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SAN GABRIEL VALLEY WATER COMPANY

Los Angeles County Division

REPORT ON OPERATIONS

Recorded Years 2011-2015

Test Year 2017-2018
Escalation Years 2018-2019 and 2019-2020

January 2016

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CHAPTER 1

Introduction

A - Purpose of Report

1. This report has been prepared to present to the California Public Utilities Commission (Commission) a broad range of detailed information concerning the Los Angeles County Division (Los Angeles County or Division) of San Gabriel Valley Water Company (San Gabriel), its operations, and a summary of its earnings.

B - Scope of Report

2. This report presents a brief history of the Division; its present operations; development of operating revenues and operating expenses for Estimated Year 2016 and Test Year 2017-2018; development of taxes, depreciation, and rate base for Estimated Year 2016 and for the Test Years 2017-2018 and 2018-2019; rate schedules at both present and proposed rates; and summaries of earnings at both present and proposed rates.

Note: Calendar year 2015 recorded data is not available and all 2015 information shown is for twelve months ended October 2015. These figures will be updated to December 2015, in April 2016, as permitted under the Commission's Rate Case Plan.

CHAPTER 2

History

1. San Gabriel Valley Water Service began operations as a public utility in the El Monte area in 1937. San Gabriel, as successor, assumed these operations in 1945. Since then, through construction of new facilities and purchase and transfer of existing water systems, active service connections in the Division have increased to 48,526 as of October 2015. But, because the Division's service area has reached near ultimate build-out, the Division has experienced very little growth in recent years and very little growth is projected through the period covered by this general rate case.
2. A table showing the Year-End Active Service Connections is provided on page 4-2.
3. Since the Division was granted a general rate increase by Decision No. 11-11-018, dated November 10, 2011, as modified by Decision No. 12-02-027, dated February 16, 2012, covering Test Year 2011-2012 and Escalation Years 2012-2013 and 2013-2014, the following authorized rate adjustments have occurred in the Division:

<u>Advice Letter No.</u>	<u>Decision or Resolution No.</u>	<u>Date of Decision or Resolution</u>	<u>Nature of Proceedings</u>
407	D.11-11-018	11/10/11	Implementation of GRC rates, effective 11/15/11 (\$6,418,200 or 11.2% increase)

<u>Advice Letter No.</u>	<u>Decision or Resolution No.</u>	<u>Date of Decision or Resolution</u>	<u>Nature of Proceedings</u>
409-A	D.12-02-027	02/16/12	Amortization of Interim Rate Memorandum Account, effective 04/01/12 (\$3,186,230 or 6.3% increase)
414	D.12-02-027	02/16/12	Escalation Year Increase, effective 07/01/12 (\$1,091,383 or 1.5% increase)
--	--	--	Expiration of Power Supply Cost balancing account surcharge, effective 11/14/12 (\$2,253,932 or 3.1% decrease)
--	--	--	Expiration of Interim Rate Memorandum Account surcharge, effective 04/01/13 (\$3,186,330 or 6.3% decrease)
424	D.11-11-018	11/10/11	El Monte Office rate base offset, effective 04/01/13 (\$52,532 or 0.1% increase)
428-A	D.13-05-027	05/23/13	Cost of Capital, effective 7/01/13 (\$1,415,500 or 2.2% decrease)
--	--	--	Expiration of Water Supply Cost balancing account surcharge, effective 7/25/13 (\$1,786,477 or 2.7% decrease)
429	--	--	Water Cost Offset, effective 7/25/13 (\$1,740,967 or 2.7% increase)
430-A	D.13-05-027	05/23/13	Cost of Capital refund, effective 02/26/14 (\$624,097 or 1.0% decrease)

<u>Advice Letter No.</u>	<u>Decision or Resolution No.</u>	<u>Date of Decision or Resolution</u>	<u>Nature of Proceedings</u>
432-A	--	--	CARW Amortization, effective 08/20/14 (\$1,800,788 or 2.8% increase)
447	--	--	CARW Amortization, suspended effective 09/24/14 (\$1,800,788 or 2.7% decrease)
447	--	--	CARW Amortization, reinstated effective 11/01/14 (\$1,800,788 or 2.8% increase)
450	--	--	WRAM Amortization, effective 12/03/14 (\$1,432,005 or 2.2% increase)
454	--	--	Water Cost Offset, effective 01/29/15 (\$718,147 or 1.1% increase)
--	--	--	Cost of Capital refund expired effective 02/26/15 (\$624,097 or 0.9% increase)
466	--	--	Water Cost Offset, effective 07/01/15 (\$746,055 or 1.1% increase)
--	--	--	CARW Amortization, expired effective 08/20/15 (\$1,800,788 or 2.6% decrease)
468	--	--	CARW Amortization, effective 09/02/15 (\$3,095,174 or 4.5% increase)

<u>Advice Letter No.</u>	<u>Decision or Resolution No.</u>	<u>Date of Decision or Resolution</u>	<u>Nature of Proceedings</u>
--	--	--	WRAM amortization expired effective 12/02/15 (\$1,432,005 or 2.0% decrease)

4. As a result of the approved rate adjustments, the typical residential non-CARW customer (5/8" x 3/4" meter and using 14 Ccf/mo.) has experienced the following changes (including new and expired surcharges/surcredits):

<u>Date</u>	<u>Monthly Bill</u>	<u>Increase</u>
11/15/11	\$58.20	--
04/01/12	\$61.24	5.2%
07/01/12	\$62.30	1.7%
11/14/12	\$60.15	(3.5%)
04/01/13	\$57.17	(5.0%)
07/01/13	\$55.94	(2.1%)
07/25/13	\$56.14	0.4%
02/26/14	\$55.57	(1.0%)
08/20/14	\$57.40	3.3%
09/24/14	\$55.57	(3.2%)
11/01/14	\$57.40	3.3%
12/03/14	\$60.53	5.5%
01/29/15	\$61.20	1.1%
02/26/15	\$61.77	0.9%
07/01/15	\$62.50	1.2%
08/20/15	\$60.67	(2.9%)
09/02/15	\$63.99	5.5%
12/02/15	\$60.86	(4.9%)

Cumulative 4.6%

CHAPTER 3

Present Operations

1. Division operations are carried out principally from general office, warehouse, and maintenance shops located at 11142 Garvey Avenue, El Monte, California. Areas served in the Division are all or portions of the cities of Arcadia, Baldwin Park, El Monte, Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, and Whittier as well as adjacent unincorporated territory in the County of Los Angeles. Chart 3A is a map of the Los Angeles County Division's service area.

2. Field operations of the Division are conducted under the general supervision of R. J. DiPrimio, Senior Vice President. Applications for service, complaints, inquiries, collections, and water conservation activities are handled by personnel located in the El Monte, Industry, and Whittier commercial offices under the general supervision of the Customer Service Manager. Field personnel in the production, plant maintenance, distribution, and customer service departments carry out pumping, water treatment, maintenance, valve inspection, meter reading, cross-connection control, and service installation functions. The company's Water Quality Department is responsible for water sampling, water testing, and the preparation of water quality reports required by the State of California Water Resources Control Board - Department of Drinking

Water, and other governmental agencies. The organization of the Division is shown in Charts 3B, 3C, 3D and 3F. General office employees furnish engineering, drafting, meter repair, billing, purchasing, accounting, auditing, human resources, legal, regulatory and other required services. Some of these employees are located in the Fontana Water Company division administrative office.

3. With the exception of recycled water, all water sold is produced from groundwater. Groundwater is pumped from 37 active wells, and storage is supplied by 37 storage tanks having an aggregate capacity of approximately 41.2 million gallons. The company has a connection with the Central Basin Municipal Water District by which the company is able to receive up to 15 cubic feet per second of treated water from the Metropolitan Water District of Southern California, but the connection now remains active only on a standby basis. Water is delivered to customers through approximately 2,977,701 feet of distribution mains ranging in sizes up to 36 inches in diameter.
4. Since the last general rate case, major plant additions included construction of a new welded steel water storage reservoir at Plant G6 and drilling of Well B24C.
5. Charts 3G, 3H, and 3I are schematic diagrams showing the wells, boosters, storage facilities, and certain other major facilities located in the Division.

CHART 3A

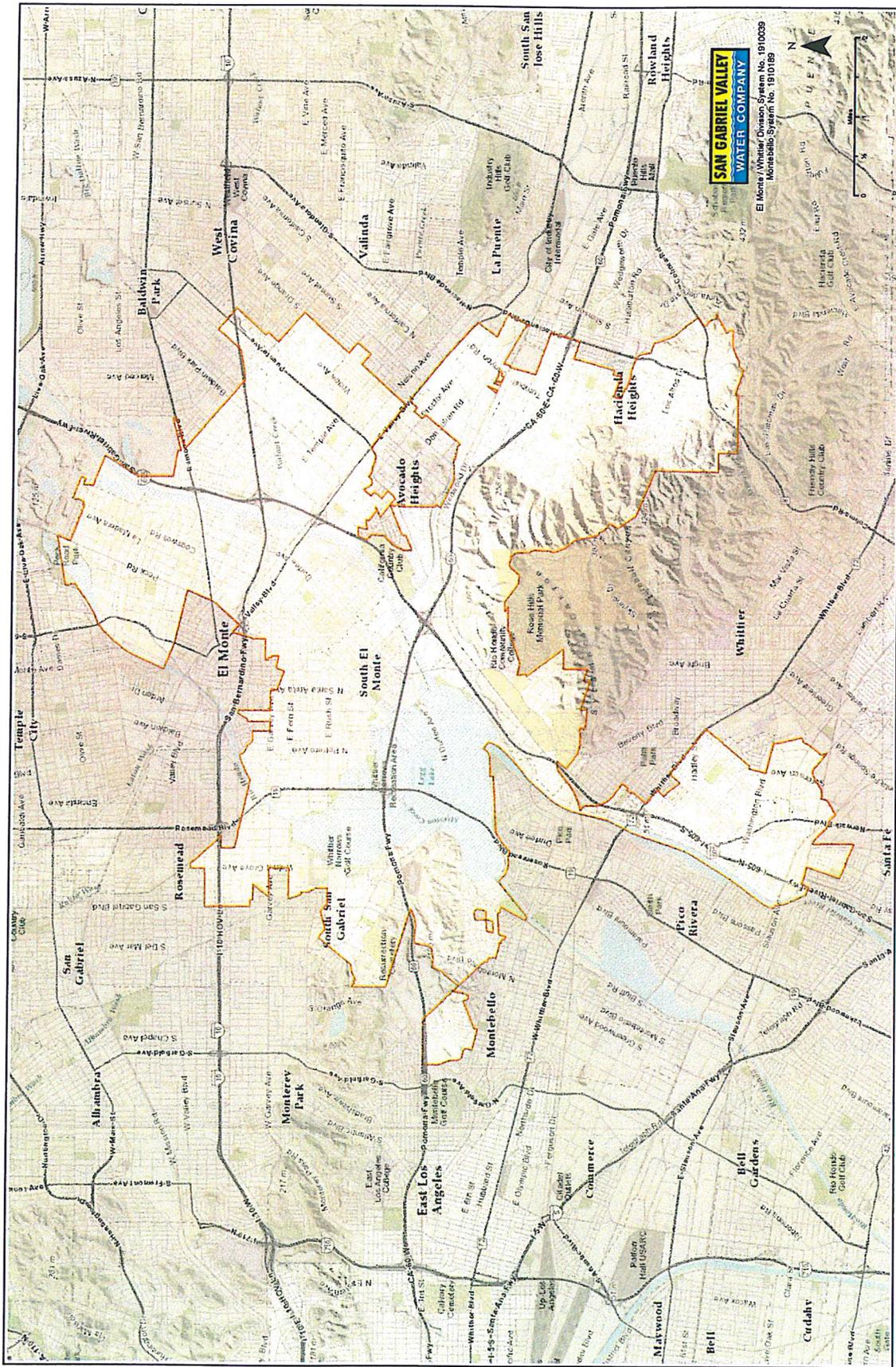


CHART 3B

SAN GABRIEL VALLEY WATER COMPANY
LOS ANGELES COUNTY DIVISION - OPERATIONS

October 4, 2015

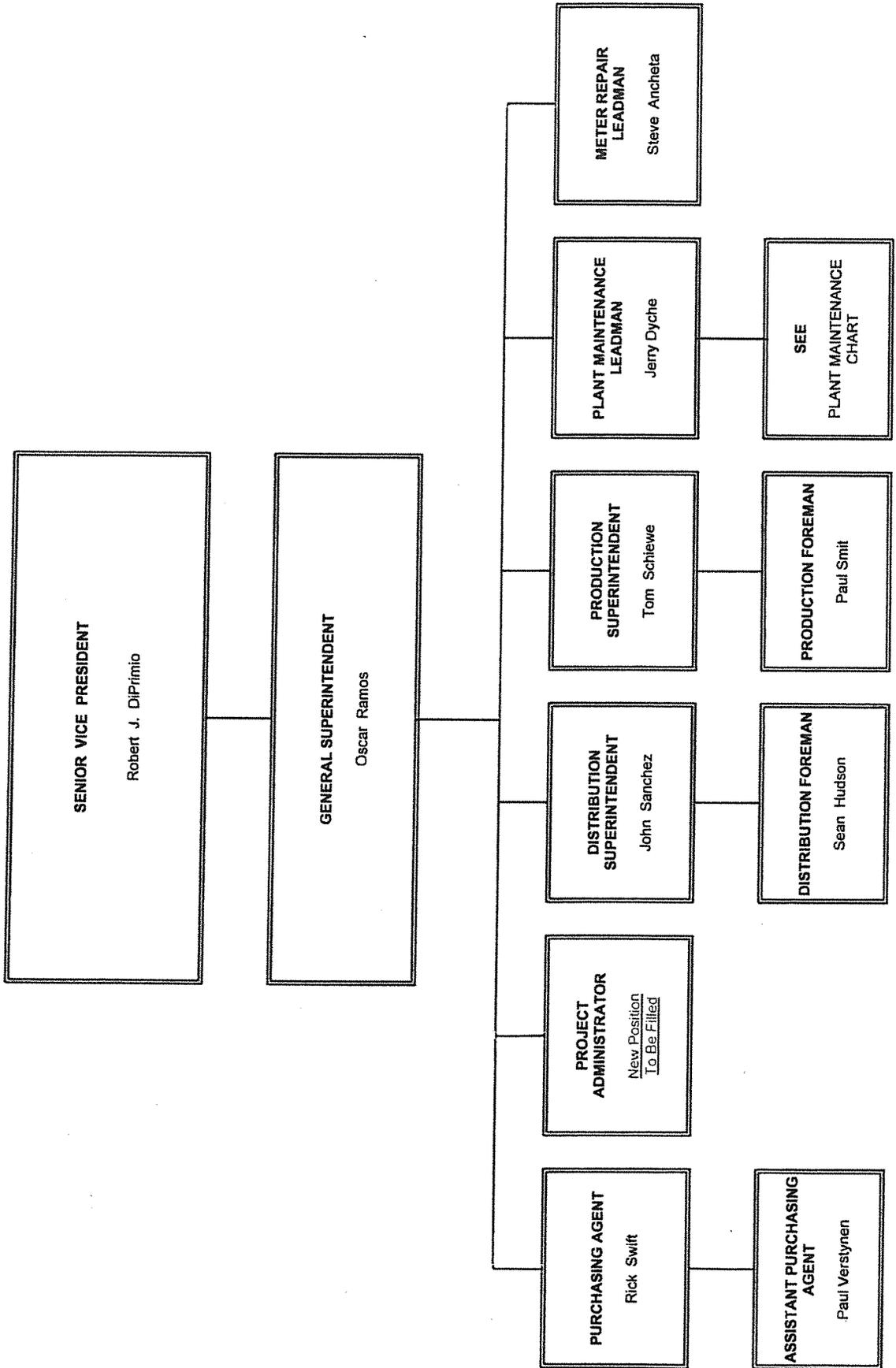
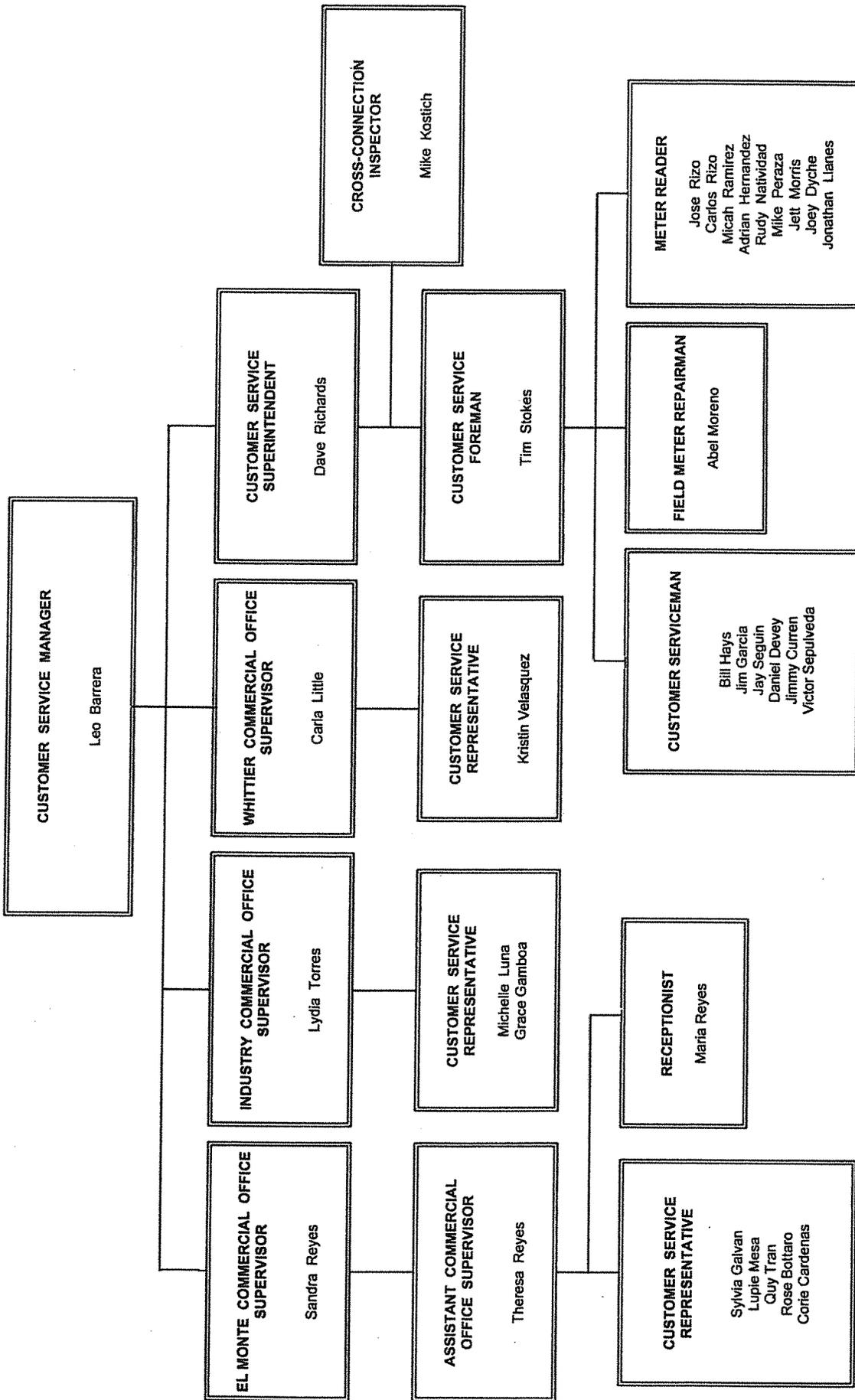


