire Service	138.2	151.3	-	151.3	128.6	151.3
Misc	134.1	134.0	-	134.0	113.4	134.0
TOTAL OTHER AND FLAT RATE	272.3	285.2	-	285.2	242.0	285.2
TOTAL REVENUES	22,140.1	25,932.0	-	25,932.0	20,869.4	25,932.0

TABLE E-2

CALIFORNIA-AMERICAN WATER COMPANY
SAN DIEGO DISTRICT

OPERATING REVENUES

TEST YEAR 2015

(AT PROPOSED RATES)

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
METERED REVENUES						
Residential	11,425.3	13,941.8	-	13,941.8	11,878.4	13,941.8
Commercial	7,431.2	9,304.9	-	9,304.9	7,608.5	9,304.9
Public Authority	2,883.3	3,661.8	-	3,661.8	2,989.3	3,661.8
Industrial	-	-	-	-	-	-
Irrigation	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Other	59.2	74.1	-	74.1	77.9	74.1
TOTAL GENERAL METERED	21,798.9	26,982.7	-	26,982.7	22,554.1	26,982.7
UNMETERED						
OTHER REVENUES						
Private Fire Service	138.2	172.1	-	172.1	140.5	172.1
Misc. Service	134.5	134.0	-	134.0	113.4	134.0
TOTAL OTHER AND FLAT RATE	272.7	306.0	-	306.0	253.9	306.0
TOTAL REVENUES	22,071.6	27,288.7	-	27,288.7	22,808.0	27,288.7

TABLE F-1

CALIFORNIA-AMERICAN WATER COMPANY
SAN DIEGO DISTRICT

PAYROLL EXPENSE

TEST YEAR 2015

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
SALARIES	1,501.7	1,637.6	-	1,637.6	1,672.4	1,637.6
OVERTIME	95.1	102.7	-	102.7	103.7	102.7
TOTAL SALARIES	1,596.8	1,740.3	-	1,740.3	1,776.1	1,740.3
CAPITALIZED PAYROLL	326.2	355.5	-	355.5	362.8	355.5
TOTAL NET PAYROLL	1,270.6	1,384.8	-	1,384.8	1,413.3	1,384.8
Escalation Rate	1.5%	2.5%	0.0%	2.5%	3.1%	2.5%

TABLE F-2

CALIFORNIA-AMERICAN WATER COMPANY
SAN DIEGO DISTRICT

OPERATING EXPENSE

TEST YEAR 2015

ITEM	PUC Account No.	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
Source of Supply - Miscellaneous	**703**	-	-	-	-		-
Purchased Water	**704**	11,935.4	16,197.1	-	16,197.1	11,097.3	16,197.1
Pumping Expense - Electric	**724**	-	-	-	-	-	-
Pumping Expense - Miscellaneous	**725**	-	-	-	-	-	-
Purchased Power	**726**	-	-	-	-	-	-
Water Treatment	**742**	0.1	0.1		0.1	0.1	39.7
Water Treatment - Miscellaneous	**743**	39.8	39.7		39.7	40.0	-
Chemicals	**744**	-	-	-	-	-	-
T & D - Storage	**752**	-	0.3	-	0.3	-	0.3
T & D - Lines	**753**	0.3	0.8	-	0.8	0.3	0.8
T & D - Meters	**754**	0.8	0.7	-	0.7	0.8	0.7
T & D - Customer Installation	**755**	0.7	212.2	-	212.2	0.7	212.2
T & D - Miscellaneous	**756**	212.3	0.0	-	0.0	212.7	0.0
Customer Accounts - Meter Reading	**772**	-	0.8	-	0.8	0.8	0.8
Cust. Accts. - Records & Collect. & Misc.	**773**	7.0	7.0	-	7.0	7.0	7.0
Customer Accounts - Miscellaneous	**774**	20.0	19.9	-	19.9	20.1	19.9
Customer Accounts - Uncollectibles	**775**	129.7	159.9	-	159.9	152.8	159.9
Other Divisional & Capex Related O&M		4.2	4.2	-	4.2	4.2	4.2
TOTAL OPERATION EXPENSES		12,350.4	16,642.7	-	16,642.7	16,632.5	16,642.6
OTHER OPERATING EXPENSE		285.2	285.7	-	285.6	282.7	285.6
Revenues@ Present Rates		22,140.1	25,932.0	-	25,932.0	20,756.0	25,932.0
Uncollectible Rate		0.5858%	0.5860%	0.0000%	0.5860%	0.5860%	0.5860%
Uncollectibles		129.7	152.0	-	152.0	122.3	152.0
Revenues@ Proposed Rates		22,071.6	27,288.7	-	27,288.7	22,702.7	27,288.7
Uncollectible Rate		0.5858%	0.5860%	0.0000%	0.5860%	0.5860%	0.5860%
Uncollectibles		129.3	159.9	-	159.9	133.0	159.9
Purchased Water		11,935.4	16,197.1	-	16,197.1	11,097.3	16,197.1
Purchased Power		-	-	-	-	-	-
Chemicals		-	-	-	-	-	-
Uncollectibles		129.7	159.9	-	159.9	122.3	159.9
Other Operating Expense		285.2	285.7	(0.0)	285.7	286.9	285.6
Total		12,350.4	16,642.7	(0.0)	16,642.7	11,502.3	16,642.6

TABLE F-3

CALIFORNIA-AMERICAN WATER COMPANY
SAN DIEGO DISTRICT

MAINTENANCE EXPENSE

TEST YEAR 2015

ITEM	PUC Account No.	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
Source of Supply - Strctres & Imprvmts	707	-		-			
Source of Supply - Wells	711	-		-			
Source of Supply - Other	713	-	0.1	-	0.1	0.1	0.1
Pumping - Supervision	729	-	(0.0)	-	(0.0)	(0.0)	(0.0)
Pumping - Structures	730	-	-	-	-	-	
Pumping - Power Production	731	-	-	-	-	-	
Pumping - Other	733	2.5	2.5	-	2.5	2.5	2.5
Water Treatment - Structures	747	-	-	-	-	-	
Water Treatment - Equipment	748	-	-	-	-	-	-
T & D Structures	759	-		-			
T & D Reservoir & Tanks	760	1.0	1.0	-	1.0	1.0	1.0
T & D Mains	761	33.2	33.0	-	33.0	33.4	33.0
T & D Fire Mains	762	-	-	-	-	-	-
T & D Services	763	15.0	14.9	-	14.9	15.2	14.9
T & D Meters	764	10.5	10.5	-	10.5	10.7	10.5
T & D Hydrants	765	0.7	0.7	-	0.7	0.7	0.7
T & D Miscellaneous Plant	766	44.7	57.7	-	57.7	59.6	57.7
TOTAL MAINTENANCE EXPENSES		107.6	120.5	-	120.5	123.3	120.5
Tank Painting		26.6	39.7	-	39.7	41.5	39.7
Other Maintenance		81.0	80.7	-	80.7	81.8	80.7
Total		107.6	120.5	-	120.5	123.3	120.5

TABLE G-1

CALIFORNIA-AMERICAN WATER COMPANY
SAN DIEGO DISTRICT

A&G EXPENSE

TEST YEAR 2015

ITEM	PUC Account No.	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
Office Supplies & Other Expenses	792	8.6	9.1	-	9.1	9.2	9.1
Property Insurance	793	2.4	2.4	-	2.4	2.4	2.4
Worker's Comp, Injuries & Damages	794	1.8	4.6	-	4.6	4.6	4.6
Employee Pension & Benefits	795	61.6	69.0	-	69.0	69.9	69.0
Regulatory Expense	797	-	-	-	-	-	-
Outside Services	798	15.7	19.3	-	19.3	43.7	19.3
Miscellaneous General Expense	799	218.5	219.1	-	219.1	224.5	219.1
General Plant	805	1.8	1.8	-	1.8	1.8	1.8
Rents	811	184.9	202.1	-	202.1	202.6	202.1
TOTAL A&G EXPENSES		495.2	527.4	-	527.4	558.8	527.4
Service Company		1,380.5	1,407.3	-	1,407.3	1,567.7	1,407.3
California Corporate General Office		2,480.0	2,775.8	-	2,775.8	2,925.2	2,775.8
Citizens Acquistion Premium		414.9	416.6	-	416.6	414.9	416.6
TOTAL GENERAL OFFICE EXPENSES		4,275.4	4,599.6	-	4,599.6	4,907.8	4,599.6
Total Insurance		4.2	6.9	-	6.9	7.0	6.9
Total Pension & Benefits		61.6	69.0	-	69.0	69.9	69.0
Total Regulatory Expense		-	-	-	-	-	-
Total Outside Services		15.7	19.3	-	19.3	43.7	19.3
Total Rents		184.9	202.1	-	202.1	202.6	202.1
Total Misc General Expense		192.4	219.1	-	219.1	224.5	219.1
Total Other A & G		36.5	10.9	-	10.9	11.0	10.9
Total General Office		4,275.4	4,599.6		4,599.6	4,907.8	4,599.6
TOTAL ADMIN & GENERAL EXPENSES		**495.2**	**5,127.0**	**-**	**5,127.0**	**558.8**	**5,127.0**

TABLE H-1

CALIFORNIA-AMERICAN WATER COMPANY
SAN DIEGO DISTRICT

TAXES OTHER THAN INCOME

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
Ad Valorem Taxes	194.1	200.3	-	200.3	217.1	200.3
Franchise Taxes	-	-	-	-	-	-
Net Payroll Taxes	95.9	107.8	-	107.8	108.8	107.8
Taxes other than Income	290.0	308.1	-	308.1	325.9	308.1
Present Rates						
Revenues	22,010.4	25,772.1	-	25,772.1	20,756.0	25,798.0
Franchise Tax Rate	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Franchise Tax	-	-	-	-	-	-
Proposed Rates						
Revenues	21,942.3	27,128.8	-	27,128.8	22,702.7	27,153.7
Franchise Tax Rate	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Franchise Tax	-	-	-	-	-	-
Ad Valorem Taxes Calculation:						
Yr End Plant	38,811.3	39,833.4	-	39,833.4	40,723.5	39,833.4
Yr End Advances	298.2	219.2	-	219.2	219.2	219.2
Yr End Contributions	2,204.6	2,205.8	-	2,205.8	2,066.0	2,205.8
Yr End Intangibles/Land	428.5	428.3	-	428.3	428.3	428.3
Yr End Deferred Taxes	969.2	980.6	-	980.6	1,721.2	980.6
Yr End Depreciation	14,445.2	14,543.4	-	14,543.4	15,090.0	14,543.4
Net Plant	20,465.7	21,456.1	-	21,456.1	21,198.7	21,456.1
Ad Valorem Rate	0.1088%	1.0985%	0.00000	1.0985%	1.0985%	1.0985%
Ad Valorem Taxes	194.1	200.3	-	200.3	217.1	200.3

TABLE I-1

CALIFORNIA-AMERICAN WATER COMPANY
SAN DIEGO DISTRICT

TAXES BASED ON INCOME

TEST YEAR 2015

(PRESENT RATES)

		STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
		ORIGINAL	REVISED		REVISED	UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
Operating Revenues		22,140.1	25,932.0	-	25,932.0	20,869.4	25,932.0
Deductions:							
Operating Less Uncollectibles		18,343.3	23,115.0	(0.0)	23,115.0	18,387.3	23,115.0
Uncollectibles		129.7	152.0	-	152.0	122.3	152.0
Domestic Prod Activity Deduct		-	-	-	-	-	-
Book Depreciation		756.4	795.8	-	795.8	1,003.9	795.8
R/M Interest		661.1	737.8	-	737.8	744.2	737.8
Taxes-Other Than Income		290.0	308.1	-	308.1	325.9	308.1
Non-Deductible Meals		(7.6)	(7.6)	-	(7.6)	(7.6)	(7.6)
Previous Year CCFT		158.1	80.6	-	80.6	46.0	80.6
Total Operating Revenue Deductions:							
Federal		20,331.0	25,101.0	(0.0)	25,101.0	20,622.0	25,101.0
State		20,172.9	25,101.0	(0.0)	25,101.0	20,576.0	25,101.0
Taxable Net-State		1,967.2	830.9	0.0	831.0	293.4	831.0
S.C.F.T.	8.84%	173.9	73.5	0.0	73.5	25.9	73.5
Less:							
Deferred Taxes		-		-		-	-
STATE INCOME TAXES		173.9	73.5	0.0	73.5	25.9	73.5
Taxable Net-Federal		1,651.0	750.3	0.0	750.4	201.4	750.4
F.I.T. @ 35%	35.00%	633.2	262.6	0.0	262.6	86.6	262.6
Less:							
Deferred Taxes		(8.8)	8.8	-	8.8	8.8	8.8
Adjustment							
FEDERAL INCOME TAX		624.4	253.8	0.0	253.8	77.8	253.8
TOTAL TAXES ON INCOME		798.3	327.3	0.0	327.3	103.7	327.3