CHART 3C

SAN GABRIEL VALLEY WATER COMPANY
 LOS ANGELES COUNTY DIVISION - CUSTOMER SERVICE DEPARTMENT

October 18, 2015



SAN GABRIEL VALLEY WATER COMPANY
LOS ANGELES COUNTY DIVISION – DISTRIBUTION DEPARTMENT

October 18, 2015

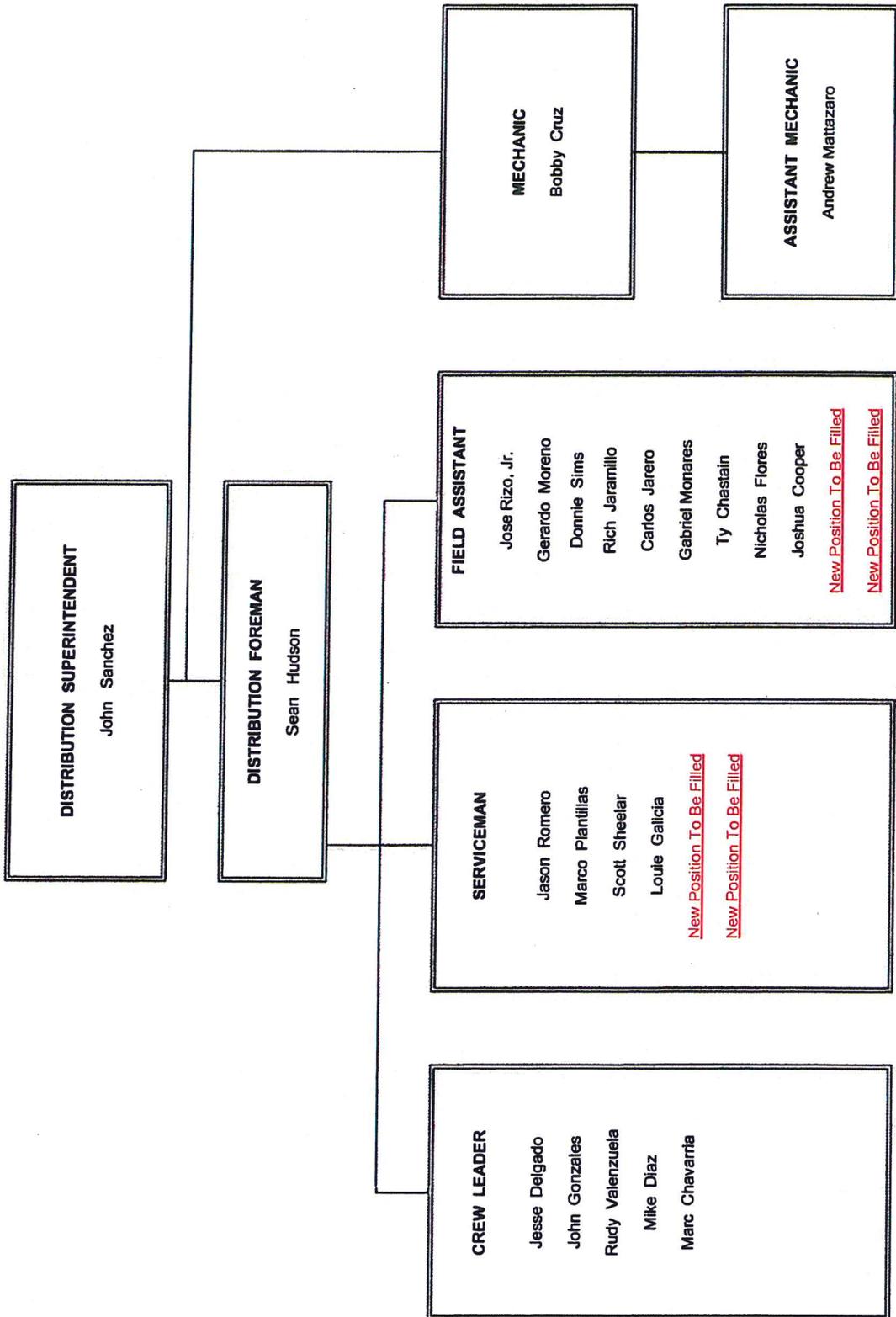


CHART 3E

SAN GABRIEL VALLEY WATER COMPANY
LOS ANGELES COUNTY DIVISION – PRODUCTION DEPARTMENT

October 18, 2015

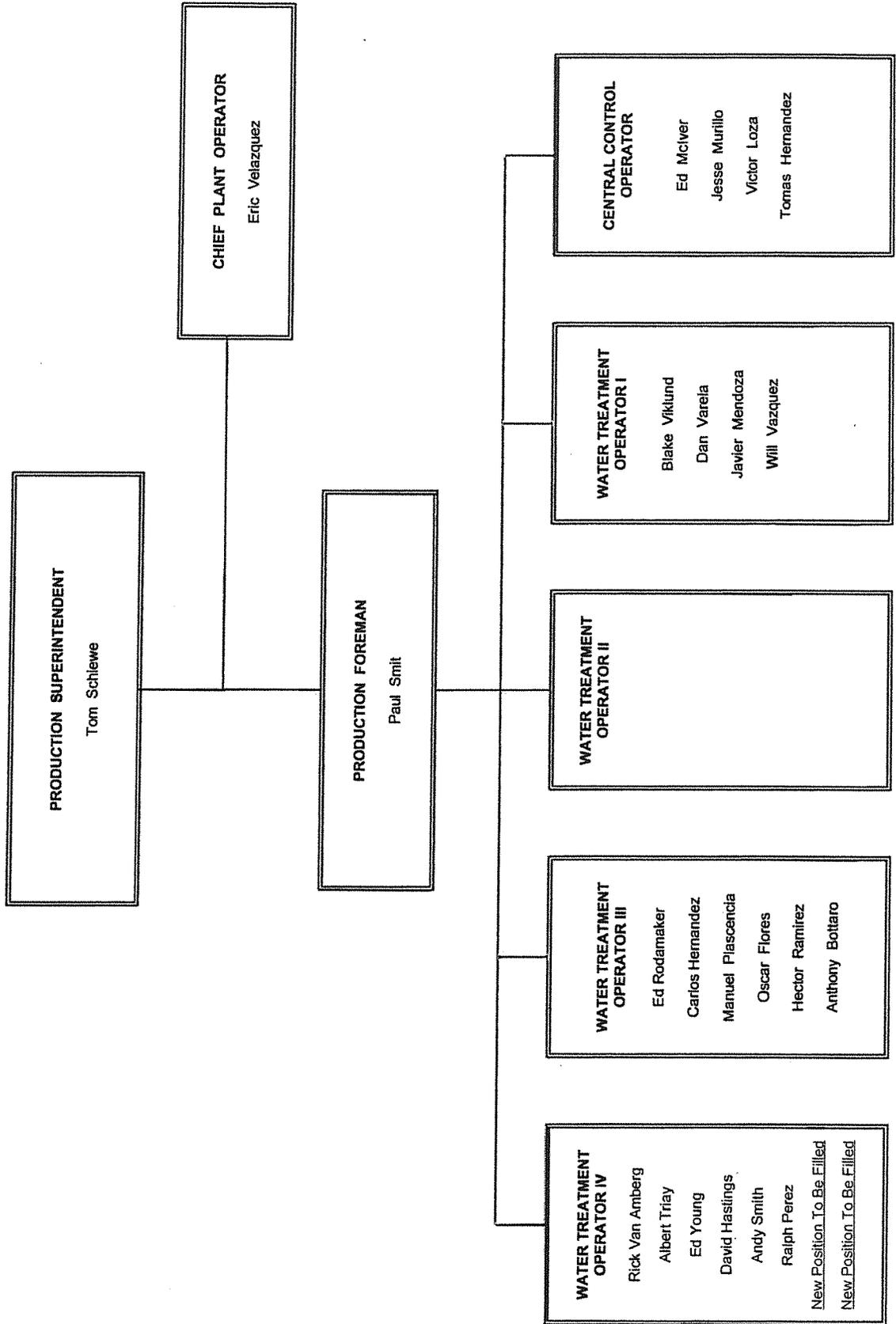


CHART 3F

SAN GABRIEL VALLEY WATER COMPANY
LOS ANGELES COUNTY DIVISION – PLANT MAINTENANCE DEPARTMENT

July 7, 2010

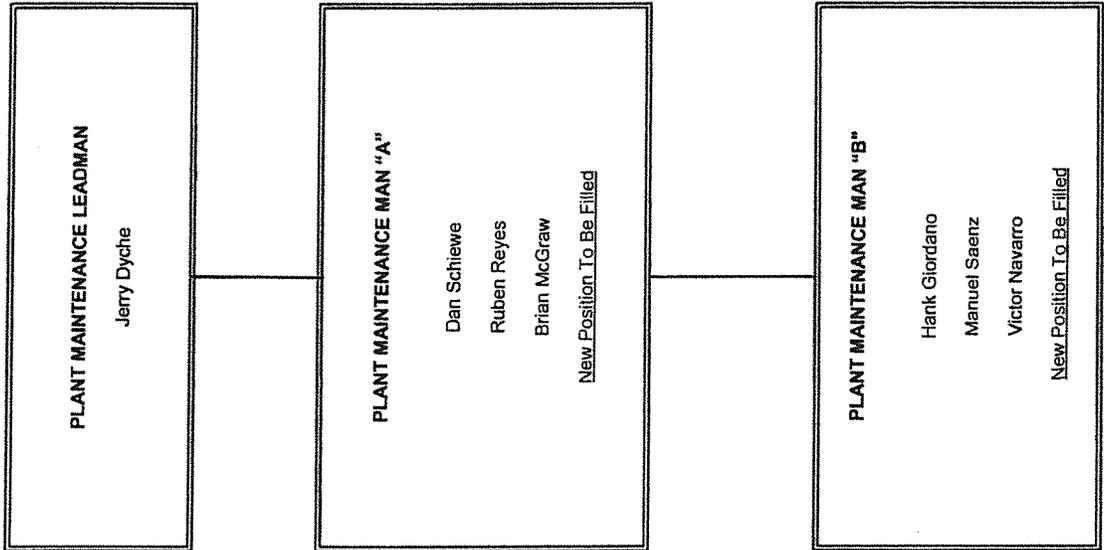


CHART 3G

PWSID CA 1910039
 SAN GABRIEL VALLEY WATER COMPANY
 LOS ANGELES COUNTY DIVISION
 WEST SYSTEM SCHEMATIC
 APRIL, 2013

LEGEND

BOOSTER PUMP WITH APPROXIMATE TOTAL HEAD (TH), HEAD DESIGN FLOW CAPACITY (GPD), AND EFFICIENCY (SEE FLOW LIMIT INDICATED BASED ON RECENT TEST)

WELL WITH APPROXIMATE TOTAL HEAD (TH), DESIGN FLOW CAPACITY (GPD), AND EFFICIENCY (SEE PUMP TEST)

RESERVOIR WITH RATED CAPACITY (RC), USABLE CAPACITY (UC), IN MILLION GALLONS (MG), AND FREE BOARD (FB), IN FEET

GRAVITY FEED-RESERVOIR WITH RATED CAPACITY (RC), USABLE CAPACITY (UC), IN MILLION GALLONS (MG), AND FREE BOARD (FB), IN FEET

SCHEMATICATED DISTRIBUTION SYSTEM (SDS) LOWER RANGE 40 PSI

PLANT DESIGNATION AND HYDRAULIC ELEVATION, AND GROUND ELEVATION

PRESSURE REDUCING VALVE

CLOSED VALVE

REMOTE CONTROLLED VALVE

CHECK VALVE

FUTURE FACILITIES

ELEVATION

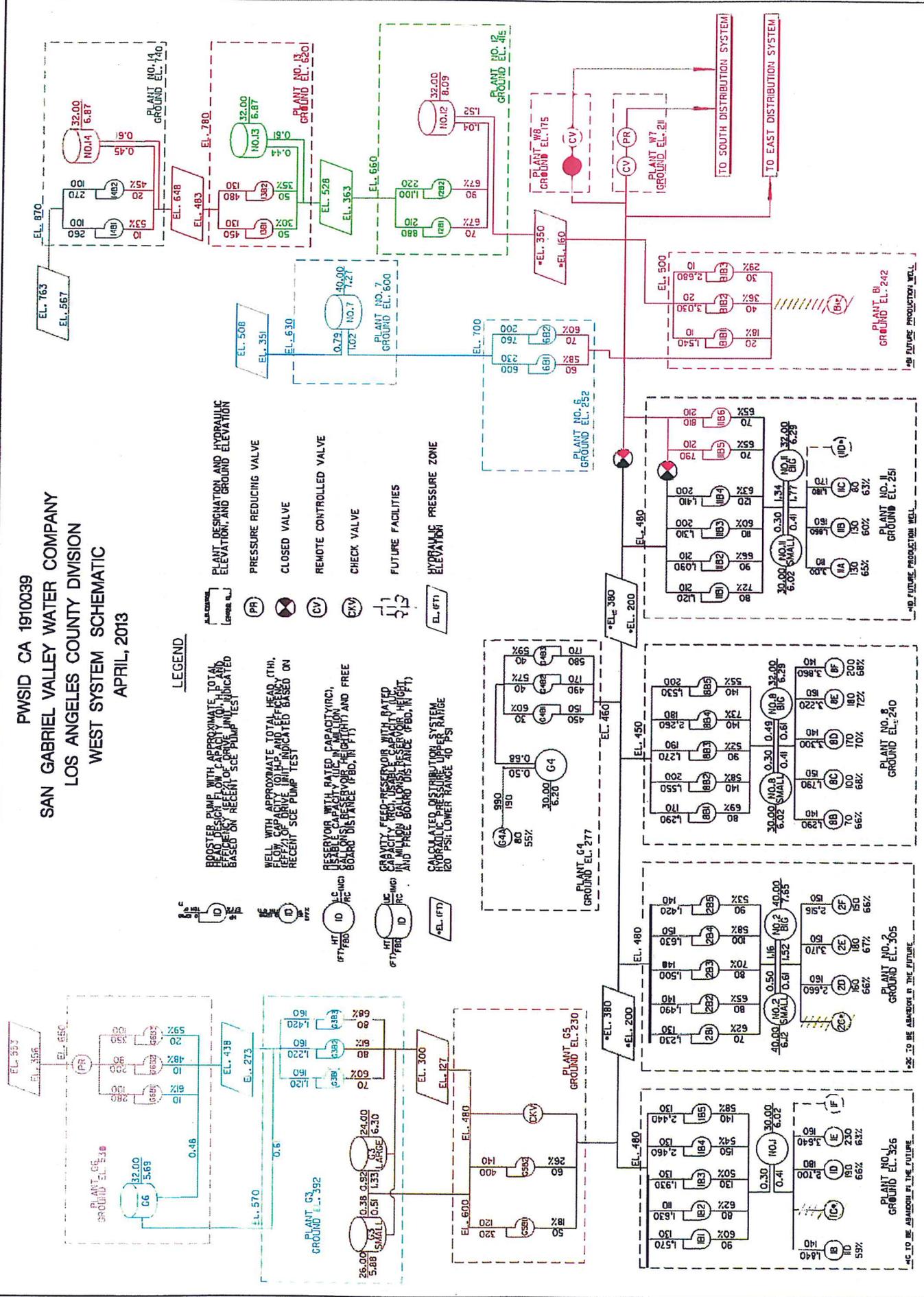


CHART 3H

PWSID CA 1910039
 SAN GABRIEL VALLEY WATER COMPANY
 LOS ANGELES COUNTY DIVISION
 EAST SYSTEM SCHEMATIC
 APRIL, 2013

LEGEND

PLANT DESIGNATION AND HYDRAULIC ELEVATION AND GROUND ELEVATION

PRESSURE REDUCING VALVE

CLOSED VALVE

REMOTE CONTROLLED VALVE

FUTURE FACILITIES

HYDRAULIC PRESSURE ZONE

CALCULATED DISTRIBUTION SYSTEM HYDRAULIC PRESSURE UPPER RANGE 120 PSI LOWER RANGE 40 PSI

BOOSTER PUMP WITH APPROXIMATE TOTAL HEAD DESIGN FLOW CAPACITY (G.P.D.) AND EFFICIENCY PERCENT INDICATED BASED ON RECENT SIZE PUMP TEST

WELL WITH APPROXIMATE TOTAL HEAD (TH), FLOW CAPACITY (G.P.D.) AND EFFICIENCY PERCENT INDICATED BASED ON RECENT PUMP TEST

RESERVOIR WITH RATED CAPACITY (RC), USABLE CAPACITY (UC), IN MILLION GALLONS, RESERVOIR HEIGHT (HT) AND FREE BOARD DISTANCE (FBD), IN FT.

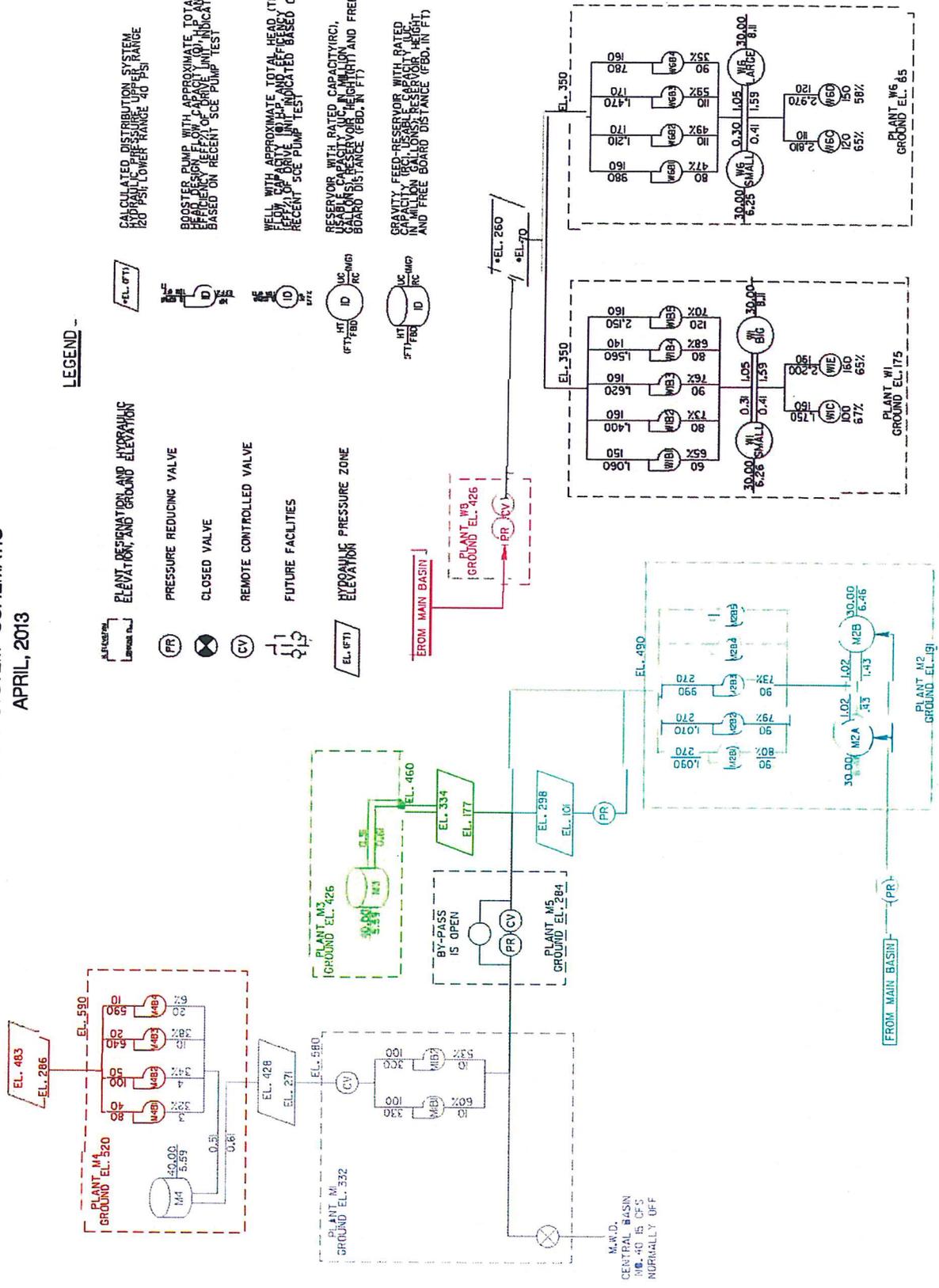
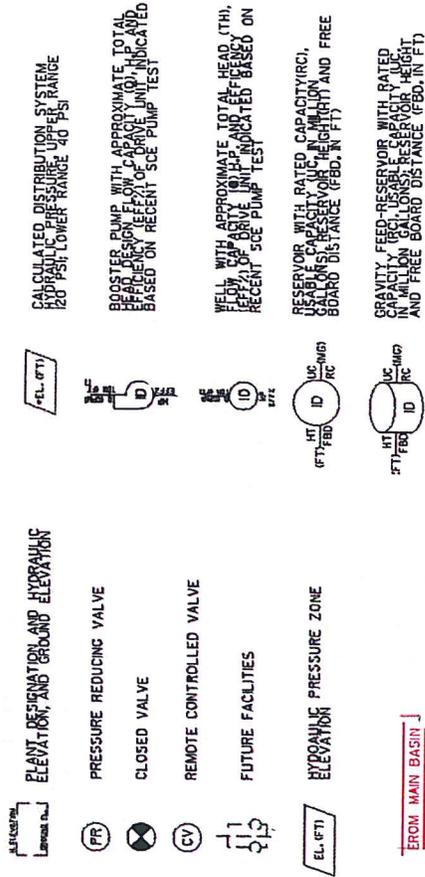
CAPACITY FEED-RESERVOIR WITH RATED CAPACITY (RC), USABLE CAPACITY (UC), IN MILLION GALLONS, RESERVOIR HEIGHT (HT) AND FREE BOARD DISTANCE (FBD), IN FT.



CHART 31

SAN GABRIEL VALLEY WATER COMPANY LOS ANGELES COUNTY DIVISION SOUTH SYSTEM SCHEMATIC APRIL, 2013

LEGEND -



CHAPTER 4

Water Sales and Operating Revenues

1. Operating revenues are obtained principally from general metered sales to residential, commercial, industrial, public authority, construction, and recycled water customer classifications. All customers are billed monthly. Charges for private fire service, miscellaneous water sales, and operating cost recoveries from third parties provide the balance of operating revenues.
2. As shown herein on Table 4C-1, total operating revenues recorded for each of the past five years are:

<u>Year</u>	<u>Revenues</u>
2011	\$58,125,900
2012	\$71,450,500
2013	\$65,630,800
2014	\$63,967,700
2015	\$61,687,500

3. As shown herein on Table 4B-1, total metered water consumption in hundreds of cubic feet (Ccf) for the same years is as follows:

<u>Year</u>	<u>Consumption (Ccf)</u>
2011	15,033,500
2012	15,549,600
2013	15,603,300
2014	15,413,100
2015	14,533,400

4. A tabulation of the year-end number of active service connections in each customer classification for the past five years follows:

Year-End Active Service Connections

<u>Customer Classification</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>Metered Connections</u>					
Residential- Single-Family	38,223	38,279	38,379	38,457	38,596
Residential- Multi-Family-Small	3,001	2,991	2,984	2,977	3,005
Residential- Multi-Family-Large	219	219	220	220	220
Commercial- Small	4,603	4,593	4,629	4,631	4,668
Commercial- Large	332	333	336	338	341
Industrial- Small	10	10	9	9	10
Industrial- Large	39	37	35	36	35
Public Authority- Small	255	255	260	267	271
Public Authority- Large	140	140	140	140	141
Construction	23	22	24	22	16
Recycled Water	<u>38</u>	<u>41</u>	<u>41</u>	<u>43</u>	<u>43</u>
Total Metered	46,883	46,920	47,057	47,140	47,346
<u>Flat Rate Services</u>					
Private Fire Service	<u>1,145</u>	<u>1,151</u>	<u>1,155</u>	<u>1,168</u>	<u>1,180</u>
Total Number of Customers	<u>48,028</u>	<u>48,071</u>	<u>48,212</u>	<u>48,308</u>	<u>48,526</u>
Public Fire Hydrants	4,093	4,098	4,039	4,052	4,180

5. The estimated average number of active service connections in each customer classification for Estimated Year 2016, Test Year 2017-2018, and Escalation Years 2018-2019 and 2019-2020, as shown below, are based on the recorded year-end 2015.
- For the Residential (Single Family, Multi Family-Small and Multi Family-Large), Commercial (Small and Large), Industrial (Small and Large), and Public Authority-Small classes, forecasted customer growth is based on the average annual rate of growth over the five year period ending 2015. Forecasted customer growth for the Public Authority-Large customer class is based on the average annual rate of growth in customers over the five year period ending 2015, adjusted to reflect the conversion of those Public Authority-Large customers San Gabriel expects to convert to recycled

water service. The forecasted number of Construction class customers is based on the 5-year average number of customers. For the Recycled Water class, forecasted customer growth is based on the availability of new recycled water supplies as a result of San Gabriel's South El Monte recycled water project, phase one of which is expected to be completed in 2016, and the number of Public Authority-Large customers adjacent to this project who will likely purchase recycled water. Additional adjustments were made to reflect the loss of one customer, Rose Hills Memorial Park, who plans to install their own recycled water system pursuant to a contract with the County Sanitation Districts of Los Angeles County.

Additional discussion and explanation of each of San Gabriel's customer growth forecasts is provided in Section IV.2 of Exhibit SG-7 (Reiker).

Estimated Average Active Service Connections

<u>Customer Classification</u>	<u>Estimated 2016</u>	<u>Test Year 2017-2018</u>	<u>Escalation Yr 2018-2019</u>	<u>Escalation Yr 2019-2020</u>
<u>Metered Connections</u>				
Residential- Single-Family	38,637	38,761	38,843	38,926
Residential- Multi-Family-Small	3,002	2,994	2,988	2,983
Residential- Multi-Family-Large	222	228	232	236
Commercial- Small	4,669	4,670	4,672	4,673
Commercial- Large	346	362	372	383
Industrial- Small	10	9	9	8
Industrial- Large	35	34	34	33
Public Authority- Small	271	273	273	274
Public Authority- Large	142	131	133	134
Construction	22	22	22	22
Recycled Water	<u>40</u>	<u>53</u>	<u>53</u>	<u>53</u>
Total Metered	47,396	47,537	47,631	47,725
<u>Flat Rate Services</u>				
Private Fire Services	<u>1,184</u>	<u>1,197</u>	<u>1,206</u>	<u>1,214</u>
Total Number of Customers	<u>48,580</u>	<u>48,734</u>	<u>48,837</u>	<u>48,939</u>
Public Fire Hydrants	4,191	4,226	4,248	4,271

6. Adjusted rainfall and temperature data for each of the past 10 years and their respective 10-year averages for this period are furnished in Tables 4A-1 through 4A-10, inclusive. The tables also furnish the average rainfall and temperature for the past 30-year period.

Residential-Single Family, Residential-Multi Family – Small, and Residential-Multi Family - Large sales data for each of the past 10 years and the 10-year average for this period are furnished in Tables 4A-1, 4A-2 and 4A-3, respectively. Normalized Residential (Single Family, Multi Family-Small, and Multi Family-Large) sales for Estimated Year 2016, Test Year 2017-2018, and Escalation Years 2018-2019 and 2019-2020 were derived by a method which eliminates the variations due to time, rainfall,

and temperature known as the New Committee Method (with modifications).¹ To reflect continued declines in per customer sales, sales forecasts for the Test Year and Escalation Years for the Residential class are based on the regression forecast for those years, and not on the forecast calculated for 2016, as prescribed by the New Committee Method.

Commercial-Small and Commercial-Large sales data for each of the past 10 years and the 10-year average for this period are furnished in Tables 4A-4 and Table 4A-5, respectively. Normalized sales to Commercial-Small customers for Estimated Year 2016, Test Year 2017-2018, and Escalation Years 2018-2019 and 2019-2020 were derived by the New Committee Method. To reflect continued declines in per customer sales, sales forecasts for the Test Year and Escalation Years for the Commercial-Small class are based on the regression forecast for those years, and not on the forecast calculated for 2016, as prescribed by the New Committee Method. Normalized sales to Commercial-Large customers for Estimated Year 2016, Test Year 2017-2018, and Escalation Years 2018-2019 and 2019-2020 are based on recorded sales for the 12 months ending June 2014 (2013-2014), adjusted to reflect the State Water Resources Control Board's (Water Board) mandated water use reduction percentage for the Los Angeles County division of 16%.

1. The New Committee Method, adopted in D.04-06-018, is a multiple regression analysis that uses ten years of monthly data and eliminates the variation due to time, rainfall, and temperature.

Industrial-Small and Industrial-Large sales data for each of the past 10 years and the 10-year averages for this period are furnished in Tables 4A-6 and 4A-7, respectively. Normalized sales to Industrial-Small and Industrial-Large customers for Estimated Year 2016, Test Year 2017-2018, and Escalation Years 2018-2019 and 2019-2020 are based on the regression forecast for 2016, derived by the New Committee Method.

Public Authority-Small and Public Authority-Large sales data for each of the past 10 years and the 10-year average for this period are furnished in Table 4A-8 and Table 4A-9, respectively. Normalized sales to Public Authority-Small customers for Estimated Year 2016, Test Year 2017-2018, and Escalation Years 2018-2019 and 2019-2020 are based on actual per customer sales for the 12 months ending November 2015. Normalized sales to Public Authority-Large customers for Estimated Year 2016, Test Year 2017-2018, and Escalation Years 2018-2019 and 2019-2020 are based on the regression forecast for 2016, derived by the New Committee Method.

Construction sales data for each of the past 10 years and the 10-year average for this period are furnished in Table 4A-10. Normalized sales to Construction customers for Estimated Year 2016, Test Year 2017-2018, and Escalation Years 2018-2019 and 2019-2020 are based on actual per customer sales for the 12 months ending November 2015.

Forecasted recycled water sales in the Los Angeles County division are based on a five year average. Additional recycled water sales in the Los Angeles County division were

added to the five year average based on the expected completion of phase one of San Gabriel's South El Monte recycled water project.

Additional discussion and explanation of each of San Gabriel's sales forecasts is provided in Section IV.2 of Exhibit SG-7 (Reiker).

7. Present metered service rates for the purpose of this report are the tariff rates authorized pursuant to Advice Letter No. 468, which became effective on September 2, 2015.
8. Private fire service revenues are based on Estimated Year 2016, Test Year 2017-2018, and Escalation Years 2018-2019 and 2019-2020 services set forth in the tabulation in Paragraph 5 of this chapter. Present revenues were developed using the existing charge of \$13.89 per inch of diameter with a 6.39" average size service, and the proposed revenues were developed using the rates set forth in Chapter 12.
9. Construction revenues for Estimated Year 2016, Test Year 2017-2018, and Escalation Years 2018-2019 and 2019-2020 were estimated by multiplying the forecasted Construction sales by the Quantity Rate from Schedule LA-1.
10. Metered water sales and average sales per customer in each customer classification, and the amount and source of water for the recorded years 2011 through 2015 and for Estimated Year 2016, Test Year 2017-2018, and Escalation Years 2018-2019 and 2019-2020 are shown in Tables 4B-1 and 4B-2, respectively.

11. Operating revenues by customer classification for the recorded years are set forth in Table 4C-1. Operating revenues at present rates for Estimated Year 2016 and Test Year 2017-2018 are shown in Table 4C-2. This table also contains a comparison of operating revenues for Test Year 2017-2018 at present and proposed rates.

12. Other Water Revenues, Account 614, include third party reimbursements during the recorded years for Operating and Maintenance costs for treatment at Plants No. 8, G4, B5, B6, 11, B11, B7, and Whittier Narrows Operable Unit. The third party reimbursements are “revenue neutral,” as offsetting expenses must first be incurred, with reimbursements received shortly thereafter. The forecasts for Estimated Year 2016, Test Year 2017-2018 and Escalation Years 2018-2019 and 2019-2020 are based on a 5-year average.

**TABLE 4A-1
SAN GABRIEL VALLEY WATER COMPANY
LOS ANGELES COUNTY DIVISION
Residential - Single Family**

<u>YEAR</u>	<u>RAINFALL ADJ. TO 4" MAXIMUM PER MONTH¹</u>	<u>TEMPERATURE YEARLY AVERAGE¹</u>	<u>AVERAGE SALES PER CUSTOMER YEARLY CCF</u>
2005-2006	11.38	66.0	206.21
2006-2007	4.67	66.0	224.74
2007-2008	9.74	65.2	211.91
2008-2009	8.91	66.4	200.86
2009-2010	13.39	64.6	185.68
2010-2011	12.45	65.3	176.01
2011-2012	9.67	64.8	177.41
2012-2013	7.22	66.3	180.64
2013-2014	10.98	67.1	184.94
2014-2015	4.62	69.2	163.35
10-Year Average ¹	9.30	66.1	191.18
30-Year Average ¹	11.79	66.2	N/A
Estimated 2016	--	--	148.02
Test Year 2017-2018	--	--	141.37
Escalation Year 2018-2019	--	--	134.71
Escalation Year 2019-2020	--	--	128.10

1. Data obtained from the "Annual Summary of Climatological Data for California," published by the U.S. Department of Commerce. The San Gabriel Fire Department, No. 7785 06, is used for rainfall and temperature. Rainfall totals and temperature averages are placed in phase with sales by using 1/2 of the prior December, plus January through November of current year, plus 1/2 current December.

TABLE 4A-2
SAN GABRIEL VALLEY WATER COMPANY
LOS ANGELES COUNTY DIVISION
Residential - Multi-Family - Small

<u>YEAR</u>	<u>RAINFALL ADJ. TO 4" MAXIMUM PER MONTH¹</u>	<u>TEMPERATURE YEARLY AVERAGE¹</u>	<u>AVERAGE SALES PER CUSTOMER YEARLY CCF</u>
2005-2006	11.38	66.0	667
2006-2007	4.67	66.0	675
2007-2008	9.74	65.2	642
2008-2009	8.91	66.4	615
2009-2010	13.39	64.6	583
2010-2011	12.45	65.3	562
2011-2012	9.67	64.8	555
2012-2013	7.22	66.3	563
2013-2014	10.98	67.1	565
2014-2015	4.62	69.2	525
10-Year Average ¹	9.30	66.1	595
30-Year Average ¹	11.79	66.2	N/A
Estimated 2016	--	--	480
Test Year 2017-2018	--	--	459
Escalation Year 2018-2019	--	--	444
Escalation Year 2019-2020	--	--	424

1. Data obtained from the "Annual Summary of Climatological Data for California," published by the U.S. Department of Commerce. The San Gabriel Fire Department, No. 7785 06, is used for rainfall and temperature. Rainfall totals and temperature averages are placed in phase with sales by using 1/2 of the prior December, plus January through November of current year, plus 1/2 current December.

**TABLE 4A-3
SAN GABRIEL VALLEY WATER COMPANY
LOS ANGELES COUNTY DIVISION
Residential - Multi-Family - Large**

<u>YEAR</u>	<u>RAINFALL ADJ. TO 4" MAXIMUM PER MONTH¹</u>	<u>TEMPERATURE YEARLY AVERAGE¹</u>	<u>AVERAGE SALES PER CUSTOMER YEARLY CCF</u>
2005-2006	11.38	66.0	5,117
2006-2007	4.67	66.0	5,211
2007-2008	9.74	65.2	4,967
2008-2009	8.91	66.4	4,767
2009-2010	13.39	64.6	4,496
2010-2011	12.45	65.3	4,286
2011-2012	9.67	64.8	4,175
2012-2013	7.22	66.3	4,249
2013-2014	10.98	67.1	4,212
2014-2015	4.62	69.2	3,937
10-Year Average ¹	9.30	66.1	4542
30-Year Average ¹	11.79	66.2	N/A
Estimated 2016	--	--	3,543
Test Year 2017-2018	--	--	3,388
Escalation Year 2018-2019	--	--	3,234
Escalation Year 2019-2020	--	--	3,079

1. Data obtained from the "Annual Summary of Climatological Data for California," published by the U.S. Department of Commerce. The San Gabriel Fire Department, No. 7785 06, is used for rainfall and temperature. Rainfall totals and temperature averages are placed in phase with sales by using 1/2 of the prior December, plus January through November of current year, plus 1/2 current December.

**TABLE 4A-4
SAN GABRIEL VALLEY WATER COMPANY
LOS ANGELES COUNTY DIVISION
Commercial - Small**

<u>YEAR</u>	<u>RAINFALL ADJ. TO 4" MAXIMUM PER MONTH¹</u>	<u>TEMPERATURE YEARLY AVERAGE¹</u>	<u>AVERAGE SALES PER CUSTOMER YEARLY CCF</u>
2005-2006	11.38	66.0	343
2006-2007	4.67	66.0	358
2007-2008	9.74	65.2	327
2008-2009	8.91	66.4	307
2009-2010	13.39	64.6	280
2010-2011	12.45	65.3	271
2011-2012	9.67	64.8	267
2012-2013	7.22	66.3	277
2013-2014	10.98	67.1	286
2014-2015	4.62	69.2	273
10-Year Average ¹	9.30	66.1	299
30-Year Average ¹	11.79	66.2	N/A
Estimated 2016	--	--	232
Test Year 2017-2018	--	--	221
Escalation Year 2018-2019	--	--	211
Escalation Year 2019-2020	--	--	200

1. Data obtained from the "Annual Summary of Climatological Data for California," published by the U.S. Department of Commerce. The San Gabriel Fire Department, No. 7785 06, is used for rainfall and temperature. Rainfall totals and temperature averages are placed in phase with sales by using 1/2 of the prior December, plus January through November of current year, plus 1/2 current December.

**TABLE 4A-5
SAN GABRIEL VALLEY WATER COMPANY
LOS ANGELES COUNTY DIVISION
Commercial - Large**

<u>YEAR</u>	<u>RAINFALL ADJ. TO 4" MAXIMUM PER MONTH¹</u>	<u>TEMPERATURE YEARLY AVERAGE¹</u>	<u>AVERAGE SALES PER CUSTOMER YEARLY CCF</u>
2005-2006	11.38	66.0	4,146
2006-2007	4.67	66.0	4,264
2007-2008	9.74	65.2	4,322
2008-2009	8.91	66.4	4,209
2009-2010	13.39	64.6	5,623
2010-2011	12.45	65.3	5,227
2011-2012	9.67	64.8	5,091
2012-2013	7.22	66.3	5,333
2013-2014	10.98	67.1	5,406
2014-2015	4.62	69.2	5,039
10-Year Average ¹	9.30	66.1	4,866
30-Year Average ¹	11.79	66.2	N/A
Estimated 2016	--	--	4,500
Test Year 2017-2018	--	--	4,500
Escalation Year 2018-2019	--	--	4,500
Escalation Year 2019-2020	--	--	4,500

1. Data obtained from the "Annual Summary of Climatological Data for California," published by the U.S. Department of Commerce. The San Gabriel Fire Department, No. 7785 06, is used for rainfall and temperature. Rainfall totals and temperature averages are placed in phase with sales by using 1/2 of the prior December, plus January through November of current year, plus 1/2 current December.

**TABLE 4A-6
SAN GABRIEL VALLEY WATER COMPANY
LOS ANGELES COUNTY DIVISION
Industrial - Small**

<u>YEAR</u>	<u>RAINFALL ADJ. TO 4" MAXIMUM PER MONTH¹</u>	<u>TEMPERATURE YEARLY AVERAGE¹</u>	<u>AVERAGE SALES PER CUSTOMER YEARLY CCF</u>
2005-2006	11.38	66.0	940
2006-2007	4.67	66.0	999
2007-2008	9.74	65.2	893
2008-2009	8.91	66.4	849
2009-2010	13.39	64.6	770
2010-2011	12.45	65.3	624
2011-2012	9.67	64.8	570
2012-2013	7.22	66.3	725
2013-2014	10.98	67.1	678
2014-2015	4.62	69.2	733
10-Year Average ¹	9.30	66.1	778
30-Year Average ¹	11.79	66.2	N/A
Estimated 2016	--	--	538
Test Year 2017-2018	--	--	538
Escalation Year 2018-2019	--	--	538
Escalation Year 2019-2020	--	--	538

1. Data obtained from the "Annual Summary of Climatological Data for California," published by the U.S. Department of Commerce. The San Gabriel Fire Department, No. 7785 06, is used for rainfall and temperature. Rainfall totals and temperature averages are placed in phase with sales by using 1/2 of the prior December, plus January through November of current year, plus 1/2 current December.

TABLE 4A-7
SAN GABRIEL VALLEY WATER COMPANY
LOS ANGELES COUNTY DIVISION
Industrial - Large

<u>YEAR</u>	<u>RAINFALL ADJ. TO 4" MAXIMUM PER MONTH¹</u>	<u>TEMPERATURE YEARLY AVERAGE¹</u>	<u>AVERAGE SALES PER CUSTOMER YEARLY CCF</u>
2005-2006	11.38	66.0	28,073
2006-2007	4.67	66.0	28,372
2007-2008	9.74	65.2	30,671
2008-2009	8.91	66.4	22,800
2009-2010	13.39	64.6	24,646
2010-2011	12.45	65.3	26,313
2011-2012	9.67	64.8	25,638
2012-2013	7.22	66.3	23,417
2013-2014	10.98	67.1	24,177
2014-2015	4.62	69.2	23,807
10-Year Average ¹	9.30	66.1	25,791
30-Year Average ¹	11.79	66.2	N/A
Estimated 2016	--	--	22,488
Test Year 2017-2018	--	--	22,488
Escalation Year 2018-2019	--	--	22,488
Escalation Year 2019-2020	--	--	22,488

1. Data obtained from the "Annual Summary of Climatological Data for California," published by the U.S. Department of Commerce. The San Gabriel Fire Department, No. 7785 06, is used for rainfall and temperature. Rainfall totals and temperature averages are placed in phase with sales by using 1/2 of the prior December, plus January through November of current year, plus 1/2 current December.

TABLE 4A-8
SAN GABRIEL VALLEY WATER COMPANY
LOS ANGELES COUNTY DIVISION
Public Authority - Small

<u>YEAR</u>	<u>RAINFALL ADJ. TO 4" MAXIMUM PER MONTH¹</u>	<u>TEMPERATURE YEARLY AVERAGE¹</u>	<u>AVERAGE SALES PER CUSTOMER YEARLY CCF</u>
2005-2006	11.38	66.0	506
2006-2007	4.67	66.0	602
2007-2008	9.74	65.2	571
2008-2009	8.91	66.4	507
2009-2010	13.39	64.6	479
2010-2011	12.45	65.3	489
2011-2012	9.67	64.8	649
2012-2013	7.22	66.3	648
2013-2014	10.98	67.1	672
2014-2015	4.62	69.2	549
10-Year Average ¹	9.30	66.1	567
30-Year Average ¹	11.79	66.2	N/A
Estimated 2016	--	--	412
Test Year 2017-2018	--	--	412
Escalation Year 2018-2019	--	--	412
Escalation Year 2019-2020	--	--	412

1. Data obtained from the "Annual Summary of Climatological Data for California," published by the U.S. Department of Commerce. The San Gabriel Fire Department, No. 7785 06, is used for rainfall and temperature. Rainfall totals and temperature averages are placed in phase with sales by using 1/2 of the prior December, plus January through November of current year, plus 1/2 current December.

**TABLE 4A-9
SAN GABRIEL VALLEY WATER COMPANY
LOS ANGELES COUNTY DIVISION
Public Authority - Large**

<u>YEAR</u>	<u>RAINFALL ADJ. TO 4" MAXIMUM PER MONTH¹</u>	<u>TEMPERATURE YEARLY AVERAGE¹</u>	<u>AVERAGE SALES PER CUSTOMER YEARLY CCF</u>
2005-2006	11.38	66.0	12,048
2006-2007	4.67	66.0	13,092
2007-2008	9.74	65.2	11,506
2008-2009	8.91	66.4	10,898
2009-2010	13.39	64.6	5,363
2010-2011	12.45	65.3	4,906
2011-2012	9.67	64.8	4,923
2012-2013	7.22	66.3	5,158
2013-2014	10.98	67.1	5,593
2014-2015	4.62	69.2	5,068
10-Year Average ¹	9.30	66.1	7,856
30-Year Average ¹	11.79	66.2	N/A
Estimated 2016	--	--	1,890
Test Year 2017-2018	--	--	1,890
Escalation Year 2018-2019	--	--	1,890
Escalation Year 2019-2020	--	--	1,890

1. Data obtained from the "Annual Summary of Climatological Data for California," published by the U.S. Department of Commerce. The San Gabriel Fire Department, No. 7785 06, is used for rainfall and temperature. Rainfall totals and temperature averages are placed in phase with sales by using 1/2 of the prior December, plus January through November of current year, plus 1/2 current December.

TABLE 4A-10
SAN GABRIEL VALLEY WATER COMPANY
LOS ANGELES COUNTY DIVISION
Construction

<u>YEAR</u>	<u>RAINFALL ADJ. TO 4" MAXIMUM PER MONTH¹</u>	<u>TEMPERATURE YEARLY AVERAGE¹</u>	<u>AVERAGE SALES PER CUSTOMER YEARLY CCF</u>
2005-2006	11.38	66.0	375
2006-2007	4.67	66.0	848
2007-2008	9.74	65.2	1,072
2008-2009	8.91	66.4	1,206
2009-2010	13.39	64.6	725
2010-2011	12.45	65.3	773
2011-2012	9.67	64.8	1,290
2012-2013	7.22	66.3	1,736
2013-2014	10.98	67.1	1,097
2014-2015	4.62	69.2	887
10-Year Average ¹	9.30	66.1	1,001
30-Year Average ¹	11.79	66.2	N/A
Estimated 2016	--	--	574
Test Year 2017-2018	--	--	574
Escalation Year 2018-2019	--	--	574
Escalation Year 2019-2020	--	--	574

1. Data obtained from the "Annual Summary of Climatological Data for California," published by the U.S. Department of Commerce. The San Gabriel Fire Department, No. 7785 06, is used for rainfall and temperature. Rainfall totals and temperature averages are placed in phase with sales by using 1/2 of the prior December, plus January through November of current year, plus 1/2 current December.

TABLE 4B-1
San Gabriel Valley Water Company
Los Angeles County Division
TOTAL WATER SALES and SUPPLY

	Recorded Years				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>Metered Sales - KCCF</u>					
Residential - Single Family	6,663.8	6,868.5	6,933.9	6,793.1	6,279.2
Residential - Multi-Family - Small	1,656.2	1,685.6	1,680.9	1,624.5	1,555.2
Residential - Multi-Family - Large	915.8	931.4	928.9	901.7	869.1
Commercial - Small	1,222.3	1,261.3	1,283.2	1,304.8	1,256.1
Commercial - Large	1,612.1	1,640.5	1,702.1	1,685.4	1,629.7
Industrial - Small	5.3	6.7	6.4	5.9	6.8
Industrial - Large	1,033.2	931.9	829.1	872.5	849.0
Public Authority - Small	135.9	151.1	161.5	166.2	145.4
Public Authority - Large	918.2	994.0	975.0	917.1	964.5
Construction	21.8	37.7	21.1	32.2	29.2
Subtotal	<u>14,184.7</u>	<u>14,508.8</u>	<u>14,522.0</u>	<u>14,303.4</u>	<u>13,554.9</u>
Recycled Water	848.8	1,040.8	1,081.3	1,109.7	978.5
Total	<u><u>15,033.5</u></u>	<u><u>15,549.6</u></u>	<u><u>15,603.3</u></u>	<u><u>15,413.1</u></u>	<u><u>14,533.4</u></u>
 <u>Water Supply - KCcf</u>					
Wells	15,104.9	15,374.0	15,615.0	15,197.6	14,275.6
Purchased -CBMWD/Santa Fe Springs	0.0	0.0	0.0	0.0	0.0
Subtotal	<u>15,104.9</u>	<u>15,374.0</u>	<u>15,615.0</u>	<u>15,197.6</u>	<u>14,275.6</u>
Recycled Water	848.8	1,041.0	1,081.1	1,109.7	713.1
Total	<u><u>15,953.7</u></u>	<u><u>16,415.0</u></u>	<u><u>16,696.1</u></u>	<u><u>16,307.3</u></u>	<u><u>14,988.7</u></u>
Unmetered & Unaccounted for (KCcf)	920.2	865.2	1,093.0	894.2	720.7
Unmetered & Unaccounted for (%)	6.1%	5.6%	7.0%	5.9%	5.0%

NOTE: Recorded October 2015 information is temporarily shown for Calendar 2015.

TABLE 4B-2
San Gabriel Valley Water Company
Los Angeles County Division
TOTAL WATER SALES and SUPPLY

	Estimated	Test Year	Escalation Years	
	<u>2016</u>	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>
<u>Metered Sales- KCCF</u>				
Residential - Single Family	5,719.0	5,479.6	5,232.5	4,986.4
Residential - Multi-Family - Small	1,441.0	1,374.2	1,326.7	1,264.8
Residential - Multi-Family - Large	786.5	772.5	750.3	726.6
Commercial - Small	1,083.2	1,032.1	985.8	934.6
Commercial - Large	1,557.0	1,629.0	1,674.0	1,723.5
Industrial - Small	5.4	4.8	4.8	4.3
Industrial - Large	787.1	764.6	764.6	742.1
Public Authority - Small	111.7	112.5	112.5	112.9
Public Authority - Large	268.4	247.6	251.4	253.3
Construction	12.6	12.6	12.6	12.6
Subtotal	<u>11,771.9</u>	<u>11,429.6</u>	<u>11,115.2</u>	<u>10,761.1</u>
Recycled Water	1,061.8	1,070.5	1,070.5	1,070.5
Total	<u><u>12,833.7</u></u>	<u><u>12,500.0</u></u>	<u><u>12,185.7</u></u>	<u><u>11,831.6</u></u>
<u>Water Supply - KCcf</u>				
Wells	12,516.1	12,152.1	11,817.9	11,441.5
Purchased-CBMWD	0.0	0.0	0.0	0.0
Subtotal	<u>12,516.1</u>	<u>12,152.1</u>	<u>11,817.9</u>	<u>11,441.5</u>
Recycled Water	1,061.8	1,070.5	1,070.5	1,070.5
Total	<u><u>13,577.9</u></u>	<u><u>13,222.6</u></u>	<u><u>12,888.4</u></u>	<u><u>12,512.0</u></u>
Unmetered & Unaccounted for (KCcf)	744.2	722.6	702.7	680.3
Unmetered & Unaccounted for (%)	5.9%	5.9%	5.9%	5.9%
<u>Water Sales per Average Customer (CCF)</u>				
Residential - Single Family		141.37	134.71	128.10
Residential - Multi-Family - Small		459	444	424
Residential - Multi-Family - Large		3,388	3,234	3,079
Commercial, Small		221	211	200
Commercial, Large		4,500	4,500	4,500
Industrial - Small		538	538	538
Industrial- Large		22,488	22,488	22,488
Public Authority - Small		412	412	412
Public Authority - Large		1,890	1,890	1,890
Construction		574	574	574
Recycled Water - Special Contract		2,374	2,374	2,374
Recycled Water - Tariff		3,431	3,431	3,431

TABLE 4C-1
San Gabriel Valley Water Company
Los Angeles County Division
OPERATING REVENUES at AUTHORIZED RATES
(Dollars in Thousands)

	Recorded Years				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>Metered Revenues</u>					
Residential - Single Family	\$24,436.1	\$30,604.2	\$28,225.8	\$26,943.1	\$25,983.4
Residential - Multi-Family - Small	\$5,193.4	\$6,626.6	\$6,238.7	\$5,895.6	\$5,804.7
Residential - Multi-Family - Large	\$2,635.8	\$3,413.5	\$3,211.3	\$3,060.7	\$3,034.9
Total Residential	<u>\$32,265.4</u>	<u>\$40,644.4</u>	<u>\$37,675.8</u>	<u>\$35,899.4</u>	<u>\$34,823.0</u>
Commercial - Small	\$5,561.9	\$6,820.6	\$6,558.5	\$6,494.7	\$6,335.2
Commercial - Large	\$4,506.0	\$5,882.3	\$5,687.1	\$5,500.1	\$5,484.0
Total Commercial	<u>\$10,067.9</u>	<u>\$12,702.9</u>	<u>\$12,245.6</u>	<u>\$11,994.8</u>	<u>\$11,819.2</u>
Industrial - Small	\$23.7	\$33.6	\$30.4	\$28.1	\$35.8
Industrial - Large	\$2,431.0	\$2,932.9	\$2,431.5	\$2,485.7	\$2,548.5
Total Industrial	<u>\$2,454.7</u>	<u>\$2,966.4</u>	<u>\$2,461.9</u>	<u>\$2,513.8</u>	<u>\$2,584.3</u>
Public Authority - Small	\$608.6	\$775.5	\$782.0	\$777.7	\$672.4
Public Authority - Large	\$2,514.2	\$3,439.1	\$3,179.8	\$2,960.3	\$2,956.6
Total Public Authority	<u>\$3,122.7</u>	<u>\$4,214.6</u>	<u>\$3,961.8</u>	<u>\$3,738.0</u>	<u>\$3,628.9</u>
Construction	\$12.5	\$3.5	\$3.6	\$2.2	\$2.6
Recycled Water	\$1,225.4	\$1,685.8	\$1,769.5	\$1,865.4	\$1,647.4
Total Metered Service	<u>\$49,148.6</u>	<u>\$62,217.7</u>	<u>\$58,118.2</u>	<u>\$56,013.6</u>	<u>\$54,505.4</u>
<u>Flat Rate Service</u>					
Private Fire Service	\$1,128.0	\$1,236.1	\$1,236.5	\$1,235.3	\$1,250.5
<u>Miscellaneous</u>					
Rent from Water Property	\$0.0	\$10.8	\$42.1	\$13.4	\$9.7
Other Water Revenues	\$7,849.2	\$7,985.9	\$6,233.9	\$6,705.4	\$5,921.8
Total Miscellaneous Service	<u>\$7,849.2</u>	<u>\$7,996.7</u>	<u>\$6,276.0</u>	<u>\$6,718.8</u>	<u>\$5,931.5</u>
Total	<u><u>\$58,125.9</u></u>	<u><u>\$71,450.5</u></u>	<u><u>\$65,630.8</u></u>	<u><u>\$63,967.7</u></u>	<u><u>\$61,687.5</u></u>

NOTE: Recorded October 2015 information is temporarily shown for Calendar 2015.

TABLE 4C-2
San Gabriel Valley Water Company
Los Angeles County Division
OPERATING REVENUES at PRESENT and PROPOSED RATES
(Dollars in Thousands)

	<u>Estimated</u>	<u>Test Year 2017-2018</u>			
	<u>Year 2016</u>	<u>Present</u>	<u>Proposed</u>	<u>Proposed</u>	<u>Percent</u>
	<u>Rates</u>	<u>Rates</u>	<u>Rates</u>	<u>Increase</u>	<u>Increase</u>
<u>Metered Revenues</u>					
Residential - Single Family	\$24,516.3	\$23,901.1	\$32,601.3	\$8,700.2	36.4%
Residential - Multi-Family - Small	\$5,640.7	\$5,452.5	\$6,685.7	\$1,233.3	22.6%
Residential - Multi-Family - Large	\$2,834.1	\$2,808.8	\$3,477.5	\$668.6	23.8%
Total Residential	<u>\$32,991.1</u>	<u>\$32,162.4</u>	<u>\$42,764.5</u>	<u>\$10,602.2</u>	33.0%
Commercial - Small	\$5,955.4	\$5,815.4	\$6,910.8	\$1,095.4	18.8%
Commercial - Large	\$5,321.5	\$5,561.2	\$6,931.6	\$1,370.4	24.6%
Total Commercial	<u>\$11,276.9</u>	<u>\$11,376.6</u>	<u>\$13,842.4</u>	<u>\$2,465.8</u>	21.7%
Industrial - Small	\$29.3	\$25.8	\$33.0	\$7.2	28.1%
Industrial - Large	\$2,331.8	\$2,268.1	\$2,875.5	\$607.4	26.8%
Total Industrial	<u>\$2,361.1</u>	<u>\$2,293.9</u>	<u>\$2,908.5</u>	<u>\$614.6</u>	26.8%
Public Authority - Small	\$664.3	\$669.8	\$793.9	\$124.1	18.5%
Public Authority - Large	\$1,359.6	\$1,264.6	\$1,517.9	\$253.2	20.0%
Total Public Authority	<u>\$2,023.9</u>	<u>\$1,934.4</u>	<u>\$2,311.8</u>	<u>\$377.4</u>	19.5%
Construction	\$34.6	\$34.6	\$44.4	\$9.7	28.1%
Recycled Water	\$2,226.2	\$2,274.7	\$2,550.7	\$275.9	12.1%
Total Metered Service	<u>\$50,913.8</u>	<u>\$50,076.6</u>	<u>\$64,422.2</u>	<u>\$14,345.6</u>	28.6%
<u>Flat Rate Service</u>					
Private Fire Service	\$1,261.1	\$1,274.9	\$1,406.2	\$131.3	10.3%
<u>Miscellaneous</u>					
Rent from Water Property	\$15.2	\$15.2	\$15.2	\$0.0	0.0%
Other Water Revenues	\$6,939.3	\$6,939.3	\$6,939.3	\$0.0	0.0%
Total Miscellaneous Service	<u>\$6,954.4</u>	<u>\$6,954.4</u>	<u>\$6,954.4</u>	<u>\$0.0</u>	0.0%
Total	<u><u>\$59,129.3</u></u>	<u><u>\$58,305.9</u></u>	<u><u>\$72,782.8</u></u>	<u><u>\$14,476.8</u></u>	24.8%

CHAPTER 5

Operation and Maintenance Expenses

1. Operation and maintenance expenses comprise those operating expenses classified as source of supply expenses, pumping expenses, water treatment expenses, transmission and distribution expenses, and customer account expenses.

2. For the purpose of this report, direct operation and maintenance expenses have been separated into eleven components, namely; purchased water and assessments, purchased power, chemicals, payroll, materials and supplies, transportation, uncollectibles, utilities and rents, outside services, conservation expenses, and miscellaneous expenses. In addition, recorded direct operation and maintenance payroll expenses have been restated to give effect to the fact that payroll, initially charged to Account 100-3 Construction Work in Progress, and later distributed to operating expense accounts or accounts receivable - billing, has been segregated from other components of construction work in progress.