TABLE I-2

CALIFORNIA-AMERICAN WATER COMPANY
SAN DIEGO DISTRICT

TAXES BASED ON INCOME

TEST YEAR 2015

(PROPOSED RATES)

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
Operating Revenues	22,071.6	27,288.7	-	27,288.7	22,808.0	27,288.7
Deductions:						
Operating Less Uncollectibles	18,499.5	23,115.0	(0.0)	23,115.0	18,387.3	23,115.0
Uncollectibles	129.7	159.9	-	159.9	133.7	159.9
Domestic Prod Activity Deduct	-	-	-	-	-	-
Book Depreciation	782.1	795.8	-	795.8	1,003.9	795.8
R/M Interest	663.5	737.8	-	737.8	744.2	737.8
Taxes-Other Than Income	319.5	308.1	-	308.1	325.9	308.1
Non-Deductible Meals	(7.6)	(7.6)	-	(7.6)	(7.6)	(7.6)
Previous Year CCFT	158.1	80.6	-	80.6	46.0	80.6
Total Operating Revenue Deductions:						
Federal	20,544.9	25,109.0	(0.0)	25,108.9	20,633.4	25,108.9
State	20,386.8	25,109.0	(0.0)	25,108.9	20,576.0	25,108.9
Taxable Net-State	1,899.2	2,179.7	0.0	2,179.8	2,220.7	2,179.8
S.C.F.T.	167.9	192.7	0.0	192.7	196.3	192.7
Less:						
Deferred Taxes	-		-		-	-
Adjustment	-					
STATE INCOME TAXES	167.9	192.7	0.0	192.7	196.3	192.7
Taxable Net-Federal	1,368.6	2,099.1	0.0	2,099.2	2,128.7	2,099.2
F.I.T. @ 35%	609.4	734.7	0.0	734.7	761.1	734.7
Less:						
Deferred Taxes	(8.8)	8.8	-	8.8	8.8	8.8
Adjustment						
FEDERAL INCOME TAX	600.6	725.9	0.0	725.9	752.3	725.9
TOTAL TAXES ON INCOME	768.5	918.6	0.0	918.6	948.6	918.6

TABLE J-1

CALIFORNIA-AMERICAN WATER COMPANY
SAN DIEGO DISTRICT

PLANT IN SERVICE

TEST YEAR 2015

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
ITEM	(Thousands of $)			(Thousands of $)		
Plant in Service - BOY	37,748.4	38,307.4	-	38,307.4	38,583.4	38,307.4
Additions						
Gross Additions	1,104.9	1,351.2	-	1,351.2	2,182.1	1,351.2
Retirements of Plant	(42.0)	(7.0)	-	(7.0)	(42.0)	(7.0)
Net Additions	1,062.9	1,344.2	-	1,344.2	2,140.1	1,344.2
CWIP - BOY	-	-	-	-	-	-
CWIP - EOY	-	-	-	-	655.0	-
Net Change - CWIP	-	-	-	-	655.0	-
Plant in Service - EOY	38,811.3	39,651.6	-	39,651.6	40,723.5	39,651.6
WEIGHTING FACTOR	48.1%	48.1%	0.0%	48.1%	48.1%	48.1%
WTD. AVG. PLANT IN SERVICE	38,259.3	38,953.6	-	38,953.6	39,927.0	38,953.6

TABLE K-1

CALIFORNIA-AMERICAN WATER COMPANY
SAN DIEGO DISTRICT

DEPRECIATION RESERVE & EXPENSE

TEST YEAR 2015

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
DEPRECIATION RESERVE - B.O.Y.	13,660.2	13,667.4	-	13,667.4	14,060.8	13,667.4
CHANGES						
Annual Accrual	756.4	795.8	-	795.8	1,003.9	795.8
Contributions Depreciation	89.8	89.9	-	89.9	86.6	89.9
Retirements	(42.0)	(7.0)	-	(7.0)	(42.0)	(7.0)
Salvage / Cost of Removal	(20.0)	(5.0)	-	(5.0)	(20.0)	(5.0)
Adjustments	-	-	-	-	-	-
TOTAL CHANGES	784.2	873.7	-	873.7	1,028.5	873.7
DEPRECIATION RESERVE - E.O.Y.	14,444.4	14,541.1	-	14,541.1	15,089.3	14,541.1
WEIGHTING FACTOR	50.19%	50.19%	0.00%	50.19%	50.19%	50.19%
WTD. AVG. DEPRECIATION RESERVE	14,053.8	14,105.9	-	14,105.9	14,577.0	14,105.9

TABLE L-1

CALIFORNIA-AMERICAN WATER COMPANY
SAN DIEGO DISTRICT

WEIGHTED AVERAGE DEPRECIATED RATE BASE

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATE FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
WTD AVG PLANT IN SERVICE	38,259.3	38,953.6	-	38,953.6	39,927.0	38,953.6
MATERIALS & SUPPLIES	143.7	143.1	-	143.1	145.2	143.1
WORKING CASH, OPERATIONAL	104.6	533.2	-	533.2	1,052.5	533.2
WORKING CASH, LEAD-LAG	481.0	1,099.0	-	1,099.0	1,165.0	1,099.0
WTD AVG DEPR RESERVE	(14,053.8)	(14,107.5)	-	(14,107.5)	(14,577.0)	(14,107.5)
ADVANCES FOR CONSTR	(289.7)	(223.8)	-	(223.8)	(223.8)	(223.8)
UNAMORTIZED ADVANCES-20YR	-		-			
CONTRIBUTIONS IN AID OF CONST	(2,547.5)	(2,026.0)	-	(2,026.0)	(1,942.3)	(2,026.0)
UNAMORTIZED CONTRIB- 20 YR	-	-	-	-	-	-
ACCUM. DEF. FED INC TAX	(716.9)	(712.8)	-	(712.8)	(1,501.0)	(712.8)
ACCUM. DEF. STATE INC TAX	(166.3)	(164.7)	-	(164.7)	(161.6)	(164.7)
GENERAL OFFICE ALLOC.	-	-	-	-	-	-
AVERAGE RATE BASE	21,214.4	23,494.3	-	23,494.3	23,883.8	23,494.3
INTEREST CALCULATION:						
AVG RATE BASE	21,214.4	23,676.1	-	23,676.1	23,883.8	23,676.1
X WEIGHTED COST OF DEBT	3.12%	3.12%		3.12%	3.12%	3.12%
INTEREST EXPENSE	661.1	737.8	-	737.8	744.2	737.8

TABLE J-2

CALIFORNIA-AMERICAN WATER COMPANY
SAN DIEGO DISTRICT

PLANT IN SERVICE

ESCALATION YEAR 2016

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
ITEM	(Thousands of $)			(Thousands of $)		
Plant in Service - BOY	38,811.3	39,833.4	-	39,833.4	40,723.5	39,833.4
Additions						
Gross Additions	1,080.0	1,309.5	-	1,309.5	1,556.0	1,309.5
Retirements of Plant	7.0	(7.0)	-	(7.0)	(32.0)	(7.0)
Net Additions	1,073.0	1,302.5	-	1,302.5	1,524.0	1,302.5
CWIP - BOY	-	-	-	-	655.0	-
CWIP - EOY	-	-	-	-	2,569.0	-
Net Change - CWIP	-	-	-	-	1,914.0	-
Plant in Service - EOY	39,884.2	41,135.9	-	41,135.9	42,247.5	41,135.9
WEIGHTING FACTOR	48.1%	48.1%	0.0%	48.1%	48.1%	48.1%
WTD. AVG. PLANT IN SERVICE	39,327.0	40,459.5	-	40,459.5	43,031.1	40,459.5

TABLE K-2

CALIFORNIA-AMERICAN WATER COMPANY
SAN DIEGO DISTRICT

DEPRECIATION RESERVE & EXPENSE

ESCALATION YEAR 2016

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
DEPRECIATION RESERVE - B.O.Y.	14,444.4	14,542.7	-	14,542.7	15,089.3	14,542.7
CHANGES						
Annual Accrual	782.1	831.5	-	831.5	1,078.8	831.5
Contributions Depreciation	92.4	94.6	-	94.6	87.7	94.6
Retirements	(7.0)	(7.0)	-	(7.0)	(32.0)	(7.0)
Salvage / Cost of Removal	(5.0)	(5.0)	-	(5.0)	(15.0)	(5.0)
Adjustments	-	-	-	-	-	-
TOTAL CHANGES	862.5	914.0	-	914.0	1,119.5	914.0
DEPRECIATION RESERVE - E.O.Y.	15,307.0	15,456.7	-	15,456.7	16,208.8	15,456.7
WEIGHTING FACTOR	50.19%	50.19%	0.00%	50.19%	50.19%	50.19%
WTD. AVG. DEPRECIATION RESERVE	14,877.3	15,001.5	-	15,001.5	15,651.2	15,001.5

TABLE L-3

CALIFORNIA-AMERICAN WATER COMPANY
SAN DIEGO DISTRICT

WEIGHTED AVERAGE DEPRECIATED RATE BASE

ESCALATION YEAR 2016

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATE FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
WTD AVG PLANT IN SERVICE	39,327.1	40,459.5	-	40,459.5	43,031.1	40,459.5
MATERIALS & SUPPLIES	146.9	146.4	-	146.4	148.4	146.4
WORKING CASH, OPERATIONAL	106.3	467.9	-	467.9	983.5	467.9
WORKING CASH, LEAD-LAG	494.0	1,096.0	-	1,096.0	1,219.0	1,096.0
WTD AVG DEPR RESERVE	(14,877.3)	(15,001.5)	-	(15,001.5)	(15,651.2)	(15,001.5)
ADVANCES FOR CONSTR	(306.7)	(214.5)	-	(214.5)	(214.5)	(214.5)
UNAMORTIZED ADVANCES-20YR	-		-			
CONTRIBUTIONS IN AID OF CONST	(2,553.4)	(2,050.5)	-	(2,050.5)	(1,906.8)	(2,050.5)
UNAMORTIZED CONTRIB- 20 YR	-		-			
ACCUM. DEF. FED INC TAX	(833.7)	(858.2)	-	(858.2)	(1,564.7)	(858.2)
ACCUM. DEF. STATE INC TAX	(210.4)	(216.8)	-	(216.8)	(203.3)	(216.8)
GENERAL OFFICE ALLOC.	-	-	-	-	-	-
AVERAGE RATE BASE	21,292.8	23,828.4	-	23,828.4	25,841.5	23,828.4
INTEREST CALCULATION:						
AVG RATE BASE	21,292.8	23,828.4	-	23,828.4	25,841.6	23,828.4
X WEIGHTED COST OF DEBT	3.12%	3.12%	0.00%	3.12%	3.12%	3.12%
INTEREST EXPENSE	663.5	742.5	-	742.5	805.2	742.5