3. Table 5A sets forth the classification of recorded 2011 through 2015 direct operation and maintenance expenses restated to the extent described in paragraph 2 of this chapter. Table 5B sets forth similarly these operation and maintenance expenses for Estimated Year 2016 and Test Year 2017-2018.

4. Direct operation and maintenance Payroll expenses estimated for the test year are based upon the existing organizational structure and payroll. Payroll expenses shown in Table 5B reflect additional required employees and salaries, as well as the anticipated wage increases to be granted in Estimated Year 2016 or Test Years 2017-2018.
5. Normalized water production and purchases were developed from normalized water consumption by applying a corrective factor to provide for water losses of 5.9%.
6. Purchased Water and Assessments consists of purchased recycled water, and other costs such as replacement water and replenishment water assessments, Water Quality Authority assessments, leased water costs, and Watermaster production and administrative assessments. The applicable unit costs for these items reflect only increases that have already been adopted and established by the governing water agencies.

Based upon the sources of supply set forth in Table 4B-2, the applicable unit costs, and the Operating Safe Yield adopted by the Main San Gabriel Basin Watermaster, the following summaries set forth the estimated charges applicable to Estimated Year 2016 and Test Year 2017-2018:

San Gabriel Valley Water Company
Los Angeles County Division
WATER COST SUMMARY
Estimated Year 2016

	<u>Quantity</u> <u>Basis</u> (AF)	<u>Unit</u> <u>Cost</u> (\$/AF)	<u>Total Cost or</u> <u>Assessment</u> (\$000)
<u>MAIN SAN GABRIEL BASIN</u>			
Safe Yield	130,000.00		
Share of Safe Operating Yield	13,408.04		
Leased Water Rights	2,700.00	\$627.30	\$1,693.7
Cyclic Storage	528.40	\$697.00	\$368.3
Watermaster Assessments			
Total Production Assessments			
In-Lieu Assessment	26,167.69	\$10.00	\$261.7
Water Resource Development Assessment	26,167.69	\$20.00	\$523.4
Administrative Assessment	26,167.69	\$15.00	\$392.5
Long Beach Make-up Assessment	26,167.69	\$0.00	\$0.0
Other Watermaster Assessment	26,167.69	\$0.00	\$0.0
Replacement Water Assessment	9,531.25	\$797.00	\$7,596.4
Association Assessment (2014/15 Production)	34,337.66	\$0.70	\$24.0
WQA Assessment (Prescriptive Right)	20,383.79	\$10.00	\$203.8
SGV Protective Assessment		\$50.00	\$0.1
Recycled Water USGVMWD	2,325.50	\$637.60	\$1,482.7
Recycled Water CSD of LAC	12.00	\$421.00	\$5.1
Subtotal: Production plus Recycled Water	28,505.19		\$12,551.7
 <u>CENTRAL BASIN</u>			
Purchased Water (MWD Tier 2)	0.00	\$1,166.00	\$0.0
Connection Maintenance Charge, per month		\$1,035.00	\$12.4
Replenishment Assessment	2,565.35	\$283.00	\$726.0
Association Assessment	2,565.35	\$0.50	\$1.3
Watermaster Service Assessment		\$5,095.00	\$5.1
CBMWD Recycled Water	100.00	\$556.00	\$55.6
Subtotal: Production plus Recycled Water	2,665.35		\$800.4
 Total	31,170.54		\$13,352.1
 Composite Cost		 \$428.36	 per Acre-Foot

San Gabriel Valley Water Company
Los Angeles County Division
WATER COST SUMMARY
Test Year 2017-2018

	<u>Quantity</u> <u>Basis</u> (AF)	<u>Unit</u> <u>Cost</u> (\$/AF)	<u>Total Cost or</u> <u>Assessment</u> (\$000)
<u>MAIN SAN GABRIEL BASIN</u>			
Safe Yield	130,000.00		
Share of Safe Operating Yield	13,408.04		
Leased Water Rights	2,700.00	\$627.30	\$1,693.7
Cyclic Storage	-	\$697.00	\$0.0
Watermaster Assessments			
Total Production Assessments			
In-Lieu Assessment	25,352.12	\$10.00	\$253.5
Water Resource Development Assessment	25,352.12	\$20.00	\$507.0
Administrative Assessment	25,352.12	\$15.00	\$380.3
Long Beach Make-up Assessment	25,352.12	\$0.00	\$0.0
Other Watermaster Assessment	25,352.12	\$0.00	\$0.0
Replacement Water Assessment	9,244.08	\$797.00	\$7,367.5
Association Assessment (2015/16 Production)	26,167.69	\$0.70	\$18.3
WQA Assessment (Prescriptive Right)	20,383.79	\$10.00	\$203.8
SGV Protective Assessment		\$50.00	\$0.1
Recycled Water USGVMWD	2,325.50	\$637.60	\$1,482.7
Recycled Water CSD of LAC	12.00	\$421.00	\$5.1
Subtotal: Production plus Recycled Water	27,689.62		\$11,912.1
 <u>CENTRAL BASIN</u>			
Purchased Water (MWD Tier 2)	0.00	\$1,166.00	\$0.0
Connection Maintenance Charge, per month		\$1,035.00	\$12.4
Replenishment Assessment	2,565.35	\$283.00	\$726.0
Association Assessment	2,565.35	\$0.50	\$1.3
Watermaster Service Assessment		\$5,095.00	\$5.1
CBMWD Recycled Water	100.00	\$556.00	\$55.6
Subtotal: Production plus Recycled Water	2,665.35		\$800.4
 Total	30,354.97		\$12,712.5
 Composite Cost		 \$418.79	 per Acre-Foot

7. Charges to Account No. 726, Purchased Power for Pumping, for Estimated Year 2016 and Test Year 2017-2018, are based on demand, energy, and operating conditions experienced in 2015, adjusted for normalized water production, and plant additions. Estimated Year 2016 and Test Year 2017-2018 expenses are based upon currently effective Southern California Edison Company rates.
8. The tabulation below summarizes the expenses for power shown in Table 5B.

<u>SCE Schedule</u>	<u>Estimated 2016</u>	<u>Test Year 2017-2018</u>
<u>TOU-GS-1</u>		
Energy (kWh)	45,000	45,000
Cost per kWh	\$0.120017	\$0.120017
Annual Expense	\$5,401	\$5,401
<u>TOU-GS-3</u>		
Energy (kWh)	1,867,000	1,867,000
Cost per kWh	\$0.150770	\$0.150770
Annual Expense	\$281,487	\$281,487
<u>TOU-8-B</u>		
Energy (kWh)	15,382,021	15,354,141
Cost per kWh	\$0.150977	\$0.151109
Annual Expense	\$2,322,333	\$2,320,155
<u>TOU-PA-2</u>		
Energy (kWh)	3,650,000	3,650,000
Cost per kWh	\$0.128548	\$0.128548
Annual Expense	\$469,199	\$469,199
<u>TOU-PA-3</u>		
Energy (kWh)	5,512,432	5,512,432
Cost per kWh	\$0.152785	\$0.152785
Annual Expense	\$842,217	\$842,217
Total Power Costs	<u>\$3,920,637</u>	<u>\$3,918,459</u>

9. Uncollectible Accounts written off during the past five calendar years have averaged 0.1104% of Division revenues, excluding Rents and Other Water Revenues. Uncollectible accounts for Estimated Year 2016 and Test Year 2017-2018 have been calculated by application of this rate to the applicable present and proposed revenues.

10. The forecasts of two subaccounts, Transportation Expense and Utilities and Rents Expense, are not based on the recorded five-year average. Transportation Expense is based on Recorded 2015 expense, adjusted for non-labor inflation. Utilities and Rents, which largely consists of purchased electricity, is also based on Recorded 2015 expense, adjusted for non-labor inflation.

TABLE 5A

**San Gabriel Valley Water Company
Los Angeles County Division
OPERATION and MAINTENANCE EXPENSE**

(Dollars in Thousands)

<u>Account Classification</u>	<u>Recorded Years</u>				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>Operation Expense</u>					
Purchased Water & Assessments	\$9,174.0	\$9,078.1	\$9,574.7	\$12,218.2	\$12,535.1
Purchased Power	\$3,582.3	\$3,304.6	\$3,754.0	\$4,127.3	\$3,558.3
Chemicals	\$4,186.7	\$3,901.0	\$2,504.6	\$2,163.0	\$2,137.5
Payroll	\$3,574.2	\$3,710.5	\$3,562.6	\$3,670.4	\$3,650.3
Materials & Supplies	\$727.1	\$942.7	\$978.7	\$998.6	\$730.7
Transportation	\$423.8	\$440.0	\$423.0	\$435.9	\$433.5
Uncollectibles	\$63.4	\$103.4	\$64.8	\$46.6	\$37.5
Outside Services	\$891.0	\$779.8	\$1,090.2	\$880.4	\$862.1
Utilities & Rents	\$1,076.7	\$886.1	\$1,011.5	\$1,238.4	\$1,263.8
Miscellaneous	\$504.4	\$451.9	\$502.7	\$483.9	\$399.1
Total Operation Expense	<u>\$24,203.7</u>	<u>\$23,598.1</u>	<u>\$23,466.7</u>	<u>\$26,262.7</u>	<u>\$25,608.0</u>
<u>Maintenance Expense</u>					
Payroll	\$1,155.3	\$1,163.0	\$1,217.2	\$1,226.2	\$1,237.5
Materials & Supplies	\$400.5	\$492.0	\$429.0	\$468.1	\$387.2
Transportation	\$339.0	\$352.0	\$338.4	\$348.7	\$346.9
Outside Services	\$339.9	\$310.0	\$306.3	\$336.1	\$276.6
Utilities & Rents	\$3.1	\$3.4	\$3.2	\$3.6	\$3.3
Miscellaneous	\$31.3	\$50.3	\$68.0	\$66.4	\$68.4
Total Maintenance Expense	<u>\$2,269.1</u>	<u>\$2,370.7</u>	<u>\$2,362.1</u>	<u>\$2,449.1</u>	<u>\$2,319.8</u>
Total	<u><u>\$26,472.7</u></u>	<u><u>\$25,968.8</u></u>	<u><u>\$25,828.9</u></u>	<u><u>\$28,711.8</u></u>	<u><u>\$27,927.8</u></u>

NOTE: Recorded October 2015 information is temporarily shown for Calendar 2015.

TABLE 5B

San Gabriel Valley Water Company
Los Angeles County Division
OPERATIONS and MAINTENANCE EXPENSE
(Dollars in Thousands)

<u>Account Classification</u>	<u>Estimated 2016</u>	<u>Test Year 2017-2018</u>
<u>At Present Rates</u>		
<u>Operation Expense</u>		
Purchased Water & Assessments	\$13,352.1	\$12,712.5
Purchased Power	\$3,920.6	\$3,918.5
Chemicals	\$3,277.6	\$3,429.0
Payroll	\$3,662.6	\$4,095.0
Materials & Supplies	\$599.1	\$626.8
Transportation	\$439.9	\$460.3
Uncollectibles @ 0.1104%	\$57.6	\$56.7
Outside Services	\$966.5	\$1,021.8
Utilities & Rents	\$1,282.5	\$1,341.7
Miscellaneous	\$1,129.6	\$1,178.1
Total Operating Expense	<u>\$28,688.2</u>	<u>\$28,840.3</u>
<u>Maintenance Expense</u>		
Payroll	\$1,241.6	\$1,388.2
Materials & Supplies	\$445.6	\$466.2
Transportation	\$352.0	\$368.3
Outside Services	\$337.1	\$356.4
Utilities & Rents	\$3.4	\$3.6
Miscellaneous	\$58.1	\$60.7
Total Maintenance Expense	<u>\$2,437.9</u>	<u>\$2,643.4</u>
Total	<u>\$31,126.1</u>	<u>\$31,483.6</u>
<u>At Proposed Rates</u>		
Uncollectibles @ 0.1104%		\$72.6
Other O&M		\$31,427.0
Total		<u>\$31,499.6</u>

CHAPTER 6

Administrative and General Expenses

1. Direct administrative expenses have been separated into the components shown in Table 6A, which sets forth the classification of recorded 2011 through 2015 direct administrative and general expenses. Similarly, Table 6B reflects these expenses for Estimated Year 2016 and Test Year 2017-2018.

2. Included in Account 795 (Employees' Pensions and Benefits) are the following items: annual pension contributions, vacation, holiday, sick leave, health insurance, dental insurance, workers' compensation insurance, life insurance, long term disability insurance, and miscellaneous expenses. Estimated annual pension contributions, life and long term disability insurance, vacation, holiday, and sick leave expenses for the Test Year are based upon the payroll estimates discussed in the General division report (Exhibit SG-1). Trends in life and long term disability insurance reflect specific premium increase information from insurance providers. Health, dental, and workers' compensation insurance increases were estimated using information on trends in their respective insurance lines as provided by the brokers, insurance companies, and newsletters, with San Gabriel's specific experience factored in as available and applicable. For the remaining expense items in this account, San Gabriel's recorded 2011-2015 experience was used for Estimated Year 2016 and Test Year 2017-2018.

3. Consistent with longstanding practice, the forecast of Regulatory Commission Expenses include the forecasted 3-year amortization of the incremental costs related to this proceeding.
4. As required by D.85-06-031, the 1.17% Public Utilities Commission User Fee is not shown in Table 6B for Estimated Year 2016 and Test Year 2017-2018.
5. County and city franchise fees payable annually at an average rate of 0.9991% of applicable water service revenues (excluding Rents and Other Water Revenues) are recorded in Account No. 796, Franchise Requirements. As explained in Exhibit SG-4 (Batt), the County of Los Angeles is converting to a rate of 1.0% of total revenues. This rate has been applied to the applicable water service revenues estimated for the Estimated Year 2016 and Test Year 2017-2018 to provide franchise fees under both present and proposed rates.
6. Credits to Account No. 812, Administrative Expenses Transferred, are related to construction of utility plant additions. The rate used by San Gabriel to capitalize administrative overhead costs to capital construction projects is 8%. This rate has been used to forecast Administrative Expenses Transferred to capital projects through Account No. 812, and credits in the amount of \$1,068,370 and \$1,326,667 have been projected for Estimated Year 2016 and Test Year 2017-2018, respectively.

TABLE 6A

San Gabriel Valley Water Company
Los Angeles County Division
ADMINISTRATIVE and GENERAL EXPENSE
(Dollars in Thousands)

Account Classification	Recorded Years				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Payroll	\$51.3	\$70.7	\$91.1	\$158.8	\$167.5
Materials & Supplies	\$41.1	\$49.1	\$54.3	\$56.7	\$53.9
Transportation	\$0.0	(\$1.3)	(\$3.4)	(\$0.4)	(\$0.4)
Pensions & Benefits	\$1,937.9	\$2,168.3	\$2,085.7	\$2,218.5	\$2,394.5
Franchise Fees	\$502.4	\$633.6	\$593.1	\$572.1	\$569.1
Outside Services	\$462.6	\$182.8	\$267.3	\$119.2	\$136.2
Injuries & Damages	\$521.8	\$512.5	\$530.0	\$623.6	\$791.0
Regulatory Commission Expense	\$107.6	\$146.2	\$124.9	\$64.6	\$0.0
Utilities & Rents	\$16.5	\$16.9	\$18.0	\$19.8	\$19.2
Miscellaneous Expenses	\$16.5	\$22.2	\$9.2	\$20.8	\$16.4
Administrative Expense Transferred	(\$630.0)	(\$233.0)	(\$872.8)	(\$1,161.3)	(\$1,161.3)
Total	<u>\$3,027.7</u>	<u>\$3,568.0</u>	<u>\$2,897.4</u>	<u>\$2,692.3</u>	<u>\$2,986.1</u>

NOTE: Recorded October 2015 information is temporarily shown for Calendar 2015.

TABLE 6B

San Gabriel Valley Water Company
Los Angeles County Division
ADMINISTRATIVE and GENERAL EXPENSE
 (Dollars in Thousands)

<u>Account Classification</u>	<u>Estimated 2016</u>	<u>Test Year 2017-2018</u>
<u>At Present Rates</u>		
Payroll	\$168.1	\$187.9
Materials & Supplies	\$52.3	\$54.6
Transportation	(\$0.4)	(\$0.5)
Pensions & Benefits	\$2,732.3	\$3,165.9
Franchise Fees @ 1.0000%	\$591.3	\$583.1
Outside Services	\$147.0	\$155.4
Injuries & Damages	\$959.2	\$1,053.7
Regulatory Commission Expense	\$300.3	\$300.3
Utilities & Rents	\$19.5	\$20.4
Miscellaneous Expenses	\$17.4	\$18.2
Administrative Expense Transferred	(\$1,068.4)	(\$1,326.7)
Total	\$3,918.6	\$4,212.4
 <u>At Proposed Rates</u>		
Franchise Fees @ 1.0000%		\$727.8
Other A&G		\$3,629.4
Total		\$4,357.2

CHAPTER 7

Taxes

A - General

1. Other than taxes on income, direct utility taxes are comprised of payroll taxes on direct payroll expenses and ad valorem taxes on utility plant. Table 7A shows payroll taxes and ad valorem taxes for the recorded years 2011 through 2015. Payroll taxes and ad valorem taxes for Estimated Year 2016 and Test Years 2017-2018 and 2018-2019 (ad valorem taxes only) are shown in Tables 7B.

2. State Franchise Taxes are based on estimated net income before taxes on income at both present and proposed rates. Federal Income Taxes are estimated similarly after first deducting the prior year's State Franchise Taxes from net income before taxes on income. Savings resulting from the American Jobs Creation Act, the Economic Stimulus Act of 2008, the American Recovery and Reinvestment Act of 2009, the Small Business Jobs Act of 2010 (HR 5297), the Tax Relief Act of 2010, and the Federal Repair Regulations are also reflected in the calculation of deferred income taxes in accordance with the normalization rules of the 1986 Tax Reform Act. State and Federal Income Taxes for Estimated Year 2016, Test Year 2017-2018, and Escalation Years 2018-2019 and 2019-2020, at present rates and at proposed rates, are shown in Tables 7C-1 and 7C-2, respectively.

B - Payroll Taxes

3. Payroll taxes include Federal Insurance Contributions Act (FICA) taxes, Federal Unemployment Insurance (FUTA) taxes, and State Unemployment Insurance (SUI) taxes. The FICA rate used for Estimated Year 2016 is 6.2% applicable to the first \$118,500 of each individual's annual wages for the basic portion, plus 1.45% of each individual's total annual wages for the Medicare portion. The maximum taxable base is increased each November (applicable to the following year) and has been forecasted in this application, based on the average increase from 2011-2015, to be \$123,180 in 2017 and \$125,520 in 2018.

The maximum taxable base for both FUTA and SUI is the first \$7,000 of each individual's annual wages. The FUTA rate is 2.10% applicable to the maximum taxable base in each calendar year. The SUI rate is 3.30% applicable to the maximum taxable base in each calendar year.

4. For purposes of projecting payroll taxes for Test Year 2017-2018, it is assumed that field taxable payroll will be incurred evenly throughout the calendar year. Table 7B sets forth the division payroll taxes for Estimated Year 2016 and Test Year 2017-2018.

C - Ad Valorem Taxes

5. Recorded ad valorem taxes, with minor exceptions, are assessed on direct utility plant as of the beginning of each year. Ad valorem taxes for Estimated Year 2016 and Test Years 2017-2018 and 2018-2019 were developed giving consideration to the current assessment procedures employed by the Los Angeles County Assessor's Office. The estimated effective tax rate was then applied to the estimated property tax assessable utility plant, less reserve for depreciation, deferred income taxes, advances for construction, and contributions in aid of construction estimates developed in other sections of this report. The results are set forth in Table 7B.

D - State Franchise Tax

6. State Franchise Taxes for Estimated Year 2016, Test Year 2017-2018, and Escalation Years 2018-2019 and 2019-2020, are calculated at both present and proposed water rates in Tables 7C-1 and 7C-2, respectively. The current tax rate of 8.84% has been used. The principal difference between book income and taxable income arises from use of accelerated depreciation for state tax purposes. The flow-through method of accounting for state accelerated depreciation has been used.

E - Income Taxes

7. Federal Income Taxes for Estimated Year 2016, Test Year 2017-2018, and Escalation Years 2018-2019 and 2019-2020, are calculated at both present and proposed water rates in Tables 7C-1 and 7C-2, respectively. The current tax rate of 35% has been used. Federal Income Tax expense for these years has been determined in accordance with the

normalization requirements of the 1986 Tax Reform Act and subsequent regulations. San Gabriel employs the following methods for computing the depreciation deduction for the purpose of determining its actual Federal Income Tax payments:

- a. Accelerated depreciation on the double declining balance method on applicable utility plant additions beginning January 1, 1964, through December 31, 1980;
- b. Class life ADR system on applicable utility plant additions beginning January 1, 1972, through December 31, 1980;
- c. ACRS depreciation rates under the Economic Recovery Tax Act of 1981 (ERTA-81) on applicable utility plant additions beginning January 1, 1981, through December 31, 1986;
- d. MACRS depreciation rates under the 1986 Tax Reform Act (TRA-86) on applicable plant additions beginning January 1, 1987;
- e. The Job Creation and Worker Assistance Act of 2002, including the modifications prescribed by the Jobs and Growth Tax Relief Reconciliation Act of 2003;
- f. The Economic Stimulus Act of 2008;

- g. The American Recovery and Reinvestment Act of 2009;
 - h. The Small Business Jobs Act of 2010 (HR 5297); and
 - i. The Tax Relief Act of 2010
8. Pursuant to the normalization requirements of ERTA-81, the Federal Income Tax effects of ACRS and MACRS depreciation and investment tax credits are not considered in calculating Federal Income Tax expense for ratemaking purposes in Estimated Year 2016, Test Year 2017-2018, and Escalation Years 2018-2019 and 2019-2020, as set forth in Tables 7C-1 and 7C-2.
9. Debt interest expense is allocated to the Division on the basis of the weighted cost of debt multiplied by the average rate base, less the estimated interest to be capitalized during the period covered by this general rate case, as required by the TRA-86.

TABLE 7A

**San Gabriel Valley Water Company
Los Angeles County Division
PAYROLL TAX and AD VALOREM TAX EXPENSES
(Dollars in Thousands)**

	Recorded Years				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
FICA	\$479.1	\$488.8	\$500.9	\$528.2	\$520.6
FUTA	\$5.5	\$6.2	\$10.2	\$12.3	\$14.3
SUI	<u>\$24.8</u>	<u>\$25.8</u>	<u>\$21.9</u>	<u>\$23.4</u>	<u>\$23.6</u>
Total Payroll Taxes	\$509.4	\$520.9	\$533.0	\$563.9	\$558.5
Less: Payroll Taxes Capitalized	<u>(\$76.4)</u>	<u>(\$77.4)</u>	<u>(\$96.4)</u>	<u>(\$93.6)</u>	<u>(\$100.0)</u>
Payroll Taxes	<u>\$433.0</u>	<u>\$443.5</u>	<u>\$436.6</u>	<u>\$470.3</u>	<u>\$458.5</u>
Ad Valorem Taxes	<u>\$1,301.7</u>	<u>\$1,421.5</u>	<u>\$1,456.1</u>	<u>\$1,505.4</u>	<u>\$1,623.1</u>
Total	<u>\$1,734.7</u>	<u>\$1,865.0</u>	<u>\$1,892.7</u>	<u>\$1,975.7</u>	<u>\$2,081.6</u>

NOTE: Recorded October 2015 information is temporarily shown for Calendar 2015.

TABLE 7B

**San Gabriel Valley Water Company
Los Angeles County Division
PAYROLL TAX and AD VALOREM TAX EXPENSES**

(Dollars in Thousands)

	<u>Estimated 2016</u>	<u>Test Year 2017-2018</u>	<u>Test Year 2018-2019</u>
<u>FICA</u>			
Tax @ 6.2% Rate	\$385.4	\$430.3	N/A
Tax @ 1.45% Rate	\$101.8	\$112.6	N/A
Subtotal	<u>\$487.1</u>	<u>\$542.9</u>	<u>N/A</u>
<u>FUTA</u>			
Tax @ 2.1% Rate	\$12.3	\$12.8	N/A
<u>SUI</u>			
Tax @ 3.3% Rate	<u>\$19.4</u>	<u>\$20.1</u>	<u>N/A</u>
Total Payroll Taxes	\$518.8	\$575.7	N/A
Less: Payroll Taxes Capitalized	<u>(\$43.0)</u>	<u>(\$43.0)</u>	<u>N/A</u>
Payroll Tax Expense	<u>\$475.8</u>	<u>\$532.7</u>	N/A
Ad Valorem Taxes	<u>\$1,697.3</u>	<u>\$1,958.2</u>	<u>\$2,144.3</u>
Total	<u>\$2,173.2</u>	<u>\$2,490.9</u>	N/A

TABLE 7C-1

**San Gabriel Valley Water Company
Los Angeles County Division
COMPUTATION OF TAXES ON INCOME
AT PRESENT RATES
(Dollars in Thousands)**

	Estimated 2016	Test Year 2017-2018
<u>Operating Revenues</u>	\$59,129.3	\$58,305.9
<u>Deductions</u>		
Operating Expenses, excluding Depreciation & Income Taxes	\$43,150.1	\$44,880.1
Interest Expense	\$3,427.2	\$3,890.8
Subtotal	<u>\$46,577.3</u>	<u>\$48,770.9</u>
<u>State Tax Calculation</u>		
Taxable Income Before Deductions	\$12,552.0	\$9,535.1
Less: Depreciation-State	\$6,868.8	\$7,887.9
Less: Repair Regulations Deduction	\$990.2	\$1,255.2
State Taxable Income	<u>\$4,693.0</u>	<u>\$392.0</u>
State Corporate Franchise Tax at 8.84%	\$414.9	\$34.7
Amortization of CIAC Tax	\$3.1	\$3.1
Total State Income Tax Expense	<u>\$418.0</u>	<u>\$37.8</u>
<u>Federal Tax Calculation</u>		
Taxable Income Before Deductions	\$12,552.0	\$9,535.1
Less: Depreciation-Federal (book)	\$5,062.1	\$5,630.8
Less: Domestic Production Activities Deduction	\$104.7	\$104.7
Less: State Corp. Franchise Tax - Prior Year	\$622.6	\$418.0
Federal Taxable Income	<u>\$6,762.5</u>	<u>\$3,381.5</u>
Federal Tax at 35%	\$2,366.9	\$1,183.5
Amortization of CIAC Tax	\$11.3	\$11.3
Total Federal Income Tax Expense	<u>\$2,378.2</u>	<u>\$1,194.9</u>

TABLE 7C-2

**San Gabriel Valley Water Company
Los Angeles County Division
COMPUTATION OF TAXES ON INCOME
AT PROPOSED RATES
(Dollars in Thousands)**

	<u>Test Year</u>	<u>Escalation Year</u>	
	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>
<u>Operating Revenues</u>	\$72,782.8	\$75,352.8	\$78,924.3
<u>Deductions</u>			
Operating Expenses, excluding Depreciation & Income Taxes	\$45,040.8	\$45,626.3	\$46,184.0
Interest Expense	\$3,890.8	\$4,240.5	\$4,240.5
Subtotal	<u>\$48,931.6</u>	<u>\$49,866.8</u>	<u>\$50,424.5</u>
<u>State Tax Calculation</u>			
Taxable Income Before Deductions	\$23,851.2	\$25,486.0	\$28,499.8
Less: Depreciation-State	\$7,887.9	\$8,581.2	\$7,887.9
Less: Repair Regulations Deduction	\$1,255.2	\$1,538.5	\$1,686.5
State Taxable Income	<u>\$14,708.1</u>	<u>\$15,366.3</u>	<u>\$18,925.4</u>
State Corporate Franchise Tax at 8.84%	\$1,300.2	\$1,358.4	\$1,673.0
Amortization of CIAC Tax	\$3.1	\$3.1	\$3.1
Total State Income Tax Expense	<u>\$1,303.3</u>	<u>\$1,361.5</u>	<u>\$1,676.2</u>
<u>Federal Tax Calculation</u>			
Taxable Income Before Deductions	\$23,851.2	\$25,486.0	\$28,499.8
Less: Depreciation-Federal (book)	\$5,630.8	\$6,091.4	\$6,551.9
Less: Domestic Production Activities Deduction	\$104.7	\$104.7	\$104.7
Less: State Corp. Franchise Tax - Prior Year	\$418.0	\$1,303.3	\$1,361.5
Federal Taxable Income	<u>\$17,697.7</u>	<u>\$17,986.5</u>	<u>\$20,481.6</u>
Federal Tax at 35%	\$6,194.2	\$6,295.3	\$7,168.6
Amortization of CIAC Tax	\$11.3	\$11.3	\$11.3
Total Federal Income Tax Expense	<u>\$6,205.5</u>	<u>\$6,306.6</u>	<u>\$7,179.9</u>

CHAPTER 8

Utility Plant

1. Recorded utility plant in service and construction work in progress for the Division for recorded 2011 through 2015 are presented in Table 8A.
2. Estimated utility plant shown in Table 8C is based upon San Gabriel's construction budget and estimated advances for construction, contributions in aid of construction, and items to be retired.
3. Utility plant additions from the 2016 through 2019 Capital Budgets, and the estimated retirements in those same years, are shown in Table 8B. Ratemaking adjustments for 2016 through 2019 are reflected in the plant balances by plant account to ensure that those amounts are not factored into the forecasts of Depreciation Expense and Ad Valorem Taxes.
4. San Gabriel's capital budget includes projects related to water supply, water storage, and conservation. San Gabriel plans to construct one replacement well, ten new potable water storage reservoirs (including six replacement reservoirs), an ion-exchange system to remove perchlorate, and two ultraviolet light systems to remove 1, 4-Dioxane. Budgeted Plant Additions are summarized by year and by plant account on Table 8B.

5. In addition to plant which has been closed to fixed capital, construction work in progress must also be included in rate base in accordance with the Commission's policy as to water utilities (as discussed in D.94-06-033 in I.90-11-033).

6. Table 8A shows construction work in progress for the recorded years 2011 through 2015. The amounts shown are used in developing the weighted average utility plant shown in Table 8A. For Estimated Year 2016, and Test Years 2017-2018 and 2018-2019, as shown in Table 8C, the company's estimates of construction work in progress are based on the recorded December 2015 balance.

TABLE 8A

**San Gabriel Valley Water Company
Los Angeles County Division
RECORDED UTILITY PLANT**

(Dollars in Thousands)

<u>Plant Account</u>	<u>Recorded Year-End Balances</u>				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
301 - Organization	\$13.8	\$13.8	\$13.8	\$13.8	\$13.8
302 - Franchises	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5
303 - Other Intangible Plant	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
306 - Land and Land Rights	\$6,511.7	\$11,106.8	\$13,523.2	\$13,524.5	\$15,720.4
315 - Wells	\$6,204.4	\$6,187.6	\$6,187.6	\$7,299.6	\$7,362.8
321 - Pumping Structures	\$9,177.4	\$9,323.9	\$9,786.8	\$10,498.2	\$10,747.5
324 - Pumping Equipment	\$25,229.7	\$24,995.6	\$25,658.7	\$26,426.9	\$26,714.1
331 - Treatment Structures	\$82.8	\$75.6	\$80.3	\$80.3	\$80.3
332 - Treatment Equipment	\$53,514.7	\$53,546.4	\$53,739.1	\$54,157.6	\$55,365.8
342 - Reservoirs	\$13,978.1	\$13,986.5	\$15,638.9	\$15,601.6	\$15,620.2
343 - Mains	\$86,746.0	\$87,608.0	\$95,245.6	\$103,038.6	\$103,465.6
344 - Fire Mains	\$15.1	\$15.1	\$15.1	\$15.1	\$15.1
345 - Services	\$33,414.0	\$34,924.3	\$37,055.4	\$38,777.3	\$41,162.0
345A - Fire Services	\$6,876.0	\$6,951.5	\$7,123.6	\$7,500.8	\$7,610.1
346 - Meters	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
348 - Fire Hydrants	\$5,310.1	\$5,385.9	\$5,596.6	\$5,877.2	\$5,944.5
371 - Structures & Improvements	\$992.4	\$992.4	\$1,029.0	\$1,109.1	\$1,112.1
372 - Office Equipment	\$1,082.3	\$1,077.4	\$1,211.2	\$1,226.4	\$1,224.2
373 - Transportation Equipment	\$2,271.6	\$2,267.7	\$2,273.4	\$2,500.8	\$2,451.7
376 - Communication Equipment	\$198.0	\$226.1	\$227.7	\$231.9	\$233.6
378 - Tools & Equipment	\$823.6	\$836.7	\$849.4	\$893.6	\$897.4
Plant in Service	\$252,444.2	\$259,523.7	\$275,257.9	\$288,775.9	\$295,743.7
Construction Work in Progress	\$3,009.5	\$4,445.9	\$6,763.3	\$7,668.6	\$10,232.5
Subtotal	\$255,453.7	\$263,969.6	\$282,021.1	\$296,444.6	\$305,976.3
Ratemaking Adjustments	(\$188.8)	(\$188.8)	(\$188.8)	(\$188.8)	(\$188.8)
Total	\$255,264.9	\$263,780.8	\$281,832.3	\$296,255.8	\$305,787.5
	<u>Recorded Average Year Balances</u>				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Total	\$250,782.3	\$259,522.9	\$272,806.6	\$289,044.1	\$301,021.7

Note: Year-End 2010 Net LA County Division Plant after ratemaking adjustments is \$246,299,603.83 (\$242,156,872.09 plus \$4,331,508.77 minus \$188,777.03).

NOTE: Recorded October 2015 information is temporarily shown for Calendar 2015.

TABLE 8B

**San Gabriel Valley Water Company
Los Angeles County Division
BUDGETED PLANT ADDITIONS**

(Dollars in Thousands)

<u>Plant Account</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
306 - Land and Land Rights	\$2,500.0	\$1,350.0	\$1,000.0	\$1,000.0
Net Retirements	(\$6.7)	(\$6.7)	(\$6.7)	(\$6.7)
315 - Wells	\$910.0	\$1,250.0	\$150.0	\$150.0
Net Retirements	(\$3.4)	(\$3.4)	(\$3.4)	(\$3.4)
321 - Pumping Structures	\$2,730.0	\$2,800.0	\$160.0	\$1,255.0
Net Retirements	(\$4.5)	(\$4.5)	(\$4.5)	(\$4.5)
324 - Pumping Equipment	\$1,538.0	\$570.0	\$1,270.0	\$170.0
Net Retirements	(\$117.9)	(\$117.9)	(\$117.9)	(\$117.9)
331 - Treatment Structures	\$0.0	\$0.0	\$3,710.0	\$5,980.0
Net Retirements	(\$1.4)	(\$1.4)	(\$1.4)	(\$1.4)
332 - Treatment Equipment	\$0.0	\$0.0	\$0.0	\$4,400.0
Net Retirements	(\$3.9)	(\$3.9)	(\$3.9)	(\$3.9)
342 - Reservoirs	\$1,370.0	\$2,110.0	\$5,700.0	\$4,360.0
Net Retirements	(\$6.0)	(\$6.0)	(\$6.0)	(\$6.0)
343 - Mains	\$5,500.0	\$5,700.0	\$5,900.0	\$6,100.0
Net Retirements	(\$178.0)	(\$178.0)	(\$178.0)	(\$178.0)
344 - Fire Mains	\$0.0	\$0.0	\$0.0	\$0.0
Net Retirements	\$0.0	\$0.0	\$0.0	\$0.0
345 - Services	\$2,000.0	\$2,100.0	\$2,200.0	\$2,300.0
Net Retirements	(\$350.2)	(\$350.2)	(\$350.2)	(\$350.2)
345A - Fire Services	\$0.0	\$0.0	\$0.0	\$0.0
Net Retirements	\$0.0	\$0.0	\$0.0	\$0.0
346 - Meters	\$405.0	\$1,095.0	\$851.0	\$861.0
Net Retirements	\$0.0	\$0.0	\$0.0	\$0.0
348 - Fire Hydrants	\$120.0	\$125.0	\$130.0	\$135.0
Net Retirements	(\$14.2)	(\$14.2)	(\$14.2)	(\$14.2)
371 - Structures & Improvements	\$255.0	\$955.0	\$990.0	\$90.0
Net Retirements	\$0.0	\$0.0	\$0.0	\$0.0
372 - Office Equipment	\$135.0	\$125.0	\$135.0	\$45.0
Net Retirements	(\$9.7)	(\$9.7)	(\$9.7)	(\$9.7)
373 - Transportation Equipment	\$161.0	\$300.0	\$107.0	\$293.0
Net Retirements	(\$129.0)	(\$129.0)	(\$129.0)	(\$129.0)
376 - Communication Equipment	\$45.0	\$35.0	\$35.0	\$45.0
Net Retirements	(\$2.8)	(\$2.8)	(\$2.8)	(\$2.8)
378 - Tools & Equipment	\$30.0	\$31.0	\$32.0	\$33.0
Net Retirements	(\$8.4)	(\$8.4)	(\$8.4)	(\$8.4)
GROSS ADDITIONS	<u>\$17,699.0</u>	<u>\$18,546.0</u>	<u>\$22,370.0</u>	<u>\$27,217.0</u>
NET RETIREMENTS	<u>(\$836.1)</u>	<u>(\$836.1)</u>	<u>(\$836.1)</u>	<u>(\$836.1)</u>
NET ADDITIONS	<u>\$16,862.9</u>	<u>\$17,709.9</u>	<u>\$21,533.9</u>	<u>\$26,380.9</u>

TABLE 8C

**San Gabriel Valley Water Company
Los Angeles County Division
FORECASTED UTILITY PLANT**

(Dollars in Thousands)

<u>Plant Account</u>	<u>Forecasted Year-End Balances</u>			
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
301 - Organization	\$13.8	\$13.8	\$13.8	\$13.8
302 - Franchises	\$2.5	\$2.5	\$2.5	\$2.5
303 - Other Intangible Plant	\$0.0	\$1,000.0	\$2,000.0	\$3,000.0
306 - Land and Land Rights	\$18,213.7	\$18,557.0	\$18,550.2	\$18,543.5
315 - Wells	\$8,120.3	\$9,366.9	\$9,513.6	\$9,660.2
321 - Pumping Structures	\$13,473.0	\$16,268.5	\$16,424.0	\$17,674.5
324 - Pumping Equipment	\$28,134.2	\$28,586.3	\$29,738.4	\$29,790.4
331 - Treatment Structures	\$78.8	\$77.4	\$3,786.0	\$10,064.5
332 - Treatment Equipment	\$55,361.8	\$55,357.9	\$55,354.0	\$59,450.1
342 - Reservoirs	\$16,984.2	\$19,088.2	\$24,782.2	\$29,136.2
343 - Mains	\$108,787.6	\$114,309.5	\$120,031.5	\$125,953.5
344 - Fire Mains	\$15.1	\$15.1	\$15.1	\$15.1
345 - Services	\$42,811.8	\$44,561.7	\$46,411.5	\$48,361.3
345A - Fire Services	\$7,610.1	\$7,610.1	\$7,610.1	\$7,610.1
346 - Meters	\$405.0	\$1,500.0	\$2,351.0	\$3,212.0
348 - Fire Hydrants	\$6,050.3	\$6,161.2	\$6,277.0	\$6,397.9
371 - Structures & Improvements	\$1,367.1	\$2,322.1	\$3,312.1	\$3,402.1
372 - Office Equipment	\$1,349.5	\$1,464.8	\$1,590.1	\$1,625.4
373 - Transportation Equipment	\$2,483.6	\$2,654.6	\$2,632.6	\$2,796.6
376 - Communication Equipment	\$275.8	\$308.1	\$340.3	\$382.5
378 - Tools & Equipment	\$919.0	\$941.6	\$965.3	\$989.9
Total Plant in Service	\$312,457.4	\$330,167.3	\$351,701.2	\$378,082.1
Construction Work in Progress	\$10,193.0	\$10,193.0	\$10,193.0	\$10,193.0
Total	\$322,650.4	\$340,360.3	\$361,894.2	\$388,275.1

	<u>Forecasted Average Year Balances</u>		
	<u>Estimated 2016</u>	<u>Test Year 2017-2018</u>	<u>Test Year 2018-2019</u>
Total	\$314,219.0	\$340,360.3	\$361,894.2

Note: Plant balances include ratemaking adjustments.

CHAPTER 9

Depreciation Reserve and Expense

1. The depreciation reserve, accruals, and expense for the recorded years 2011 through 2015, Estimated Year 2016, and Test Years 2017-2018 and 2018-2019, are shown in Chapter 9. As with Utility Plant, ratemaking adjustments have been added to the Depreciation Reserve balances by account.
2. Table 9A sets forth the recorded depreciation data for the last five years.
3. Table 9B sets forth projected depreciation data for Estimated Year 2016 and Test Years 2017-2018 and 2018-2019.
4. As previously stated, Table 9A shows for the last five years the recorded depreciation accruals on depreciable plant. These accruals are segregated between accruals for clearing accounts, contributed plant, and depreciation expense.
5. Depreciation expense for Forecasted Years 2016 through 2019 has been computed by applying the current depreciation rates on file with the Commission to the average depreciable plant for the respective years and adjusting for average contributions in aid of construction and transportation equipment. The results of these estimates are shown in Tables 9C-1, 9C-2, 9C-3, and 9C-4.

TABLE 9A

San Gabriel Valley Water Company
Los Angeles County Division
RECORDED DEPRECIATION and AMORTIZATION RESERVES
(Dollars in Thousands)

<u>Plant Account</u>	<u>Recorded Year-End Balances</u>				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
301 - Organization	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
302 - Franchises	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
303 - Water Rights	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
306 - Land and Land Rights	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
315 - Wells	\$2,730.3	\$2,910.5	\$3,107.3	\$3,321.7	\$3,527.1
321 - Pumping Structures	\$2,064.7	\$2,313.9	\$2,580.0	\$2,870.1	\$3,140.2
324 - Pumping Equipment	\$9,559.4	\$10,075.6	\$10,980.7	\$11,875.0	\$12,710.1
331 - Treatment Structures	\$24.7	\$19.3	\$20.9	\$22.7	\$24.1
332 - Treatment Equipment	\$12,212.6	\$13,984.5	\$15,776.2	\$17,578.1	\$19,120.2
342 - Reservoirs	\$3,481.9	\$3,754.5	\$4,043.4	\$4,262.2	\$4,514.9
343 - Mains	\$26,431.0	\$28,037.5	\$29,701.8	\$31,467.0	\$33,202.8
344 - Fire Mains	\$11.6	\$11.9	\$12.2	\$12.5	\$12.7
345 - Services	\$5,482.1	\$6,012.0	\$6,499.9	\$7,097.7	\$7,812.8
345A - Fire Services	\$3,021.1	\$3,211.9	\$3,406.1	\$3,607.3	\$3,779.8
346 - Meters	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
348 - Fire Hydrants	\$2,519.3	\$2,646.7	\$2,771.8	\$2,889.7	\$3,011.5
371 - Structures & Improvements	\$262.5	\$282.7	\$303.3	\$325.2	\$344.8
372 - Office Equipment	(\$399.3)	(\$358.3)	(\$343.0)	(\$288.2)	(\$239.6)
373 - Transportation Equipment	\$1,023.2	\$996.3	\$1,110.3	\$1,307.5	\$1,353.6
376 - Communication Equipment	\$218.6	\$226.7	\$240.8	\$253.9	\$263.4
378 - Tools & Equipment	\$568.1	\$612.4	\$630.7	\$680.1	\$722.0
Depreciation Reserve	\$69,211.7	\$74,738.0	\$80,842.5	\$87,282.4	\$93,300.4
Amortization Reserve	\$0.9	\$0.9	\$1.0	\$1.0	\$1.1
Ratemaking Adjustments	(\$84.4)	(\$86.4)	(\$88.4)	(\$90.3)	(\$91.8)
Total	<u>\$69,128.2</u>	<u>\$74,652.5</u>	<u>\$80,755.1</u>	<u>\$87,193.2</u>	<u>\$93,209.7</u>
	<u>Recorded Average Year Balances</u>				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Total	<u>\$66,362.5</u>	<u>\$71,890.4</u>	<u>\$77,703.8</u>	<u>\$83,974.1</u>	<u>\$90,201.4</u>

Note: Year-End 2010 Total Reserves after ratemaking adjustments is \$63,596,711.54 (Depreciation: \$63,678,201.87 plus Amortization: \$797.13 minus Adjustments: \$82,287.46).

NOTE: Recorded October 2015 information is temporarily shown for Calendar 2015.

TABLE 9B

**San Gabriel Valley Water Company
Los Angeles County Division
FORECASTED DEPRECIATION and AMORTIZATION RESERVES**

(Dollars in Thousands)

<u>Plant Account</u>	<u>Forecasted Year-End Balances</u>			
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
301 - Organization	\$0.0	\$0.0	\$0.0	\$0.0
302 - Franchises	\$0.0	\$0.0	\$0.0	\$0.0
303 - Water Rights	\$0.0	\$0.0	\$0.0	\$0.0
306 - Land and Land Rights	\$0.0	\$0.0	\$0.0	\$0.0
315 - Wells	\$3,675.7	\$3,950.4	\$4,247.2	\$4,548.7
321 - Pumping Structures	\$3,475.9	\$3,890.5	\$4,347.3	\$4,824.2
324 - Pumping Equipment	\$13,596.9	\$14,518.1	\$15,468.8	\$16,441.5
331 - Treatment Structures	\$24.4	\$24.7	\$65.2	\$214.0
332 - Treatment Equipment	\$20,965.4	\$22,810.5	\$24,655.5	\$26,568.8
342 - Reservoirs	\$4,798.5	\$5,116.0	\$5,509.6	\$6,001.0
343 - Mains	\$35,140.3	\$37,183.6	\$39,336.5	\$41,602.9
344 - Fire Mains	\$13.0	\$13.3	\$13.6	\$13.9
345 - Services	\$8,496.8	\$9,223.2	\$9,994.3	\$10,812.8
345A - Fire Services	\$3,989.8	\$4,199.9	\$4,409.9	\$4,620.0
346 - Meters	\$3.7	\$21.4	\$57.0	\$108.4
348 - Fire Hydrants	\$3,142.5	\$3,276.2	\$3,412.6	\$3,551.8
371 - Structures & Improvements	\$370.1	\$407.7	\$465.2	\$533.6
372 - Office Equipment	(\$191.2)	(\$137.5)	(\$78.3)	(\$15.5)
373 - Transportation Equipment	\$1,434.0	\$1,522.8	\$1,617.7	\$1,718.5
376 - Communication Equipment	\$276.5	\$291.9	\$309.3	\$329.0
378 - Tools & Equipment	\$767.3	\$814.0	\$861.9	\$911.3
Depreciation Reserve	\$99,979.8	\$107,126.5	\$114,693.1	\$122,785.0
Amortization Reserve	\$1.2	\$1.2	\$1.3	\$1.3
Total	\$99,980.9	\$107,127.7	\$114,694.3	\$122,786.3

	<u>Forecasted Average Year Balances</u>		
	<u>Estimated 2016</u>	<u>Test Year 2017-2018</u>	<u>Test Year 2018-2019</u>
Total	\$96,595.3	\$107,127.7	\$114,694.3

Note: Ratemaking adjustments are included in the Plant Accounts.

TABLE 9C-1

San Gabriel Valley Water Company
Los Angeles County Division

SUMMARY OF
ANNUAL DEPRECIATION ACCRUAL DETERMINATION
STRAIGHT LINE REMAINING LIFE METHOD

Year 2016 Forecast

(Dollars in Thousands)

<u>Account No. - Description</u>	<u>Average Gross Plant</u>	<u>Average Depreciation Reserve</u>	<u>Net Balance</u>	<u>Remaining Life (Yrs)</u>	<u>Annual Accrual</u>	<u>% of Gross Plant</u>
315 - Wells	\$7,667.0	\$3,555.5	\$4,111.5	16.9	\$243.8	3.18%
321 - Pumping Structures	\$12,110.3	\$3,308.0	\$8,802.2	25.4	\$346.4	2.86%
324 - Pumping Equipment	\$27,424.2	\$13,153.5	\$14,270.7	14.2	\$1,006.5	3.67%
331 - Treatment Structures	\$79.5	\$24.3	\$55.3	32.0	\$1.7	2.17%
332 - Treatment Equipment	\$55,363.8	\$20,042.8	\$35,321.0	19.1	\$1,849.2	3.34%
342 - Reservoirs	\$16,302.2	\$4,656.7	\$11,645.5	36.6	\$317.9	1.95%
343 - Mains	\$106,126.6	\$34,171.6	\$71,955.0	34.8	\$2,069.5	1.95%
344 - Fire Mains	\$15.1	\$12.9	\$2.3	7.8	\$0.3	1.91%
345 - Services	\$41,986.9	\$8,154.8	\$33,832.1	32.4	\$1,045.5	2.49%
345A - Fire Services	\$7,610.1	\$3,884.8	\$3,725.3	17.7	\$210.0	2.76%
346 - Meters	\$202.5	\$1.9	\$200.6	53.6	\$3.7	1.85%
348 - Fire Hydrants	\$5,997.4	\$3,077.0	\$2,920.4	20.0	\$146.3	2.44%
371 - Structures & Improvements	\$1,239.6	\$357.4	\$882.1	34.9	\$25.3	2.04%
372 - Office Equipment	\$1,286.8	(\$215.4)	\$1,502.2	25.9	\$58.0	4.51%
373 - Transportation Equipment	\$2,467.7	\$1,393.8	\$1,073.9	5.3	\$203.8	8.26%
376 - Communication Equipment	\$254.7	\$269.9	(\$15.2)	(1.0)	\$15.8	6.22%
378 - Tools & Equipment	\$908.2	\$744.7	\$163.5	3.1	\$52.8	5.81%
Total	\$287,042.6	\$96,594.2	\$190,448.4		\$7,596.5	2.65%

Contributions in Aid of Construction

315 - Wells	\$1,927.0	\$61.3
321 - Pumping Structures	\$985.5	\$28.2
324 - Pumping Equipment	\$2,643.1	\$97.0
331 - Treatment Structures	\$0.0	\$0.0
332 - Treatment Equipment	\$45,247.1	\$1,511.3
342 - Reservoirs	\$801.6	\$15.6
343 - Mains	\$11,626.6	\$226.7
344 - Fire Mains	\$15.1	\$0.3
345 - Services	\$1,268.0	\$31.6
345A - Fire Services	\$7,388.7	\$203.9
346 - Meters	\$29.0	\$0.5
348 - Fire Hydrants	\$3,508.3	\$85.6
Less: Contributions Adjustment	\$75,440.2	\$2,262.0
Less: Transfer to Clearing Accounts		\$272.4
Depreciation Expense		\$5,062.1

TABLE 9C-2

San Gabriel Valley Water Company
Los Angeles County Division

SUMMARY OF
EPRECIATION ACCRUAL DETERMINATION
STRAIGHT LINE REMAINING LIFE METHOD

Year 2017 Forecast

(Dollars in Thousands)