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

Attachment F-9 For Settlement

Ventura Comparison Exhibits

TABLE B-1
CALIFORNIA-AMERICAN WATER CO.
VENTURA DISTRICT

WATER SALES PER AVERAGE CUSTOMER
TEST YEAR 2015
CCF

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
Residential	248.9	232.8	-	232.8	228.5	232.8
Commercial	1,426.8	1,263.3	-	1,263.3	1,267.0	1,263.3
Public Authority	2,672.5	2,397.1	-	2,397.1	2,375.3	2,397.1
Industrial	3,812.8	4,009.9	-	4,009.9	3,944.7	4,009.9
Irrigation	-	-	-	-	-	-
Construction	521.8	470.2	-	470.2	429.2	470.2
Other	-	-	-	-	-	-
Unmetered			-		-	
Private Fire Service	369.5	-	-	-	331.7	-

TABLE B-2
CALIFORNIA-AMERICAN WATER CO.
VENTURA DISTRICT

WATER SALES PER AVERAGE CUSTOMER
ESCALATION YEAR 2016
CCF

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
Residential	248.9	232.8	-	232.8	228.5	232.8
Commercial	1,426.8	1,263.3	-	1,263.3	1,267.0	1,263.3
Public Authority	2,672.5	2,397.1	-	2,397.1	2,375.3	2,397.1
Industrial	3,812.8	4,009.9	-	4,009.9	3,944.7	4,009.9
Irrigation	-	-	-	-	-	-
Construction	521.8	470.2	-	470.2	429.2	470.2
Other	-	-	-	-	-	-
Unmetered						
Private Fire Service	373.1	-	-	-	331.7	-

TABLE C-1
CALIFORNIA-AMERICAN WATER CO.
VENTURA DISTRICT
AVERAGE NUMBER OF CUSTOMERS

TEST YEAR 2015

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
Metered Connections						
Residential	19,064.0	19,347.0	-	19,347.0	19,254.0	19,347.0
Commercial	1,197.0	1,078.0	-	1,078.0	1,052.0	1,078.0
Public Authority	204.0	194.0	-	194.0	194.0	194.0
Industrial	163.0	167.0	-	167.0	167.0	167.0
Irrigation	-	-	-	-	-	-
Construction	4.0	10.0		10.0	10.0	10.0
Other			-			
Total metered connections	20,632.0	20,796.0	-	20,796.0	20,677.0	20,796.0
Unmetered			-			
Private Fire Service	354.0	354.0	-	354.0	329.0	354.0
Total Active connections						
Include Fire Protection	20,986.0	21,150.0	-	21,150.0	21,006.0	21,150.0
Exclude Fire Protection	20,632.0	20,796.0	-	20,796.0	20,677.0	20,796.0

TABLE C-2
CALIFORNIA-AMERICAN WATER CO.
VENTURA DISTRICT
AVERAGE NUMBER OF CUSTOMERS

ESCALATION YEAR 2016

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
Metered Connections						
Residential	18,989.0	19,374.0	-	19,374.0	19,255.0	19,374.0
Commercial	1,256.0	1,091.0	-	1,091.0	1,053.0	1,091.0
Public Authority	208.0	194.0	-	194.0	194.0	194.0
Industrial	161.0	167.0	-	167.0	167.0	167.0
Irrigation	-	-	-	-	-	-
Construction	2.0	10.0		10.0	10.0	10.0
Other			-			
Total metered connections	20,616.0	20,836.0	-	20,836.0	20,679.0	20,836.0
Unmetered			-			
Private Fire Service	367.0	367.0	-	367.0	333.0	367.0
Total Active connections						
Include Fire Protection	20,983.0	21,203.0	-	21,203.0	21,012.0	21,203.0
Exclude Fire Protection	20,616.0	20,836.0	-	20,836.0	20,679.0	20,836.0

TABLE D-1

CALIFORNIA-AMERICAN WATER COMPANY
VENTURA DISTRICT

TOTAL SALES AND SUPPLY

TEST YEAR 2015

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
METERED SALES KCCF						
Residential	4,744.3	4,504.0	-	4,504.0	4,400.0	4,504.0
Commercial	1,707.9	1,361.8	-	1,361.8	1,332.9	1,361.8
Public Authority	545.2	465.0	-	465.0	460.8	465.0
Industrial	621.5	669.7	-	669.7	658.8	669.7
Irrigation	-	-	-	-	-	-
Construction	2.1	4.7	-	4.7	4.3	4.7
Other	-	-	-	-	-	-
TOTAL METERED SALES	7,622.8	7,005.2	-	7,005.2	6,856.8	7,005.2
UNMETERED SALES	-	-	-	-	-	-
PRIVATE FIRE SERVICE	130.8	-	-	-	-	-
Non Revenue Water	221.3	221.3	-	221.3	221.3	221.3
TOTAL WATER REQUIREMENTS-KCCF	7,974.8	7,226.5	-	7,226.5	7,078.0	7,226.5
TOTAL WATER REQUIREMENTS-AF	18,307.7	16,589.7	-	16,589.7	16,248.9	16,589.7
PRODUCTION -KCCF						
Purchased water-	7,844.1	7,226.5	-	7,226.5	7,078.0	7,226.5
Company Wells	130.7	-	-	-	-	-
Total WATER REQUIREMENTS-KCCF	7,974.8	7,226.5	-	7,226.5	7,078.0	7,226.5

TABLE D-2

CALIFORNIA-AMERICAN WATER COMPANY
VENTURA DISTRICT

TOTAL SALES AND SUPPLY

ESCALATION YEAR 2016

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
METERED SALES KCCF						
Residential	4,725.7	4,510.3	-	4,510.3	4,400.2	4,510.3
Commercial	1,792.1	1,378.3	-	1,378.3	1,334.2	1,378.3
Public Authority	555.9	465.0	-	465.0	460.8	465.0
Industrial	613.9	669.7	-	669.7	658.8	669.7
Irrigation	-	-	-	-	-	-
Construction	3.9	4.7	-	4.7	4.3	4.7
Other	-	-	-	-	-	-
TOTAL METERED SALES	7,691.4	7,027.9	-	7,027.9	6,858.3	7,027.9
UNMETERED SALES	-	-	-	-	-	-
PRIVATE FIRE SERVICE	136.9	-	-	-	-	-
Non Revenue Water	221.3	221.3	-	221.3	221.3	221.3
TOTAL WATER REQUIREMENTS-KCC	8,049.6	7,249.2	-	7,249.2	7,079.5	7,249.2
TOTAL WATER REQUIREMENTS-AF	18,479.2	16,641.9	-	16,641.9	16,252.4	16,641.9
PRODUCTION -KCCF						
Purchased water-	7,912.6	7,249.2	-	7,249.2	7,079.5	7,249.2
Company Wells	137.0	-	-	-	-	-
Total WATER REQUIREMENTS-KCCF	8,049.6	7,249.2	-	7,249.2	7,079.5	7,249.2

TABLE E-1

CALIFORNIA-AMERICAN WATER COMPANY
VENTURA DISTRICT

OPERATING REVENUES

TEST YEAR 2015

(AT PRESENT RATES)

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
METERED REVENUES						
Residential	22,225.2	22,455.9	-	22,455.9	20,978.1	22,455.9
Commercial	7,677.5	6,670.1	-	6,670.1	6,250.9	6,670.1
Public Authority	2,407.6	2,213.6	-	2,213.6	2,083.2	2,213.6
Industrial	2,673.0	3,024.0	-	3,024.0	2,812.0	3,024.0
Irrigation	-	-	-	-	-	-
Construction	132.2	139.1	-	139.1	134.0	139.1
Other	-	-	-	-	-	-
TOTAL GENERAL METERED	35,115.6	34,502.8	-	34,502.8	32,258.2	34,502.8
UNMETERED			-			
OTHER REVENUES						
Private Fire Service	266.7	269.0	-	269.0	246.2	269.0
Misc	68.0	70.7	-	70.7	22.7	70.7
TOTAL OTHER AND FLAT RATE	334.7	339.7	-	339.7	268.9	339.7
TOTAL REVENUES	35,450.3	34,842.5	-	34,842.5	32,527.1	34,842.5

TABLE E-2

CALIFORNIA-AMERICAN WATER COMPANY
VENTURA DISTRICT

OPERATING REVENUES

TEST YEAR 2015

(AT PROPOSED RATES)

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
METERED REVENUES						
Residential	22,659.7	23,508.0	-	23,508.0	23,153.8	23,508.0
Commercial	7,753.6	6,994.7	-	6,994.7	6,847.4	6,994.7
Public Authority	2,442.3	2,306.4	-	2,306.4	2,293.2	2,306.4
Industrial	2,702.2	3,133.0	-	3,133.0	3,077.2	3,133.0
Irrigation	-	-	-	-	-	-
Construction	134.4	142.0	-	142.0	147.5	142.0
Other	-	-	-	-	-	-
TOTAL GENERAL METERED	35,692.1	36,084.1	-	36,084.1	35,519.2	36,084.1
UNMETERED						
OTHER REVENUES						
Private Fire Service	271.1	278.6	-	278.6	271.1	278.6
Misc. Service	68.1	70.7	-	70.7	22.7	70.7
TOTAL OTHER AND FLAT RATE	339.2	349.3	-	349.3	293.7	349.3
TOTAL REVENUES	36,031.3	36,433.4	-	36,433.4	35,812.9	36,433.4

TABLE F-1

CALIFORNIA-AMERICAN WATER COMPANY
VENTURA DISTRICT

PAYROLL EXPENSE

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
SALARIES	1,186.1	1,265.0	-	1,265.0	1,288.0	1,265.0
OVERTIME	55.0	55.2	-	55.2	55.2	55.2
TOTAL SALARIES	1,241.1	1,320.2	-	1,320.2	1,343.2	1,320.2
CAPITALIZED PAYROLL	117.2	124.6	-	124.6	126.8	124.6
TOTAL NET PAYROLL	1,123.9	1,195.6	-	1,195.6	1,216.4	1,195.6
Escalation Rate	1.5%	2.5%	0.0%	2.5%	2.2%	2.5%

TABLE F-2

CALIFORNIA-AMERICAN WATER COMPANY
VENTURA DISTRICT

OPERATING EXPENSE

TEST YEAR 2015

ITEM	PUC Account No.	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
Source of Supply - Miscellaneous	703	18.8	18.7	-	18.7	19.0	18.7
Purchased Water	704	21,413.8	20,880.4	-	20,880.4	19,446.0	20,880.4
Pumping Expense - Electric	724	-	-	-	-	-	-
Pumping Expense - Miscellaneous	725	4.7	4.7	-	4.7	4.7	4.7
Purchased Power	726	275.8	254.0	-	254.0	248.8	254.0
Water Treatment	742	-	70.9	-	70.9	-	70.9
Water Treatment - Miscellaneous	743	-	-	-	-	-	-
Chemicals	744	-	-	-	-	-	-
T & D - Storage	752	-	-	-	-	-	-
T & D - Lines	753	-	-	-	-	-	-
T & D - Meters	754	3.8	3.8	-	3.8	3.8	3.8
T & D - Customer Installation	755	-	-	-	-	-	-
T & D - Miscellaneous	756	249.0	249.1	-	249.1	250.0	249.1
Customer Accounts - Meter Reading	772	-	-	-	-	-	-
Cust. Accts. - Records & Collect. & Misc.	773	4.4	4.4	-	4.4	4.5	4.4
Customer Accounts - Miscellaneous	774	5.0	5.0	-	5.0	5.1	5.0
Customer Accounts - Uncollectibles	775	212.8	209.2	-	209.2	195.3	218.7
Other Divisional & Capex Related O&M		4.2	4.1	-	4.1	4.2	4.1
TOTAL OPERATION EXPENSES		22,192.3	21,704.3	-	21,704.3	20,177.2	21,713.9
OTHER OPERATING EXPENSE		289.9	360.7	-	360.7	291.3	360.7
Revenues@ Present Rates		35,450.3	34,842.5	-	34,842.5	32,504.4	34,842.5
Uncollectible Rate		0.6004%	0.6004%	0.0000%	0.6004%	0.6004%	0.6004%
Uncollectibles		212.8	209.2	-	209.2	195.2	209.2
Revenues@ Proposed Rates		36,031.3	36,433.4	-	36,433.4	35,907.0	36,433.4
Uncollectible Rate		0.6004%	0.6004%	0.0000%	0.6004%	0.6004%	0.6004%
Uncollectibles		216.3	218.7	-	218.7	215.6	218.7
Purchased Water		21,413.8	20,880.4	-	20,880.4	19,446.0	20,880.4
Purchased Power		275.8	254.0	-	254.0	248.8	254.0
Chemicals		-	-	-	-	-	-
Uncollectibles		212.8	209.2	-	209.2	195.3	218.7
Other Operating Expense		289.9	360.7	-	360.7	287.1	360.7
Total		22,192.3	21,704.3	-	21,704.3	20,177.2	21,713.9