<u>Account No. - Description</u>	<u>Average Gross Plant</u>	<u>Average Depreciation Reserve</u>	<u>Net Balance</u>	<u>Remaining Life (Yrs)</u>	<u>Annual Accrual</u>	<u>% of Gross Plant</u>
315 - Wells	\$8,743.6	\$3,813.0	\$4,930.6	17.7	\$278.0	3.18%
321 - Pumping Structures	\$14,870.8	\$3,683.2	\$11,187.6	26.3	\$425.3	2.86%
324 - Pumping Equipment	\$28,360.3	\$14,057.5	\$14,302.7	13.7	\$1,040.8	3.67%
331 - Treatment Structures	\$78.1	\$24.6	\$53.6	31.6	\$1.7	2.17%
332 - Treatment Equipment	\$55,359.9	\$21,888.0	\$33,471.9	18.1	\$1,849.0	3.34%
342 - Reservoirs	\$18,036.2	\$4,957.3	\$13,078.9	37.2	\$351.7	1.95%
343 - Mains	\$111,548.5	\$36,162.0	\$75,386.6	34.7	\$2,175.2	1.95%
344 - Fire Mains	\$15.1	\$13.2	\$2.0	6.8	\$0.3	1.91%
345 - Services	\$43,686.7	\$8,860.0	\$34,826.8	32.0	\$1,087.8	2.49%
345A - Fire Services	\$7,610.1	\$4,094.9	\$3,515.2	16.7	\$210.0	2.76%
346 - Meters	\$952.5	\$12.6	\$939.9	53.3	\$17.6	1.85%
348 - Fire Hydrants	\$6,105.8	\$3,209.3	\$2,896.4	19.4	\$149.0	2.44%
371 - Structures & Improvements	\$1,844.6	\$388.9	\$1,455.7	38.7	\$37.6	2.04%
372 - Office Equipment	\$1,407.1	(\$164.3)	\$1,571.5	24.8	\$63.5	4.51%
373 - Transportation Equipment	\$2,569.1	\$1,478.4	\$1,090.8	5.1	\$212.2	8.26%
376 - Communication Equipment	\$291.9	\$284.2	\$7.8	0.4	\$18.2	6.22%
378 - Tools & Equipment	\$930.3	\$790.7	\$139.7	2.6	\$54.1	5.81%
Total	\$302,410.7	\$103,553.1	\$198,857.6		\$7,972.0	2.64%

Contributions in Aid of Construction

315 - Wells	\$1,927.0	\$61.3
321 - Pumping Structures	\$985.5	\$28.2
324 - Pumping Equipment	\$2,643.1	\$97.0
331 - Treatment Structures	\$0.0	\$0.0
332 - Treatment Equipment	\$45,247.1	\$1,511.3
342 - Reservoirs	\$801.6	\$15.6
343 - Mains	\$11,626.6	\$226.7
344 - Fire Mains	\$15.1	\$0.3
345 - Services	\$1,268.0	\$31.6
345A - Fire Services	\$7,388.7	\$203.9
346 - Meters	\$29.0	\$0.5
348 - Fire Hydrants	\$3,508.3	\$85.6
Less: Contributions Adjustment	\$75,440.2	\$2,262.0
Less: Transfer to Clearing Accounts		\$284.4
Depreciation Expense		\$5,425.6

TABLE 9C-3

San Gabriel Valley Water Company
Los Angeles County Division

SUMMARY OF
ANNUAL DEPRECIATION ACCRUAL DETERMINATION
STRAIGHT LINE REMAINING LIFE METHOD

Year 2018 Forecast

(Dollars in Thousands)

<u>Account No. - Description</u>	<u>Average Gross Plant</u>	<u>Average Depreciation Reserve</u>	<u>Net Balance</u>	<u>Remaining Life (Yrs)</u>	<u>Annual Accrual</u>	<u>% of Gross Plant</u>
315 - Wells	\$9,440.2	\$4,098.8	\$5,341.5	17.8	\$300.2	3.18%
321 - Pumping Structures	\$16,346.3	\$4,118.9	\$12,227.4	26.2	\$467.5	2.86%
324 - Pumping Equipment	\$29,162.3	\$14,993.5	\$14,168.9	13.2	\$1,070.3	3.67%
331 - Treatment Structures	\$1,931.7	\$44.9	\$1,886.7	45.0	\$41.9	2.17%
332 - Treatment Equipment	\$55,356.0	\$23,733.0	\$31,623.0	17.1	\$1,848.9	3.34%
342 - Reservoirs	\$21,935.2	\$5,312.8	\$16,622.4	38.9	\$427.7	1.95%
343 - Mains	\$117,170.5	\$38,260.0	\$78,910.5	34.5	\$2,284.8	1.95%
344 - Fire Mains	\$15.1	\$13.4	\$1.7	5.8	\$0.3	1.91%
345 - Services	\$45,486.6	\$9,608.8	\$35,877.8	31.7	\$1,132.6	2.49%
345A - Fire Services	\$7,610.1	\$4,304.9	\$3,305.2	15.7	\$210.0	2.76%
346 - Meters	\$1,925.5	\$39.2	\$1,886.3	53.0	\$35.6	1.85%
348 - Fire Hydrants	\$6,219.1	\$3,344.4	\$2,874.8	18.9	\$151.7	2.44%
371 - Structures & Improvements	\$2,817.1	\$436.4	\$2,380.6	41.4	\$57.5	2.04%
372 - Office Equipment	\$1,527.4	(\$107.9)	\$1,635.3	23.7	\$68.9	4.51%
373 - Transportation Equipment	\$2,643.6	\$1,570.2	\$1,073.4	4.9	\$218.4	8.26%
376 - Communication Equipment	\$324.2	\$300.6	\$23.6	1.2	\$20.2	6.22%
378 - Tools & Equipment	\$953.5	\$837.9	\$115.5	2.1	\$55.4	5.81%
Total	\$320,864.3	\$110,909.8	\$209,954.5		\$8,391.9	2.62%

Contributions in Aid of Construction

315 - Wells	\$1,927.0	\$61.3
321 - Pumping Structures	\$985.5	\$28.2
324 - Pumping Equipment	\$2,643.1	\$97.0
331 - Treatment Structures	\$0.0	\$0.0
332 - Treatment Equipment	\$45,247.1	\$1,511.3
342 - Reservoirs	\$801.6	\$15.6
343 - Mains	\$11,626.6	\$226.7
344 - Fire Mains	\$15.1	\$0.3
345 - Services	\$1,268.0	\$31.6
345A - Fire Services	\$7,388.7	\$203.9
346 - Meters	\$29.0	\$0.5
348 - Fire Hydrants	\$3,508.3	\$85.6
Less: Contributions Adjustment		\$2,262.0
Less: Transfer to Clearing Accounts		\$293.9
Depreciation Expense		\$5,836.0

TABLE 9C-4

San Gabriel Valley Water Company
Los Angeles County Division

**SUMMARY OF
ANNUAL DEPRECIATION ACCRUAL DETERMINATION
STRAIGHT LINE REMAINING LIFE METHOD**

Year 2019 Forecast

(Dollars in Thousands)

<u>Account No. - Description</u>	Average Gross Plant	Average Depreciation Reserve	Net Balance	Remaining Life (Yrs)	Annual Accrual	% of Gross Plant
315 - Wells	\$9,586.9	\$4,398.0	\$5,188.9	17.0	\$304.9	3.18%
321 - Pumping Structures	\$17,049.3	\$4,585.7	\$12,463.5	25.6	\$487.6	2.86%
324 - Pumping Equipment	\$29,764.4	\$15,955.2	\$13,809.3	12.6	\$1,092.4	3.67%
331 - Treatment Structures	\$6,925.2	\$139.6	\$6,785.7	45.2	\$150.3	2.17%
332 - Treatment Equipment	\$57,402.0	\$25,612.1	\$31,789.9	16.6	\$1,917.2	3.34%
342 - Reservoirs	\$26,959.2	\$5,755.3	\$21,203.9	40.3	\$525.7	1.95%
343 - Mains	\$122,992.5	\$40,469.7	\$82,522.8	34.4	\$2,398.4	1.95%
344 - Fire Mains	\$15.1	\$13.7	\$1.4	4.8	\$0.3	1.91%
345 - Services	\$47,386.4	\$10,403.6	\$36,982.8	31.3	\$1,179.9	2.49%
345A - Fire Services	\$7,610.1	\$4,514.9	\$3,095.1	14.7	\$210.0	2.76%
346 - Meters	\$2,781.5	\$82.7	\$2,698.8	52.4	\$51.5	1.85%
348 - Fire Hydrants	\$6,337.5	\$3,482.2	\$2,855.3	18.5	\$154.6	2.44%
371 - Structures & Improvements	\$3,357.1	\$499.4	\$2,857.7	41.7	\$68.5	2.04%
372 - Office Equipment	\$1,607.7	(\$46.9)	\$1,654.6	22.8	\$72.5	4.51%
373 - Transportation Equipment	\$2,714.6	\$1,668.1	\$1,046.5	4.7	\$224.2	8.26%
376 - Communication Equipment	\$361.4	\$319.1	\$42.3	1.9	\$22.5	6.22%
378 - Tools & Equipment	\$977.6	\$886.6	\$91.0	1.6	\$56.8	5.81%
Total	\$343,828.4	\$118,739.0	\$225,089.4		\$8,917.2	2.59%

Contributions in Aid of Construction

315 - Wells	\$1,927.0	\$61.3
321 - Pumping Structures	\$985.5	\$28.2
324 - Pumping Equipment	\$2,643.1	\$97.0
331 - Treatment Structures	\$0.0	\$0.0
332 - Treatment Equipment	\$45,397.1	\$1,516.3
342 - Reservoirs	\$801.6	\$15.6
343 - Mains	\$11,626.6	\$226.7
344 - Fire Mains	\$15.1	\$0.3
345 - Services	\$1,268.0	\$31.6
345A - Fire Services	\$7,388.7	\$203.9
346 - Meters	\$29.0	\$0.5
348 - Fire Hydrants	\$3,508.3	\$85.6
Less: Contributions Adjustment	\$75,590.2	\$2,267.0
Less: Transfer to Clearing Accounts		\$303.5
Depreciation Expense		\$6,346.7

CHAPTER 10

Rate Base

1. The various rate base components set forth in this section have been developed using average balances. The rate base for the recorded years 2011 through 2015 is summarized in Table 10C. The estimated or projected rate base for Estimated Year 2016 and Test Years 2017-2018 and 2018-2019, are shown in Table 10D.
2. The average yearly balances for utility plant were developed in Chapter 8 and are set forth in Tables 10C and 10D.
3. The average yearly balances for depreciation reserve were developed in Chapter 9 and are set forth in Tables 10C and 10D.
4. The average yearly balances for advances for construction and contributions in aid of construction for recorded years 2011 through 2015, Estimated Year 2016, and Test Years 2017-2018 and 2018-2019, are shown in Tables 10A and 10B, respectively.
5. The average rate base for Estimated Year 2016, and Test Years 2017-2018 and 2018-2019, were calculated by adding to the average net utility plant, the values for materials and supplies, working cash, tax on contributions, tax on advances, and the net General

Division plant allocation, and deducting the average estimated values for advances, contributions, accumulated deferred income taxes, and investment tax credit. Rate Base has been reduced for disallowances made by the Commission in prior general rate cases.

A - Other Rate Base Adjustments

6. The Commission in Decision No. 93848, dated December 15, 1981, stated that conventional normalization methods shall be used for the purposes of the ERTA-81. The deductions set forth in Table 10D have been prepared in accordance with the staff guidelines sent to all Class A Water Utilities by letter dated February 22, 1982.
7. The item "Tax on Advances and Contributions" reflects unrecovered income taxes paid by San Gabriel on advances and contributions.

B - Materials and Supplies

8. The requirements for materials and supplies, shown in Table 10D for Estimated Year 2016, and Test Years 2017-2018 and 2018-2019, have been determined from the recorded 2011-2015 levels, adjusted for inflation and the projected growth of utility plant in service during this rate case cycle.

C - Working Cash Allowance

9. The components of San Gabriel's operational cash requirements are working funds and miscellaneous special funds necessary to maintain a satisfactory banking relationship.
10. The amounts of working cash-lead lag included in Table 10D are to compensate shareholders for the funds they provide which are committed to the business for the purpose of paying operating expenses in advance of receipt of offsetting revenue. The procedure used in developing working cash is based upon a detailed lead-lag study of revenues and expenses, as described in Exhibit SG-4 (Batt), beginning on page 35.

D – Net General Division Plant Allocation

11. The allocation of Net General Division Plant was developed in Chapter 6 of the General Division Report (Exhibit SG-1). The allocations shown in Table 8A of the General Division Report have been set forth in Table 10D to develop the total rate base for this study.

TABLE 10A

**San Gabriel Valley Water Company
Los Angeles County Division
ADJUSTMENTS TO UTILITY PLANT
(Dollars in Thousands)**

	Recorded Years				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>Advances for Construction</u>					
Beginning-of-Year Balance	\$3,014.6	\$2,966.9	\$2,845.3	\$2,723.8	\$2,602.3
Net Additions	\$71.9	\$0.0	\$0.0	\$0.0	\$132.7
Refunds	(\$119.7)	(\$121.5)	(\$121.5)	(\$121.5)	(\$73.2)
End-of-Year Balance	<u>\$2,966.9</u>	<u>\$2,845.3</u>	<u>\$2,723.8</u>	<u>\$2,602.3</u>	<u>\$2,661.8</u>
Average Balance	<u><u>\$2,990.7</u></u>	<u><u>\$2,906.1</u></u>	<u><u>\$2,784.6</u></u>	<u><u>\$2,663.1</u></u>	<u><u>\$2,632.0</u></u>
<u>Contributions in Aid of Construction</u>					
Beginning-of-Year Balance	\$53,989.7	\$55,469.7	\$53,519.0	\$52,460.4	\$51,412.1
Additions	\$3,590.2	\$221.1	\$1,129.0	\$1,168.6	\$101.7
Depreciation Accrual	(\$2,110.2)	(\$2,171.8)	(\$2,187.7)	(\$2,216.8)	(\$1,130.8)
End-of-Year Balance	<u>\$55,469.7</u>	<u>\$53,519.0</u>	<u>\$52,460.4</u>	<u>\$51,412.1</u>	<u>\$50,383.0</u>
Average Balance	<u><u>\$54,729.7</u></u>	<u><u>\$54,494.4</u></u>	<u><u>\$52,989.7</u></u>	<u><u>\$51,936.2</u></u>	<u><u>\$50,897.5</u></u>

NOTE: Recorded October 2015 information is temporarily shown for Calendar 2015.

TABLE 10B

**San Gabriel Valley Water Company
Los Angeles County Division
ADJUSTMENTS TO UTILITY PLANT
(Dollars in Thousands)**

	<u>Estimated 2016</u>	<u>Test Year 2017-2018</u>	<u>Test Year 2018-2019</u>
<u>Advances for Construction</u>			
Beginning-of-Year Balance	\$2,661.8	\$2,494.54	\$2,383.1
Net Additions	\$0.0	\$0.0	\$0.0
Refunds	(\$111.5)	(\$111.5)	(\$111.5)
End-of-Year Balance	<u>\$2,550.3</u>	<u>\$2,383.1</u>	<u>\$2,271.6</u>
Average Balance	<u>\$2,606.0</u>	<u>\$2,438.8</u>	<u>\$2,327.3</u>
<u>Contributions in Aid of Construction</u>			
Beginning-of-Year Balance	\$50,383.0	\$47,164.96	\$45,078.0
Additions	\$0.0	\$175.0	\$150.0
Depreciation Accrual	(\$2,262.0)	(\$2,262.0)	(\$2,264.5)
End-of-Year Balance	<u>\$48,121.0</u>	<u>\$45,078.0</u>	<u>\$42,963.4</u>
Average Balance	<u>\$49,252.0</u>	<u>\$46,121.5</u>	<u>\$44,020.7</u>

TABLE 10C

**San Gabriel Valley Water Company
Los Angeles County Division
AVERAGE DEPRECIATED RATE BASE**

(Dollars in Thousands)

<u>Description</u>	<u>Recorded Years</u>				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Utility Plant	\$250,782.3	\$259,522.9	\$272,806.6	\$289,044.1	\$301,021.7
Depreciation Reserve	\$66,362.5	\$71,890.4	\$77,703.8	\$83,974.1	\$90,201.4
Net Utility Plant	<u>\$184,419.8</u>	<u>\$187,632.5</u>	<u>\$195,102.8</u>	<u>\$205,069.9</u>	<u>\$210,820.2</u>
Less:					
Advances	\$2,990.7	\$2,906.1	\$2,784.6	\$2,663.1	\$2,616.9
Contributions	\$54,729.7	\$54,494.4	\$52,989.7	\$51,936.2	\$50,981.9
Accumulated Deferred Income Taxes	\$18,919.8	\$20,885.5	\$22,539.9	\$25,606.9	\$25,734.1
Deferred Investment Tax Credit	\$240.6	\$228.8	\$217.1	\$205.3	\$193.6
Subtotal	<u>\$107,538.9</u>	<u>\$109,117.7</u>	<u>\$116,571.5</u>	<u>\$124,658.4</u>	<u>\$131,293.7</u>
Plus:					
Materials and Supplies	\$845.5	\$881.1	\$1,029.9	\$1,062.7	\$975.0
Operational Cash Requirement	\$28.4	\$30.0	\$30.0	\$30.0	\$30.0
Working Cash-Lead Lag	\$1,804.1	\$2,582.9	\$2,618.9	\$2,618.9	\$2,618.9
Tax on Advances and Contributions	\$516.4	\$506.1	\$507.5	\$515.0	\$521.8
Net Common Plant Allocation	\$7,622.3	\$8,049.9	\$8,397.5	\$8,689.6	\$9,045.1
Average Rate Base	<u><u>\$118,355.5</u></u>	<u><u>\$121,167.7</u></u>	<u><u>\$129,155.4</u></u>	<u><u>\$137,574.6</u></u>	<u><u>\$144,484.5</u></u>

NOTE: Recorded October 2015 information is temporarily shown for Calendar 2015.

TABLE 10D

San Gabriel Valley Water Company
Los Angeles County Division
AVERAGE DEPRECIATED RATE BASE
(Dollars in Thousands)

<u>Description</u>	<u>Estimated 2016</u>	<u>Test Year 2017-2018</u>	<u>Test Year 2018-2019</u>
Utility Plant	\$314,219.0	\$340,360.3	\$361,894.2
Depreciation Reserve	\$96,595.3	\$107,127.7	\$114,694.3
Net Utility Plant	<u>\$217,623.7</u>	<u>\$233,232.6</u>	<u>\$247,199.8</u>
Less:			
Advances	\$2,606.0	\$2,438.8	\$2,327.3
Contributions	\$49,252.0	\$46,121.5	\$44,020.7
Accumulated Deferred Income Taxes	\$27,864.0	\$28,801.1	\$29,967.1
Deferred Investment Tax Credit	\$181.8	\$170.0	\$158.3
Subtotal	<u>\$137,719.9</u>	<u>\$155,701.2</u>	<u>\$170,726.5</u>
Plus:			
Materials and Supplies	\$1,035.7	\$1,179.7	\$1,297.3
Operational Cash Requirement	\$30.0	\$15.0	\$15.0
Working Cash-Lead Lag	\$2,618.9	\$4,569.5	\$4,761.1
Tax on Advances and Contributions	\$496.9	\$475.2	\$460.7
Net Common Plant Allocation	\$9,178.3	\$10,051.7	\$10,811.4
Average Rate Base	<u><u>\$151,079.8</u></u>	<u><u>\$171,992.4</u></u>	<u><u>\$188,072.0</u></u>

CHAPTER 11

Summary of Earnings

1. The revenues, operation and maintenance expenses, taxes and depreciation expenses developed in the preceding chapters of this report and the allocation of common utility expenses have been brought together to develop the net operating revenue for the periods under consideration. These net revenues have been related to the rate bases, developed in Chapter 10, to determine rates of return.
2. The experienced rates of return are shown on Table 11A for the recorded years.
3. The rates of return for Estimated Year 2016, and Test Year 2017-2018, at present rates, are developed on Table 11B.
4. The rate of return for Test Year 2017-2018 at proposed rates is set forth on Table 11C. This table also sets for the revenues and expenses that were utilized in developing the estimated rates for Escalation Years 2018-2019 and 2019-2020.

A - Net-to-Gross Multiplier

5. The change in gross revenue required to produce a unit change in net revenues may be obtained by applying the net-to-gross multiplier to the net revenue increment required.

The net-to-gross multiplier is developed using the following factors:

Uncollectibles	0.1104%
Franchise Fee	1.0000%
California Corporation Franchise Tax	8.84%
Federal Income Tax	35.00%
Resultant N-T-G Factor	1.800620

This N-T-G Factor is only appropriate for calculating the needed revenues to increase the return on an established rate base. This N-T-G multiplier cannot be used for calculating an incremental revenue requirement for a rate base offset project that would be financed by a combination of debt and equity.

B – Escalation Year 2018-2019

6. The estimated revenue requirement for 2018-2019 is based in part on escalation of certain Test Year 2017-2018 expenses and, in part, on Test Year 2018-2019 rate base-related items (i.e., Depreciation Expense, Ad Valorem Taxes, and Income Taxes). The rates used to produce Escalation Year 2018-2019 required revenues are shown in Table 12B in Chapter 12.

C – Escalation Year 2019-2020

7. The revenue requirement increase for 2019-2020 is based in part on escalation of Escalation Year 2018-2019 expenses, and in part on changes in rate base-related items between Test Year 2017-2018 and Test Year 2018-2019 that are assumed to continue for another year. The rates used to produce Escalation Year 2019-2020 required revenues are shown in Table 12B in Chapter 12.

TABLE 11A

**San Gabriel Valley Water Company
Los Angeles County Division
SUMMARY OF EARNINGS and RATES OF RETURN**

(Dollars in Thousands)

	Recorded Years				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Operating Revenues	\$58,125.9	\$71,450.5	\$65,630.8	\$63,967.7	\$61,687.5
Operating Expenses					
Purchased Water & Assessments	\$9,174.0	\$9,078.1	\$9,574.7	\$12,218.2	\$12,535.1
Purchased Power	\$3,582.3	\$3,304.6	\$3,754.0	\$4,127.3	\$3,558.3
Chemicals	\$4,186.7	\$3,901.0	\$2,504.6	\$2,163.0	\$2,137.5
Payroll	\$4,780.8	\$4,944.1	\$4,870.8	\$5,055.4	\$5,055.3
Materials & Supplies	\$1,168.7	\$1,483.9	\$1,462.0	\$1,523.4	\$1,171.8
Transportation	\$762.8	\$790.6	\$758.1	\$784.2	\$780.0
Pensions & Benefits	\$1,937.9	\$2,168.3	\$2,085.7	\$2,218.5	\$2,394.5
Uncollectibles	\$63.4	\$103.4	\$64.8	\$46.6	\$37.5
Franchise Fees	\$502.4	\$633.6	\$593.1	\$572.1	\$569.1
Outside Services	\$1,693.5	\$1,272.6	\$1,663.8	\$1,335.7	\$1,274.9
Injuries & Damages	\$521.8	\$512.5	\$530.0	\$623.6	\$791.0
Regulatory Commission Expense	\$107.6	\$146.2	\$124.9	\$64.6	\$0.0
Utilities & Rents	\$1,096.3	\$906.4	\$1,032.8	\$1,261.8	\$1,286.4
Miscellaneous Expense	\$552.2	\$524.4	\$579.9	\$571.1	\$483.8
Administrative Expense Transferred	(\$630.0)	(\$233.0)	(\$872.8)	(\$1,161.3)	(\$1,161.3)
Subtotal	\$29,500.4	\$29,536.8	\$28,726.3	\$31,404.1	\$30,914.0
Bank Charges	\$51.6	\$56.0	\$56.5	\$61.8	\$63.8
Allocated Common Expenses	\$4,105.5	\$4,383.8	\$4,607.1	\$4,887.0	\$5,315.6
Total Operating Expense	\$33,657.5	\$33,976.6	\$33,389.9	\$36,353.0	\$36,293.4
Depreciation	\$4,122.0	\$4,226.4	\$4,385.9	\$4,661.0	\$5,254.2
Ad Valorem Taxes	\$1,301.7	\$1,421.5	\$1,456.1	\$1,505.4	\$1,623.1
Payroll Taxes	\$433.0	\$443.5	\$436.6	\$470.3	\$458.5
Total Expense before Income Taxes	\$39,514.2	\$40,068.0	\$39,668.5	\$42,989.7	\$43,629.2
Net Revenue Before Income Taxes	\$18,611.6	\$31,382.5	\$25,962.3	\$20,978.0	\$18,058.2
State Income Tax	\$1,709.1	\$2,392.7	\$1,902.0	\$875.0	\$622.6
Federal Income Tax	\$6,627.6	\$9,218.5	\$7,490.1	\$5,905.5	\$5,109.0
Total Expenses	\$47,850.9	\$51,679.1	\$49,060.5	\$49,770.3	\$49,360.9
Net Operating Revenues	\$10,275.0	\$19,771.4	\$16,570.3	\$14,197.4	\$12,326.6
Rate Base	\$118,355.5	\$121,167.7	\$129,155.4	\$137,574.6	\$144,484.5
Rate of Return	8.68%	16.32%	12.83%	10.32%	8.53%

NOTE: Recorded October 2015 information is temporarily shown for Calendar 2015.