TABLE F-3

CALIFORNIA-AMERICAN WATER COMPANY
VENTURA DISTRICT

MAINTENANCE EXPENSE

TEST YEAR 2015

ITEM	PUC Account No.	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
Source of Supply - Lakes, Rivers	709	-	-	-	-	-	-
Source of Supply - Springs	710	-	-	-	-	-	-
Source of Supply - Other	713	15.8	15.7	-	15.7	15.9	15.7
Pumping - Supervision	729	-	-	-	-	-	-
Pumping - Structures	730	-	-	-	-	-	-
Pumping - Power Production	731	-	-	-	-	-	-
Pumping - Other	733	2.0	2.0	-	2.0	2.0	2.0
Water Treatment - Equipment	748	-	3.6	-	3.6	3.6	3.6
T & D Supervision & Engineering	758	(0.1)	(0.1)	-	(0.1)	(0.1)	(0.1)
T & D Structures	759	(0.1)	(0.1)	-	(0.1)	(0.1)	(0.1)
T & D Reservoires & Tanks	760	(0.0)	3.5	-	3.5	3.5	3.5
T & D Mains	761	16.2	16.1	-	16.1	16.3	16.1
T & D Services	763	11.4	11.3	-	11.3	11.5	11.3
T & D Meters	764	-	-	-	-	-	-
T & D Hydrants	765	10.8	10.7	-	10.7	10.8	10.7
T & D Miscellaneous Plant	766	297.8	375.3	-	375.3	431.5	375.3
TOTAL MAINTENANCE EXPENSES		353.7	438.1	-	438.1	495.0	438.1
Tank Painting		205.5	283.3	-	283.3	338.2	283.3
Other Maintenance		148.3	154.7	-	154.7	156.8	154.7
Total		353.7	438.1	-	438.1	495.0	438.1

TABLE G-1

CALIFORNIA-AMERICAN WATER COMPANY
VENTURA DISTRICT

A&G EXPENSE

TEST YEAR 2015

ITEM	PUC Account No.	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
Office Supplies & Other Expenses	792	18.4	18.8	-	18.8	19.0	18.8
Property Insurance	793	5.7	5.7	-	5.7	5.7	5.7
Worker's Comp, Injuries & Damages	794	1.6	1.6	-	1.6	1.6	1.6
Employee Pension & Benefits	795	53.4	56.1	-	56.1	60.0	56.1
Regulatory Expense	797	-	-	-	-	-	-
Outside Services	798	40.3	60.9	-	60.9	74.8	60.9
Miscellaneous General Expense	799	299.2	308.8	-	308.8	343.7	308.8
General Plant	805	0.3	0.3	-	0.3	0.3	0.3
Rents	811	335.4	334.1	-	334.1	337.9	334.1
TOTAL A&G EXPENSES		746.6	786.3	-	786.3	843.1	786.3
Service Company		1,378.0	1,411.5	-	1,411.5	1,564.9	1,411.5
California Corporate General Office		2,398.1	2,715.4	-	2,715.4	2,838.5	2,715.4
Citizens Acquistion Premium		414.1	417.8	-	417.8	414.1	417.8
TOTAL GENERAL OFFICE EXPENSES		4,190.2	4,544.7	-	4,544.7	4,817.5	4,544.7
Total Insurance		7.3	7.3	-	7.3	7.4	7.3
Total Pension & Benefits		53.4	56.1	-	56.1	60.0	56.1
Total Regulatory Expense		-	-	-	-	-	-
Total Outside Services		40.3	60.9	-	60.9	74.8	60.9
Total Rents		335.4	334.1	-	334.1	337.9	334.1
Total Misc General Expense		299.2	308.8	-	308.8	343.7	308.8
Total Other A & G		10.9	19.1	-	19.1	19.4	19.1
Total General Office		4,190.2	4,544.7	-	4,544.7	4,817.5	4,544.7
TOTAL ADMIN & GENERAL EXPENSES		**746.6**	**5,331.0**	**-**	**5,331.0**	**843.1**	**5,331.0**

TABLE H-1

CALIFORNIA-AMERICAN WATER COMPANY
VENTURA DISTRICT

TAXES OTHER THAN INCOME

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
Ad Valorem Taxes	381.7	384.5	-	384.5	392.9	384.5
Franchise Taxes	-	-	-	-	-	-
Net Payroll Taxes	90.2	94.1	-	94.1	94.3	94.1
Taxes other than Income	471.8	478.6	-	478.6	487.2	478.6
Present Rates						
Revenues	35,237.4	34,842.5	-	34,842.5	32,309.1	34,842.5
Franchise Tax Rate	-	-	-	-	-	-
Franchise Tax	-	-	-	-	-	-
Proposed Rates						
Revenues	35,814.9	36,433.4	-	36,433.4	32,504.4	36,433.4
Franchise Tax Rate	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Franchise Tax	-	-	-	-	-	-
Ad Valorem Taxes Calculation:						
Yr End Plant	104,362.3	105,437.4	-	105,437.4	106,586.9	105,437.4
Yr End Advances	7,341.6	5,834.0	-	5,834.0	5,777.0	5,834.0
Yr End Contributions	11,575.1	11,453.4	-	11,453.4	11,249.9	11,453.4
Yr End Intangibles/Land	1,713.2	1,708.5	-	1,708.5	1,708.5	1,708.5
Yr End Deferred Taxes	3,224.3	3,147.1	-	3,147.1	3,404.8	3,147.1
Yr End Depreciation	36,684.9	36,860.3	-	36,860.3	36,915.0	36,860.3
Net Plant	43,823.2	49,851.1	-	49,851.1	50,948.7	49,851.1
Ad Valorem Rate	1.2129%	1.1877%	0.00000	1.1877%	1.1877%	1.1877%
Ad Valorem Taxes	381.7	384.5	-	384.5	392.9	384.5

TABLE I-1

CALIFORNIA-AMERICAN WATER COMPANY
VENTURA DISTRICT

TAXES BASED ON INCOME

TEST YEAR 2015

(PRESENT RATES)

		STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
		ORIGINAL	REVISED		REVISED	UPDATED FILING	
		(Thousands of $)			(Thousands of $)		
Operating Revenues		35,450.3	34,842.5	-	34,842.5	32,527.1	34,842.5
Deductions:							
Operating Less Uncollectibles		28,393.9	28,459.8	-	28,459.8	27,358.0	28,459.8
Uncollectibles		212.8	209.2	-	209.2	195.3	209.2
Domestic Prod Activity Deduct		-	-	-	-	-	-
Book Depreciation		1,645.7	1,712.1	-	1,712.1	1,914.9	1,712.1
R/M Interest		1,358.7	1,425.2	-	1,425.2	1,476.0	1,423.0
Taxes-Other Than Income		471.8	478.6	-	478.6	487.4	478.6
Non-Deductible Meals		(10.0)	(10.1)		(10.1)	(10.0)	(10.1)
Previous Year CCFT		241.3	239.0	-	239.0	141.4	239.0
Total Operating Revenue Deductions:							
Federal		32,314.2	32,274.8	-	32,274.8	31,562.9	32,272.6
State		32,314.2	32,274.8	-	32,274.8	31,562.9	32,272.6
Taxable Net-State		3,136.1	2,567.7	-	2,567.7	1,105.6	2,569.9
S.C.F.T.	8.84%	298.6	227.0	-	227.0	97.7	227.2
Less:							
Deferred Taxes		-	-	-	-	-	-
STATE INCOME TAXES		298.6	227.0	-	227.0	97.7	227.2
Taxable Net-Federal		3,136.1	2,328.7	-	2,328.7	964.2	2,330.9
F.I.T. @ 35%	35.00%	1,097.6	815.0	-	815.0	337.5	815.8
Less:							
Deferred Taxes Adjustment		(12.7)	(12.7)	-	(12.7)	(12.7)	(12.7)
FEDERAL INCOME TAX		1,084.9	802.3	-	802.3	324.8	803.1
TOTAL TAXES ON INCOME		1,383.5	1,029.3	-	1,029.3	422.5	1,030.2

TABLE I-2

CALIFORNIA-AMERICAN WATER COMPANY
VENTURA DISTRICT

TAXES BASED ON INCOME

TEST YEAR 2015

(PROPOSED RATES)

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
Operating Revenues	36,031.2	36,433.4	-	36,433.4	35,812.9	36,433.4
Deductions:						
Operating Less Uncollec	28,393.9	28,459.8	-	28,459.8	27,358.0	28,459.8
Uncollectibles	216.3	218.7	-	218.7	215.0	218.7
Domestic Prod Activity D	-	-	-	-	-	-
Book Depreciation	1,645.7	1,712.1	-	1,712.1	1,914.9	1,712.1
R/M Interest	1,358.7	1,425.2	-	1,425.2	1,476.0	1,423.0
Taxes-Other Than Incon	471.8	478.6	-	478.6	487.4	478.6
Non-Deductible Meals	(10.0)	(10.1)		(10.1)	(10.0)	(10.1)
Previous Year CCFT	241.3	239.0	-	239.0	141.4	239.0
Total Operating Revenue Deductions:						
Federal	32,317.7	32,284.3	-	32,284.3	31,582.7	32,282.2
State	32,317.7	32,284.3	-	32,284.3	31,582.7	32,282.2
Taxable Net-State	3,713.5	4,149.1	-	4,149.1	4,371.7	4,151.2
S.C.F.T.	349.6	366.8	-	366.8	386.5	367.0
Less:						
Deferred Taxes	(12.7)	-	-	-	-	-
STATE INCOME TAXES	349.6	366.8	-	366.8	386.5	367.0
Taxable Net-Federal	3,713.5	3,910.1	-	3,910.1	4,230.3	3,912.2
F.I.T. @ 35%	1,299.7	1,368.5	-	1,368.5	1,480.6	1,369.3
Less:						
Deferred Taxes	(12.7)	(12.7)	-	(12.7)	(12.7)	(12.7)
Adjustment						
FEDERAL INCOME TAX	1,287.0	1,355.8	-	1,355.8	1,467.9	1,356.5
TOTAL TAXES ON INCOME	1,636.6	1,722.6	-	1,722.6	1,854.4	1,723.5

TABLE J-1

CALIFORNIA-AMERICAN WATER COMPANY
VENTURA DISTRICT

PLANT IN SERVICE

TEST YEAR 2015

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
ITEM						
Plant in Service - BOY	91,813.2	92,720.6	-	92,720.6	93,352.7	92,720.6
Additions						
Gross Additions	12,659.1	12,897.1	-	12,897.1	13,344.2	12,897.1
Retirements of Plant	(110.0)	(110.0)	-	(110.0)	(110.0)	(110.0)
Net Additions	12,549.1	12,787.1	-	12,787.1	13,234.2	12,787.1
CWIP - BOY	2,290.1	2,290.1	-	2,290.1	2,290.1	2,290.1
CWIP - EOY	-	-	-	-	-	-
Net Change - CWIP	(2,290.1)	(2,290.1)	-	(2,290.1)	(2,290.1)	(2,290.1)
Plant in Service - EOY	104,362.3	105,507.7	-	105,507.7	106,586.9	105,507.7
WEIGHTING FACTOR	50.5%	50.5%	0.0%	50.5%	50.5%	50.5%
WTD. AVG. PLANT IN SERVICE	99,284.1	100,311.7	-	100,311.7	101,169.5	100,311.7

TABLE J-2

CALIFORNIA-AMERICAN WATER COMPANY
VENTURA DISTRICT

PLANT IN SERVICE

ESCALATION YEAR 2016

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
ITEM						
Plant in Service - BOY	104,362.3	105,437.4	-	105,437.4	106,586.9	105,437.4
Additions						
Gross Additions	3,625.4	3,979.8	-	3,979.8	4,311.1	3,979.8
Retirements of Plant	(30.0)	(25.0)	-	(25.0)	(30.0)	(25.0)
Net Additions	3,595.4	3,954.8	-	3,954.8	4,281.1	3,954.8
CWIP - BOY	-	-	-	-	-	-
CWIP - EOY	-	281.0	-	281.0	281.0	281.0
Net Change - CWIP	-	281.0	-	281.0	281.0	281.0
Plant in Service - EOY	107,957.7	109,392.2	-	109,392.2	110,868.0	109,392.2
WEIGHTING FACTOR	50.5%	50.5%	0.0%	50.5%	50.5%	50.5%
WTD. AVG. PLANT IN SERVICE	106,178.0	107,576.5	-	107,576.5	108,890.7	107,576.5

TABLE K-1

CALIFORNIA-AMERICAN WATER COMPANY
VENTURA DISTRICT

DEPRECIATION RESERVE & EXPENSE

TEST YEAR 2015

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
DEPRECIATION RESERVE - B.O.Y.	34,690.1	34,800.5	-	34,800.5	35,151.8	34,800.5
CHANGES						
Annual Accrual	1,645.7	1,712.1	-	1,712.1	1,914.9	1,712.1
Contributions Depreciation	474.2	473.2	-	473.2	468.2	473.2
Retirements	(110.0)	(110.0)	-	(110.0)	(110.0)	(110.0)
Salvage / Cost of Removal	(15.0)	(15.0)	-	(15.0)	(15.0)	(15.0)
Adjustments	-	-	-	-	-	-
TOTAL CHANGES	1,994.8	2,060.3	-	2,060.3	2,258.1	2,060.3
DEPRECIATION RESERVE - E.O.Y.	36,684.9	36,860.8	-	36,860.8	37,409.9	36,860.8
WEIGHTING FACTOR	51.99%	51.99%	0.00%	51.99%	51.99%	51.99%
WTD. AVG. DEPRECIATION RESERVE	35,727.2	35,871.7	-	35,871.7	36,325.8	35,871.7

TABLE K-2

CALIFORNIA-AMERICAN WATER COMPANY
VENTURA DISTRICT

DEPRECIATION RESERVE & EXPENSE

ESCALATION YEAR 2016

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
DEPRECIATION RESERVE - B.O.Y.	36,684.9	36,860.3	-	36,860.3	37,409.9	36,860.3
CHANGES						
Annual Accrual	1,799.4	1,876.0	-	1,876.0	2,106.0	1,876.0
Contributions Depreciation	480.6	479.5	-	479.5	468.6	479.5
Retirements	(30.0)	(25.0)	-	(25.0)	(30.0)	(25.0)
Salvage / Cost of Removal	(10.0)	(10.0)	-	(10.0)	(10.0)	(10.0)
Adjustments	-	-	-	-	-	-
TOTAL CHANGES	2,240.0	2,320.5	-	2,320.5	2,534.5	2,320.5
DEPRECIATION RESERVE - E.O.Y.	38,925.0	39,180.8	-	39,180.8	39,944.4	39,180.8
WEIGHTING FACTOR	51.99%	51.99%	0.00%	51.99%	51.99%	51.99%
WTD. AVG. DEPRECIATION RESERVE	37,849.5	38,066.8	-	38,066.8	38,727.6	38,066.8

TABLE L-1

CALIFORNIA-AMERICAN WATER COMPANY
VENTURA DISTRICT

WEIGHTED AVERAGE DEPRECIATED RATE BASE

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATE FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
WTD AVG PLANT IN SERVICE	99,284.1	100,311.7	-	100,311.7	101,169.5	100,311.7
MATERIALS & SUPPLIES	63.5	63.3	-	63.3	64.1	63.3
WORKING CASH, OPERATIONAL	1,703.6	1,359.9	-	1,359.9	1,536.6	1,359.9
WORKING CASH, LEAD-LAG	119.0	384.0	-	384.0	1,234.0	384.0
WTD AVG DEPR RESERVE	(35,727.2)	(35,871.7)	-	(35,871.7)	(36,325.8)	(35,871.7)
ADVANCES FOR CONSTR	(7,122.0)	(5,922.1)	-	(5,922.1)	(5,864.3)	(5,922.1)
UNAMORTIZED ADVANCES-20YR	-		-			
CONTRIBUTIONS IN AID OF CONST	(11,667.2)	(11,612.4)	-	(11,612.4)	(11,475.6)	(11,612.4)
UNAMORTIZED CONTRIB- 20 YR	-		-			
ACCUM. DEF. FED INC TAX	(2,383.4)	(2,333.8)	-	(2,333.8)	(2,336.0)	(2,333.8)
ACCUM. DEF. STATE INC TAX	(668.7)	(642.7)	-	(642.7)	(637.1)	(642.7)
GENERAL OFFICE ALLOC.	-	-	-	-	-	-
AVERAGE RATE BASE	43,601.7	45,736.1	-	45,736.1	47,365.5	45,736.0
INTEREST CALCULATION:						
AVG RATE BASE	43,601.7	45,736.1	-	45,736.1	47,365.6	45,666.3
X WEIGHTED COST OF DEBT	3.12%	3.12%	0.00%	3.12%	3.12%	3.12%
INTEREST EXPENSE	1,358.7	1,425.2	-	1,425.2	1,476.0	1,423.0

TABLE L-2

CALIFORNIA-AMERICAN WATER COMPANY
VENTURA DISTRICT

WEIGHTED AVERAGE DEPRECIATED RATE BASE

ESCALATION YEAR 2016

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATE FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
WTD AVG PLANT IN SERVICE	106,178.0	107,576.5	-	107,576.5	108,890.7	107,576.5
MATERIALS & SUPPLIES	64.9	64.7	-	64.7	65.5	64.7
WORKING CASH, OPERATIONAL	1,739.2	2,052.9	-	2,052.9	2,281.1	2,052.9
WORKING CASH, LEAD-LAG	115.0	380.0	-	380.0	1,308.0	380.0
WTD AVG DEPR RESERVE	(37,849.5)	(38,066.8)	-	(38,066.8)	(38,727.6)	(38,066.8)
ADVANCES FOR CONSTR	(7,561.1)	(5,746.0)	-	(5,746.0)	(5,689.8)	(5,746.0)
UNAMORTIZED ADVANCES-20YR			-			
CONTRIBUTIONS IN AID OF CONST	(11,461.4)	(11,253.9)	-	(11,253.9)	(11,032.0)	(11,253.9)
UNAMORTIZED CONTRIB- 20 YR			-			
ACCUM. DEF. FED INC TAX	(2,618.6)	(2,574.2)	-	(2,574.2)	(2,548.5)	(2,574.2)
ACCUM. DEF. STATE INC TAX	(785.6)	(759.9)	-	(759.9)	(747.2)	(759.9)
GENERAL OFFICE ALLOC.	-	-	-	-	-	-
AVERAGE RATE BASE	47,820.9	51,673.2	-	51,673.2	53,800.2	51,673.2
INTEREST CALCULATION:						
AVG RATE BASE	47,820.9	51,673.2	-	51,673.2	53,800.3	51,673.2
X WEIGHTED COST OF DEBT	3.12%	3.12%	0.00%	3.12%	3.12%	3.12%
INTEREST EXPENSE	1,490.1	1,610.2	-	1,610.2	1,676.5	1,610.2

CALIFORNIA AMERICAN WATER

2013 GENERAL RATE CASE

D. XX-XX-XXX

Attachment F-10 For Settlement

Los Angeles Comparison Exhibits

TABLE B-2
CALIFORNIA-AMERICAN WATER CO.
LOS ANGELES DISTRICT

WATER SALES PER AVERAGE CUSTOMER
TEST YEAR 2015
CCF

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
Residential	248.1	236.5	-	236.5	232.5	236.5
Commercial	739.9	701.1	-	701.1	701.4	701.1
Public Authority	1,306.8	1,259.6	-	1,259.6	1,223.0	1,259.6
Industrial	3,030.8	2,588.5	-	2,588.5	2,726.8	2,588.5
Gravity Irrigation	924.8	1,012.9	-	1,012.9	961.0	1,012.9
Pressure Irrigation	2,456.4	2,585.2	-	2,585.2	2,452.7	2,585.2
Other	289.4	702.3	-	702.3	609.7	702.3
Unmetered	-	-	-	-		
Private Fire Service	-	-	-	-	-	-

TABLE B-3
CALIFORNIA-AMERICAN WATER CO.
LOS ANGELES DISTRICT

WATER SALES PER AVERAGE CUSTOMER
ESCALATION YEAR 2016
CCF

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
Residential	248.1	236.5	-	236.5	232.5	236.5
Commercial	740.2	701.4	-	701.4	701.7	701.4
Public Authority	1,309.5	1,259.6	-	1,259.6	1,223.0	1,259.6
Industrial	3,030.8	2,588.5	-	2,588.5	2,726.8	2,588.5
Gravity Irrigation	924.8	1,012.9	-	1,012.9	961.0	1,012.9
Pressure Irrigation	2,456.4	2,585.2	-	2,585.2	2,452.7	2,585.2
Other	395.9	702.3	-	702.3	609.7	702.3
Unmetered	-	-	-	-	-	
Private Fire Service	-	-	-	-	-	-

TABLE C-2
CALIFORNIA-AMERICAN WATER CO.
LOS ANGELES DISTRICT
AVERAGE NUMBER OF CUSTOMERS

TEST YEAR 2015

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
Metered Connections						
Residential	24,489.0	24,474.0	-	24,474.0	24,474.0	24,474.0
Commercial	2,565.0	2,565.0	-	2,565.0	2,565.0	2,565.0
Public Authority	284.0	289.0	-	289.0	289.0	289.0
Industrial	64.0	64.0	-	64.0	64.0	64.0
Gravity Irrigation	2.0	2.0	-	2.0	2.0	2.0
Pressure Irrigation	53.0	55.0	-	55.0	55.0	55.0
Other	(2.0)	12.0	-	12.0	12.0	12.0
Total metered connections	27,455.0	27,461.0	-	27,461.0	27,457.0	27,461.0
Unmetered						
Private Fire Service	366.0	368.0	-	368.0	368.0	368.0
Total Active connections						
Include Fire Protection	27,821.0	27,829.0	-	27,829.0	27,825.0	27,829.0
Exclude Fire Protection	27,455.0	27,461.0	-	27,461.0	27,457.0	27,461.0

TABLE C-3
CALIFORNIA-AMERICAN WATER CO.
LOS ANGELES DISTRICT
AVERAGE NUMBER OF CUSTOMERS

ESCALATION YEAR 2016

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
Metered Connections						
Residential	24,515.0	24,494.0	-	24,494.0	24,494.0	24,494.0
Commercial	2,555.0	2,555.0	-	2,555.0	2,555.0	2,555.0
Public Authority	282.0	289.0	-	289.0	289.0	289.0
Industrial	64.0	64.0	-	64.0	64.0	64.0
Gravity Irrigation	2.0	2.0		2.0	2.0	2.0
Pressure Irrigation	52.0	55.0	-	55.0	55.0	55.0
Other	(7.0)	12.0	-	12.0	12.0	12.0
Total metered connections	27,463.0	27,471.0	-	27,471.0	27,459.0	27,471.0
Unmetered						
Private Fire Service	368.0	371.0	-	371.0	371.0	371.0
Total Active connections						
Include Fire Protection	27,831.0	27,842.0	-	27,842.0	27,830.0	27,842.0
Exclude Fire Protection	27,463.0	27,471.0	-	27,471.0	27,459.0	27,471.0