TABLE 11B

San Gabriel Valley Water Company
Los Angeles County Division
SUMMARY OF EARNING and RATES OF RETURN
at PRESENT RATES

(Dollars in Thousands)

	Estimated	Test Year
	<u>2016</u>	<u>2017-2018</u>
Operating Revenues	\$59,129.3	\$58,305.9
Operating Expenses		
Purchased Water & Assessments	\$13,352.1	\$12,712.5
Purchased Power	\$3,920.6	\$3,918.5
Chemicals	\$3,277.6	\$3,429.0
Payroll	\$5,072.4	\$5,671.1
Materials & Supplies	\$1,097.0	\$1,147.6
Transportation	\$791.5	\$828.1
Pensions & Benefits	\$2,732.3	\$3,165.9
Uncollectibles @ 0.1104%	\$57.6	\$56.7
Franchise Fees @ 1.0000%	\$591.3	\$583.1
Outside Services	\$1,450.6	\$1,533.6
Injuries & Damages	\$959.2	\$1,053.7
Regulatory Commission Expense	\$300.3	\$300.3
Utilities & Rents	\$1,305.4	\$1,365.7
Miscellaneous Expense	\$1,205.1	\$1,257.1
Administrative Expense Transferred	(\$1,068.4)	(\$1,326.7)
Subtotal	<u>\$35,044.7</u>	<u>\$35,696.1</u>
Bank Charges	\$66.1	\$70.1
Allocated Common Expenses	\$5,866.1	\$6,623.0
Total Operating Expense	<u>\$40,976.9</u>	<u>\$42,389.1</u>
Depreciation	\$5,062.1	\$5,630.8
Ad Valorem Taxes	\$1,697.3	\$1,958.2
Payroll Taxes	\$475.8	\$532.7
Total Expense before Income Taxes	<u>\$48,212.2</u>	<u>\$50,510.9</u>
Net Revenue Before Income Taxes	\$10,917.1	\$7,795.1
State Income Tax	\$418.0	\$37.8
Federal Income Tax	\$2,378.2	\$1,194.9
Total Expenses	<u>\$51,008.4</u>	<u>\$51,743.5</u>
Net Operating Revenues	\$8,120.9	\$6,562.4
Rate Base	\$151,079.8	\$171,992.4
Rate of Return	5.38%	3.82%

TABLE 11C

San Gabriel Valley Water Company
Los Angeles County Division
SUMMARY OF EARNINGS and RATES OF RETURN
at PROPOSED RATES
(Dollars in Thousands)

	<u>Test Year</u> <u>2017-2018</u>	<u>Escalation</u> <u>Year</u> <u>2018-2019</u>	<u>Escalation</u> <u>Year</u> <u>2019-2020</u>
Operating Revenues	\$72,782.8	\$75,352.8	\$78,924.3
Operating Expenses			
Purchased Water & Assessments	\$12,712.5	\$12,391.1	\$12,029.2
Purchased Power	\$3,918.5	\$3,819.4	\$3,707.9
Chemicals	\$3,429.0	\$3,540.2	\$3,646.8
Payroll	\$5,671.1	\$5,835.2	\$6,015.7
Materials & Supplies	\$1,147.6	\$1,184.8	\$1,220.5
Transportation	\$828.1	\$854.9	\$880.7
Pensions & Benefits	\$3,165.9	\$3,257.5	\$3,358.2
Uncollectibles @ 0.1104%	\$72.6	\$75.5	\$79.4
Franchise Fees @ 1.0000%	\$727.8	\$753.5	\$789.2
Outside Services	\$1,533.6	\$1,599.5	\$1,669.7
Injuries & Damages	\$1,053.7	\$1,073.7	\$1,094.0
Regulatory Commission Expense	\$300.3	\$300.3	\$300.3
Utilities & Rents	\$1,365.7	\$1,410.0	\$1,452.5
Miscellaneous Expense	\$1,257.1	\$1,297.9	\$1,337.0
Administrative Expense Transferred	(\$1,326.7)	(\$1,369.7)	(\$1,411.0)
Subtotal	<u>\$35,856.8</u>	<u>\$36,023.8</u>	<u>\$36,170.3</u>
Bank Charges	\$70.1	\$72.4	\$74.5
Allocated Common Expenses	\$6,623.0	\$6,837.8	\$7,043.8
Total Operating Expense	<u>\$42,549.9</u>	<u>\$42,933.9</u>	<u>\$43,288.7</u>
Depreciation	\$5,630.8	\$6,091.4	\$6,551.9
Ad Valorem Taxes	\$1,958.2	\$2,144.3	\$2,330.3
Payroll Taxes	\$532.7	\$548.1	\$565.1
Total Expense before Income Taxes	<u>\$50,671.6</u>	<u>\$51,717.6</u>	<u>\$52,735.9</u>
Net Revenue Before Income Taxes	\$22,111.2	\$23,635.2	\$26,188.4
State Income Tax	\$1,303.3	\$1,361.5	\$1,676.2
Federal Income Tax	\$6,205.5	\$6,306.6	\$7,179.9
Total Expenses	<u>\$58,180.5</u>	<u>\$59,385.8</u>	<u>\$61,592.0</u>
Net Operating Revenues	\$14,602.3	\$15,967.0	\$17,331.7
Rate Base	\$171,992.4	\$188,072.0	
Rate of Return	8.49%	8.49%	

TABLE 11D

San Gabriel Valley Water Company
Los Angeles County Division
OPERATING REVENUES PERCENTAGE INCREASE

(Dollars in Thousands)

ESCALATION YEAR 2018-2019

	Proposed 2017-2018 Rates	Proposed 2018-2019 Rates	Dollars Increase	Percentage Increase
<u>Metered Revenues</u>				
Residential - Single Family	\$31,762.5	\$33,505.9	\$1,743.4	5.5%
Residential - Multi-Family - Small	\$6,515.4	\$6,902.1	\$386.7	5.9%
Residential - Multi-Family - Large	\$3,406.1	\$3,613.9	\$207.8	6.1%
Total Residential	<u>\$41,684.0</u>	<u>\$44,021.9</u>	<u>\$2,338.0</u>	5.6%
Commercial - Small	\$6,748.3	\$7,103.9	\$355.5	5.3%
Commercial - Large	\$7,116.5	\$7,564.2	\$447.6	6.3%
Total Commercial	<u>\$13,864.9</u>	<u>\$14,668.0</u>	<u>\$803.2</u>	5.8%
Industrial - Small	\$30.8	\$32.4	\$1.7	5.4%
Industrial - Large	\$2,875.5	\$3,066.6	\$191.1	6.6%
Total Industrial	<u>\$2,906.3</u>	<u>\$3,099.1</u>	<u>\$192.8</u>	6.6%
Public Authority - Small	\$793.9	\$835.3	\$41.4	5.2%
Public Authority - Large	\$1,537.8	\$1,621.0	\$83.2	5.4%
Total Public Authority	<u>\$2,331.7</u>	<u>\$2,456.4</u>	<u>\$124.6</u>	5.3%
Construction	\$44.4	\$47.4	\$3.0	6.9%
Recycled Water	\$2,550.7	\$2,638.0	\$87.3	3.4%
Subtotal	<u>\$63,381.9</u>	<u>\$66,930.8</u>	<u>\$3,548.9</u>	5.6%
<u>Flat Rate Service</u>				
Private Fire Service	\$1,416.7	\$1,467.6	\$50.9	3.6%
<u>Miscellaneous</u>				
Rent from Water Property	\$15.2	\$15.2	\$0.0	0.0%
Other Water Revenues	\$6,939.3	\$6,939.3	\$0.0	0.0%
Subtotal	<u>\$6,954.4</u>	<u>\$6,954.4</u>	<u>\$0.0</u>	0.0%
Total Operating Revenues	<u><u>\$71,753.0</u></u>	<u><u>\$75,352.8</u></u>	<u><u>\$3,599.8</u></u>	5.0%

TABLE 11E

**San Gabriel Valley Water Company
Los Angeles County Division
OPERATING REVENUES PERCENTAGE INCREASE**

(Dollars in Thousands)

ESCALATION YEAR 2019-2020

	Proposed 2018-2019 Rates	Proposed 2019-2020 Rates	Dollars Increase	Percentage Increase
<u>Metered Revenues</u>				
Residential - Single Family	\$32,610.9	\$34,898.0	\$2,287.2	7.0%
Residential - Multi-Family - Small	\$6,666.7	\$7,170.3	\$503.6	7.6%
Residential - Multi-Family - Large	\$3,557.3	\$3,833.7	\$276.4	7.8%
Total Residential	\$42,834.9	\$45,902.0	\$3,067.1	7.2%
Commercial - Small	\$6,912.3	\$7,380.0	\$467.6	6.8%
Commercial - Large	\$7,801.0	\$8,426.3	\$625.3	8.0%
Total Commercial	\$14,713.4	\$15,806.3	\$1,092.9	7.4%
Industrial - Small	\$28.1	\$30.1	\$2.0	7.0%
Industrial - Large	\$2,979.9	\$3,230.8	\$250.9	8.4%
Total Industrial	\$3,008.0	\$3,260.9	\$252.9	8.4%
Public Authority - Small	\$837.6	\$894.2	\$56.7	6.8%
Public Authority - Large	\$1,635.1	\$1,750.8	\$115.8	7.1%
Total Public Authority	\$2,472.6	\$2,645.1	\$172.4	7.0%
Construction	\$47.4	\$51.5	\$4.1	8.7%
Recycled Water	\$2,638.0	\$2,756.0	\$118.0	4.5%
Subtotal	\$65,714.3	\$70,421.8	\$4,707.5	7.2%
<u>Flat Rate Service</u>				
Private Fire Service	\$1,477.3	\$1,548.1	\$70.7	4.8%
<u>Miscellaneous</u>				
Rent from Water Property	\$15.2	\$15.2	\$0.0	0.0%
Other Water Revenues	\$6,939.3	\$6,939.3	\$0.0	0.0%
Subtotal	\$6,954.4	\$6,954.4	\$0.0	0.0%
Total Operating Revenues	\$74,146.1	\$78,924.3	\$4,778.2	6.4%

CHAPTER 12

Rates and Service

A - Present and Proposed Rates

1. The thirteen sheets of Table 12A show the present tariffs for General Metered Service (both General Rates and Tiered Conservation Rates), California Alternate Rates for Water (CARW), Recycled Water Service, Private Fire Service, Construction and Tank Truck Service, and Service to Tract Houses during Construction, under which service is currently rendered in the Division.
2. D.10-04-031 in Application 08-09-008 established a procedure for calculating conservation rates for directly-metered Residential customers, effective July 1, 2010. That procedure is being followed for the proposed rates in this general rate case.

The service charges have been designed to recover approximately 35% of metered revenues. The proposed Conservation Rate Schedule LA-1C, shown in Table 12B, Sheet 2 of 8, contains a 2-tier Quantity Rate with all usage beyond the first 13 Ccf per month charged at a 15% premium over the initial block rate, while maintaining revenue neutrality. The proposed Conservation Rate schedule is developed expressly in accordance with the requirements and methodology adopted by the Commission in D.10-04-031, dated April 8, 2010, which established San Gabriel's conservation rate design.

Schedule LA-1, applicable to the remaining metered customer classes, maintains a single Quantity Rate structure in accordance with the Commission's current rate design standards.

Because Construction customers are currently billed for the actual water they use instead of the fixed charges listed in Schedule LA-9C (Construction and Tank Service) and Schedule LA-9CL (Service to Tract Houses During Construction), San Gabriel is requesting to replace the fixed charges in Schedule LA-9C with the Quantity Rate (including temporary surcharges and surcredits) from Schedule LA-1 and to eliminate Schedule LA-9CL entirely.

B - Rate Comparisons

3. Table 12C compares the monthly charge in the Division for a 5/8 x 3/4-inch, 1-inch, 2-inch, and 4-inch meter at various consumption levels at present and proposed rates for both Schedule Nos. LA-1 (general service) and LA-1C (tiered conservation rates).

C - Service

4. An analysis of service complaints for the past five years, 2011 through 2015, is set forth in the tabulation below:

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Taste & Odor	7	7	7	10	8
Turbidity	15	1	1	1	0
Pressure (High or Low)	101	91	117	73	55
Sand	0	0	0	0	1
Air-Milky-Cloudy	0	0	0	0	2
Bill Inquiries	557	829	984	481	488
Leaks, Mains	58	62	73	67	50
Leaks, Services	505	690	788	612	539
Leaks, Hydrants	79	91	17	85	66
Misc. Other Complaints	<u>5</u>	<u>5</u>	<u>16</u>	<u>42</u>	<u>12</u>
TOTAL	1,327	1,776	2,003	1,371	1,221

5. The company takes customer service very seriously. When customers call the company to express a concern with the amount of the water bill, quality of water, or service rendered in general, a Customer Service Representative (CSR) will speak to the customer to ascertain the nature of the concern. Often, the CSR will be able to satisfy the customer over the phone. If the CSR is unable to resolve the matter over the phone, the CSR will schedule an appointment for a Customer Serviceman to go to the customer's premises to try to understand and resolve the customer's complaint. The Customer Servicemen goes through a checklist of questions and actions specific to the nature of the complaint (i.e. taste and odor, low pressure, high bill) to determine the cause of the problem. If the cause is determined to be within the company's control, the Customer Serviceman will initiate action to remedy the situation. Usually, the Customer Serviceman is able to resolve the customers concern either by a response or by action by the company. In any event, the Customer Service Superintendent or Foreman always follow-up by phone to make sure the customer is satisfied.

6. The company remains committed to minimizing and continuing to lower the overall number of customer complaints. For example, the company has a proactive water main and service connection replacement program to help prevent leaks and improve water pressure. Also, the company regularly trains its employees in customer service techniques. This is in the form of outside seminars, internal training, and circulated training material. The company's Customer Servicemen have been trained to perform indoor and outdoor Water Audits, including how to advise customers about conserving water and making effective and more efficient use of water both indoors and outdoors.

TABLE 12A
Sheet 1 of 13

~~SAN GABRIEL VALLEY WATER COMPANY~~

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised
Cancelling Revised

Cal. P.U.C. Sheet No. 2487-W*
Cal. P.U.C. Sheet No. 2414-W

SUPPLEMENT

SCHEDULE NO. LA-1
Los Angeles County Tariff Area
GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service, except for those Residential customers required to be served under Schedule LA-1C.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATES

Quantity Rates:

For all water delivered, per 100 cu. ft..... \$ 2.7428 (I)

Service Charge:

	Per Meter Per Month
For 5/8 x 3/4-inch meter.....	\$ 21.02
For 3/4-inch meter.....	31.52
For 1-inch meter.....	52.52
For 1-1/2-inch meter.....	105.06
For 2-inch meter.....	168.10
For 3-inch meter.....	315.16
For 4-inch meter.....	525.27
For 6-inch meter.....	1,047.00
For 8-inch meter.....	1,673.00
For 10-inch meter.....	2,418.00
For 12-inch meter.....	3,465.00
For 14-inch meter.....	4,620.00

(continued)

(To be inserted by utility)

Advice Letter No. 466-A

Decision No. _____

Issued by

R. W. Nicholson

NAME

President

TITLE

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

Date Filed JUN 30 2015

Effective JUL - 1 2015

Resolution No. _____

SCHEDULE NO. LA-1
Los Angeles County Tariff Area
GENERAL METERED SERVICE
(continued)

RATES (continued)

Per Battery
Per Month

For two 2-inch meters.....	\$ 335.00
For three 2-inch meters.....	505.00
For four 2-inch meters.....	673.00
For two 3-inch meters.....	631.00
For three 3-inch meters.....	946.00
For two 4-inch meters.....	1,050.00
For three 4-inch meters.....	1,576.00
For one 8-inch meter, one 2-inch meter.....	1,847.00

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

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF. (D)
2. A surcharge of \$0.2372 per Ccf is to be applied to the quantity rates for twelve-months beginning on the effective date of Advice Letter 468 and ending September 1, 2016 to amortize the undercollection in the California Alternative Rates for Water (CARW) Balancing Account. (N)

(To be inserted by utility)

Advice Letter No. 468

Decision No. _____

Issued by

R. W. Nicholson

NAME

President

TITLE

12-6

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

Date Filed SEP - 2 2015

Effective SEP - 2 2015

Resolution No. _____

TABLE 12A
Sheet 3 of 13

~~SAN GABRIEL VALLEY WATER COMPANY~~

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised _____
Cancelling Revised _____

Cal. P.U.C. Sheet No. 2498-W
Cal. P.U.C. Sheet No. 2488-W

SCHEDULE NO. LA-1C
Los Angeles County Tariff Area
GENERAL METERED SERVICE - CONSERVATION RATES

APPLICABILITY

Applicable to all metered Residential customers, excluding apartments, trailer parks, and any other facility in which Residential customers receive service through a master meter.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATES

Quantity Rates:

For the first 13 Ccf of water used, per 100 cu. ft. \$ 2.5829
For all Ccf greater than 13 Ccf, per 100 Cu. Ft. \$ 2.9383

Service Charges:

	Per Meter
	<u>Per Month</u>
For 5/8 x 3/4-inch meter	\$ 21.02
For 3/4-inch meter	31.52
For 1-inch meter.....	52.52
For 1-1/2-inch meter.....	105.06
For 2-inch meter.....	168.10
For 3-inch meter.....	315.16

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF. (D)
2. A surcharge of \$3.13 per month for a 12-month period beginning on December 3, 2014 is to be applied to amortize the undercollection in the Water Revenue Adjustment Mechanism (WRAM) Balancing Account.
3. A surcharge of \$0.2372 per Ccf is to be applied to the quantity rates for twelve-months beginning on the effective date of Advice Letter 468 and ending September 1, 2016 to amortize the undercollection in the California Alternative Rates for Water (CARW) Balancing Account. (N)
(N)
(N)

(To be inserted by utility)
Advice Letter No. 468
Decision No. _____

Issued by
R. W. Nicholson
NAME
President
TITLE

(To be inserted by Cal. P.U.C.)
Date Filed SEP - 2 2015
Effective SEP - 2 2015
Resolution No. _____

SCHEDULE NO. LA-4
Los Angeles County Division
PRIVATE FIRE SERVICE

APPLICABILITY

Applicable to water service furnished to private fire systems and to private fire hydrants.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATE

Per Service
Per Month

For each inch of diameter of service connection.....\$ 13.89

(R)

SPECIAL CONDITIONS

1. The customer will pay, without refund, the entire cost of the private fire service facilities.
2. The private fire service facilities shall be installed by the utility or under the utility's direction and shall be the sole property and subject to the control of the utility, with the right to alter, repair, replace and the right to remove upon discontinuance of service.
3. The minimum diameter for the private fire service connection will be 4 inches. The maximum diameter shall not be larger than the diameter of the water main to which the private fire service facilities are attached unless said main is circulating, in which case with the approval of the utility the maximum diameter may be larger by not more than 2 inches than the diameter of said circulating main.
4. If a water main of adequate size is not available adjacent to the premises to be served, then a new main from the nearest existing main of adequate size will be installed by the utility at the cost of the customer. Such cost shall not be subject to refund.
5. The private fire service facilities will include a detector check valve or other similar device acceptable to the utility which will indicate the use of water. The facilities may be located within the customer's premises or within public right of way adjacent thereto. Where located within the premises, the utility and its duly authorized agents shall have the right of ingress to and egress from the premises for all purposes related to said facilities. In the event the installation is solely a private fire hydrant facility, the requirement for a detector check valve or other similar device may be waived.

(continued)

(To be inserted by utility)

Issued by

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

Advice Letter No. 428-A

R. W. Nicholson

Date Filed JUN 14 2013

Decision No. 13-05-027

NAME

Effective JUL - 1 2013

President

TITLE

Resolution No.

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised
Cancelling Revised

Cal. P.U.C. Sheet No. 1089-W
Cal. P.U.C. Sheet No. 821-W

Schedule No. LA-4
Los Angeles County Division

PRIVATE FIRE SERVICE

SPECIAL CONDITIONS - Continued

6. No structure shall be built over the private fire service facilities (T) and the customer shall maintain and safeguard the area occupied by the private fire service facilities from traffic and other hazardous conditions. The customer will be responsible for any damage to the private fire service facilities whether resulting from the use or operation of appliances and facilities on customer's premises or otherwise. (T)

7. Subject to the approval of the utility, any change in the location or construction of the private fire service facilities as may be requested by public authority or the customer will be made by the utility following payment to the utility of the entire cost of such change. (T)

8. The customer's installation must be such as to separate effectively the private fire service facilities from that of the customer's regular domestic water service. Any unauthorized use of water from the private fire service facilities will be charged for at the applicable tariff rates and may be grounds for the utility's discontinuing private fire service without liability to the utility. (T)

9. There shall be no cross connection between the systems supplied by water through the utility's private fire service facilities and any other source of supply without the specific approval of the utility. The specific approval, if given, will at least require at the customer's expense, a special double check valve installation or other backflow prevention device acceptable to the utility. Any unauthorized cross connection may be grounds for immediately discontinuing private fire service without liability to the utility. (T)

10. The utility will supply only such water at such pressure as may be available from time to time as a result of its operation of the system. The customer shall indemnify the utility and save it harmless against any and all claims arising out of service under this schedule and shall further agree to make no claims against the utility for any loss or damage resulting from service under this schedule. Section 774 of the Public Utilities Code limits the liability of the utility resulting from a claim regarding adequacy of pressure or supply for fire protection service. (T)

11. The customer shall be responsible for the periodic testing of any backflow prevention devices as required by public authority or the utility. Any repair or replacement of such devices or of any other facilities installed to provide private fire service shall be done at the customer's expense. Any refusal to comply with the above requirements may be grounds for the utility's discontinuing private fire service without liability to the utility. (T)

(To be inserted by utility)

Issued by

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

Advice Letter No. 223

R. E. Heytens

Date Filed JAN 29 1986

Decision No. _____

NAME
Vice President

Effective FEB 28 1986

TITLE
120

Resolution No. _____

Revised _____
Cancelling Revised _____

Cal. P.U.C. Sheet No. 1507-1W
Cal. P.U.C. Sheet No. 1492-W

SCHEDULE NO. LA-4
Los Angeles County Division
PRIVATE FIRE SERVICE
(continued)

SPECIAL CONDITIONS - continued

12. All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF.

(To be inserted by utility)

Advice Letter No. 304

Decision No. 96-07-057

Issued by

M. L. Whitehead
NAME

President
TITLE

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

Date Filed SE 5 1999

Effective JAN - 1 2000

Resolution No. W 4169

SUPPLEMENT

SCHEDULE NO. LA-6
Los Angeles County Tariff Area
RECYCLED WATER METERED SERVICE

APPLICABILITY

Applicable to all recycled water metered service.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATES

Quantity Rates:

For all water delivered per 100 cu. ft..... \$ 2.3314 (I)

Service Charge:

	<u>Per Meter</u> <u>Per Month</u>
For 5/8 x 3/4-inch meter.....	\$ 21.02
For 3/4-inch meter.....	31.52
For 1-inch meter.....	52.52
For 1-1/2-inch meter.....	105.06
For 2-inch meter.....	168.10
For 3-inch meter.....	315.16
For 4-inch meter.....	525.27
For 6-inch meter.....	1,047.00
For 8-inch meter.....	1,673.00
For 10-inch meter.....	2,418.00
For 12-inch meter.....	3,465.00
For 14-inch meter.....	4,620.00

(continued)

(To be inserted by utility)

Advice Letter No. 466-A

Decision No. _____

Issued by

R. W. Nicholson

NAME

President

TITLE

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

Date Filed JUN 30 2015

Effective JUL - 1 2015

Resolution No. _____

TABLE 12A
Sheet 8 of 13

~~SAN GABRIEL VALLEY WATER COMPANY~~
EL MONTE, CALIFORNIA 91733

Revised
Cancelling Revised

Cal. P.U.C. Sheet No. 2499-W
Cal. P.U.C. Sheet No. 2356-W

SCHEDULE NO. LA-6
Los Angeles County Tariff Area
RECYCLED WATER METERED SERVICE
(continued)

RATES - (continued)

	Per Battery <u>Per Month</u>
For two 2-inch meters.....	\$ 335.00
For three 2-inch meters.....	505.00
For four 2-inch meters.....	673.00
For two 3-inch meters.....	631.00
For three 3-inch meters.....	946.00
For two 4-inch meters.....	1,050.00
For three 4-inch meters.....	1,576.00
For one 8-inch meter, one 2-inch meter.....	1,847.00

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

SPECIAL CONDITIONS

1. The Quantity Rate is set at 85% of the Quantity Rate of Schedule No. LA-1.
2. The customer is responsible for compliance with all local, state, and federal rules and regulations that apply to the use of reclaimed water on the customer's premises.
3. The utility will supply only such reclaimed water at such pressure as may be available from time to time from the reclaimed water system. The customer shall indemnify the utility and save it harmless against any and all claims arising out of service under this schedule and shall further agree to make no claims against the utility for any loss or damage resulting from service under this schedule.
4. All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF. (D)
5. A surcharge of \$0.2372 per Ccf is to be applied to the quantity rates for twelve-months beginning on the effective date of Advice Letter 468 and ending September 1, 2016 to amortize the undercollection in the California Alternative Rates for Water (CARW) Balancing Account. (N)
(N)
(N)

(To be inserted by utility)
Advice Letter No. 468

Issued by
R. W. Nicholson
NAME

(To be inserted by Cal. P.U.C.)
Date Filed SEP - 2 2015

Decision No.

President 12-12
TITLE

Effective SEP - 2 2015

Resolution No.

SCHEDULE NO. LA-9C
Los Angeles County Division
CONSTRUCTION AND TANK TRUCK SERVICE

APPLICABILITY

Applicable to temporary water service furnished for construction purposes and for water delivered to tank trucks from fire hydrants or other outlets.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATES

	<u>Unit Rates</u>	
For sidewalk construction, per 100 sq. ft.	\$0.911	(R)
For street curb construction, per 100 lineal ft.	\$1.784	
For trench settling, per lineal foot of section of trench 2 feet by 4 feet	\$0.066	
For sprinkling subgrade of street and roadway construction in application of oil or any form of patented oil paving or surfacing, or for rolling and settling subgrade, per 3,000 square feet of roadway	\$11.23	
For compaction of fill, per cubic yard of fill material.....	\$0.108	
For water delivered to tank wagon or truck, per 100 gallons.....	\$0.284	
Minimum Charge	<u>Per Month</u>	
For any service rendered under this schedule.....	\$47.65	

SPECIAL CONDITIONS

1. An applicant wishing to obtain water deliveries under this schedule must first obtain a written permit from the utility.
2. Where water is to be obtained from public fire hydrants, a permit must be obtained from the fire protection district or other public agency having jurisdiction.
3. For other temporary uses the quantity of water used shall be estimated or metered by the utility. Charges for such water shall be at the quantity rate for General Metered Service applicable to the tariff area within which the water is delivered.
4. An applicant for service under this schedule must pay the utility in advance the net cost of installing and removing any facilities necessary to provide such service.

(continued)

(To be inserted by utility)

Advice Letter No. 428-A

Decision No. 13-05-027

Issued by

R. W. Nicholson

NAME

President

TITLE

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

Date Filed JUN 14 2013

Effective JUL 1 2013

Resolution No. _____

SCHEDULE NO. LA-9C
Los Angeles County Division
CONSTRUCTION AND TANK SERVICE
(continued)

SPECIAL CONDITIONS - continued

- 5. If water is taken from a fire hydrant or other outlet without written permission from the utility, the utility shall estimate the amount taken and render a bill under this schedule. The bill may include the cost of removing any facilities or repairing any damages connected with such unauthorized use.
- 6. An applicant using a fire hydrant must use a gate wye assembly approved by the fire department and must operate the fire hydrant using and appropriate spanner wrench. Any repairs to the fire hydrant resulting from the use of unapproved attachments, improper wrenches, or otherwise shall be paid for by the applicant.
- 7. As authorized by the California Public Utilities Commission, all bills are subject to a one-time surcharge of \$1.09. This charge offsets the Department of Health Services fee and certain water testing expenses incurred under the Environmental Protection Agency's adopted National Primary Drinking Water Regulations.
- 8. All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF.

(N)
|
(N)

(To be inserted by utility)

Advice Letter No. 305

Decision No. _____

Issued by

M. L. Whitehead

NAME

President

TITLE

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

Date Filed JAN 24 2000

Effective FEB 19 2000

Resolution No. W4013

SCHEDULE NO. LA-9CL
Los Angeles County Division
SERVICE TO TRACT HOUSES DURING CONSTRUCTION

APPLICABILITY

Applicable to water service for house construction where houses are being constructed as part of a real estate development.

TERRITORY

Los Angeles County Division, Los Angeles County

RATES

For each lot for the construction period \$16.51 (R)

SPECIAL CONDITIONS

1. This service is available only to real estate developers or builders who make application prior to installation of mains and services and who undertake the construction of houses as part of the development. At its option the utility may provide the service if application is made after mains and services have been installed.
2. Water service under this tariff schedule is only to be used for house construction. It does not include water use for landscaping or other tract improvement work.
3. When each house passes final inspection water service under this schedule will be terminated.
4. All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF.

(To be inserted by utility)

Advice Letter No. 428-A

Decision No. 13-05-027

Issued by

R. W. Nicholson

NAME

President

TITLE

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

Date Filed JUN 14 2013

Effective JUL - 1 2013

Resolution No. _____

SUPPLEMENT SCHEDULE NO. LA-CARW
Los Angeles County Tariff Area
CALIFORNIA ALTERNATIVE RATES FOR WATER

APPLICABILITY

Applicable to residential domestic service to CARW households with a 1-inch or smaller meter, where the customer meets all the Special Conditions of this rate schedule.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATES

Per Meter
Per Month

Quantity Rates (General):

For all water used, per 100 cu. ft. \$2.7428 (I)

Quantity Rates (Conservation):

For the first 13 Ccf used, 100 cu. ft. \$2.5829 (I)

For all Ccf greater than 13 Ccf per month, per 100 cu. ft.... \$2.9383 (I)

Service Charges:

For 5/8 x 3/4-inch meter \$10.50

For 3/4-inch meter 15.76

For 1-inch meter 26.27

SPECIAL CONDITIONS

1. CARW Household: A CARW Household is a household where the total gross income from all sources is less than shown on the table below based on the number of persons in the household. Total gross income shall include income from all sources, both taxable and non-taxable. Persons who are claimed as dependent on another person's income tax return are not eligible for this program.

<u>No. of Persons In Household</u>	<u>Total Gross Annual Income</u>
1	\$31,860
2	\$31,860
3	\$40,180
4	\$48,500
5	\$56,820

(continued)

(To be inserted by utility)

Issued by

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

Advice Letter No. 466-A

R. W. Nicholson

Date Filed JUN 30 2015

Decision No. _____

NAME

Effective JUL - 1 2015

President

Resolution No. _____

TITLE

TABLE 12A
Sheet 13 of 13

~~SAN GABRIEL VALLEY WATER COMPANY~~

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised
Cancelling Revised

Cal. P.U.C. Sheet No. 2450-W
Cal. P.U.C. Sheet No. 2421-W

SCHEDULE NO. LA-CARW
Los Angeles County Tariff Area
CALIFORNIA ALTERNATIVE RATES FOR WATER

(continued)

SPECIAL CONDITIONS (continued)

<u>No. of Persons In Household</u>	<u>Total Gross Annual Income</u>	(C)
6	\$65,140	
7	\$73,460	
8	\$81,780	

For households with more than eight persons, add \$8,320 annually for each additional person residing in the household. (C)

2. **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. The schedule is not applicable where, in the opinion of the Utility, either the accomodation or the occupancy is transitory.
3. **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 Utility.
4. **Verification:** Information provided by the applicant is subject to verification by the Utility. Refusal or failure of a customer to provide documentation of eligibility acceptable to the Utility, upon the request of the Utility, shall result in removal from this rate schedule.
5. **Notice from Customer:** It is the customer's responsibility to notify the Utility if there is a change in the customer's eligibility status.
6. Customers may be re-billed for periods of ineligibility under the applicable rate schedule.
7. All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF. (D)
8. A surcharge of \$3.13 per month for a 12-month period beginning on December 3, 2014 is to be applied to only tiered-rate customers to amortize the undercollection in the Water Revenue Adjustment Mechanism (WRAM) Balancing Account.

(To be inserted by utility)

Issued by

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

Advice Letter No. 460

R. W. Nicholson

Date Filed APR 24 2015

Decision No. _____

NAME

Effective JUN - 2015

President

12-17

Resolution No.

TITLE

TABLE 12B
Sheet 1 of 6
PROPOSED RATES

Schedule No. LA-1
Los Angeles County Tariff Area
GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service, except for those Residential customers required to be served under Schedule LA-1C.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

<u>RATES</u>	Present	Proposed Rates, effective		
	Rates	July 1	July 1	July 1
	eff. 09/02/15	2017	2018	2019
<u>Quantity Rates</u>				
Per 100 cu ft (Ccf)	\$2.7428	\$3.5135	\$3.7550	\$4.0804
<u>Service Charges</u>				
Per meter per month				
For 5/8 x 3/4-inch meter	\$21.02	\$23.19	\$24.02	\$25.17
For 3/4-inch meter	\$31.52	\$34.78	\$36.03	\$37.75
For 1-inch meter	\$52.52	\$57.97	\$60.05	\$62.92
For 1-1/2-inch meter	\$105.06	\$115.94	\$120.09	\$125.84
For 2-inch meter	\$168.10	\$185.50	\$192.10	\$201.40
For 3-inch meter	\$315.16	\$347.80	\$360.30	\$377.50
For 4-inch meter	\$525.27	\$579.70	\$600.50	\$629.20
For 6-inch meter	\$1,047.00	\$1,160.00	\$1,200.00	\$1,260.00
For 8-inch meter	\$1,673.00	\$1,860.00	\$1,920.00	\$2,010.00
For 10-inch meter	\$2,418.00	\$2,670.00	\$2,760.00	\$2,890.00
For 12-inch meter	\$3,465.00	\$3,830.00	\$3,960.00	\$4,150.00
For 14-inch meter	\$4,620.00	\$5,100.00	\$5,280.00	\$5,540.00
For two 2-inch meters	\$335.00	\$371.00	\$384.00	\$403.00
For three 2-inch meters	\$505.00	\$557.00	\$576.00	\$604.00
For four 2-inch meters	\$673.00	\$742.00	\$768.00	\$806.00
For two 3-inch meters	\$631.00	\$696.00	\$721.00	\$755.00
For three 3-inch meters	\$946.00	\$1,043.00	\$1,081.00	\$1,133.00
For two 4-inch meters	\$1,050.00	\$1,159.00	\$1,201.00	\$1,258.00
For three 4-inch meters	\$1,576.00	\$1,740.00	\$1,800.00	\$1,890.00
For one 8-inch, one 2-inch meter	\$1,847.00	\$2,050.00	\$2,110.00	\$2,211.00

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

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule AA-UF.
2. A \$0.2744 /Ccf surcharge will be added to the Quantity Rates of all non-CARW customers to recover the cost of the CARW program.

(continued)

TABLE 12B
Sheet 2 of 6
PROPOSED RATES

Schedule No. LA-1C
Los Angeles County Tariff Area
GENERAL METERED SERVICE - CONSERVATION RATES

APPLICABILITY

Applicable to metered Residential customers, excluding apartments, trailer parks, and any oth facility in which Residential customers receive service through a master meter.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebellc Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

<u>RATES</u>	Present	Proposed Rates, effective		
	Rates	July 1	July 1	July 1
	eff. 09/02/15	2017	2018	2019
<u>Quantity Rates</u>				
Tier 1 (0-13 Ccf/mo.), per Ccf	\$2.5829	\$3.3622	\$3.5933	\$3.9047
Tier 2 (over13 Ccf/mo.), per Ccf	\$2.9383	\$3.8665	\$4.1323	\$4.4904
<u>Service Charges</u>				
Per meter per month				
For 5/8 x 3/4-inch meter	\$21.02	\$23.19	\$24.02	\$25.17
For 3/4-inch meter	\$31.52	\$34.78	\$36.03	\$37.75
For 1-inch meter	\$52.52	\$57.97	\$60.05	\$62.92
For 1-1/2-inch meter	\$105.06	\$115.94	\$120.09	\$125.84
For 2-inch meter	\$168.10	\$185.50	\$192.10	\$201.40
For 3-inch meter	\$315.16	\$347.80	\$360.30	\$377.50

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

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule AA-UF.
2. A \$0.2744 /Ccf surcharge will be added to the Quantity Rates of all non-CARW customer recover the cost of the CARW program.

(continued)

TABLE 12B
Sheet 3 of 6
PROPOSED RATES

Schedule No. LA-CARW
Los Angeles County Tariff Area
CALIFORNIA ALTERNATIVE RATES for WATER

APPLICABILITY

Applicable to residential domestic service to CARW households with a 1-inch or smaller meter, where the customer meets all the Special Conditions of this rate schedule.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello,, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

DISCOUNT

Customers who qualify under this rate schedule will be charged the rates under either Schedule LA-1 or Schedule LA-1C, whichever rate schedule is appropriate, except that the CARW Surcharge is not applicable to CARW customers and the Monthly Service Charge is reduced by the following applicable discount shown below:

	A.15-08-022 Proposed Rates	Proposed Service Charge Discount, effective		
		July 1 <u>2017</u>	July 1 <u>2018</u>	July 1 <u>2019</u>
Per meter per month				
For 5/8 x 3/4-inch meter	\$8.00	\$10.00	\$10.00	\$10.00
For 3/4-inch meter	\$10.00	\$10.00	\$10.00	\$10.00
For 1-inch meter	\$20.00	\$20.00	\$20.00	\$20.00

(continued)

TABLE 12B
Sheet 4 of 6
PROPOSED RATES

Schedule No. LA-4
Los Angeles County Tariff Area
PRIVATE FIRE SERVICE

APPLICABILITY

Applicable to water service furnished to private fire systems and to private fire hydrants.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATES

	Present Rates <u>eff. 09/02/15</u>	Proposed Rates, effective		
		<u>July 1 2017</u>	<u>July 1 2018</u>	<u>July 1 2019</u>
Per service per month for each inch of diameter of service connection	\$13.89	\$15.32	\$15.87	\$16.63

SPECIAL CONDITIONS

1. The customer will pay, without refund, the entire cost of the private fire service facilities.
2. The private fire service facilities shall be installed by the utility or under the utility's direction and shall be the sole property and subject to the control of the utility, with the right to alter, repair, replace, and the right to remove upon discontinuance of service.
3. The minimum diameter for the private fire service connection will be 4 inches. The maximum diameter shall not be larger than the diameter of the water main to which the private fire service facilities are attached unless said main is circulating, in which case with the approval of the utility, the maximum diameter may be larger by not more than 2 inches than the diameter of said circulating main.
4. If a water main of adequate size is not available adjacent to the premises to be served, then a new main from the nearest existing main of adequate size will be installed by the utility at the cost of the customer. Such cost shall not be subject to refund.
5. The private fire service facilities will include a detector check valve or other similar device acceptable to the utility which will indicate the use of water. The facilities may be located within the customer's premises or within public right-of-way adjacent thereto. Where located within the premises, the utility and its duly authorized agents shall have the right of ingress to and egress from the premises for all purposes related to said facilities. In the event the installation is solely a private fire hydrant facility, the requirement for a detector check valve or other similar device may be waived.

(continued)

TABLE 12B
Sheet 5 of 6
PROPOSED RATES

Schedule No. LA-6
Los Angeles County Tariff Area
RECYCLED WATER METERED SERVICE

APPLICABILITY

Applicable to all recycled water metered service

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATES

<u>Quantity Rate</u>	Present Rates	Proposed Rates, effective		
	eff. 09/02/15	July 1 2017	July 1 2018	July 1 2019
For all water delivered per 100 cu.feet	\$2.3314	\$2.9865	\$3.1918	\$3.4683

Per Meter Per Month

<u>Service Charge</u>	eff. 09/02/15	July 1 2017	July 1 2018	July 1 2019
For 5/8 x 3/4-inch meter	\$21.02	\$23.19	\$24.02	\$25.17
For 3/4-inch meter	\$31.52	\$34.78	\$36.03	\$37.75
For 1-inch meter	\$52.52	\$57.97	\$60.05	\$62.92
For 1-1/2-inch meter	\$105.06	\$115.94	\$120.09	\$125.84
For 2-inch meter	\$168.10	\$185.50	\$192.10	\$201.40
For 3-inch meter	\$315.16	\$347.80	\$360.30	\$377.50
For 4-inch meter	\$525.27	\$579.70	\$600.50	\$629.20
For 6-inch meter	\$1,047.00	\$1,160.00	\$1,200.00	\$1,260.00
For 8-inch meter	\$1,673.00	\$1,860.00	\$1,920.00	\$2,010.00
For 10-inch meter	\$2,418.00	\$2,670.00	\$2,760.00	\$2,890.00
For 12-inch meter	\$3,465.00	\$3,830.00	\$3,960.00	\$4,150.00
For 14-inch meter	\$4,620.00	\$5,100.00	\$5,280.00	\$5,540.00
For two 2-Inch meters	\$335.00	\$371.00	\$384.00	\$403.00
For three 2-inch meters	\$505.00	\$557.00	\$576.00	\$604.00
For four 2-Inch meters	\$673.00	\$742.00	\$768.00	\$806.00
For two 3-Inch meters	\$631.00	\$696.00	\$721.00	\$755.00
For three 3-Inch meters	\$946.00	\$1,043.00	\$1,081.00	\$1,133.00
For two 4-Inch meters	\$1,050.00	\$1,159.00	\$1,201.00	\$1,258.00
For three 4-inch meters	\$1,576.00	\$1,740.00	\$1,800.00	\$1,890.00
For one 8-Inch, one 2-inch meter	\$1,847.00	\$2,050.00	\$2,110.00	\$2,211.00

SPECIAL CONDITIONS

- 1.
2. A \$0.2744 /Ccf surcharge will be added to the Quantity Rates of all non-CARW customers to recover the cost of the CARW program.

(continued)

TABLE 12B
Sheet 6 of 6
PROPOSED RATES

Schedule No. LA-9C
Los Angeles County Tariff Area
CONSTRUCTION SERVICE

APPLICABILITY

Applicable to temporary water service furnished for construction purposes and for water delivered to tank trucks from fire hydrants or other outlets.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATES

All water used under this rate schedule shall be billed at the Quantity Rate listed in Schedule No. LA-1, including any temporary surcharges and/or surcredits.

SPECIAL CONDITIONS

- 1.
- 2.
3. All temporary uses of water under this schedule shall be metered or estimated by the user.
- 4.

TABLE 12C
Sheet 1 of 2
San Gabriel Valley Water Company
Los Angeles County Division

BILL COMPARISON AT PRESENT AND PROPOSED
Schedule No. LA-1C
CONSERVATION RATES
(including CARW surcharge)

Monthly Usage (100 Cu Ft)	PRESENT RATES eff. 09/02/15	MONTHLY BILLS at PROPOSED RATES								
		Effective July 1, 2017			Effective July 1, 2018			Effective July 1, 2019		
	Monthly Bill	Monthly Bill	\$ Increase	% Incr.	Monthly Bill	\$ Increase	% Incr.	Monthly Bill	\$ Increase	% Incr.
<u>5/8 x 3/4-Inch Meter</u>										
0	\$21.02	\$23.19	\$2.17	10.3%	\$24.02	\$0.83	3.6%	\$25.17	\$1.15	4.8%
10	\$46.85	\$59.55	\$12.70	27.1%	\$62.70	\$3.14	5.3%	\$66.96	\$4.26	6.8%
Typical-14	\$57.54	\$74.60	\$17.07	29.7%	\$78.71	\$4.10	5.5%	\$84.26	\$5.56	7.1%
30	\$104.55	\$140.86	\$36.31	34.7%	\$149.21	\$8.35	5.9%	\$160.50	\$11.29	7.6%
50	\$163.31	\$223.68	\$60.36	37.0%	\$237.35	\$13.67	6.1%	\$255.79	\$18.45	7.8%
100	\$310.23	\$430.72	\$120.49	38.8%	\$457.68	\$26.96	6.3%	\$494.03	\$36.35	7.9%
150	\$457.14	\$637.77	\$180.62	39.5%	\$678.02	\$40.25	6.3%	\$732.27	\$54.26	8.0%
200	\$604.06	\$844.81	\$240.75	39.9%	\$898.35	\$53.54	6.3%	\$970.51	\$72.16	8.0%
<u>3/4-Inch Meter</u>										
0	\$31.52	\$34.78	\$3.26	10.3%	\$36.03	\$1.25	3.6%	\$37.75	\$1.72	4.8%
10	\$57.35	\$71.15	\$13.80	24.1%	\$74.71	\$3.56	5.0%	\$79.54	\$4.83	6.5%
30	\$115.05	\$152.45	\$37.40	32.5%	\$161.22	\$8.77	5.8%	\$173.08	\$11.86	7.4%
50	\$173.81	\$235.27	\$61.45	35.4%	\$249.36	\$14.09	6.0%	\$268.38	\$19.02	7.6%
100	\$320.73	\$442.31	\$121.58	37.9%	\$469.69	\$27.38	6.2%	\$506.62	\$36.92	7.9%
150	\$467.64	\$649.36	\$181.71	38.9%	\$690.03	\$40.67	6.3%	\$744.86	\$54.83	7.9%
200	\$614.56	\$856.40	\$241.84	39.4%	\$910.36	\$53.96	6.3%	\$983.10	\$72.73	8.0%
300	\$908.39	\$1,270.49	\$362.10	39.9%	\$1,351.03	\$80.54	6.3%	\$1,459.58	\$108.54	8.0%
<u>1-Inch Meter</u>										
0	\$52.52	\$57.97	\$5.45	10.4%	\$60.05	\$2.08	3.6%	\$62.92	\$2.87	4.8%
10	\$78.35	\$94.34	\$15.99	20.4%	\$98.73	\$4.39	4.7%	\$104.71	\$5.98	6.1%
30	\$136.05	\$175.64	\$39.59	29.1%	\$185.24	\$9.60	5.5%	\$198.25	\$13.01	7.0%
50	\$194.81	\$258.46	\$63.64	32.7%	\$273.38	\$14.92	5.8%	\$293.55	\$20.17	7.4%
100	\$341.73	\$465.50	\$123.77	36.2%	\$493.71	\$28.21	6.1%	\$531.79	\$38.07	7.7%
150	\$488.64	\$672.55	\$183.90	37.6%	\$714.05	\$41.50	6.2%	\$770.03	\$55.98	7.8%
200	\$635.56	\$879.59	\$244.03	38.4%	\$934.38	\$54.79	6.2%	\$1,008.27	\$73.88	7.9%
300	\$929.39	\$1,293.68	\$364.29	39.2%	\$1,375.05	\$81.37	6.3%	\$1,484.75	\$109.69	8.0%
<u>2-Inch Meter</u>										
0	\$168.10	\$185.50	\$17.40	10.4%	\$192.10	\$6.60	3.6%	\$201.40	\$9.30	4.8%
10	\$193.93	\$221.87	\$27.94	14.4%	\$230.78	\$8.91	4.0%	\$243.19	\$12.41	5.4%
30	\$251.63	\$303.17	\$51.54	20.5%	\$317.29	\$14.12	4.7%	\$336.73	\$19.44	6.1%
50	\$310.39	\$385.99	\$75.59	24.4%	\$405.43	\$19.44	5.0%	\$432.03	\$26.60	6.6%
100	\$457.31	\$593.03	\$135.72	29.7%	\$625.76	\$32.73	5.5%	\$670.27	\$44.50	7.1%
150	\$604.22	\$800.08	\$195.85	32.4%	\$846.10	\$46.02	5.8%	\$908.51	\$62.41	7.4%
200	\$751.14	\$1,007.12	\$255.98	34.1%	\$1,066.43	\$59.31	5.9%	\$1,146.75	\$80.31	7.5%
300	\$1,044.97	\$1,421.21	\$376.24	36.0%	\$1,507.10	\$85.89	6.0%	\$1,623.23	\$116.12	7.7%

TABLE 12C
Sheet 2 of 2
San Gabriel Valley Water Company
Los Angeles County Division

BILL COMPARISON AT PRESENT AND PROPOSED
Schedule No. LA-1
GENERAL METERED RATES
(including CARW surcharge)

Monthly Usage (100 Cu Ft)	MONTHLY BILLS at PROPOSED RATES										
	PRESENT RATES										
	eff. 09/02/15	Effective July 1, 2017			Effective July 1, 2018			Effective July 1, 2019			
	Monthly Bill	Monthly Bill	\$ Increase	% Incr.	Monthly Bill	\$ Increase	% Incr.	Monthly Bill	\$ Increase	% Incr.	
<u>5/8 x 3/4-Inch Meter</u>											
0	\$21.02	\$23.19	\$2.17	10.3%	\$24.02	\$0.83	3.6%	\$25.17	\$1.15	4.8%	
10	\$48.45	\$61.07	\$12.62	26.0%	\$64.31	\$3.25	5.3%	\$68.72	\$4.40	6.8%	
Typical-14	\$59.42	\$76.22	\$16.80	28.3%	\$80.43	\$4.21	5.5%	\$86.14	\$5.71	7.1%	
30	\$103.30	\$136.82	\$33.52	32.4%	\$144.90	\$8.08	5.9%	\$155.81	\$10.91	7.5%	
50	\$158.16	\$212.58	\$54.42	34.4%	\$225.49	\$12.91	6.1%	\$242.91	\$17.42	7.7%	
100	\$295.30	\$401.98	\$106.68	36.1%	\$426.96	\$24.98	6.2%	\$460.65	\$33.69	7.9%	
150	\$432.44	\$591.37	\$158.93	36.8%	\$628.43	\$37.06	6.3%	\$678.39	\$49.96	8.0%	
200	\$569.58	\$780.77	\$211.19	37.1%	\$829.90	\$49.13	6.3%	\$896.13	\$66.23	8.0%	
<u>3/4-Inch Meter</u>											
0	\$31.52	\$34.78	\$3.26	10.3%	\$36.03	\$1.25	3.6%	\$37.75	\$1.72	4.8%	
10	\$58.95	\$72.66	\$13.71	23.3%	\$76.32	\$3.67	5.0%	\$81.30	\$4.97	6.5%	
30	\$113.80	\$148.42	\$34.61	30.4%	\$156.91	\$8.49	5.7%	\$168.39	\$11.48	7.3%	
50	\$168.66	\$224.18	\$55.52	32.9%	\$237.50	\$13.33	5.9%	\$255.49	\$17.99	7.6%	
100	\$305.80	\$413.57	\$107.77	35.2%	\$438.97	\$25.40	6.1%	\$473.23	\$34.26	7.8%	
150	\$442.94	\$602.97	\$160.03	36.1%	\$640.44	\$37.47	6.2%	\$690.97	\$50.53	7.9%	
200	\$580.08	\$792.36	\$212.28	36.6%	\$841.91	\$49.55	6.3%	\$908.71	\$66.80	7.9%	
300	\$854.36	\$1,171.15	\$316.79	37.1%	\$1,244.85	\$73.70	6.3%	\$1,344.19	\$99.34	8.0%	
<u>1-Inch Meter</u>											
0	\$52.52	\$57.97	\$5.45	10.4%	\$60.05	\$2.08	3.6%	\$62.92	\$2.87	4.8%	
10	\$79.95	\$95.85	\$15.90	19.9%	\$100.34	\$4.50	4.7%	\$106.47	\$6.12	6.1%	
30	\$134.80	\$171.61	\$36.80	27.3%	\$180.93	\$9.32	5.4%	\$193.56	\$12.63	7.0%	
50	\$189.66	\$247.37	\$57.71	30.4%	\$261.52	\$14.16	5.7%	\$280.66	\$19.14	7.3%	
100	\$326.80	\$436.76	\$109.96	33.6%	\$462.99	\$26.23	6.0%	\$498.40	\$35.41	7.6%	
150	\$463.94	\$626.16	\$162.22	35.0%	\$664.46	\$38.30	6.1%	\$716.14	\$51.68	7.8%	
200	\$601.08	\$815.55	\$214.47	35.7%	\$865.93	\$50.38	6.2%	\$933.88	\$67.95	7.8%	
300	\$875.36	\$1,194.34	\$318.98	36.4%	\$1,268.87	\$74.53	6.2%	\$1,369.36	\$100.49	7.9%	
<u>2-Inch Meter</u>											
0	\$168.10	\$185.50	\$17.40	10.4%	\$192.10	\$6.60	3.6%	\$201.40	\$9.30	4.8%	
10	\$195.53	\$223.38	\$27.85	14.2%	\$232.39	\$9.02	4.0%	\$244.95	\$12.55	5.4%	
30	\$250.38	\$299.14	\$48.75	19.5%	\$312.98	\$13.85	4.6%	\$332.04	\$19.06	6.1%	
50	\$305.24	\$374.90	\$69.66	22.8%	\$393.57	\$18.68	5.0%	\$419.14	\$25.57	6.5%	
100	\$442.38	\$564.29	\$121.91	27.6%	\$595.04	\$30.75	5.4%	\$636.88	\$41.84	7.0%	
150	\$579.52	\$753.69	\$174.17	30.1%	\$796.51	\$42.82	5.7%	\$854.62	\$58.11	7.3%	
200	\$716.66	\$943.08	\$226.42	31.6%	\$997.98	\$54.90	5.8%	\$1,072.36	\$74.38	7.5%	
300	\$990.94	\$1,321.87	\$330.93	33.4%	\$1,400.92	\$79.05	6.0%	\$1,507.84	\$106.92	7.6%	