TABLE D-2

CALIFORNIA-AMERICAN WATER COMPANY
LOS ANGELES DISTRICT

TOTAL SALES AND SUPPLY

TEST YEAR 2015

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
METERED SALES KCCF						
Residential	6,075.3	5,787.3	-	5,787.3	5,691.0	5,787.3
Commercial	1,897.8	1,798.3	-	1,798.3	1,799.0	1,798.3
Public Authority	371.1	364.0	-	364.0	353.4	364.0
Industrial	194.0	165.7	-	165.7	174.5	165.7
Gravity Irrigation	1.9	2.0	-	2.0	1.9	2.0
Pressure Irrigation	130.2	142.2	-	142.2	134.9	142.2
Other	(0.6)	5.6	-	5.6	4.9	5.6
TOTAL METERED SALES	8,669.7	8,265.2	-	8,265.2	8,159.7	8,265.2
UNMETERED SALES	-	-	-	-		
PRIVATE FIRE SERVICE	-	-	-	-	-	-
Non Revenue Water	752.2	752.2	-	752.2	752.2	752.2
TOTAL WATER REQUIREMENTS-KCCF	9,421.8	9,017.4	-	9,017.4	8,911.9	9,017.4
TOTAL WATER REQUIREMENTS-AF	21,629.6	20,701.0	-	20,701.0	20,458.8	20,701.0
PRODUCTION -KCCF						
Purchased water-	3,438.0	1,397.1	-	1,397.1	3,196.8	1,397.1
Company Wells	5,983.8	7,620.2	-	7,620.2	5,715.0	7,620.2
Total WATER REQUIREMENTS-KCCF	9,421.8	9,017.4	-	9,017.4	8,911.9	9,017.4

TABLE D-3

CALIFORNIA-AMERICAN WATER COMPANY
LOS ANGELES DISTRICT

TOTAL SALES AND SUPPLY

ESCALATION YEAR 2016

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
METERED SALES KCCF						
Residential	6,082.0	5,792.4	-	5,792.4	5,696.0	5,792.4
Commercial	1,891.2	1,792.1	-	1,792.1	1,792.8	1,792.1
Public Authority	369.3	364.0	-	364.0	353.4	364.0
Industrial	194.0	165.7	-	165.7	174.5	165.7
Gravity Irrigation	1.9	2.0	-	2.0	1.9	2.0
Pressure Irrigation	127.7	142.2	-	142.2	134.9	142.2
Other	(2.8)	5.6	-	5.6	4.9	5.6
TOTAL METERED SALES	8,663.3	8,264.0	-	8,264.0	8,158.4	8,264.0
UNMETERED SALES	-	-	-	-		
PRIVATE FIRE SERVICE	-	-	-	-	-	-
Non Revenue Water	752.2	752.2	-	752.2	752.2	752.2
TOTAL WATER REQUIREMENTS-KCCF	9,415.5	9,016.2	-	9,016.2	8,910.6	9,016.2
TOTAL WATER REQUIREMENTS-AF	21,614.9	20,698.3	-	20,698.3	20,455.9	20,698.3
PRODUCTION -KCCF						
Purchased water-	3,439.0	1,396.0	-	1,396.0	3,194.3	1,396.0
Company Wells	5,976.5	7,620.2	-	7,620.2	5,716.3	7,620.2
Total WATER REQUIREMENTS-KCCF	9,415.5	9,016.2	-	9,016.2	8,910.6	9,016.2

TABLE E-3

CALIFORNIA-AMERICAN WATER COMPANY
LOS ANGELES DISTRICT

OPERATING REVENUES

TEST YEAR 2015

(AT PRESENT RATES)

ITEM	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
METERED REVENUES						
Residential	21,408.2	21,378.7	-	21,378.7	20,590.0	21,378.7
Commercial	6,052.1	6,005.0	-	6,005.0	5,842.9	6,005.0
Public Authority	1,260.2	1,257.1	-	1,257.1	1,224.5	1,257.1
Industrial	521.9	506.8	-	506.8	477.5	506.8
Gravity Irrigation	7.2	3.3	-	3.3	7.4	3.3
Pressure Irrigation	371.2	244.5	-	244.5	381.0	244.5
Other	18.6	30.0	-	30.0	29.9	30.0
TOTAL GENERAL METERED	29,639.5	29,425.5	-	29,425.5	28,553.2	29,425.5
UNMETERED						
OTHER REVENUES						
Private Fire Service	46.3	299.1	-	299.1	45.7	299.1
Misc	119.7	86.0	-	86.0	47.1	86.0
TOTAL OTHER AND FLAT RATE	166.0	385.0	-	385.0	92.8	385.0
TOTAL REVENUES	29,805.5	29,810.5	-	29,810.5	28,646.1	29,810.5

TABLE E-4

CALIFORNIA-AMERICAN WATER COMPANY
LOS ANGELES DISTRICT

OPERATING REVENUES

TEST YEAR 2015

(AT PROPOSED RATES)

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
METERED REVENUES						
Residential	20,443.7	20,917.3	-	20,917.3	22,335.1	20,917.3
Commercial	6,016.9	5,818.9	-	5,818.9	6,507.5	5,818.9
Public Authority	1,254.1	1,218.9	-	1,218.9	1,371.0	1,218.9
Industrial	421.0	501.6	-	501.6	436.5	501.6
Gravity Irrigation	7.9	7.2	-	7.2	9.0	7.2
Pressure Irrigation	412.6	368.8	-	368.8	464.1	368.8
Other	19.6	42.7	-	42.7	35.9	42.7
TOTAL GENERAL METERED	28,575.8	28,875.3	-	28,875.3	31,159.0	28,875.3
UNMETERED						
OTHER REVENUES						
Private Fire Service	45.6	298.6	-	298.6	49.7	298.6
Misc. Service	119.7	86.0	-	86.0	47.1	86.0
TOTAL OTHER AND FLAT RATE	165.3	384.5	-	384.5	96.8	384.5
TOTAL REVENUES	28,741.1	29,259.8	-	29,259.8	31,255.8	29,259.8

TABLE F-4

CALIFORNIA-AMERICAN WATER COMPANY
LOS ANGELES DISTRICT

PAYROLL EXPENSE

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
SALARIES	1,941.3	2,075.8	-	2,075.8	2,116.4	2,075.8
OVERTIME	82.7	83.3	-	83.3	83.7	83.3
TOTAL SALARIES	2,024.0	2,159.1	-	2,159.1	2,200.0	2,159.1
CAPITALIZED PAYROLL	307.6	328.1	-	328.1	334.3	328.1
TOTAL NET PAYROLL	1,716.4	1,831.0	-	1,831.0	1,865.7	1,831.0
Escalation Rate	1.5%	2.5%	0.0%	2.5%	3.1%	2.5%

TABLE F-5

CALIFORNIA-AMERICAN WATER COMPANY
LOS ANGELES DISTRICT

OPERATING EXPENSE

TEST YEAR 2015

ITEM	PUC Account No.	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
Source of Supply - Miscellaneous	703	20.1	20.0	-	20.0	20.1	20.0
Purchased Water	704	5,080.1	4,637.6	-	4,637.6	4,610.9	4,637.6
Pumping Expense - Electric	724	-		-		-	
Pumping Expense - Miscellaneous	725	7.9	7.9	-	7.9	7.9	7.9
Purchased Power	726	1,958.1	1,795.8	-	1,795.8	1,851.6	1,795.8
Water Treatment	742	0.2	0.2	-	0.2	0.2	0.2
Water Treatment - Miscellaneous	743	137.0	136.4	-	136.4	137.4	136.4
Chemicals	744	118.3	117.9	-	117.9	118.8	117.9
T & D - Storage	752	-	0.6	-	0.6	0.6	0.6
T & D - Lines	753	-	0.1	-	0.1	0.1	0.1
T & D - Meters	754	-	(0.0)	-	(0.0)	(0.0)	(0.0)
T & D - Customer Installation	755	-	(0.0)	-	(0.0)	(0.0)	(0.0)
T & D - Miscellaneous	756	317.1	316.9	-	316.9	317.6	316.9
Customer Accounts - Meter Reading	772	1.2	1.2	-	1.2	1.5	1.2
Customer Accounts - Miscellaneous	774	23.3	23.3	-	23.3	23.5	23.3
Customer Accounts - Uncollectibles	775	232.6	232.7	-	232.7	223.6	228.4
Other Divisional & Capex Related O&M		5.6	5.6	-	5.6	5.6	5.6
TOTAL OPERATION EXPENSES		7,901.5	7,296.1	-	7,296.1	7,313.7	7,291.8
OTHER OPERATING EXPENSE		512.4	512.2	-	512.2	508.8	512.2
Revenues@ Present Rates		29,805.5	29,810.5	-	29,810.5	28,646.1	29,810.5
Uncollectible Rate		0.7805%	0.7805%	0.0000%	0.7805%	0.7805%	0.7805%
Uncollectibles		232.6	232.7	-	232.7	223.6	232.7
Revenues@ Proposed Rates		28,741.1	29,259.8	-	29,259.8	22,808.0	29,259.8
Uncollectible Rate		0.7805%	0.7805%	0.0000%	0.7805%	0.7805%	0.7805%
Uncollectibles		224.3	228.4	-	228.4	178.0	228.4
Purchased Water		5,080.1	4,637.6	-	4,637.6	4,610.9	4,637.6
Purchased Power		1,958.1	1,795.8	-	1,795.8	1,851.6	1,795.8
Chemicals		118.3	117.9	-	117.9	118.8	117.9
Uncollectibles		232.6	232.7	-	232.7	223.6	228.4
Other Operating Expense		512.4	512.2	-	512.2	508.8	512.2
Total		7,901.5	7,296.1	-	7,296.1	7,313.7	7,291.8

TABLE F-6

CALIFORNIA-AMERICAN WATER COMPANY
LOS ANGELES DISTRICT

MAINTENANCE EXPENSE

TEST YEAR 2015

ITEM	PUC Account No.	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
Source of Supply - Strctres & Imprvmts	707	12.3	12.2	-	12.2	12.3	12.2
Source of Supply - Reservoirs	708	-	-	-	-	-	-
Source of Supply - Wells	711	7.1	7.1	-	7.1	7.2	7.1
Source of Supply - Other	713	162.1	161.1	-	161.1	162.3	161.1
Pumping - Supervision	729	-	(0.0)	-	(0.0)	(0.0)	(0.0)
Pumping - Structures	730	48.3	48.1	-	48.1	48.5	48.1
Pumping - Power Production	731	35.0	34.9	-	34.9	35.1	34.9
Pumping - Other	733	47.0	46.8	-	46.8	47.2	46.8
Water Treatment - Structures	747	-	-	-	-	-	-
Water Treatment - Equipment	748	21.3	21.2	-	21.2	21.4	21.2
T & D Structures	759	17.3	17.3	-	17.3	17.3	17.3
T & D Reservoir & Tanks	760	7.9	7.8	-	7.8	7.9	7.8
T & D Mains	761	269.1	268.1	-	268.1	270.2	268.1
T & D Fire Mains	762	-		-		-	
T & D Services	763	54.8	54.6	-	54.6	55.0	54.6
T & D Meters	764	13.8	13.8	-	13.8	13.9	13.8
T & D Hydrants	765	5.2	5.2	-	5.2	5.3	5.2
T & D Miscellaneous Plant	766	165.7	226.4	-	226.4	258.3	226.4
TOTAL MAINTENANCE EXPENSES		866.7	924.5	-	924.5	961.7	924.5
Tank Painting		70.7	131.9	-	131.9	162.9	131.9
Other Maintenance		796.0	792.6	-	792.6	798.8	792.6
Total		866.7	924.5	-	924.5	961.7	924.5

TABLE G-2

CALIFORNIA-AMERICAN WATER COMPANY
LOS ANGELES DISTRICT

A&G EXPENSE

TEST YEAR 2015

ITEM	PUC Account No.	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
		(Thousands of $)			(Thousands of $)		
Office Supplies & Other Expenses	792	0.4	0.4	-	0.4	0.4	0.4
Property Insurance	793	1.0	1.0	-	1.0	1.0	1.0
Worker's Comp, Injuries & Damages	794	(0.5)	(0.5)	-	(0.5)	(0.5)	(0.5)
Employee Pension & Benefits	795	66.0	75.8	-	75.8	82.6	75.8
Regulatory Expense	797	-	-	-	-	-	-
Outside Services	798	37.0	52.7	-	52.7	152.7	52.7
Miscellaneous General Expense	799	527.3	211.8	-	211.8	548.7	211.8
General Plant	805	8.2	8.1	-	8.1	8.2	8.1
Rents	811	57.3	57.1	-	57.1	57.4	57.1
TOTAL A&G EXPENSES		696.6	406.5	-	406.5	850.6	406.5
Service Company		1,825.4	1,854.6	-	1,854.6	2,072.9	1,854.6
California Corporate General Office		3,410.2	3,755.5	-	3,755.5	3,985.5	3,755.5
Citizens Acquistion Premium		548.6	549.0	-	549.0	548.6	549.0
TOTAL GENERAL OFFICE EXPENSES		5,784.2	6,159.1	-	6,159.1	6,607.0	6,159.1
Total Insurance		0.5	0.5	-	0.5	0.5	0.5
Total Pension & Benefits		66.0	75.8	-	75.8	82.6	75.8
Total Regulatory Expense		-	-	-	-	-	-
Total Outside Services		37.0	52.7	-	52.7	152.7	52.7
Total Rents		57.3	57.1	-	57.1	57.4	57.1
Total Misc General Expense		527.3	211.8	-	211.8	548.7	211.8
Total Other A & G		8.6	8.6	-	8.6	8.6	8.6
Total General Office		57.3	6,159.1	-	6,159.1	57.4	6,159.1
TOTAL ADMIN & GENERAL EXPENSES		**696.6**	**6,565.6**	**-**	**6,565.6**	**850.6**	**6,565.6**

TABLE H-2

CALIFORNIA-AMERICAN WATER COMPANY
LOS ANGELES DISTRICT

TAXES OTHER THAN INCOME

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
Ad Valorem Taxes	701.3	753.1	-	753.1	825.2	753.1
Franchise Taxes	-	-	-	-	-	-
Net Payroll Taxes	150.9	156.2	-	156.2	156.9	156.2
Taxes other than Income	852.3	909.4	-	909.4	934.0	909.4
Present Rates						
Revenues	29,572.8	29,810.5	-	29,810.5	28,422.5	29,810.5
Franchise Tax Rate	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Franchise Tax	-	-	-	-	-	-
Proposed Rates						
Revenues	28,516.8	29,259.8	-	29,259.8	28,598.9	29,253.8
Franchise Tax Rate	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Franchise Tax	-	-	-	-	-	-
Ad Valorem Taxes Calculation:						
Yr End Plant	128,695.6	133,696.8	-	133,696.8	136,336.2	133,696.8
Yr End Advances	611.5	542.1	-	542.1	534.1	542.1
Yr End Contributions	3,023.0	2,837.9	-	2,837.9	2,752.4	2,837.9
Yr End Intangibles/Land	1,757.6	2,448.0	-	2,448.0	3,145.5	2,448.0
Yr End Deferred Taxes	7,231.1	7,181.1	-	7,181.1	7,749.7	7,181.1
Yr End Depreciation	47,296.6	47,629.9	-	47,629.9	48,381.7	47,629.9
Net Plant	68,775.8	194,335.9	-	194,335.9	73,772.8	73,057.7
Ad Valorem Rate	1.2224%	1.2426%	0.00000	1.2426%	1.2426%	1.2426%
Ad Valorem Taxes	701.3	2,414.8	-	2,414.8	825.2	753.1

TABLE I-3

CALIFORNIA-AMERICAN WATER COMPANY
LOS ANGELES DISTRICT

TAXES BASED ON INCOME

TEST YEAR 2015

(PRESENT RATES)

		STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
		ORIGINAL	REVISED		REVISED	UPDATED FILING	
		(Thousands of $)			(Thousands of $)		
Operating Revenues		29,805.5	29,810.5	-	29,810.5	28,646.1	29,810.5
Deductions:							
Operating Less Uncollectibles		16,732.9	16,384.5	-	16,384.5	17,380.8	16,384.5
Uncollectibles		232.6	232.7	-	232.7	223.6	232.7
Domestic Prod Activity Deduct		432.5	429.9	-	429.9	272.0	429.9
Book Depreciation		2,713.3	2,887.3	-	2,887.3	3,128.2	2,887.3
R/M Interest		2,202.7	2,364.2	-	2,364.2	2,467.3	2,364.2
Taxes-Other Than Income		852.3	909.4	-	909.4	982.2	909.4
Non-Deductible Meals		(10.5)	(10.3)		(10.3)	(10.5)	(10.3)
Previous Year CCFT		640.0	640.7	-	640.7	459.6	640.7
Total Operating Revenue Deductions:							
Federal		23,795.8	23,197.6	-	23,197.6	24,443.5	23,197.6
State		22,723.3	22,767.7	-	22,767.7	24,171.5	22,767.7
Taxable Net-State		7,082.2	7,042.8	-	7,042.8	4,474.5	7,042.8
S.C.F.T.	8.84%	626.1	622.6	-	622.6	395.5	622.6
Less:							
Deferred Taxes		-	-	-	-	-	-
STATE INCOME TAXES		626.1	622.6	-	622.6	395.5	622.6
Taxable Net-Federal		6,009.7	5,972.2	-	5,972.2	3,742.9	5,972.2
F.I.T. @ 35%	35.00%	2,103.4	2,090.3	-	2,090.3	1,310.0	2,090.3
Less:							
Deferred Taxes		(15.6)	(15.6)	-	(15.6)	(15.6)	(15.6)
FEDERAL INCOME TAX		2,119.0	2,074.7	-	2,074.7	1,294.4	2,074.7
TOTAL TAXES ON INCOME		2,745.1	2,697.2	-	2,697.2	1,689.9	2,697.2

TABLE I-4

CALIFORNIA-AMERICAN WATER COMPANY
LOS ANGELES DISTRICT

TAXES BASED ON INCOME

TEST YEAR 2015

(PROPOSED RATES)

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
Operating Revenues	28,741.0	29,259.8	-	29,259.8	31,097.5	29,259.8
Deductions:						
Operating Less Uncollectibles	16,732.9	16,384.5	-	16,384.5	17,380.8	16,384.5
Uncollectibles	224.3	228.4	-	228.4	242.7	228.4
Domestic Prod Activity Deduct	367.9	396.5	-	396.5	420.2	396.5
Book Depreciation	2,713.3	2,887.3	-	2,887.3	3,128.2	2,887.3
R/M Interest	2,202.7	2,364.2	-	2,364.2	2,467.3	2,364.2
Taxes-Other Than Income	852.3	909.4	-	909.4	982.2	909.4
	(10.5)	(10.5)		(10.5)	(10.5)	(10.5)
Previous Year CCFT	640.0	640.7	-	640.7	459.6	640.7
Total Operating Revenue Deductions:						
Federal	23,722.8	23,159.7	-	23,159.7	24,610.8	23,159.7
State	22,715.0	22,763.2	-	22,763.2	24,190.6	22,763.2
Taxable Net-State	6,026.1	6,496.6	-	6,496.6	6,906.8	6,496.6
S.C.F.T.	532.7	574.3	-	574.3	610.6	574.3
Less:						
Deferred Taxes	-	-	-	-	-	-
STATE INCOME TAXES	532.7	574.3	-	574.3	610.6	574.3
Taxable Net-Federal	5,018.2	5,459.4	-	5,459.4	6,027.0	5,459.4
F.I.T. @ 35%	1,756.4	1,910.8	-	1,910.8	2,109.5	1,910.8
Less:						
Deferred Taxes	(15.6)	(15.6)	-	(15.6)	(15.6)	(15.6)
Adjustment						
FEDERAL INCOME TAX	1,740.8	1,895.2	-	1,895.2	2,093.9	1,895.2
TOTAL TAXES ON INCOME	2,273.5	2,469.5	-	2,469.5	2,704.5	2,469.5

TABLE J-2

CALIFORNIA-AMERICAN WATER COMPANY
LOS ANGELES DISTRICT

PLANT IN SERVICE

TEST YEAR 2015

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
ITEM						
Plant in Service - BOY	114,705.8	121,129.6	-	121,129.6	128,014.0	121,129.6
Additions						
Gross Additions	14,029.8	12,577.2	-	12,577.2	8,362.3	12,577.2
Retirements of Plant	(40.0)	(10.0)	-	(10.0)	(40.0)	(10.0)
Net Additions	13,989.8	12,567.2	-	12,567.2	8,322.3	12,567.2
CWIP - BOY	9,682.3	3,046.2	-	3,046.2	746.0	3,046.2
CWIP - EOY	3,055.9	4,097.0	-	4,097.0	4,128.8	4,097.0
Net Change - CWIP	(6,626.4)	1,050.8	-	1,050.8	3,382.8	1,050.8
Plant in Service - EOY	124,388.0	133,696.8	-	133,696.8	136,336.2	133,696.8
WEIGHTING FACTOR	39.0%	39.0%	0.0%	39.0%	39.0%	39.0%
WTD. AVG. PLANT IN SERVICE	127,258.3	129,484.1	-	129,484.1	133,322.6	129,484.1

TABLE J-3

CALIFORNIA-AMERICAN WATER COMPANY
LOS ANGELES DISTRICT

PLANT IN SERVICE

ESCALATION YEAR 2016

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		
	ORIGINAL	REVISED		REVISED	UPDATED FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
ITEM						
Plant in Service - BOY	128,695.6	133,696.8	-	133,696.8	136,336.2	133,696.8
Additions						
Gross Additions	10,845.9	15,564.5	-	15,564.5	17,733.9	15,564.5
Retirements of Plant	(335.0)	(260.0)	-	(260.0)	(335.0)	(260.0)
Net Additions	10,510.9	15,304.5	-	15,304.5	17,398.9	15,304.5
CWIP - BOY	3,055.9	4,097.0	-	4,097.0	4,128.8	4,097.0
CWIP - EOY	-	48.1	-	48.1	1,453.1	48.1
Net Change - CWIP	(3,055.9)	(4,048.9)	-	(4,048.9)	(2,675.7)	(4,048.9)
Plant in Service - EOY	131,751.4	149,001.2	-	149,001.2	153,735.1	149,001.2
WEIGHTING FACTOR	38.98%	38.98%	0.00%	38.98%	38.98%	38.98%
WTD. AVG. PLANT IN SERVICE	134,657.4	142,181.2	-	142,181.2	146,204.1	142,181.2

TABLE K-2

CALIFORNIA-AMERICAN WATER COMPANY
LOS ANGELES DISTRICT

DEPRECIATION RESERVE & EXPENSE

TEST YEAR 2015

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
DEPRECIATION RESERVE - B.O.Y.	44,436.2	44,569.5	-	44,569.5	45,117.6	44,569.5
CHANGES						
Annual Accrual	2,713.3	2,887.3	-	2,887.3	3,128.2	2,887.3
Contributions Depreciation	188.1	183.6	-	183.6	180.8	183.6
Retirements	(40.0)	(10.0)	-	(10.0)	(40.0)	(10.0)
Salvage / Cost of Removal	(5.0)	(5.0)	-	(5.0)	(5.0)	(5.0)
Adjustments	-	-	-	-	-	-
TOTAL CHANGES	2,856.4	3,055.9	-	3,055.9	3,264.0	3,055.9
DEPRECIATION RESERVE - E.O.Y.	47,292.6	47,625.5	-	47,625.5	48,381.7	47,625.5
WEIGHTING FACTOR	52.95%	52.95%	0.00%	52.95%	52.95%	52.95%
WTD. AVG. DEPRECIATION RESERVE	45,948.7	46,187.7	-	46,187.7	46,845.9	46,187.7

TABLE K-3

CALIFORNIA-AMERICAN WATER COMPANY
LOS ANGELES DISTRICT

DEPRECIATION RESERVE & EXPENSE

ESCALATION YEAR 2016

	STAFF		UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY		ADOPTED
	ORIGINAL	REVISED		REVISED	UPDATED FILING	
	(Thousands of $)			(Thousands of $)		
DEPRECIATION RESERVE - B.O.Y.	47,291.6	47,624.3	-	47,624.3	48,380.6	47,624.3
CHANGES						
Annual Accrual	3,034.9	3,188.1	-	3,188.1	3,364.7	3,188.1
Contributions Depreciation	195.6	189.4	-	189.4	185.3	189.4
Retirements	(335.0)	(260.0)	-	(260.0)	(335.0)	(260.0)
Salvage / Cost of Removal	(240.0)	(220.0)	-	(220.0)	(240.0)	(220.0)
Adjustments	-	-	-	-	-	-
TOTAL CHANGES	2,655.5	2,897.5	-	2,897.5	2,975.0	2,897.5
DEPRECIATION RESERVE - E.O.Y.	49,947.0	50,521.8	-	50,521.8	51,355.7	50,521.8
WEIGHTING FACTOR	52.95%	52.95%	0.00%	52.95%	52.95%	52.95%
WTD. AVG. DEPRECIATION RESERVE	48,697.6	49,158.5	-	49,158.5	49,955.9	49,158.5

TABLE L-3

CALIFORNIA-AMERICAN WATER COMPANY
LOS ANGELES DISTRICT

WEIGHTED AVERAGE DEPRECIATED RATE BASE

TEST YEAR 2015

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATE FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
WTD AVG PLANT IN SERVICE	127,258.3	129,484.1	-	129,484.1	133,322.6	129,484.1
MATERIALS & SUPPLIES	101.6	101.2	-	101.2	102.0	101.2
WORKING CASH, OPERATIONAL	656.5	1,175.0	-	1,175.0	1,362.1	1,175.0
WORKING CASH, LEAD-LAG	1,008.0	1,402.0	-	1,402.0	1,839.0	1,402.0
WTD AVG DEPR RESERVE	(45,948.7)	(46,187.7)	-	(46,187.7)	(46,845.9)	(46,187.7)
ADVANCES FOR CONSTR	(599.2)	(543.7)	-	(543.7)	(535.6)	(543.7)
UNAMORTIZED ADVANCES-20YR	-		-			
CONTRIBUTIONS IN AID OF CONST	(4,703.2)	(2,519.8)	-	(2,519.8)	(2,451.5)	(2,519.8)
UNAMORTIZED CONTRIB- 20 YR	-		-			
ACCUM. DEF. FED INC TAX	(5,846.1)	(5,798.9)	-	(5,798.9)	(6,386.9)	(5,798.9)
ACCUM. DEF. STATE INC TAX	(1,238.8)	(1,242.3)	-	(1,242.3)	(1,226.5)	(1,242.3)
GENERAL OFFICE ALLOC.	-	-	-	-	-	-
AVERAGE RATE BASE	70,688.4	75,870.0	-	75,870.0	79,179.5	75,869.9
INTEREST CALCULATION:						
AVG RATE BASE	70,688.4	75,870.0	-	75,870.0	79,179.4	75,869.9
X WEIGHTED COST OF DEBT	3.12%	3.12%	0.00%	3.12%	3.12%	3.12%
INTEREST EXPENSE	2,202.7	2,364.2	-	2,364.2	2,467.3	2,364.2

TABLE L-3

CALIFORNIA-AMERICAN WATER COMPANY
LOS ANGELES DISTRICT

WEIGHTED AVERAGE DEPRECIATED RATE BASE

ESCALATION YEAR 2016

ITEM	STAFF ORIGINAL	STAFF REVISED	UTILITY EXCEEDS BRANCH DIFFERENCE	UTILITY REVISED	UTILITY UPDATE FILING	ADOPTED
	(Thousands of $)			(Thousands of $)		
WTD AVG PLANT IN SERVICE	134,657.4	142,181.2	-	142,181.2	146,204.1	142,181.2
MATERIALS & SUPPLIES	103.8	103.5	-	103.5	104.2	103.5
WORKING CASH, OPERATIONAL	664.5	1,060.6	-	1,060.6	1,216.7	1,060.6
WORKING CASH, LEAD-LAG	1,020.0	1,411.0	-	1,411.0	1,954.0	1,411.0
WTD AVG DEPR RESERVE	(48,697.7)	(49,158.5)	-	(49,158.5)	(49,955.9)	(49,158.5)
ADVANCES FOR CONSTR	(623.7)	(540.3)	-	(540.3)	(532.3)	(540.3)
UNAMORTIZED ADVANCES-20YR	-		-			
CONTRIBUTIONS IN AID OF CONST	(4,749.8)	(2,499.9)	-	(2,499.9)	(2,422.0)	(2,499.9)
UNAMORTIZED CONTRIB- 20 YR	-		-			
ACCUM. DEF. FED INC TAX	(6,114.0)	(6,047.6)	-	(6,047.6)	(6,655.3)	(6,047.6)
ACCUM. DEF. STATE INC TAX	(1,265.6)	(1,277.3)	-	(1,277.3)	(1,253.8)	(1,277.3)
GENERAL OFFICE ALLOC.	-	-	-	-	-	-
AVERAGE RATE BASE	74,994.9	85,232.8	-	85,232.8	88,659.6	85,232.8
INTEREST CALCULATION:						
AVG RATE BASE	74,994.9	85,232.8	-	85,232.8	88,659.6	85,232.8
X WEIGHTED COST OF DEBT	3.12%	3.12%	0.00%	3.12%	3.12%	3.12%
INTEREST EXPENSE	2,336.9	2,655.9	-	2,655.9	2,762.7	2,655.9

CALIFORNIA AMERICAN WATER
MONTEREY DISTRICT - 2013 GRC
SUMMARY OF EARNINGS COMPARISON (REVISED VS ORIGINAL)
AT PROPOSED RATES
IN THOUSANDS 000s

AT PROPOSED RATES

	Revised Test Year 2015	Original Test Year 2015	Difference	Explanation
Operating Revenues	$53,201.5	$54,070.6	($869.1)	Revenue impact for removal of $4.1m in capex for ASR #3 Well & to account for capitalized group insurance, OPEBs, & pension.
Operating Expenses				
Payroll	$5,541.0	$5,541.0		
Purchased Water	$56.7	$56.7		
Purchased Power	$2,302.8	$2,302.8		
Chemicals	$515.7	$515.7		
Uncollectibles	$3,500.4	$3,557.5	($57.2)	Flow through due to change in operating revenue
Other Operating & Maintenance	$4,238.8	$4,238.8		
Insurance	$15.4	$15.4		
Other Welfare	$240.3	$240.3		
Outside Services	$523.9	$523.9		
Other Admin & General	$2,011.7	$2,011.7		
Rents	$500.8	$500.8		
Subtotal	$19,447.6	$19,504.8		
Service Company	$2,663.3	$2,663.3		
California Corporate General Office	$6,042.1	$6,140.9	($98.8)	Formula correction to account for capitalized group insurance, OPEBs, & pension
Citizens Acquistion Premium	$788.4	$788.4		
Total Operating Expense	$28,941.34	$29,097.4		
Depreciation	$6,548.2	$6,745.0	($196.7)	Related to removal of ASR #3 Well
Ad Valorem Taxes	$1,483.4	$1,507.0	($23.6)	Related to removal of ASR #3 Well
Payroll Taxes	$382.6	$382.6		
Total Expense Before Income Taxes	$37,355.5	$37,731.9		
Net Revenue Before Income Taxes	$15,845.96	$16,338.7		
State Income Taxes	$1,026.0	$1,058.7	($32.7)	Flow through
Federal Income Taxes	$3,306.9	$3,435.7	($128.8)	Flow through
Total Expenses	$41,688.5	$42,226.4		
Net Operating Revenues	$11,513.04	$11,844.2		
AVERAGE RATE BASE	$136,896.9	$140,838.7	($3,941.8)	Removal of $4.1M in capex related to ASR #3 Well
RATE OF RETURN	8.41%	8.41%		

CALIFORNIA AMERICAN WATER
MONTEREY DISTRICT - 2013 GRC
SUMMARY OF EARNINGS COMPARISON (REVISED VS ORIGINAL)
AT PRESENT RATES
IN THOUSANDS 000s

AT PRESENT RATES

	Revised Test Year 2015	Original Test Year 2015	Difference	Explanation
Operating Revenues	$53,356.1	$53,356.1		
Operating Expenses				
Payroll	$5,541.0	$5,541.0		
Purchased Water	$56.7	$56.7		
Purchased Power	$2,302.8	$2,302.8		
Chemicals	$515.7	$515.7		
Uncollectibles	$3,510.5	$3,510.5		
Other Operating & Maintenance	$4,238.8	$4,238.8		
Insurance	$15.4	$15.4		
Other Welfare	$240.3	$240.3		
Outside Services	$523.9	$523.9		
Other Admin & General	$2,011.7	$2,011.7		
Rents	$500.8	$500.8		
Subtotal	$19,457.8	$19,457.8		
Service Company	$2,663.3	$2,663.3		
California Corporate General Office	$6,042.1	$6,140.9	($98.8)	Formula correction to account for capitalized group insurance, OPEBs, & pension
Citizens Acquistion Premium	$788.4	$788.4		
Total Operating Expense	$28,951.51	$29,050.3		
Depreciation	$6,548.2	$6,745.0	($196.7)	Related to removal of ASR #3 Well
Ad Valorem Taxes	$1,483.4	$1,507.0	($23.6)	Related to removal of ASR #3 Well
Payroll Taxes	$382.6	$382.6		
Total Expense Before Income Taxes	$37,365.7	$37,684.9		
Net Revenue Before Income Taxes	$15,990.39	$15,671.2		
State Income Taxes	$1,038.7	$999.6	$39.1	Flow through
Federal Income Taxes	$3,353.3	$3,221.3	$132.0	Flow through
Total Expenses	$41,757.7	$41,905.9		
Net Operating Revenues	$11,598.37	$11,450.3		
AVERAGE RATE BASE	$136,896.9	$140,838.7	($3,941.8)	Removal of $4.1M in capex related to ASR #3 Well
RATE OF RETURN	8.47%	8.13%		

CALIFORNIA AMERICAN WATER
MONTEREY DISTRICT - 2013 GRC
SUMMARY OF REVENUE REQUIREMENT CALCULATION (REVISED VS. ORIGINAL)
IN THOUSANDS 000s

	REVENUE REQUIREMENTS						
	TEST YEAR 2015	REVISED ESCALATION YEAR 2016	ATTRITION YEAR 2017	TEST YEAR 2015	ORIGINAL ESCALATION YEAR 2016	ATTRITION YEAR 2017	EXPLANATION
WEIGHTED AVERAGE RATE BASE	$136,896.9	$139,817.1	$142,737.2	$140,838.7	$143,581.8	$146,324.8	Removal of $4.1M in capex related to ASR #3 Well
RATE OF RETURN REQUESTED	8.41%	8.41%	8.41%	8.41%	8.41%	8.41%	
UTILITY OPERATING INCOME							
REQUIRED	$11,513.0	$11,758.6	$12,004.2	$11,844.5	$12,075.2	$12,305.9	Flow through due to change in rate base
AT PRESENT RATES	$11,598.4	$11,162.1	$11,283.9	$11,450.3	$11,496.8	$11,625.3	Flow through due to change in rate base & capitalization of employee benefits
ADDITIONAL	-$85.3	$596.5	$720.3	$394.3	$578.4	$680.6	
NET-TO-GROSS MULTIPLIER	1.81204	1.72000	1.74000	1.81204	1.81184	1.81000	
GROSS REVENUES							
ADDITIONAL REQUIRED	-$154.6	$1,025.9	$1,253.3	$714.5	$1,047.9	$1,231.9	Flow through due to change in rate base & capitalization of employee benefits
AT PRESENT RATES	$53,356.1	$53,229.5	$54,283.4	$53,356.1	$54,094.8	$55,166.9	Flow through due to change in rate base & capitalization of employee benefits
TOTAL	$53,201.5	$54,255.4	$55,536.7	$54,070.6	$55,142.7	$56,398.8	
PERCENT INCREASE (ANNUALLY)	-0.29%	1.93%	2.31%	1.34%	1.94%	2.23%	